

EXHIBIT NO. 1

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Staff

DESCRIPTION: Comprehensive Exhibit List. Pages 1-4.

PROFFERING PARTY: Staff

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS COMPREHENSIVE EXHIBIT LIST - STIP 1

DATE 05/25/10

I.D. # Stip-1

EXHIBIT 1

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Exhibit No. 1

Comprehensive Exhibit List

DOCKET NO. 090501-TP - Petition for arbitration of certain terms and conditions of an interconnection agreement with Verizon Florida, LLC by Bright House Networks Information Services (Florida), LLC.

EXHIBIT NO.	WITNESS	ID	DESCRIPTION	IN THE RECORD?
1	n/a	STIP-1	Comprehensive Exhibit List	
2	n/a	STIP-2	Composite of Responses to Staff's Interrogatories and Request for Production of Documents (PODs) from Verizon Florida a. Item Nos. 1-28 of Verizon's Responses to Staff's First Set of Interrogatories and First Request for Production of Documents, Items Nos. 1-4. b. Item Nos. 29-33 of Verizon's Responses to Staff's Second Set of Interrogatories.	
3	n/a	STIP-3	Composite of Responses to Staff's Interrogatories and Request for PODs from Bright House Networks a. Item Nos. 1-30 of Bright Houses' Responses to Staff's First Set of Interrogatories and First Request for Production of Documents, Item Nos. 1-8. b. Item Nos. 31-35 of Bright Houses' Responses to Staff's Second Set of Interrogatories.	
4	n/a	STIP-4	Composite of Responses to Verizon Florida's Interrogatories from Bright House Networks. a. Item Nos. 1-21. Bright House Networks' Responses to Verizon Florida's First Set of Interrogatories and First Request for Production of Documents Nos. 1-8. b. Item No. 9 of Bright Houses' Responses to Verizon's Second Request for Production of Documents. c. Item Nos. 22-41. Bright House Network's Responses to Verizon Florida's Second and Third Set of Interrogatories and Third and Fourth Requests for Production of Documents, Nos. 10-12. Including Bright Houses's Revised Responses to Interrogatories 32, 32(a), 38(a) and 38(c).	

Comprehensive Exhibit List

DOCKET NO. 090501-TP - Petition for arbitration of certain terms and conditions of an interconnection agreement with Verizon Florida, LLC by Bright House Networks Information Services (Florida), LLC.

5	n/a	STIP-5	Composite of Responses to Bright House Networks' Interrogatories and Request for PODs from Verizon Florida. a. Item Nos. 1-12. Verizon Florida's Responses to Bright House Network's First Set of Interrogatories and First Request for Production of Documents, Nos. 1-4. b. Item Nos. 13-49. Verizon Florida's Responses to Bright House Network's Second Set of Interrogatories.	
6	n/a	STIP-6	Proprietary Exhibit. Bright House Network's Responses to Verizon Florida's First Set of Interrogatories Nos. 1,3,5,13,14, and 15.	
7		STIP-7	Proprietary Exhibit. Verizon Florida's Responses to Bright House Network's First Set of Interrogatories, Attachment A..	
8		STIP-8	Proprietary Exhibit. Verizon Florida's Responses to Bright House Network's Second Set of Interrogatories, Nos. 37 (a) and 37 (c).	
9	Timothy J. Gates	STIP-9	Transcript, Exhibits and Errata (if any) from the May 5, 2010, Deposition of Bright House Witness Timothy J. Gates	
10	Marva B. Johnson	STIP-10	Transcript, Exhibits and Errata (if any) from the May 6, 2010, Deposition of Bright House Witness Marva B. Johnson. Redacted version.	
11	Marva B. Johnson	STIP-11	Proprietary Exhibit. Confidential portions of the May 6, 2010 Deposition of Bright House Network's Witness Marva B. Johnson (NOTE: specific page citations will be added when deposition is received)	
12	Paul B. Vasington	STIP-12	Transcript, Exhibits and Errata (if any) from the April 30, 2010, Deposition of Verizon Witness Paul B. Vasington.	
13	Peter J. D'Amico	STIP-13	Transcript, Exhibits and Errata (if any) from the April 27, 2010, Deposition of Verizon Witness Peter J. D'Amico.	
14	William Munsell	STIP-14	Transcript, Exhibits and Errata (if any) from the April 29, 2010, Deposition of Verizon Witness William Munsell.	
Bright House Networks				
15	Timothy J. Gates	TCG-1	Curriculum Vitae	
16	Timothy J. Gates	TCG-2	Issues List and Contract Provisions	
17	Timothy J. Gates	TCG-3	Redlined Bright House/Verizon ICA (corrected 4/20/10)	

Comprehensive Exhibit List

DOCKET NO. 090501-TP - Petition for arbitration of certain terms and conditions of an interconnection agreement with Verizon Florida, LLC by Bright House Networks Information Services (Florida), LLC.

18	Timothy J. Gates	TCG-4	Network Architecture Chart	
19	Timothy J. Gates	TCG-5	MECAB Meet Point Billing Document	
20	Timothy J. Gates	TCG-6	MECOD Meet Point Billing Document	
21	Timothy J. Gates	TCG-7	Proposed Agreement Language on Meet Point Billing	
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EXHIBIT NO. 2

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Verizon Florida

DESCRIPTION: Composite of Responses to Staff's Interrogatories and Request for Production of Documents from Verizon Florida.

a. Item Nos. 1-28 of Verizon's Responses to Staff's First Set of Interrogatories and First Request for Production of Documents Item Nos. 1-4. Pages 1-62.

b. Item Nos. 29-33 of Verizon's Responses to Staff's Second Set of Interrogatories. Pages 63-70.

PROFFERING PARTY: Staff

I.D. # Stip-2

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP

EXHIBIT 2

COMPANY FLORIDA PUBLIC SERVICE

WITNESS STIPULATED EXHIBIT - STIP-2

DATE 5/25/10

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and conditions of an interconnection agreement with Verizon Florida LLC by Bright House Networks Information Services (Florida), LLC

Docket No. 090501-TP

VERIZON FLORIDA LLC'S OBJECTIONS AND RESPONSES TO STAFFS FIRST SET OF INTERROGATORIES (NOS. 1 - 28)

Verizon Florida LLC (“Verizon”) hereby responds to the First Set of Interrogatories (Nos. 1-28) (“Discovery Requests”) served by the Staff of the Florida Public Service Commission (“Staff”), subject to the General Objections stated below.

Person providing responses	Interrogatories
Paul Vasington	6, 7, 10, 12, 16, 27, 28
William Munsell	5, 8, 9, 11, 19-25
Peter D'Amico	1-4, 13-15, 17, 18, 26

General Objections

1. Verizon objects to the Discovery Requests and all Definitions associated with the Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures and the Rules of the Commission.

2. Verizon objects to the Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other

applicable privileges or doctrines.

3. Verizon objects to the Discovery Requests to the extent that they are vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined.

4. Verizon objects to the Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. Verizon further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

5. Verizon objects to the Discovery Requests to the extent they seek documents or information equally available to Staff as to Verizon through public sources or records or which are already in the possession, custody or control of Staff.

6. To the extent Verizon responds to the Discovery Requests, Verizon reserves the right to amend, replace, supersede, or supplement its responses as may become appropriate in the future, but it undertakes no continuing or ongoing obligation to update its responses.

7. Verizon objects to the Discovery Requests to the extent that they seek to impose an obligation on Verizon to provide documents or information concerning its affiliates.

8. Verizon objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this proceeding.

INTERROGATORIES

1. For purposes of the following, please see the direct testimony of Verizon witness D'Amico on page 4, lines 19-21:

- a. is it Verizon's position that a fiber meet point arrangement 2,500 feet from Verizon's network constitutes an "extensive" network build out?
- b. What is the incremental cost differential between a 500-foot build out to a fiber meet point and a 2,500-foot build out to a fiber meet point?
- c. How many fiber meet points does Verizon have with Bright House at this time?

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

2. For purposes of the following, please refer to the direct testimony of Verizon witness D'Amico on page 6, lines 21-23:

Does Bright House currently purchase special access services from Verizon's tariff?

RESPONSE: Yes.

3. For purposes of the following, please refer to the direct testimony of Verizon witness D'Amico on page 8, lines 6-21:

- a. Is it Verizon's position that it is not technically feasible to route special access traffic through a fiber meet point?

RESPONSE: No.

- b. Is it Verizon's position that it is technically feasible to route special access traffic through a fiber meet point but contrary to Verizon's tariff provisions?

RESPONSE: Yes.

4. For purposes of the following, please refer to the direct testimony of Verizon witness D'Amico on page 2:

In the absence of testimony from witness D'Amico, is Verizon conceding Issue #42?

RESPONSE: This Interrogatory relates to Issue 42, which has been resolved, so no response is necessary.

5. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on pages 54-56:
- a. Is Verizon delaying the "unlocking" of a customer's E911 records when requested? If so, why?
 - b. Is it standard industry practice to comply with NANC guidelines, NENC guidelines, both NANC and NENC guidelines or neither?
 - c. What is the standard industry interval to process E911 requests?
 - d. What records, if any, does Verizon keep to document E911 requests processed for Bright House?

RESPONSE: This Interrogatory relates to Issue 44, which has been resolved, so no response is necessary.

6. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 116, lines 16-26:
- a. Would Verizon be harmed by Bright House's proposed language on page 116, lines 16-26 in the testimony of witness Gates? If so, how?

RESPONSE: Yes. Please see Vasington Rebuttal Testimony at 2-3. Verizon would be harmed by Bright House's proposed language because it would allow Bright House to send up to 200,000 minutes per month of a new type of traffic to Verizon for termination at no charge even though Verizon had tariffed rates that applied to that traffic. Moreover, Verizon would not even be entitled negotiate a rate for the traffic, and bring a dispute if negotiations failed, unless and until traffic reached that level for three consecutive months. It could then take several months, if not a year or more, before the dispute was resolved and a rate was finally established. During that time, Verizon would not be entitled to any compensation for the traffic in question that it was terminating for Bright House.

- b. Why should traffic not currently addressed in the ICA be treated as traffic subject to access charges?

RESPONSE: Verizon is entitled to be compensated for the traffic that it transports and terminates for Bright House. The rate that Verizon charges is based on the jurisdictional nature of the call and generally is established in one of two ways: through prices established in the parties' interconnection agreement ("ICA") and through rates established in Verizon's access tariffs (intrastate access charges apply to intrastate traffic and interstate access charges apply to interstate traffic). When the ICA does not include a price for a type of traffic, and Verizon's access tariff does, Bright House must pay the tariffed rate, just as other carriers are required to do.

7. For purposes of the following, please refer to the direct testimony of Verizon witness Vasington on page 23, lines 8-23:

What effect, if any, would placing the collocation terms directly in the ICA have on Verizon and/or its customers?

RESPONSE: If the tariffed collocation terms were simply pasted into the ICA, there could be at least two negative consequences if the Commission subsequently ordered changes to Verizon's collocation terms. First, Verizon would need to obtain amendments incorporating the changes for Bright House and any other CLEC that opted into the Bright House ICA. The ICA amendment process is more time-consuming and cumbersome than simply amending a tariff. Second, Bright House might claim that its ICA terms were frozen and not subject to change based on the Commission's order, unless of course the change was favorable, in which case Bright House could be expected to insist on the incorporation of such terms. Using the tariff process does not give rise to such opportunities to try to game the system. The tariff is publicly filed and readily available to Bright House, so there is no legitimate reason for Bright House to insist on having the terms copied into the ICA.

8. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 15, lines 1-14:

- a. Explain when the five year time period starts.

RESPONSE: The Florida statute of limitations precludes a party from bringing a claim for an obligation that accrued more than five years earlier. (Fl. Stat. § 95.11(2)(b).) For communications services that are timely billed, but disputed by the billed party, the claim accrues on the date that payment was due. For communications services that are not timely billed, the claim accrues on the date that payment would have been due had the bill been rendered in the normal course of business.

- b. As understood by Verizon, does the five year statute of limitations require a dispute be identified and brought to the attention of the company within 5 years or does the five year statute of limitations require it to be resolved within the 5 year period? Please explain.

RESPONSE: The relevant statute of limitation provides that the action "shall be commenced" within five years; it is not required to be resolved within five years to avoid the statutory bar. (Fla. Stat. § 95.11.)

9. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 44, lines 20-21 and page 45, lines 14- 15, where he discusses ports.

- a. What is a "complex port"?

RESPONSE: Bright House witness Timothy J Gates suggests in his Rebuttal Testimony that a “complex port” is a port that can include “multiple numbers (perhaps ten or more) or unique provisioning requirements that might result in the need for coordination between the providers.” Gates Rebuttal Testimony at 9-10. However, the concept of a “complex port” is broader than that. A “complex port” is a port that does not fit within the definition of a “simple port,” as defined in the Response to No. 9.b, below.

b. What is a “simple port”?

RESPONSE: The Federal Communications Commission (“FCC”) defines “simple ports” as “those ports that: (1) do not involve unbundled network elements; (2) involve an account only for a single line; (3) do not include complex switch translations (e.g., Centrex, ISDN, AIN services, remote call forwarding, or multiple services on the loop); and (4) do not include a reseller.” *In the Matters of Local Number Portability Porting Interval and Validation Requirements and Telephone Number Portability*, Report and Order and Further Notice of Proposed Rulemaking, FCC 09-41, at 3 n. 11, WC Docket No. 07-244, CC Docket No. 95-116 (May 13, 2009).

The Local Number Portability Administration Working Group (“LNPA-WG”) and its “Define Simple Port” sub-team have recommended the following clarifications to the FCC’s current definition of simple ports:

- With respect to criterion (1) above on unbundled network elements, the following consensus was reached on clarifying language:

The LNPA-WG’s understanding of current industry practices regarding UNE involvement in porting a Simple Port is that the UNEs of Dedicated Transport, 911/E911, or Operational Support Systems are not a factor in determining or executing a Simple Port.

- With respect to criterion (2) above on a single line account, the following consensus was reached on clarification:

A Simple Port is for a single telephone number (TN) in a single line account.

- With respect to criterion (3) above on complex switch translations, the following consensus was reached on clarifying language:

For single TN ports, the services cited as examples [Centrex, ISDN, AIN services, remote call forwarding, or multiple services on the loop] are not necessarily provided utilizing complex switch translations. If the other criteria defining a Simple Port would otherwise lead to classifying a port as Simple, the porting of the

customer with any of these services could be classified as Simple.

The FCC has not yet responded to those recommendations.

c. What is a "coordinated port"?

RESPONSE: A "coordinated port" is a port in which one of the parties provides additional coordination services beyond those typically associated with a simple port. Most (if not all) simple ports are conducted via an automated process that requires little (if any) time, effort or supervision by the parties' employees. Coordinated ports involve manual operations, including calls or other coordinating communications between carriers, to facilitate the port. The coordination is a form of special handling. It reflects an ancillary service beyond that typically associated with a port.

10. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 17, lines 8-10, where witness Johnson testifies that efforts are to be undertaken with Verizon to clarify prices.

Has Verizon come to an agreement with Bright House on the prices for all services? If not, what are the outstanding disputes?

RESPONSE: The only pricing and pricing methodology issues still in dispute are addressed in Issues 3, 24, 32, 36, 37 and 49.

11. For purposes of the following, please refer to Exhibit 2 of Bright House's Petition, titled Current Decision Point List on page 42 and define the following words as understood by Verizon:

- a. "purchase"
- b. "order"
- c. "ordering"
- d. "obtain"

RESPONSE: This interrogatory appears to relate to the ICA's definition of the term "order," which previously was in dispute but has been resolved. See Gates Direct Testimony, Exhibit TJG-3.

12. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 25, lines 14-18, where he discusses rates being changed by Verizon filing a tariff with the FCC or FPSC without any negotiation with Bright House.

- a. Please identify any and all industry standards, rules, regulations, and statutes which address the inclusion or exclusion of tariff rates or references in ICAs.
- b. Please identify any and all rulings or decisions by the FCC or any state Commission which address the inclusion or exclusion of tariff rates or references in ICAs.

RESPONSE: This interrogatory relates to Issue 12, which the parties have resolved in principle. In the unlikely event that final resolution is not reached, Verizon will supplement this response.

13. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 128, line 4:

Please define the term "efficiently" as understood by Verizon.

RESPONSE: The context of Mr. Gates' use of the word "efficiently" is his claim that Bright House cannot efficiently interconnect with Verizon, because Verizon's network cannot accept delivery of Bright House Verizon's traffic at a DS3 level. Bright House, therefore, must multiplex the traffic on its DS3 circuits to a DS1 level before it is delivered to Verizon. Mr. Gates' use of the term "efficiently" means whatever is the cheapest way for Bright House to interconnect with Verizon, regardless of technical feasibility, legal requirements, cost to Verizon, or Verizon's need to manage its network for the benefit of its end users and all interconnectors, not just Bright House.

As a preliminary matter, Verizon emphasizes that the parties have resolved this arbitration issue (Issue 32) as it relates to their current interconnection arrangements. Contrary to some ambiguous statements of Mr. Gates in his Rebuttal Testimony (see, e.g., Gates Rebuttal Testimony at 37 n. 25), this settlement provides that the new ICA will apply the agreed-upon pricing structure as long as the existing interconnection arrangements remain in place. Because Bright House has not identified any other interconnection arrangements it might want, Verizon cannot assess what charges, multiplexing or otherwise, would apply under such unidentified arrangements, and there is no basis for a Commission decision, in the abstract, that a CLEC should never have to pay for any multiplexing as part of its interconnection arrangement.

To accept Bright House's argument that it should not have to pay for multiplexing, the Commission would have to accept Mr. Gates' premise that Verizon's switching equipment, with its DS1 interfaces, is so "(apparently) obsolete" (Gates Direct Testimony at 128, 130) and "ancient" that no modern network would provide for interconnection at anything lower than a DS3 level. (Gates Rebuttal Testimony at 27.) That premise is wrong.

As general background, a DS1 circuit has 24 voice grade channels (also known as "trunks" or DS0s) that are created by the electronic or optical equipment on either end of the copper or fiber facility that carries the traffic. The copper or fiber line (often referred to as a "facility") connecting the end points may carry a single DS1 circuit or a higher capacity circuit, such as a DS3, which carries as many as 28 DS1 circuits that are said to "ride" the DS3. Circuit capacity depends on the electronic or optical equipment at either end of the copper or fiber line. From a functional perspective, assuming the same medium (copper or fiber) is used, it makes no difference whether traffic is carried over 28 facilities, each carrying a DS1 circuit, or a single facility with 28 DS1s riding the DS3 circuit. In either case, the capacity, speed and quality of transmission are the same.

Once traffic between two points reaches a certain capacity, network engineers often put DS1 circuits on a DS3 rather than using a separate line for each DS1 circuit because at some point the cost of multiple lines carrying one DS1 circuit each is more than the cost of a single line with a DS3 circuit—that is, it would be less efficient to use multiple lines with DS1 circuits in this situation because demand justifies use of a single line with a DS3 circuit. Factors that are considered in determining the efficient type of transmission to use include the volume of traffic to be carried, the distance the signal is to be transported, the type and cost of the transport medium to be used, and the type and cost of the electronic or optical equipment to be used.

It is common for traffic to travel over circuits with different capacities as it moves through carriers' networks. To distribute traffic in this way, it can be moved, for example, from the DS3 level to the DS1 level or from the DS1 level to the DS3 level through a piece of equipment known as a multiplexor. Multiplexing does not introduce inefficiencies into the network *nor does it affect the speed or quality of transmission*. It is important to emphasize that existing arrangements, including multiplexing, do not "slow down" or in any way degrade Bright House's voice or data transmissions, contrary to the impression Mr. Gates tries to create. (See Gates Direct Testimony at 129.)

As noted, Bright House seeks to require Verizon to either "upgrade" its network to use all DS3 or higher switching equipment, or to penalize it for not doing so by denying it the right to charge for DS3-to-DS1 multiplexing. Mr. Gates claims that Verizon requires such multiplexing "for no reason at all other than to accommodate Verizon's (apparently) obsolete switching equipment." (Gates DT at 128.) Bright House's understanding of the facts is wrong. Verizon does not require Bright House to deliver its traffic at the DS1 level because its network is obsolete. This requirement is, instead, necessary for technical reasons, efficiency and sound network management.

Bright House delivers local traffic to Verizon at three collocation sites. Two of these sites house only end office switches. The third houses two Verizon tandem switches and an end office switch. Bright House delivers traffic from

these collocations to the switches in the end offices where they are located and to several other end offices using direct end office trunking (such a circuit is known as a "DEOT"), which provides dedicated transport from one end office to another. When all DEOTs to an end office are at full capacity, the traffic overflows to Verizon's tandems, which route traffic to end offices over Verizon's interoffice facilities. When Bright House does not have a DEOT to an end office, it routes all of the traffic to that end office through Verizon's tandems.

With respect to delivery of traffic to the end office switches, Bright House does not deliver traffic to Verizon's end offices in sufficient quantity for use of DS3 end office switch interfaces. (See D'Amico Rebuttal Testimony at 9-10.) Because Bright House is sending traffic to Verizon's end offices at volumes well below the DS3 level, it would be inefficient for Verizon to install DS3 interfaces to accept Bright House's traffic because such interfaces would far exceed Bright House's demand.

With respect to delivery of traffic to tandem switches (which handle higher volumes of traffic than end office switches), Bright House brings traffic to the tandem office at the DS3 level and multiplexes it to the DS1 level – the arrangement covered by the parties' settlement. Verizon's tandem switches have high capacity interfaces – one uses OC3 ports exclusively and the other has OC3 and DS1 ports. It is neither technically feasible, nor efficient, however, to simply "plug in" Bright House's DS3 facilities into Verizon's OC3 interfaces. In the first place, the electronic signals transmitted over DS3 facilities must be converted to optical signals that are compatible with the OC3 interfaces. Moreover, an OC3 interface has three times the capacity of a DS3, so it would be inefficient and wasteful to dedicate an OC3 interface to a single Bright House DS3 trunk group. As a purely technical matter, therefore, Bright House's DS3 traffic must be multiplexed before it can be routed through Verizon's tandems.

Multiplexing of DS3 traffic at Verizon's tandems also is necessary for network management purposes, to ensure network redundancy and survivability. To accomplish these objectives, Verizon interconnects at the DS1 level and either routes DS1 traffic through DS1 tandem ports or distributes it across multiple OC3 trunk groups that feed into OC3 ports. Distributing carriers' DS1 circuits to different OC3 interfaces ensures that the traffic load remains balanced, thus preventing blockage that might result from too much traffic being transmitted through a single OC3 interface. This distribution also ensures that if an OC3 interface stops working, carriers' traffic can be directed to other interfaces.

Mr. Gates contends that "Verizon is obliged to offer interconnection to Bright House that is at least equal in quality to that which Verizon provides to itself or to any other interconnector or third party." (Gates DT at 128.) That is exactly what Verizon does. Verizon distributes its own traffic, and the traffic of all other carriers transmitting traffic through Verizon's tandems, in the manner described here.

There is no factual, legal, or policy basis for Bright House's position. Bright House has *not* demonstrated that no modern network would use the switching equipment Verizon is using; the TELRIC pricing standard does *not* require Verizon to cease using DS1 switching interfaces (or to act as if it had); and there is no law or regulation requiring ILECs to interconnect at any particular transmission level or to use any particular level of switch ports.

14. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 128, lines 1-15:

- a. Please explain how interconnecting at an extremely low data rate affects the efficiency of Verizon's network.

RESPONSE: Verizon does not accept the incorrect premise of the question that Verizon is interconnecting at an extremely low data rate. See Verizon's response to Interrogatory No. 13.

- b. Please identify any and all industry standards, rules, regulations, and statutes addressing efficient network interconnections relating to the level of signal.

RESPONSE: There are no industry standards, rules, regulations or statutes requiring or identifying as optimally efficient any particular level of signal interface for interconnections, and certainly none that would require the unconditional use of DS3 interfaces in any and all unspecified interconnection arrangements Bright House may seek in the future. As Verizon has noted (and as Mr. Gates has recognized), the parties have resolved their dispute about facilities and related charges under their current interconnection arrangements, which will continue under the new ICA unless Bright House seeks to change them at some future time.

- c. Please explain what Verizon believes the level of signal should be for an efficient network.

RESPONSE: See response to Interrogatory No. 13. Verizon already uses efficient signaling levels. There is no single signaling level that is efficient in all situations.

- d. Please identify any and all industry standards, rules, regulations, and statutes regarding and/or relating to the requirement of the specific use of equipment or technology, including but not limited to software and hardware of a network and/or interconnection.

RESPONSE: To Verizon's knowledge, there are no industry standards, rules, regulations, or statutes that would require an ILEC to use specific equipment or technology for interconnection, and certainly none that would require use of DS3 or higher level switch interfaces in all situations. In any event, as Verizon has

noted (and as Mr. Gates has recognized), the parties have resolved their dispute about facilities and related charges under their current interconnection arrangements, which will continue under the new ICA unless Bright House seeks to change them at some future time.

15. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 131, lines 15-20, where he discusses de-multiplexing:
- a. Please identify any and all rules, regulations, statutes, and industry standards on the transport and termination functions.

RESPONSE: Reciprocal compensation arrangements for the transport and termination of telecommunications are generally addressed in 47 U.S.C. §§ 251(a)(5) and 252(d)(2) and 47 C.F.R. §§ 51.701-717, but nothing in these statutes or rules, or any other rules, regulations, statutes, or industry standards require ILECs to provide free dedicated multiplexing to CLECs, or to accept delivery of traffic at any particular level. In any event, as Verizon has noted (and as Mr. Gates has recognized), the parties have resolved their dispute about facilities and related charges under their current interconnection arrangements, which will continue under the new ICA unless Bright House seeks to change them at some future time.

- b. Is de-multiplexing is considered a part of the transport function. Please explain.

RESPONSE: The dedicated multiplexing being used by Bright House to deliver traffic at the DS1 level to Verizon switches is *not* part of the transport function for which Verizon is compensated through reciprocal compensation and Bright House should not be permitted to undermine the terms of the parties' settlement of this issue with respect to their existing interconnection arrangements. If Bright House chooses to use Verizon's multiplexing rather than its own, Bright House must compensate Verizon for the use of those facilities at tariffed rates, as other carriers do. In any event, as Verizon has noted (and as Mr. Gates has recognized), the parties have resolved their dispute about facilities and related charges under their current interconnection arrangements, which will continue under the new ICA unless Bright House seeks to change them at some future time. Whether de-multiplexing would be considered a part of any "transport function" under any such new, as-yet-unspecified interconnection arrangements cannot be determined at this time.

16. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 66, lines 13-15, where witness Gates refers to the scope of Verizon's obligation to provide DL functions to Bright House:
- a. What responsibility does Verizon have to verify customer directory listings?

- b. If there is an error in the information in the directory listings, would Bright House or Verizon be responsible for correcting the information?

RESPONSE: This Interrogatory relates to Issue 23(a), which has been resolved, so no response is necessary.

17. For purposes of the following, please refer to the direct testimony of Verizon D'Amico on page 13, lines 18-24:

Please elaborate and clarify what is considered to be excessive interconnection trunks.

RESPONSE: This interrogatory relates to Issue 33, which the parties have resolved in principle. In the unlikely event that final resolution is not reached, Verizon will supplement this response.

18. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 132, lines 13-14:

- a. Please estimate how many trunks or trunk groups will be one-way from Bright House to Verizon and how many will be two-way interconnections.
- b. Please estimate how many trunks or trunk groups will be one-way from Verizon to Bright House.
- c. Is it standard industry practice for a CLEC to pay for the establishment of an interconnection trunk or trunk group with an ILEC?
- d. Will the establishment of a trunk or trunk line between Verizon and Bright House involve disparate systems that may need special integration?

RESPONSE: This interrogatory relates to Issue 33, which the parties have resolved in principle. In the unlikely event that final resolution is not reached, Verizon will supplement this response.

19. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 141, line 14 where witness Gates refers to Verizon's obligation to provide commercially reasonable efforts to facilitate Bright House being able to establish direct connections with Verizon affiliates.

- a. Please identify all Florida Verizon affiliates by name and type of business.
- b. Please provide a graphic chart showing the relationship of the Verizon affiliates to the Verizon ILEC and to each other.

RESPONSE: This Interrogatory relates to Issue 40, which has been resolved, so no response is necessary.

20. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 22, lines 10-25:

Please explain why the language is highly problematic.

RESPONSE: As explained in the Munsell Direct Testimony at 24-25 and in the Munsell Rebuttal Testimony at 29-33, the language Bright House proposed under Issue 36 for §§ 9-10 of the Interconnection Attachment is problematic because it would require Verizon to divert or otherwise handle traffic in ways that Verizon is not capable of doing.

Bright House proposes that the parties change the meet point at which they exchange third-party interexchange carrier ("IXC") traffic (also known as "exchange access traffic"). In particular, Bright House suggests that the meet point for purposes of jointly provided access to IXCs should be the same physical point at which the parties currently exchange their local traffic. However, exchange access traffic and local traffic are carried over two different kinds of trunks that have very different characteristics, such that one type of trunk cannot be used to carry the other kind of traffic. Accordingly, the same DS1 cannot be used to carry the two different kinds of traffic.

Exchange access traffic for IXCs is carried over Access Toll Connecting Trunks, which are specially designed to handle the unique routing information necessary to ensure that exchange access traffic is sent to the appropriate IXC. Because end users may designate a presubscribed interexchange carrier ("PIC") to carry all of their interexchange traffic, there is a need to identify the right PIC for each call to ensure that it is properly routed. This is accomplished through use of the carrier identification code ("CIC"), which assigns a numerical code to each interexchange carrier. When an end user dials a 1+ interexchange call, that end user must be associated with the appropriate interexchange carrier by means of the CIC, and the CIC must then be signaled along with the call as it is routed through the network. In particular, that CIC must be signaled along with the call as it is routed from the end-office switch to the appropriate access tandem, such that the access tandem can then route the call to the appropriate IXC that has interconnected its facilities at the access tandem. Access Toll Connecting Trunks are used to route the call because they have the ability to signal the necessary CIC information along with each call.

For local calls, however, end users have no need to choose a PIC. By definition, their local carrier is the only carrier that will carry their local traffic; no designation of interexchange carrier is necessary. Accordingly, for local telephone calls, industry standards do not provide that a CIC be signaled. Instead, local calls are routed to the terminating carrier based on the called number. Because local calls do not require the same kind of data as exchange access traffic, they use different kinds of trunks. In particular, local traffic is sent over Local Interconnection Trunks.

By proposing that the parties use the same meet point for exchange access (IXC) traffic that they currently use for local traffic, Bright House would have exchange access traffic destined for IXCs routed over the Local Interconnection Trunks that currently only carry local traffic. But calls routed over the Local Interconnection Trunks would lose the CIC that is necessary to route the call to the interexchange carrier chosen by the calling party. In other words, Local Interconnection Trunks would lack the data that would permit the access tandem provider to route the call to the appropriate PIC. Thus, it would be unworkable to alter the meet point and route calls in the manner Bright House has proposed.

Bright House's proposal is also problematic for inbound traffic coming from IXCs to Bright House. In order for traffic to route properly over Verizon's tandem from an IXC to a CLEC, the CLEC – in this case, Bright House – must elect to have its switch subtend the Verizon access tandem, such that this election is reflected in industry traffic routing tables – *i.e.*, the Local Exchange Routing Guide (“LERG”). This information allows IXCs to properly route a long distance call destined to a Bright House end user customer by identifying the applicable access tandem that serves the Bright House customer. Critically, Bright House must establish a physical meet point at the designated Verizon access tandem to pick up that traffic. On the other hand, the physical point of interconnection for local traffic may not be at the same location. By proposing to use the same physical point(s) for the hand-off of local and IXC traffic, Bright House has proposed an architecture that in some cases (*i.e.*, in those cases where the point of interconnection is other than at the access tandem) would not work.

Because Verizon cannot operate in the way Bright House requests, Bright House's proposed language is problematic and should be rejected. Indeed, when faced with this issue in the past, the Commission has held that the interconnecting carrier should *not* be permitted to use Local Interconnection Trunks for access traffic in an effort to facilitate that carrier's desire to provide competing access tandem service. See *In re: Petition by MCI Metro Access Transmission Services LLC and MCI Worldcom Communications, Inc. for arbitration of certain terms and conditions of a proposed agreement with BellSouth Telecommunications, Inc. concerning interconnection and resale under the Telecommunications Act of 1996*, Final Order on Arbitration, Docket No. 000649-TP, Order No. PSC-01-0824-FOF-TP, at 96-98 (Mar. 30, 2001). The Commission agreed that allowing the interconnecting carrier to terminate access traffic into the ILEC's network via non-access trunks would impair the ILEC's ability to route, deliver and bill for that traffic. *Id.* Among other things, the Commission concluded that:

We firmly believe that [the ILEC's] ability to bill subtending companies in an accurate manner is in doubt if the local and switched access traffic were delivered on the same trunk group. In this case, we find that [the ILEC's] established process of routing access traffic on access trunks should be continued. Therefore, we find that [the interconnecting

carrier] shall not be permitted to commingle local and access traffic on a single trunk and route access traffic directly to [the ILEC's] end offices. [The interconnecting carrier] shall route its access traffic to [the ILEC's] access tandem switches via access trunks.

Id. at 97-98.

For much the same reason, Bright House's proposed language here should be rejected.

21. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 23, lines 1-13:

Please explain how Bright House's proposed changes to Sections 9 and Section 10 of the ICA would require Verizon to divert or otherwise handle traffic in ways that Verizon is not capable of doing.

RESPONSE: In response to this interrogatory, Verizon incorporates its Response to No 20, above.

22. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 23, line 15 through page 24, line 23:

- a. Please identify the industry standards which do not provide that a CIC be signaled for local telephone calls.

RESPONSE: Telcordia GR-394-CORE establishes the technical criteria for the routing of interexchange traffic, which includes signaling of CIC on originating Feature Group D ("FG-D") traffic routed from an end office to an access tandem. That criterion does not include a CIC requirement for local telephone calls. For local telephone calls there is, by definition, no interexchange aspect of the call, so a CIC is not part of the SS7 signaling.

- b. Can the CIC be signaled when calls are routed through Local Interconnection Trunks through the provisions of Tandem Switch Signaling (TSS) under Verizon's FCC Tariff No. 14? If so, please identify and explain any problems associated with this type of routing.

RESPONSE: No. As explained in the Munsell Direct Testimony (at 22, 25) and Munsell Rebuttal Testimony (at 29-30), Verizon can accommodate Bright House's desire to operate as a competitive tandem provider through the provision of Tandem Switch Signaling ("TSS") under Verizon's FCC Tariff No. 14. TSS allows for the passing of the CIC over Feature Group D trunks that Bright House would order to connect each of the Verizon end offices with the Bright House tandem and thereby allow Bright House to operate as a competitive

tandem provider. Verizon is not aware of any problems associated with the provision of TSS service when ordered per the terms of FCC Tariff No. 14.

- c. If Verizon is capable of signaling the CIC through Local Interconnection Trunks, is Verizon currently providing such service to any CLECs in Florida? If so, would you also provide this service to Bright House? Please explain.

RESPONSE: Please see the Response to No. 22.b, above.

23. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 26, lines 4-21, where witness Munsell asserts that meet point billing arrangements are for a different kind of traffic (jointly provided Switched Exchange Access traffic):

Please specify the type of billing arrangement that Verizon proposes for the traffic scheme described in the scenario in this section of the testimony and explain why such calls should not be handled through a meet point billing arrangement.

RESPONSE: The scenario addressed in the referenced portion of the Munsell testimony (regarding Issue 36(a)) arises when a third-party carrier originates local traffic that Bright House then transits to Verizon. In that scenario, there is no dispute that Verizon is entitled to payment for terminating that traffic. The only question is whether Bright House is responsible for making that payment and in what amount.

Verizon proposes that, as is the case in the parties' existing interconnection agreement, Bright House should be financially responsible for any such third-party traffic that it chooses to deliver to Verizon for termination in the same amount that the third party would have paid had it delivered the traffic directly. As explained in the Munsell Direct Testimony (at 26-28), this (a) ensures that Verizon is paid for terminating the traffic, and does not have to pursue the originating third-party carrier for payment, and (b) eliminates any arbitrage opportunities that third-party originating carriers might seek to exploit if they faced different rates than Bright House.

Apparently, Bright House does not wish to be responsible for traffic that it elects to deliver for third parties to Verizon for termination. So, it proposes that payment for this traffic be handled through meet-point billing arrangements, under which both Verizon and Bright House would bill the originating carrier. But, as defined in the ICA proposed by either Verizon or Bright House, meet-point billing arrangements are used for a different kind of traffic. As defined by either Verizon or Bright House, meet point billing arrangements are used to provide a common transport option for the traffic of Switched Exchange Access customers. The Meet Point Billing Arrangements arise when, for example, a third-party IXC sends traffic to Verizon's tandem and then Verizon routes such traffic to Bright House for termination over Access Toll Connecting Trunks. In that case, both

Verizon and Bright House would bill the IXC for the services they respectively provide.

However, that sort of arrangement would not work for local transit traffic. As explained in the Munsell Direct Testimony, Bright House's approach would allow originating carriers to exploit arbitrage opportunities that may exist when the originating carrier and Bright House face different rates for Verizon's termination of that traffic. Accordingly, it is not appropriate to use the approach Bright House proposes.

24. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 27, lines 8-23:

Please provide an explanation of the statement "when a carrier transits a third party's traffic, it does so voluntarily, for commercial reasons."

RESPONSE: Verizon believes the request refers to the statement at page 27, lines 8-9 of Mr. Munsell's Direct Testimony. The complete statement is: "If and when a carrier transits (and delivers to Verizon for termination) a third party's traffic, it does so voluntarily, for commercial reasons. The statement means that Bright House need not offer transit services to all parties. Therefore, Bright House (or any other carrier that need not offer transit services to all third parties) is free to enter whatever transit arrangements it wishes on a voluntary, contractual basis and may negotiate customer-specific terms, as appropriate. Bright House (or another similarly situated carrier) is free to choose to provide transit services on whatever commercial terms it agrees upon with a third party or to not provide transit services at all. When Bright House voluntarily agrees to transit local traffic to Verizon for termination, it should be responsible for that choice.

Verizon is not similarly situated to Bright House with respect to its ability to negotiate customer-specific transit terms. Consistent with its common carrier obligations and duties to allow adoption of interconnection agreements under § 252(i) of the Act, *inter alia*, Verizon provides transit services to any requesting third-party carriers. In other words, Verizon, when it offers transit service, must (unlike Bright House) take all comers.

25. For purposes of the following, please refer to the direct testimony of Verizon witness Munsell on page 27, line 25 through 28, line 14, where witness Munsell argues that the greatest motivation for a carrier to transit traffic, which is a relatively inefficient method of interconnection, would be to take advantage of a disparity in the two intercarrier rates that Verizon offers for local and ISP-bound traffic.

- a. Please explain when the "mirroring rule" rate of 0.0007 is applicable.

RESPONSE: The \$.0007 rate and the mirroring rule were established in the FCC's *ISP Order*.¹ In that Order, the FCC established an interim rate cap that is now \$.0007 per minute, which applies only if an incumbent LEC also offers to exchange all traffic subject to 251(b)(5) at the same rate. The FCC refers to this as the "mirroring rule". Verizon has offered to exchange all traffic with CLECs at the \$.0007 rate pursuant to this mirroring rule, and Bright House has accepted that offer. Thus, the rate of \$.0007 applies to all section 251(b)(5) traffic exchanged between Bright House and Verizon.

- b. Please explain what type of traffic the "mirroring rule" rate of 0.0007 is applicable.

RESPONSE: See Verizon's response to subpart a of this request.

- c. Please explain when reciprocal compensation (with a tandem rate of \$.0040108) is applicable.

RESPONSE: Section 251(b)(5) of the Act and the FCC's implementing rules prescribe reciprocal compensation for the transport and termination of telecommunications traffic. Generally, reciprocal compensation is due when carriers have not elected to exchange all section 251(b)(5) traffic at the \$.0007 per-minute rate, pursuant to the mirroring rule described above. There are two reciprocal compensation rates: one that applies for traffic that is delivered to the relevant tandem (this is referred to as the tandem rate), and one that applies for traffic that is delivered to the relevant end office (the end office rate). The tandem rate (of \$.0040108) is somewhat higher than the end office rate (of \$.0022574) because when traffic is delivered to the tandem, it must be tandem-switched and transported to the end office; thus the tandem rate includes these costs, while the end office rate includes only end office switching. In other words, the tandem rate applies to traffic delivered by the originating party to the relevant tandem, when the parties have not elected to exchange traffic pursuant to the mirroring rule.

- d. Please explain what type of traffic reciprocal compensation (with a tandem rate of \$.0040108) is applicable to.

RESPONSE: Please see Verizon's response to subpart c, above.

26. For purposes of the following, please refer to the direct testimony of Verizon witness D'Amico on page 15, line 8 through page 16, line 10 where witness D'Amico testifies that Verizon's proposed language would place certain limits on Bright House's use of tandem transit service, which involves traffic originated by

¹ *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic*, FCC 01-131, CC Docket No. 96-98, CC Docket No. 99-68 (Apr. 27, 2001) ("*ISP Order*").

Bright House that transits Verizon's network and is terminated to another local exchange carrier on a wireless carrier:

- a. Does Verizon's proposed language differ from language it has with other carriers that use its tandem to transit traffic to third party carriers? If so, how?
- b. How is the threshold level determined?
- c. What threshold level is Verizon proposing apply to Bright House? Please explain the basis for your response.
- d. Is it a standard practice for an ILEC, a CLEC or an IXC in Florida to have a reciprocal traffic exchange arrangement with Verizon that provides for termination and billing of transit traffic? Please explain.

RESPONSE: This Interrogatory relates to Issue 38, which has been resolved, so no response is necessary.

27. For purposes of the following, please refer to the direct testimony of Verizon witness Vasington at page 25, lines 14-25:

Please cite the specific sections of all federal or state rules, regulations, and Commission orders that support witness Vasington's assertion that Verizon is not required to provide the wholesale discount on exchange access services.

RESPONSE: See 47 U.S.C. § 251(c)(4); First Report and Order, *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd 15499, ¶¶ 871-77 (1996) ("Local Competition Order"); *Application of 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 ¶¶ 392-93 (1999); Order on Remand, *Unbundled Access to Network Elements; Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, 20 FCC Rcd 2533, ¶ 146 n.146 (2005) ("TRRO") ("Special access services, however, provide competitors with one wholesale input, rather than with a retail service; competitors generally combine this wholesale input with other competitively provisioned services or facilities to build a complete service, which is then offered to retail customers. **Thus, the Commission has explicitly excluded special access services from the ambit of section 251(c)(4)**") (citations omitted; emphasis added).

28. For purposes of the following, please refer to the direct testimony of Verizon witness Vasington at page 26, lines 6-23:

Please explain the basis for Verizon's conclusion that point-to-point special access service is not eligible for the wholesale discount for the same reasons that exchange access services are not eligible.

RESPONSE: Point-to-point special access service is not eligible for the resale discount because that service is offered predominantly to carriers rather than end user customers, and those carriers are able to use the service as a wholesale input for services they provide to their own retail customers. Please see Verizon's response to request No. 27, above.

VERIFICATION


STATE OF FLORIDA)
) ss.
COUNTY OF HILLSBOROUGH)

BEFORE ME, the undersigned authority, personally appeared Frank App who deposed and stated that the answers to the First Set of Interrogatories (Nos. 1-28) served on Verizon Florida LLC by the Staff of the Florida Public Service Commission in Docket No. 090501-TP were prepared at his request and he is informed that the responses contained therein are true and correct to the best of his information and belief.

DATED at Tampa, Florida, this 26th day of April, 2010.


Frank App

Sworn to and subscribed before me this 26th day of April, 2010.


Notary Public
State of Florida

My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and	)	Docket No. 090501-TP
conditions of an interconnection agreement with)	
Verizon Florida LLC by Bright House Networks)	
Information Services (Florida), LLC)	
_____)	

**VERIZON FLORIDA LLC'S OBJECTIONS AND RESPONSES TO
STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1 - 4)**

Verizon Florida LLC ("Verizon") hereby responds to the First Request for Production of Documents (Nos. 1-4) (the "Discovery Requests") served by the Staff of the Florida Public Service Commission ("Staff"), subject to the General Objections stated below.

General Objections

1. Verizon objects to the Discovery Requests and all Definitions associated with the Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures and the Rules of the Commission.

2. Verizon objects to the Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other applicable privileges or doctrines.

3. Verizon objects to the Discovery Requests to the extent that they are vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined.

4. Verizon objects to the Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. Verizon further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

5. Verizon objects to the Discovery Requests to the extent they seek documents or information equally available to Staff as to Verizon through public sources or records or which are already in the possession, custody or control of Staff.

6. To the extent Verizon responds to the Discovery Requests, Verizon reserves the right to amend, replace, supersede, or supplement its responses as may become appropriate in the future, but it undertakes no continuing or ongoing obligation to update its responses.

7. Verizon objects to the Discovery Requests to the extent that they seek to impose an obligation on Verizon to provide documents or information concerning its affiliates.

8. Verizon objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this proceeding.

DOCUMENT REQUESTS

1. Please provide any and all documents responsive to your answers to interrogatories 14b and 14d.

RESPONSE: Verizon is not aware of any such documents

2. Please provide any and all documents responsive to your answer to interrogatory 15a.

RESPONSE: The legal authorities cited in response to Interrogatory No. 15a are publicly available.

3. Please provide a copy of all documents that support your response to interrogatories 22a, 22b, and 22c.

RESPONSE: Verizon is producing excerpts from Telcordia GR-394-CORE (see documents VZ 1-VZ 30) and GR-317-CORE (see documents VZ 31-VZ 36) with these Responses. Verizon's FCC Tariff No. 14 is available at <http://tariffs.verizon.com>.

4. Please provide a copy of all documents that support your response to interrogatory 27.

RESPONSE: The legal authorities cited in response to Interrogatory No. 27 are publicly available.



Performance from Experience

LSSGR: Switching System Generic Requirements for Interexchange Carrier Interconnection (ICI) Using the Integrated Services Digital Network User Part (ISDNUP)

(A Module of LSSGR, FR-64)

Telcordia Technologies Generic Requirements
GR-394-CORE
Issue 3
November 1999

Comments Requested (See Preface)

An SAIC Company

VZ 1

Preface

This Preface contains important information about the Telcordia GR process in general, as well as important information about this document.

The Telcordia GR Process

Generic Requirements documents (GRs) provide the Telcordia view of proposed generic criteria for telecommunications equipment, systems, or services, and involve a wide variety of factors, including interoperability, network integrity, funding participant expressed needs, and other input.

The Telcordia GR process implements Telecommunications Act of 1996 directives relative to the development of industry-wide generic requirements relating to telecommunications equipment, including integral software and customer premises equipment. Pursuant to that Act, Telcordia invites members of the industry to fund and participate in the development process for such GRs. Invitations to fund and participate are issued monthly in the *Telcordia Digest of Technical Information*, and posted on the Telcordia web site at <http://www.telcordia.com/DIGEST>.

At the conclusion of the GR development process, Telcordia publishes the GR, which is available by subscription. The subscription price entitles the purchaser to receive that issue of the GR (GR-CORE) along with any Issues List Report (GR-ILR) and Revisions, if any are released under that GR project. ILRs contain any technical issues that arise during GR development that Telcordia and the funding participants would like further industry interaction on. The ILR may present issues for discussion, with or without proposed resolutions, and may describe proposed resolutions that lead to changes to the GR. Significant changes or additional material may be released as a Revision to the GR-CORE.

Telcordia may also solicit general industry nonproprietary input regarding such GR material at the time of its publication, or through a special Industry Interaction Notice appearing in the *Telcordia Digest of Technical Information*. While unsolicited comments are welcome, any subsequent work by Telcordia regarding such comments will depend on funding support for such GR work. Telcordia will acknowledge receipt of comments and will provide a status to the submitting company.

About GR-394-CORE

A. Funders of GR-394-CORE, Issue 3, are

Ameritech Services
Bell Atlantic Network Services
BellSouth Telecommunications
US WEST.

B. Relative Maturity Level

This is a mature technology and requirements reflect maintenance mode. This GR presents the stable set of generic requirements for call control using the Integrated Services Digital Network User Part (ISDNUP). The maturity of the proposed generic requirements contained within this document is equivalent to the maturity of "traditional TR" generic requirements.

C. GR-394-CORE Plans

It is expected that as new issues are identified through supplier comments or through newly identified needs relative to the Signaling System Number 7 (SS7) call control described in GR-394-CORE, an Issues List Report, GR-394-ILR, will be published and distributed to GR-394-CORE subscribers.

To Submit Comments

When submitting comments, please include the GR document number, and cite any pertinent section and requirement number. In responding to an ILR, please identify the pertinent Issue ID number. Please provide the name and address of the contact person in your company for further discussion.

Comments should be submitted by **March 31, 2000**.

Send comments to:

Telcordia — GR-394-CORE
Michael Mahoney
881 Newman Springs Road, Room 2Z-269
Red Bank, NJ 07701-5699

Phone: 1-732-758-5569
E-Mail: mmahoney@telcordia.com

1. Introduction

1.1 Structure and Use of This Document

- Section 1 provides an introduction, definition, background information, and requirements terminology
- Section 2 provides a user's perspective
- Section 3 provides feature requirements
- Appendix A describes SS7 Messages
- Appendix B describes SS7 Parameters
- Appendix C provides Interoffice Signaling Figures
- The Reference section contains a list of documents and details on obtaining them
- The Glossary section is a list of acronyms and their definitions
- The Requirement-Object Index provides a list of the numbered requirements in this document.

1.2 Definition

This feature of a Stored Program Control Switching System (SPCS) provides an Interexchange Carrier (IXC) with a Signaling System Number 7 (SS7) access to Local Access and Transport Areas (LATAs) for the purpose of establishing and releasing call connections involving an IXC. The procedures in this Generic Requirements document (GR) apply to call connections between distinct networks involving an IXC, independent of whether the connection is intraLATA or interLATA.

An SPCS having this feature may provide call connection to the IXC directly or via an Access Tandem (AT) switch that serves a given LATA (or portion thereof). An International Carrier (INC) served by this feature may provide call connection directly to the LATA or indirectly using the services of an InterLATA Carrier (IC) for intermediate call transport. Signaling is done using the SS7 protocol.

The ability of a Local Exchange Carrier (LEC) and IXC to exchange SS7 messages may allow IXCs to offer new services to their customers on an internetwork basis, and LECs to offer new services to their customers on an exchange access basis. This GR, however, focuses on the exchange of SS7 messages necessary for establishing and releasing basic voice calls involving an IXC. It does not address the SS7 needs for interworking with

- Access lines that use the Q.931 protocol
- Some operator services such as coin control and operator hold

- supplementary services such as call forwarding.

See TR-NWT-000444, *Switching System Generic Requirements Supporting ISDN Access Using the ISDN User Part*,^[1] for generic requirements on access lines that use the Q.931 protocol; and GR-1144-CORE, *OSSGR Section 6: Signaling*,^[2] for generic requirements on operator services such as coin control and operator hold.

This document also does not address the use of SS7 for database services such as 800 Service and Alternate Billing Services (ABS). TR-NWT-000633, *LSSGR: Service Switching Points, FSD 31-01-0000*,^[3] and GR-1177-CORE, *OSSGR: Special Billing Features (FSD 85 Series)*,^[4] FSDs 85-01-0100 through 85-01-0500, contain generic requirements for the use of SS7 for database queries and responses to support 800 Service, Toll-Free Service and ABS.

Closely related documents are GR-246-CORE, *Bell Communications Research Specification of Signaling System Number 7 (SS7)*,^[5] (especially Integrated Services Digital Network - User Part, T1.113.1 - T1.113.4); GR-606-CORE, *LSSGR: Common Channel Signaling, Section 6.5*,^[6] and GR-317-CORE, *LSSGR: Switching System Generic Requirements for Call Control Using the Integrated Services Digital Network User Part (ISDNUP)*.^[7] Familiarity with portions of these documents would be helpful in reading this GR. In some instances, the procedures and codings in this GR differ from those in GR-246-CORE. These differences are primarily the result of advances in the SS7 protocol since GR-246-CORE was issued.

This GR gives procedures for calls involving an IXC that are in addition to the requirements described in GR-317-CORE. Part of the requirements of this feature is that the SPCS have the capabilities described in that document, as well as the procedures described here. In particular, an SPCS routing calls to an IXC through an AT should be able to provide the signaling of this feature and the signaling described in GR-317-CORE on the same circuit group.

1.3 Background

GR-690-CORE, *LSSGR: Exchange Access Interconnection, FSD 20-24-0000*,^[8] details a feature providing ICs and INCs access to LATAs with capabilities of Automatic Number Identification (ANI), answer supervision, uniform access code, single dialtone operation, circuit-type transmission, screening, recording, and billing. This Feature Specific Document (FSD) uses inband Multifrequency (MF) signaling between SPCSs.

This feature, *Switching System Generic Requirements for Interexchange Carrier Interconnection Using the Integrated Services Digital Network User Part (ISDNUP)*, provides ICs and INCs access to LATAs with similar capabilities using out-of-band SS7 for interoffice signaling.

This feature also includes the following capabilities:

- Sending the SS7 calling party number to an IXC, and receiving the SS7 calling party number from an IXC

- Sending end-user carrier selection information to an IXC
- Sending the SS7 service code parameter to an IXC, and receiving the SS7 service code parameter from an IXC
- Sending the Carrier Identification Code Parameter (CIP) to an IXC.

The end-to-end transfer of the calling party number is a feature available with SS7 call establishment that is not generally available in MF signaling. The SS7 transfer of carrier selection information described here provides, via SS7, the feature described in TR-TSY-000698, *LSSGR: Presubscription Indication, FSD 20-24-0040*.^[9] The service code parameter is included here to provide SS7 transport of the information in the MF customer service digits of Facility/Service Selective Signaling (F/SSS), as defined in TR-TSY-000691, *LSSGR: Facility/Service Selective Dialing Switching and Signaling Requirements, FSD 20-24-0020*.^[10] (The SS7 transport of the information in the MF facility code digits of F/SSS is not addressed in this document.) The transfer of the carrier identification code to an IXC is a feature available with SS7 call establishment that is not available in MF signaling for domestic calls.

Figure 1-1 is intended to give a better understanding of how GR-394-CORE (this GR) relates with other Telcordia CCS GRs.

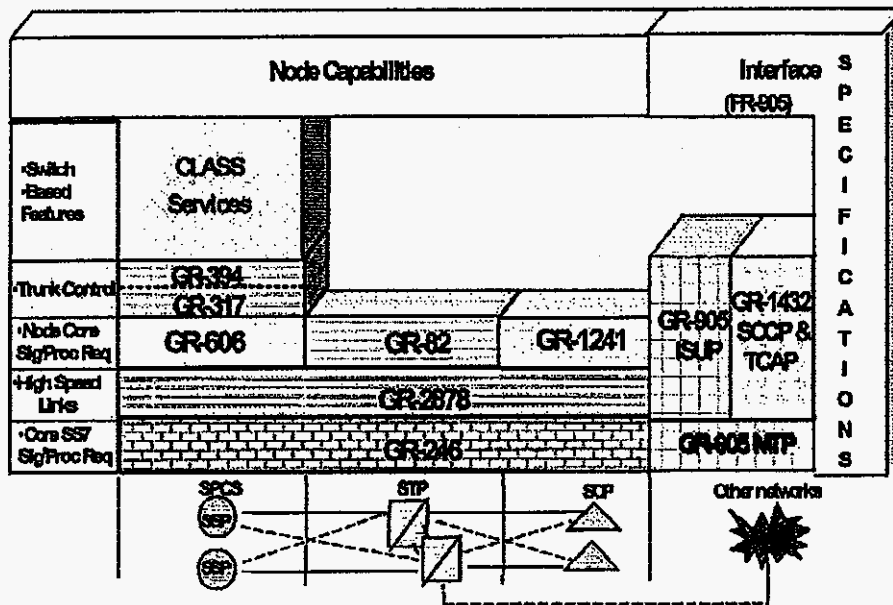


Figure 1-1. Telcordia GR Diagram

The figure has five vertical columns that list various Telcordia CCS GRs. These vertical columns are defined by the network nodes at the bottom of the diagram; the

columns are differentiated from each other by the vertical lines. The network nodes shown in the network diagram are switches (SPCSs), STPs, SCPs, and a cloud representing "other networks." Directly above these nodes are the GR documents that correspond to these respective nodes; e.g., directly above the SPCS are GR-606-CORE, GR-817-CORE, GR-394-CORE, and a box representing switch-based CLASS services. In the same way, GR documents supporting the STP, SCP, and interface specifications are shown above those nodes. The base of the figure contains core SS7 signaling and processing requirement documents on which the node-specific documents are based. The main core SS7 signaling and processing requirement document is GR-246-CORE, and this is shown at the base of the diagram under all of the node-specific documents.

Directly above GR-817-CORE and GR-394-CORE in the figure is a box labeled CLASSSM services. This box represents switch-based services that use the fundamental switching requirements listed in GR-817-CORE and GR-394-CORE. A representative sample of the documents covered by these services follows. This list is not exhaustive.

- TR-NWT-000091, *CLASSSM Feature: Calling Number Delivery, FSD 01-02-1051* (a module of LSSGR, FR-64)^[11]
- TR-NWT-000215, *CLASSSM Feature: Automatic Callback, FSD 01-02-1250* (a module of LSSGR, FR-64)^[12]
- TR-NWT-000220, *CLASSSM Feature: Screening List Editing, FSD 30-28-0000* (a module of LSSGR, FR-64)^[13]
- TR-NWT-000227, *CLASSSM Feature: Automatic Recall, FSD 01-02-1260* (a module of LSSGR, FR-64)^[14]
- TR-NWT-001188, *CLASSSM Feature: Calling Name Delivery, FSD 01-02-1070* (a module of LSSGR, FR-64).^[15]

The far right column represents interface specifications for interconnections to other networks. These documents specify what the other networks can expect to see from the RBOC network, and what the RBOC network expects to see from these other networks. The family of these interconnection documents are gathered in FR-905, *Common Channel Signaling Network Interface Specifications (CCSNIS) Family of Requirements*^[16]. Two of the fundamental interface specification documents are shown in the figure; these are GR-905-CORE, *Common Channel Signaling (CCS) Network Interface Specification (CCSNIS) Supporting Network Interconnection, Message Transfer Part (MTP)*, and *Integrated Services Digital Network User Part (ISDNUP)*^[17], and GR-1482-CORE, *CCS Network Interface Specification (CCSNIS) Supporting SCCP and TCAP*^[18].

The difference between GR-817-CORE and GR-394-CORE lies primarily in the area of call routing. GR-817-CORE contains the fundamental requirements for call setup for calls routed completely within one network. It describes in detail the codings of the parameters of the IAM for basic calls. It also contains the fundamental requirements for coding the other messages used in call setup, such as the Address Complete Message (ACM), Answer Message (ANM), Call Progress Message (CPG),

the Release Message (REL), and the Release Complete Message (RLC). In addition, GR-317-CORE contains procedures for many non-call associated ISUP messages and procedures that protect the network when circuits or equipment fails. GR-394-CORE builds on GR-317-CORE by extending the call setup requirements to calls that are routed through interexchange carriers. It is assumed that calls following GR-394-CORE also follow GR-317-CORE. For this reason, in the figure GR-394-CORE and GR-317-CORE are shown in the same box, with GR-394-CORE above GR-317-CORE. For calls requiring routing to a specific carrier, GR-394-CORE signaling is used since it is applicable for call connections between distinct networks independent of whether the connection is interLATA or intraLATA. The requirements in GR-394-CORE allow a Transit Network Selection (TNS) parameter to be signaled within the IAM, which allows the Access Tandem (AT) to route the call to the carrier of choice.

1.4 High-Level Feature Description

For purposes of these requirements, it is assumed that the areas served by the LECs are divided into non-overlapping Local Access and Transport Areas (LATAs) composed of contiguous wire center areas. Every LEC station will be in only one LATA. A LATA generally corresponds to an area that includes a Standard Metropolitan Statistical Area or a Standard Consolidated Statistical Area.

Each IXC wishing to deliver traffic to or receive traffic from a particular LATA using SS7 will interconnect to the served End Offices (EOs) both with circuit groups to carry communication between end users, and with signaling links to carry SS7 messages via a Common Channel Signaling (CCS) network. The circuit groups may connect the IXC to the served EOs either directly, through an AT switch serving the same LATA, or both.

An IXC does not have to provide circuit connections to all ATs in a LATA (i.e., it may serve less than an entire LATA). The signaling links will connect the IXC directly to at least one LEC gateway Signaling Transfer Point (STP) pair serving the LATA. Generic requirements for the interface at a LEC gateway STP pair are given in GR-82-CORE, *Signaling Transfer Point (STP) Generic Requirements*,^[19] Appendix C.

Any LEC SPCS having the feature described in this GR and serving only directly connected Customer Premises Equipment (CPE) stations is called a Signaling System Number 7 Exchange Access End Office (SS7 EAEO). A LEC office having the feature described in this GR and serving subtending EOs (as well as any directly connected CPE) is called a Signaling System Number 7 Access Tandem (SS7 AT). An SS7 EAEO may route IXC traffic to the IXC directly or through an SS7 AT. An SS7 EAEO that usually routes IXC traffic directly to an IXC may route it through an SS7 AT under some circumstances, such as congestion of the direct circuit group(s).

Circuits from an SS7 EAEO to an SS7 AT may be shared with respect to IC and LEC traffic usage. An SPCS should be able to provide the signaling described in GR-317-CORE and the signaling described in this GR on the same circuit group.

Traffic from an SS7 EAEO or SS7 AT to the IXC will be routed on dedicated circuits. Signaling traffic from an SS7 EAEO or SS7 AT to a LEC STP destined for an IXC may share a given signaling link with other signaling traffic. Thus, there need not be dedicated signaling links from the SS7 EAEO or SS7 AT to an STP for carrying signaling traffic destined to an IXC.

IXCs are classified in TR-NPL-000258, *Compatibility Information for Feature Group D Switched Access Service*,^[20] as follows:

- InterLATA Carrier (IC)

This carrier provides connections between LATAs and serving areas where the calling and called customers are located in World Zone 1.

- International Carrier (INC)

This carrier generally provides connections between a customer located in the contiguous United States and a customer located outside World Zone 1. INCs may also provide connections between a customer located in the contiguous United States and a customer located in World Zone 1 outside the contiguous United States.

- Consolidated Carrier

This is a carrier that provides connections as described for both an IC and INC.

When a carrier is selected to complete a call, screening is provided to ensure that a call addressed to outside World Zone 1 is not set up to an IC and that a call addressed to within the contiguous United States is not set up to an INC. Calls from an IXC delivered to a LATA are also screened, and only those calls addressed to offices in that LATA should be allowed to enter the LATA. This GR does not describe SS7 signaling to support Integrated Services Digital Network (ISDN) access (see TR-NWT-000444) calls requiring the use of operator services such as operator hold and operator recall, or services such as CLASS features.

A difference between the signaling described in this document and the signaling described in GR-317-CORE needs to be pointed out due to the requirement of dialing parity for intraLATA toll calls. Implementing dialing parity requires the deployment of a PIC-2 feature, where switches store a second Presubscribed Interexchange Carrier (PIC) against a customer line to identify the preferred carrier for intraLATA toll calls for that customer. If a customer chooses a LEC as the carrier for intraLATA toll calls, it is expected that the end office would use the signaling described in GR-317-CORE. However, if the customer selects a different carrier as the intraLATA toll service provider, it is expected that the end office would use the signaling described in this document (Feature Group D - FGD) due to the different routing that would be needed for that type of call.

1.5 Changes From TR-NWT-000394, Issue 4; to GR-394-CORE, Issue 1

The following procedures discuss the additional information:

- Inclusion of procedures for Carrier Identification Code expansion (Sections 3.1.1, 3.5.1.1, and 3.5.4.2)
- Inclusion of procedures for Jurisdiction Information parameter (Sections 3.3, 3.5.1.1, and 3.5.4.5)
- Inclusion of procedures for Charge treatment and Automatic Message Accounting at the terminating SPCS (Section 3.2.2)
- Inclusion of procedures for Automatic congestion control (Sections 3.1.4.9, A-6, and B-20).

1.6 Changes From GR-394-CORE, Issue 1; to Issue 1, Revision 1

Revision 1 included clarifications, updates, and issues resolutions to GR-394-CORE. These changes included

- Circuit Reservation Message (Section 3.5.1.1.A)
- Switch Processing Time Requirements (Section 3.7).

1.7 Changes From GR-394-CORE, Issue 1, Revision 1; to Issue 1, Revision 2

In Revision 2, requirements were added or modified to expand the current 800 service requirements in Section 3 to support Toll-Free Service. The requirements were written to allow toll-free codes of the form Service Access Code (SAC)/Interexchangeable Numbering Plan Area (INPA)-XXX-XXXX.

1.8 Changes From GR-394-CORE, Issue 1, Revision 2; to Issue 1, Revision 3

Revision 3 changes included

- Local Number Portability (LNP) codepoints in Appendix B. These codepoints support Local Service Provider Portability (LSPP)/portability within a rate center, and Query on Release (QoR) capability
- Additional reference listed for structure codes in Section 3.2.2.2E
- Changes and updates to titles and document numbers for various Telcordia and ITU-T documents

- Removal of references to Telcordia being the administrator for CIC and I-II digits.

1.9 Changes From GR-394-CORE, Issue 1, Revision 3; to Issue 2

Issue 2 incorporated all the Issue 1 revisions and the following changes:

- Addition of text in support of dialing parity for IntraLATA toll calls (Section 8.1)
- Addition of text stating that three digit Carrier Identification Codes are scheduled to be phased out by June 30, 1998 (Section 8.1.1.1A, Section 8.5.1.1A, Section 8.5.4, Appendix B)
- Change of Local Number Portability (LNP) codepoints in Appendix B relating to Query on Release (QoR). These codepoints are now listed as having "no procedure specified in U.S. networks"
- Cause value "normal release" in the Cause Indicators parameter has been changed to "normal clearing" to be consistent with standards terminology
- General location codepoint 1010 within the Cause Indicators parameter has been changed to "network beyond interworking point" to be consistent with standards terminology. The previous edition of this document had this codepoint listed as "unknown"
- References to "called party address digits" have been changed to "address digits in the called party number parameter". Also, similar changes were made for "calling party address" and "charge address"
- References to section numbers in other documents were reviewed and, if necessary, updated
- Requirements have been made separate from each other to the greatest extent possible. In many cases descriptive phrases have been added to the requirements so that they can stand alone from each other. In previous versions of this document, the requirements were written in such a way that they depended, in part, on the preceding text or requirements in a particular section.
- Requirements are numbered for the first time in this issue of the document. Additional information regarding the numbering of requirements is given in Section 1.12.

1.10 Changes From GR-394-CORE, Issue 2; to Issue 2, Revision 1

Revision 1 changes included

- Removal of all references to 3-digit Carrier Identification Codes
- Addition of requirement for the sending of the Calling Party Number parameter (CPN) where technically feasible (Section 3.5.4.1)
- Amended the administrative section to require the sending of the CPN to an IXC (Section 3.8)
- Addition of procedures for the coding of the screening field in the CPN (Section 3.5.4.1)
- Addition of the Screening field and codings to the Calling Party Number Parameter (CPN) diagram (Appendix B).

1.11 Changes From GR-394-CORE, Issue 2, Revision 1; to Issue 3

Issue 3 incorporates Issue 2 and its revision. This GR has been reissued to reflect the new Telcordia format and logo. Minor editorial changes have been made, and the references section has been updated.

1.12 Requirements Terminology

The following requirements terminology is used throughout this document:

- **Requirement** — Feature or function that, in the Telcordia view, is *necessary* to satisfy the needs of a typical LEC. Failure to meet a requirement may cause application restrictions, result in improper functioning of the product, or hinder operations. A Requirement contains the words *shall* or *must* and is flagged by the letter "R."
- **Conditional Requirement** — Feature or function that, in the Telcordia view, is *necessary in specific LEC applications*. If a LEC identifies a Conditional Requirement as necessary, it shall be treated as a requirement for the application(s). Conditions that may cause the Conditional Requirement to apply include, but are not limited to, certain LEC application environments, elements, or other requirements, etc. A Conditional Requirement is flagged by the letters "CR."
- **Objective** — Feature or function that, in the Telcordia view, is *desirable* and may be required by a LEC. An Objective represents a goal to be achieved. An Objective may be reclassified as a Requirement at a specified date. An objective is flagged by the letter "O" and includes the words *it is desirable* or *it is an objective*.
- **Conditional Objective** — Feature or function that, in the Telcordia view, is *desirable in specific LEC applications* and may be required by a LEC. It

represents a goal to be achieved in the specified Condition(s). If a LEC identifies a Conditional Objective as necessary, it shall be treated as a requirement for the application(s). A Conditional Objective is flagged by the letters "CO."

- **Condition** — The circumstances that, in the Telcordia view, will cause a Conditional Requirement or Conditional Objective to apply. A Condition is flagged by the letters "Cn."

1.13 Requirement Labeling Conventions

As part of the Telcordia new GR Process, proposed requirements and objectives are labeled using conventions that are explained in the following two sections.

1.13.1 Numbering of Requirement and Related Objects

Each Requirement, Objective, Condition, Conditional Requirement, and Conditional Objective object is identified by both a local and an absolute number. The local number consists of the object's document section number and its sequence number in the section (e.g., R3-1 is the first Requirement in Section 3). The local number appears in the margin to the left of the Requirement. A Requirement object's local number may change in subsequent issues of a document if other Requirements are added to the section or deleted.

The absolute number is a permanently assigned number that will remain for the life of the Requirement; it will not change with new issues of the document. The absolute number is presented in brackets (e.g., [2]) at the beginning of the requirement text.

Neither the local nor the absolute number of a Conditional Requirement or Conditional Objective depends on the number of the related Condition(s). If there is any ambiguity about which Conditions apply, the specific Condition(s) will be referred to by number in the text of the Conditional Requirement or Conditional Objective.

References to Requirements, Objectives, or Conditions published in other Generic Requirements documents will include both the document number and the Requirement object's absolute number. For example, R2345-12 refers to Requirement [12] in GR-2345.

In this version of GR-394-CORE, requirements from 1992 and later are identified by the word "shall"; these requirements have been numbered with local and absolute numbers as described above. Pre-1992 requirements are identified by the words "should" or "it is required." Pre-1992 requirements are not numbered using local and absolute numbers within the text, because requirements with absolute and local numbers need to contain the word "shall." There have been no changes to either the word "should" or "shall" from the appearance of text in Issue 1, Revision 3 of GR-394-CORE to the appearance of the corresponding text in Issue 2 of GR-394-CORE.

1.13.2 Requirement, Conditional Requirement, and Objective Object Identification

A requirement object may have numerous elements (paragraphs, lists, tables, equations, etc.). To aid the reader in identifying each part of the requirement, an *ellipsis character (...) appears in the margin to the left of all elements of the requirement.*

Tables and figures within requirements are identified separately from others within the document text, and do not appear in the table of contents. They are numbered sequentially beginning with Table 1 and Figure 1.

2. User Perspective

Using SS7 signaling between a LEC and an IXC should generally result in faster call setup for the telephone subscriber. The SS7 protocol also permits the exchange of more information between switching systems, and hence end users, than is possible using inband signaling techniques; thus, the use of SS7 signaling may allow a LEC to offer additional exchange access services to the user and an IXC to offer additional services to the user.

Using SS7 signaling may not result in faster call setup when interworking between SS7 and conventional inband signaling is needed. This would result, for example, from the use of procedures described in Section 8.5.1.2 for the interworking between SS7 to an AT and MF from the AT to the IXC (see Appendix C, Figure C-8). The procedures presented there add post-dial delay to the telephone subscriber. This additional delay results from the loss of part of the savings obtained in MF by overlap outpulsing.

The dialing procedures available to the telephone subscriber for initiating calls involving an IXC remain unchanged from those presented in GR-690-CORE, Section 2, but improved options (see TR-TSY-000691) are planned for future offerings.

3. Feature Requirements

3.1 Feature Operations

This section describes the exchange of signaling information needed to complete a call connection between a LEC and an IXC. It refers to numerous SS7 messages and parameters, which are included in Appendixes A and B, respectively.

To meet these requirements, the SPCS should support the processing of all SS7 messages and parameters and associated procedures in GR-317-CORE. Some of the SS7 messages and parameters in that GR are not discussed in this GR because their use is in no way changed by these requirements (e.g., circuit blocking and reset messages and their associated parameters).

The exchange of SS7 messages used to establish or release a call connection between a LEC and an IXC parallels the exchange that does not involve an IXC. Generic requirements for the procedures used for calls not involving an IXC are described in GR-317-CORE. The differences from the case where an IXC is not involved are emphasized below. In instances where the coding is the same as specified in GR-317-CORE, the reader is referred to that document for the specific details.

The SS7 messages used for call establishment and release are ISDNUP messages carried by message signal units on SS7 signaling links. Figure 3A/T1.111.3 of GR-246-CORE shows the format of a general SS7 message signal unit and GR-606-CORE, Table A-15, shows the format of an ISDNUP message. Each of these ISDNUP messages contains flag(s), check bits, backward and forward sequence numbers and bits, a length indicator, a service information octet, and a signaling information field containing a routing label, a Circuit Identification Code (CIC),¹ an ISDNUP message type, and ISDNUP parameters.

GR-606-CORE specifies the coding of the octets outside the signaling information field. Within the signaling information field, the routing label contains the signaling point code of the node formulating and sending the message as the Originating Point Code (OPC), the signaling point code of the node to which the SS7 message is being sent as the Destination Point Code (DPC), and a Signaling Link Selection (SLS) code selected for load sharing. The CIC in the SS7 message is the identification of the circuit (between the switching systems identified by the OPC and DPC) selected for transmission of the related call. The assignment of codes for the service information octet, OPC, DPC, SLS, and CIC in the messages below is the same as for calls not involving an IXC. This GR only describes the ISDNUP

1. The acronym CIC is *not* used for Carrier Identification Code in this document.

parameters of the SS7 messages exchanged. Table 3-1 describes the message priorities for the SS7 messages present in this GR, but not in GR-317-CORE.

Table 3-1. Message Priorities

Acronyms	Message Types	Priority
EXM	Exit	1
CRM	Circuit Reservation Message	0
CRA	Circuit Reservation Acknowledgment	0

It is assumed that an SPCS with direct circuits to a switch in another network knows the signaling point code of the distant switch for encoding the DPC in circuit-related messages destined to this distant switch.

3.1.1 Main Feature Operations

In the following text,² the phrase *MF INC signaling* is used to denote the signaling described in GR-690-CORE, Section 3.1.1.8, as distinguished from the MF internetwork signaling described in GR-690-CORE, Sections 3.1.1.2 and 3.1.1.3. The phrase *SS7 INC signaling* is used to denote SS7 call setup to an INC or consolidated carrier, as described in this GR, where the transit network parameter is sent to the INC or consolidated carrier.

The following procedures assume that when SS7 signaling is used for an IXC, SS7 INC signaling will be selected based on the same criteria used for selecting MF INC signaling. That is, INC signaling, whether MF or SS7, will be used for all calls to an INC and for calls outside World Zone 1 to a consolidated carrier.

As described below, sending the SS7 Transit Network Selection parameter to the carrier during SS7 INC signaling will provide the carrier with information provided in the 1NXX+XXXX digits in MF INC signaling. The OIR and CCC information sent to the carrier in MF INC signaling (see GR-690-CORE) is provided only implicitly in SS7 INC signaling.

The Carrier Identification Parameter (CIP) is an optional parameter that provides information sent in the forward direction to the transit network indicating the transit network selected for the call by the originating subscriber. CIP may be delivered to the IC on all Feature Group D (FG-D), SS7-supported originating call attempts³ and, as a per LEC option, MF to SS7 interworking call attempts. This optional CIP enables the IXCs to combine a variety of services into one trunk group between the LEC Equal Access End Office (EAEO) or Access Tandem (AT) and the

2. Most quotation marks in the following text identify ISDNUP parameter field code values quoted from Appendix B.

3. LECs may or may not offer this feature.

IXC location. The detailed procedures are described in Section 3.1.1.1 and Section 3.5.4.4.

3.1.1.1 Originating Treatment; LEC to IXC (All-SS7 Connection)

This section addresses signaling to an IXC via an all-SS7 connection, either by way of a direct circuit or by way of an AT. Section 3.5 addresses signaling by way of an AT that involves interworking between SS7 and inband signaling.

Note that the procedures below apply to both domestic and international calls. An international call is distinguished from a domestic call by the nature of address indicator within the called party number parameter included in the Initial Address Message (IAM) sent to the IXC (see the following Sections A and B and Table 3-2).

When the SS7 EAEO or SS7 AT receives an originating call from a directly served line, it should perform code interpretation to determine if an IXC is required or requested to complete the call. (Section 3.1.1.1.B describes the handling of a call originating from an SS7 EAEO and incoming at an SS7 AT.) GR-690-CORE, Section 2, contains the dialing sequences determining the need for routing to an IXC⁴. The procedures below apply if the dialing sequence, together with the service characteristics of the line, dictates that an IXC is required to complete the call and that no special operator services signaling capabilities are required.⁵

Note: In the text below and in Appendix B, nature of address codings containing the phrases "operator requested" are used. These codings are used to indicate to an IXC that 0+, 101XXXX+0(0), or 00- dialing occurred on a call being routed directly to an IXC (without LEC operator services handling). This GR does not include procedures for calls routed to a LEC operator services position.

If an IXC is required to complete the call and if circuit selection results in the selection of an SS7 outgoing circuit, the EO should put the circuit in the busy state, formulate an IAM, and send it to the IXC or SS7 AT. An IAM used to set up a call to an IXC is coded differently than an IAM coded as described in GR-317-CORE to set up a call not involving an IXC. These differences are explicitly noted in the next section.

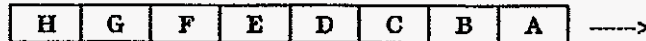
The IAM is followed by continuity check procedures, if necessary, and additional message exchanges between the EO and the IXC or SS7 AT. The sequence and coding of these SS7 messages following the IAM are usually the same as, or similar to, those for establishing a call not involving an IXC. Exceptions are highlighted in

4. Three-digit Carrier Identification Codes codes have been phased out. Only 101XXXX may be dialed as a per-carrier selection code.

5. This GR does not address the handling of calls requiring operator services signaling capabilities. Operator services system requirements are detailed in TR-NWT-001277, *Operator Services Signaling Using Signaling System No. 7: Switching System Generic Requirements*.^[21]

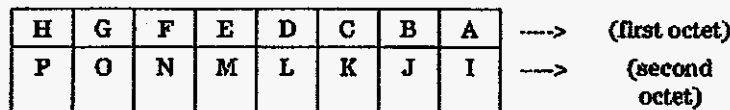
the following text. (GR-317-CORE provides details for coding SS7 messages for calls not involving an IXC.)

In the following text, individual bits in parameters are referred to as follows: in a one-octet field, bit A is the first bit transmitted, bit B the second, etc.



Saying that bits DCBA are coded 0101 means that bit A is coded 1, bit B is coded 0, etc.

In a 2-octet field, bit A is the first bit transmitted of the first octet transmitted, bit I is the first bit of the second octet transmitted, etc.



The coding of the IAM is slightly different when the IAM is sent directly to the IXC than when the IAM is sent to an IXC via an SS7 AT. These differences are described below.

A. SS7 EAEO Using Direct Circuit to IXC or SS7 AT Serving Directly Connected Stations

Appendix C, Figure C-4, illustrates an example of the exchange of SS7 messages between the EO and the IXC under these conditions.

Once it has been determined that an SS7 circuit direct to the IXC is to be used, the EO should formulate an IAM.

Appendix A, Table A-5, shows the format of the IAM. (The key for the reference sections and type columns is given at the beginning of the appendix.) In formulating the IAM, the EO should include each of the mandatory fixed (denoted by "F" in Appendix A) and mandatory variable length (denoted by "V") parameters. Of these parameters, the message type, nature of connection indicators, calling party's category, user service information, and forward call indicators should be coded the same as for a call not involving an IXC (see GR-317-CORE).

The called party number parameter should be included in the IAM and coded according to the rules given in Table 3-2. The address information field within the called party number parameter should be coded as for a call not involving an IXC. That is, the first octet of this field should contain the Binary Coded Decimal (BCD) code of the first address digit in bits DCBA, and the BCD code of the second address digit in bits HGFE. The third digit is coded in bits DCBA of the second octet of this field, etc. If an odd number of address digits is being sent, the last four bits of the last octet in the address information field should be coded 0000.

In Table 3-2, when (101XXXX) + (1/0) + 7D is dialed, either the seven dialed digits or the ten digits obtained by prefixing the destination Numbering Plan Area (NPA) to the dialed digits may be included in the address information field of the Called Party Number parameter.

R3-1 [1] The NPA digits shall be prefixed in those cases where the NPA is currently prefixed for MF outpulsing and, additionally, in any case where the accurate routing of the call requires the NPA digits.

... The complete ten digits shall be sent for all calls involving an LXC.

Table 3-2. Coding Rules for the Called Party Number Parameter

Dialed Digits	Fields in Called Party Number Parameter		
	Nature of Address	Odd/Even Indicator	Address Information
(101XXXX) + (1) + 7D (Note 1)	0000001/0000011	1/0	7/10D
(101XXXX)+1+10D	0000011	0	10D
(101XXXX)+0+7D (Notes 1 and 3)	1110001/1110010	1/0	7/10D
(101XXXX)+0+10D (Note 3)	1110010	0	10D
(101XXXX)+011+CC+NN(#)	0000100	1/0	CC+NN
(101XXXX)+01+CC+NN(#) (Note 3)	1110011	1/0	CC+NN
101XXXX+0(0) or 00	1110100	0	(none)
101XXXX+#	1110101	0	(none)
950-XXXX ^a	0000001 or 1110110	1	7D

a. Coding for 950-XXXX calls is specified in Section 3.1.1.1A.

Dialed Digits/Address Information

7D = NXX-XXXX

10D = NPA+NXX-XXXX (NPA includes SAC dialing or Toll-Free Service codes⁶ of the form SAC/INPA-NXX-XXXX.)

CC = Country code digits

NN = National number digits

6. For information on Toll-Free Service, refer to GR-2892-CORE, *Switching and Signaling Generic Requirements for Toll-Free Service Using ALN*,^[22] and TR-NWT-000533, Issue 3, Supplement 1.

Nature of Address

0000001 = subscriber number
0000011 = national (significant) number
0000100 = international number
1110001 = subscriber number, operator requested
1110010 = national number, operator requested
1110011 = international number, operator requested
1110100 = no number present, operator requested
1110101 = no number present, cut-through call to carrier
1110110 = 950+ call from LEC public station or hotel/motel line or non-EAEO

Odd/Even Indicator

0 = even number of digits
1 = odd number of digits

Notes:

1. Information shown in the address information column of the called party number parameter (see Table 3-2) allows for the sending of seven or ten digits.

R3-2 [2] As noted in Section 8.1.1.1A, SPCS shall send ten digits, obtained by prefixing the destination NPA to the seven dialed digits, for all calls involving an IXC.

2. The numbering plan is encoded 001 for "ISDN numbering plan".

3. As noted earlier, this GR does not address signaling to a LEC operator services system. The nature of address codes 1110001, 1110010, 1110011, and 1110100 specified above are included here for inclusion in an IAM for a call routed directly to an IXC without handling by a LEC operator services system.

Note that with the procedures for MF international signaling, as described in GR-690-CORE, Section 8.1.1.8, the IXC receives 01R or CCC digits. In this MF signaling, the R represents a region within World Zone 1 and the CCC digits are the country code of an international number padded to three digits. In SS7, the R digit is not provided to the IXC and the country code is provided only as part of the entire international number.

When the dialed digits are of the form 950-XXXX, the SPCS should include the 950-XXXX digits in the address information field. The nature of address code should be "subscriber number" except in the following case. If the 950-XXXX digits are received from a public station or a hotel/motel line, the SPCS should, based on the selected IXC, be able to code the nature of address field "950+ call from LEC public station or hotel/motel line or non-EAEO" instead of the usual "subscriber number." (This special coding of the nature of address field provides the information of the distinctive Start [ST]" currently available in MF signaling for such a call; see GR-690-CORE, Section 8.1.1.6.)

The optional charge number and originating line information parameters, as a pair, should be configurable to be included, or not, in the IAM as a per-IXC and per-class-of-service (i.e., originating screening and routing translations) option. These SS7 parameters should be used to transfer information equivalent to that transferred by the "II+ANI" digits described in GR-690-CORE when MF signaling is used. The originating line information parameter may be configured using the flexible Automatic Number Identification (ANI) information digit assignment described in TR-TSY-000685, *LSSGR: Flexible ANI Information Digit Assignment*, FSD 20-20-0100.^[23] (The charge number is to be distinguished from the calling party number, as discussed in Section 3.5.4.1. Sending the charge number and originating line information is independent of sending the calling party number parameter. Section 3.5.4.1 also describes an interaction between the charge number and the calling party number.)

Appendix B contains the formats for the charge number and originating line information parameters.

When included, the originating line information parameter should be coded according to the service characteristics of the originating line. These service characteristics correspond to those used to determine the MF II digits described in GR-690-CORE. The codes used in the originating line information parameter are the binary equivalents of the decimal codes used in the II digits of inband exchange access signaling. Table 3-3 shows the correspondence between the codes in the originating line information parameter and sample MF II digits.

Note that the list of MF II digits is evolving. An updated list of these digits is published quarterly in TRA-LIP, *Local Exchange Routing Guide (LERG)*,^[24] Section 1. Binary equivalents of the II digits appearing in this updated list should be supported in the originating line information parameter.

Table 3-3 also shows the correspondence between the codes in the originating line information parameter and the single MF I digit.

Table 3-3. I and II Digits and Originating Line Information

II(I) Digits	Meaning	Originating Line Information Code
00 (0 or 3)	Identified line - no special treatment	0000 0000
01 (1 or 4)	Operator Number Identification (ONI) (Multiparty)	0000 0001
02 (2 or 5)	ANI Failure; unavailable	0000 0010
06 (6)	Hotel (without room identification)	0000 0110
07 (7)	Coinless, Hospital, Inmate, etc. (screening)	0000 0111
10	Test call	0000 1010
20	AIOD - Listed DN sent	0001 0100
24	Toll-Free Service call	0001 1000
25	Toll-Free Service call made from a paystation	0001 1001
27	Coin call	0001 1011

Note: The usage of the I and II decimal codes is described in TR-NWT-000682, *LSSGR: Automatic Number Identification (ANI) and Operator Number Identification (ONI)*, FSD 20-20-0000,^[25] and GR-690-CORE. Appendix B, Section B.13, provides coding for the originating line information parameter. The list of II digits in the table is not meant to be complete; a complete list is published in the current issue of the LERG.

When included, coding of the charge number should be as follows, if the calling party number parameter is not included in the IAM. (See Section 3.5.4.1 for the procedures associated with the Charge Number parameter when the Calling Party number parameter is included.) The Charge Number parameter is to provide an ANI to the selected IXC. The ANI number should be available and identifiable for each incoming call and at each SS7 EAEO and at each SS7 AT serving as an EO.

When the Charge Number is included, it should contain, when available, the ten NPA+NXX+XXXX address digits of this ANI in the address information field of the parameter. The odd/even indicator bit should be coded "even number of address digits," and the nature of address should be coded "ANI of the calling party; national number." If the ten address digits are not available, but the NPA digits are available, then only the three NPA digits should be sent in the address information field. The odd/even indicator bit should be coded "odd number of address digits," and again, the nature of address field should be coded "ANI of the calling party; national number." The numbering plan field should be coded "ISDN numbering plan (ITU-T Rec. E.164^[20])" when either three or ten digits are sent.

If no ANI address digits are available, the odd/even bit should be coded "even number of address digits" and the nature of address field should be coded "ANI not available or not provided." In this case, the octet containing the nature of address code should be the last octet of the charge number parameter.

R3-8 [8] The optional Transit Network Selection (TNS) parameter shall be included in an IAM for a call if SS7 INC signaling is used. In this case, the TNS in the IAM shall be coded as described below⁷ (see Figures B-16 in Appendix B):

... Bit H of the first octet is spare and shall be coded 0.

... Bits GFE in the first octet (the type of network identification field) shall be coded "national network identification."

... Bits DCBA of this octet (the network identification plan field) shall be coded "0010" to indicate a four-digit code.

The second and third octets of this parameter contain the binary coded digits of the carrier identification code (the XXXX code).

... The second octet shall contain the first digit of the XXXX code (the most significant digit) in bits DCBA and the second digit in bits HGFE. Each of these digits shall be coded in BCD.

... The third octet shall contain the third digit of the XXXX code in bits DCBA and the fourth digit in bits HGFE. Each of these digits will be coded in BCD.

... The fourth octet shall contain the circuit code in bits HGFE. Bits DCBA of this octet shall be reserved and coded as "0000".

... The circuit code bits shall be coded "international call, no operator requested" or "international call, operator requested", as appropriate.

The circuit code value "international call, no operator requested" corresponds to the MF INX code.

... The circuit code value "international call, no operator requested" shall be used for calls to an INC dialed 101XXXX + # or with the prefix 011.

The circuit code value "international call, operator requested" corresponds to the MF IN'X code.

... The circuit code value "international call, operator requested" shall be used on calls to an INC dialed 00, 101XXXX + 0(#), 101XXXX + 00, or with a 01 prefix.

7. Three-digit Carrier Identification Codes have been phased out. All references to three-digit Carrier Identification Codes have been removed.

Section 3.5.4 describes using the optional carrier selection, service code, and carrier identification parameters.

There are additional, optional parameters in the IAM, as shown in Section T1.113.3 of GR-246-CORE. These, and possibly additional (yet-to-be-defined) parameters may need to be included in an IAM for features associated with the call. Because this GR does not describe procedures for calls involving special features, the use of these parameters is not discussed in this GR.

When sending the IAM for the outgoing circuit, the originating SPCS should set a timer T_{IAM}^8 and await either a disconnect indication from the calling party or receipt of an Address Complete Message (ACM), Answer Message (ANM) or Release Message (REL) for this circuit.

Handling the call from this point on is as described in GR-317-CORE.

B. SS7 EAEO to IXC via an SS7 AT

Figure C-5 of Appendix C illustrates an example of the exchange of SS7 messages between the EO and the IXC via an SS7 AT.

R3-4 [4] If the circuit selected for routing the call to the IXC is to an SS7 AT, the SPCS shall formulate an IAM as in the case above, except that the IAM shall include the optional TNS parameter.

... The IAM shall also include the optional CIP.

The TNS in an IAM to an SS7 AT should be coded as described below (see Figure B-16 of Appendix B).

... Bit H of the first octet is spare and shall be coded 0.

... Bits GFE in the first octet (the type of network identification field) shall be coded "national network identification," and bits DCBA of this octet (the network identification plan field) shall be coded "0010" to indicate a four-digit code.

... The second octet of this parameter shall contain the first digit of the XXXX code (the most significant digit) in bits DCBA and the second digit in bits HGFE. Each of these digits shall be coded in BCD.

... The third octet shall contain the third digit of the XXXX code in bits DCBA and the fourth digit in bits HGFE. Each of these digits will be coded in BCD.

Bits HGFE of the fourth octet shall be coded to specify the appropriate circuit group for the SS7 AT to use to route to the IXC and to indicate whether to use IC or INC signaling. Bits DCBA of the fourth octet shall be reserved.

The information carried in bits HGFE of the third octet of the TNS corresponds to the 0ZZ or 1N/N'X digits currently outputted to the AT in the procedures

8. Timer T_{IAM} is the same as timer T_{IAM} in GR-317-CORE.

described in GR-690-CORE. The precise coding of this four bit "Circuit Code" field is specific to the network establishing the call. The code may depend on the dialed digits, the originating line information (the information identified in the II digits in GR-690-CORE and here in the originating line information parameter), and the destination IXC.

R3-5 [5] The CIP shall be coded as described in Section 3.5.4.4.

... An AT receiving the CIP parameter in an IAM from an SS7 EAEO shall delete the CIP if CIP is not to be sent at all on the outgoing trunk group or if the CIP value is not one that has been requested for the outgoing trunk group. Otherwise, the AT shall include it in the IAM sent to the IXC.

R3-6 [6] When an SS7 EAEO sends an IAM to an AT for a call destined to an IXC, the SS7 EAEO shall set timer T_{IAM} awaiting either an ACM, an ANM, an REL, or a disconnect indication from the calling subscriber. Section 3.1.4.2 details procedures to be followed when T_{IAM} expires before receipt of an expected message.

Once an IAM has been sent from the SS7 EAEO to an AT, an Exit Message (EXM) would be received from the tandem if the outgoing circuit from the tandem to the IXC uses SS7 and an ACM would be received from the tandem if the outgoing circuit to the IXC uses inband signaling. The return of the ACM from an interworking point is discussed in Sections 3.5.1.2 and 3.5.2.1, and is consistent with the procedures in GR-317-CORE. The return of the EXM, as described below, provides an indication to the EAEO that an IAM has been sent to the IXC.

R3-7 [7] If the incoming trunk group qualifies (the call is intraLATA or outbound from the LATA), the AT shall check the IAM for the presence of the TNS parameter.

... If the TNS parameter is available, the AT shall route the call based on the Carrier Identification Code with circuit code received in the TNS parameter.

R3-8 [8] The AT shall be capable of selecting one of up to four distinct trunk groups to a specified IXC.

R3-9 [9] If the selected outgoing circuit is an SS7 circuit, the SS7 AT shall mark the circuit busy and formulate an IAM for this circuit.

Sections 3.5.1.2 and 3.5.2.1 detail the procedures used when the selected outgoing circuit to the IXC uses the inband signaling described in GR-690-CORE.

- R3-10** [10] If the TNS parameter is not present in the IAM, the AT shall route the call based on the address digits in the called party number parameter.
- R3-11** [11] The SS7 AT receiving an IAM with the address digits in the called party number parameter coded 950-XXXX shall be able to select the appropriate outgoing circuit group based on the XXXX digits.
- R3-12** [12] The IAM formulated by the AT shall contain the same parameters as the received IAM except, possibly, for the TNS and the hop counter.
- R3-13** [13] The SS7 AT shall determine, based on the circuit code received in the TNS, whether SS7 INC signaling should be used.
- R3-14** [14] The TNS, coded as received, shall be included in the IAM to the IXC when SS7 INC signaling is used and deleted otherwise.
- R3-15** [15] The hop counter shall be included if received in an incoming IAM, or if the trunk group associated with the outgoing circuit has the hop counter capability turned "on".

For information on processing a received hop counter parameter, inclusion of the hop counter parameter, and determining the value of the hop counter parameter, see GR-317-CORE, Section 3.1.1.2.

After sending the IAM to the IXC, the SS7 AT should set timer $T_{EXM,d}$. When timer $T_{EXM,d}$ expires or when an SS7 ACM, ANM, or REL is received for the outgoing SS7 circuit (whichever occurs first), the AT should formulate and send an EXM to the SS7 EAE0. The message priority field, bits FE in the Service Information Octet (SIO) of the EXM, should be coded 01 to indicate a priority of 1. (For details on the SIO, see Section T1.111.4.14.2 of GR-246-CORE.) The sending of an EXM should precede any ACM or ANM sent to the EAE0 for a call routed to an IXC from the AT on an SS7-supported circuit. The EXM should also be sent before any SS7 REL generated by a message received from the IXC or by a repeated continuity check failure for the call on the circuit group to the IXC. The EXM is regarded as a backward message for the purposes of handling the receipt of Blocking messages, Unequipped Circuit Identification Code messages, etc. (see GR-317-CORE, Section 3.1.4).

In Appendix A, Table A-4 shows the EXM format. The mandatory message type parameter should be coded as specified in Section B.11. The optional (with respect to the SS7 protocol) outgoing trunk group number parameter should be included. It should contain the 4-digit trunk group number of the trunk group used to route the call from the AT to the IXC. The trunk group number digits should be coded using BCD, as described in Section B.14 of Appendix B.

The AT should not delay the sending of the EXM pending completion of any continuity check on the incoming circuit. If a continuity check was required on

the incoming circuit, an IAM for the outgoing circuit has already been sent, and, subsequently, a Continuity Message (COT) with a "continuity check failed" indication is received, then the AT should send an REL for the outgoing circuit to the IXC. The cause indicators field in the REL should be coded with cause value "temporary failure" and location code "local local network." If a COT with a "continuity check failed" indication is received for the incoming circuit and an EXM for this circuit has not already been sent to the EAEO, the AT should omit sending this EXM.

If the outgoing circuit to the IXC requires a continuity check and if this check fails, the AT should select another outgoing circuit for the same call, formulate an IAM, and send it for this second outgoing circuit. If this second continuity check fails, the AT should release the incoming circuit and send an REL to the EAEO for this circuit. The cause value in this REL should be "temporary failure," and the location code should be "local local network."

3.1.1.2 Terminating Treatment; IXC to LEC

An SS7 EAEO or SS7 AT should be able to receive and process IAMs for incoming calls on a circuit from an IXC.

- R3-16** [16] If the incoming trunk group class of service information indicates that TNS is not permitted (the call is inbound to the LATA), the SPCS shall route the call based on the address digits in the called party number parameter if the TNS parameter is not present.
- ... If the TNS parameter is present, the call shall be released.
- ... The cause indicator parameter in the REL shall be coded as follows:
- ... • General location: local interface controlled by this signaling link
Cause value: protocol error - unspecified.
- R3-17** [17] When an SS7 EAEO or SS7 AT receives an IAM from an IXC, it shall screen the address digits in the called party number parameter as specified in Section 3.2.1.2.
- ... If the address digits in the called party number parameter pass the screening and if the called party line is directly served by the SPCS receiving the IAM from the IXC, the SPCS shall follow the procedures described in GR-317-CORE, Section 3.1.1.2B, for a terminating office receiving an IAM.
- ... In particular, if called party number information is complete and if the called line is idle, the SPCS shall attempt to complete the call.
- ... If the IAM received at the terminating SPCS contains unrecognized optional parameters,⁹ the terminating SPCS shall attempt to complete the call.



Performance from Experience

LSSGR: Switching System Generic Requirements for Call Control Using the Integrated Services Digital Network User Part (ISDNUP)

(A Module of LSSGR, FR-64)

Telcordia Technologies Generic Requirements
GR-317-CORE
Issue 3
November 1999

Comments Requested (See Preface)

An SAIC Company

VZ 31

1. Introduction

1.1 Structure and Use of This Document

- Section 1 provides an introduction, definition, background information, and requirements terminology
- Section 2 provides a user's perspective
- Section 3 provides feature requirements
- Appendix A describes SS7 Messages
- Appendix B describes SS7 Parameters
- The Reference section contains a list of documents and details on obtaining them
- The Glossary section is a list of acronyms and their definitions
- The Requirement-Object Index provides a list of the numbered requirements in this document.

1.2 Definition

This Generic Requirements document (GR) describes the Telcordia view of generic requirements for the procedures required to establish and release call connections using the Signaling System Number 7 (SS7) protocol. These generic requirements focus on basic interoffice voice calls that do not originate or terminate on Integrated Services Digital Network (ISDN) lines and on call connections that are either completely within one network or between distinct networks where an Interexchange Carrier (IXC) is not involved. Details for special subscriber services are not provided.

1.3 Background

Common Channel Signaling (CCS) is a method for exchanging information between Stored Program Control Switching Systems (SPCSs) that are interconnected via a network of signaling links. In switching systems where CCS is used for call connection signaling, out-of-band signaling messages replace Multifrequency (MF) and other inband interoffice signaling mechanisms on selected circuits. The out-of-band messages are used to report circuit seizure and transport address information, answer supervision, circuit release, etc.

These generic requirements are based on SS7, a CCS protocol defined by Study Group XI, Working Party 2 (XI/2), of the International Telecommunication Union-Telecommunication Sector (ITU-T) (formerly the International Telegraph and Telephone Consultative Committee [CCITT]) and the T1S1.3 Working Group of the

Exchange Carriers Standards Association (ECSA) T1 Committee. The Telcordia specification of the SS7 protocol is provided in GR-246-CORE, *Bellcore Specification of Signaling System Number 7 (SS7)*.^[1] In some instances, the procedures and codings in these generic requirements differ from those in GR-246-CORE. These differences are primarily the result of advances in the SS7 protocol since that document was issued.

The SS7 protocol has several parts, including the Message Transfer Part (MTP) and the Integrated Services Digital Network User Part (ISDNUP). Any SPCS in an SS7 network should provide MTP capabilities. These capabilities include basic SS7 message handling and signaling network management capabilities. The use of the MTP of SS7 at an SPCS is described in GR-606-CORE, *LSSGR: Common Channel Signaling, Section 6.5*.^[2] SS7 messages travel between different SPCSs via Signaling Transfer Points (STPs), which are specialized packet switches used to route signaling messages. The requirements in FR-64, *LATA Switching Systems Generic Requirements (LSSGR)*,^[3] include the requirements for the transfer of messages between an SPCS and an STP. For requirements on the STP itself, refer to GR-82-CORE, *Signaling Transfer Point (STP) Generic Requirements*.^[4]

This GR covers the use of the ISDNUP of the SS7 protocol for circuit-switched call connection and release procedures. The procedures given here are for basic telephone service that does not involve supplementary services.

Figure 1-1 is intended to give a better understanding of how GR-317-CORE relates with other Telcordia CCS GRs.

The figure has five vertical columns that list various Telcordia CCS GRs. These vertical columns are defined by the network nodes at the bottom of the diagram; the columns are differentiated from each other by the vertical lines. The network nodes shown in the network diagram are SPCSs, STPs, SCPs, and a cloud representing "other networks." Directly above these nodes are the GR documents that correspond to these respective nodes; e. g., directly above the SPCS are GR-606-CORE, GR-317-CORE, GR-394-CORE, *LSSGR: Switching System Generic Requirements for Interexchange Carrier Interconnection Using the Integrated Services Digital Network User Part (ISDNUP)*,^[5] and a box representing switch-based CLASSSM services. In the same way, GR documents supporting the STP, SCP, and interface specifications are shown above those nodes. The base of the figure contains core SS7 signaling and processing requirement documents on which the node-specific documents are based. The main core SS7 signaling and processing requirement document is GR-246-CORE, and this is shown at the base of the diagram under all of the node-specific documents.

Directly above GR-317-CORE and GR-394-CORE in the figure is a box labeled CLASS services. This box represents switch-based services which use the fundamental switching requirements listed in GR-317-CORE and GR-394-CORE. A representative sample of the documents covered by these services follows. This list is not exhaustive.

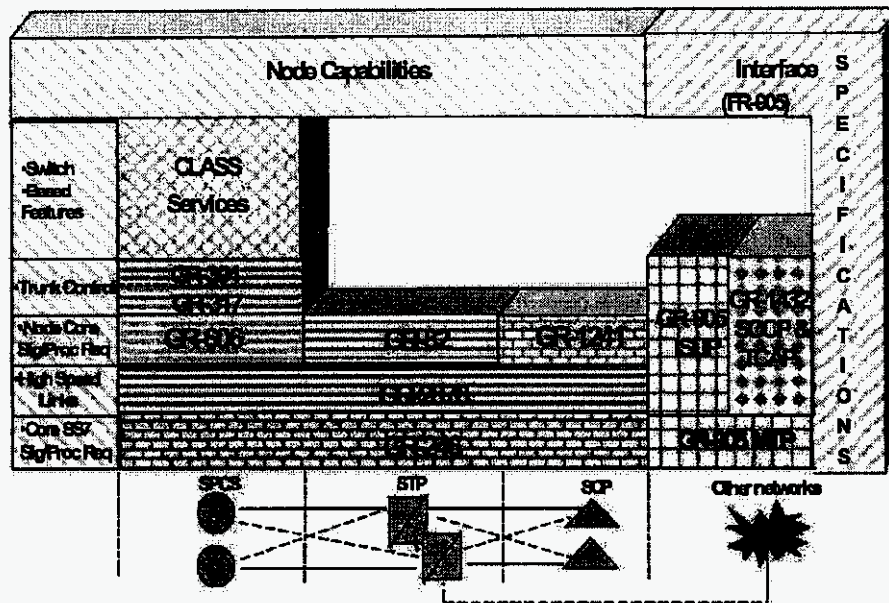


Figure 1-1, Telcordia GR Diagram

- TR-NWT-000031, CLASSSM Feature: Calling Number Delivery, FSD 01-02-1051 (a module of LSSGR, FR-64)^[7]
- TR-NWT-000215, CLASSSM Feature: Automatic Callback, FSD 01-02-1250 (a module of LSSGR, FR-64)^[7]
- TR-NWT-000220, CLASSSM Feature: Screening List Editing, FSD 30-28-0000 (a module of LSSGR, FR-64)^[8]
- TR-NWT-000227, CLASSSM Feature: Automatic Recall, FSD 01-02-1260 (a module of LSSGR, FR-64)^[9]
- TR-NWT-001188, CLASSSM Feature: Calling Name Delivery, FSD 01-02-1070 (a module of LSSGR, FR-64)^[10]

The far-right column represents interface specifications for interconnections to other networks. These documents specify what signaling information will be passed by the LEC to another network and what signaling information the LEC expects to receive in return. The family of these interconnection documents is gathered in FR-905, *Common Channel Signaling Network Interface Specifications (CCSNIS) Family of Requirements*^[11]. Two of the fundamental interface specification documents are shown in the figure; these are GR-905-CORE, *Common Channel Signaling (CCS) Network Interface Specification (CCSNIS) Supporting Network Interconnection, Message Transfer Part (MTP)*, and *Integrated Services Digital*

Network User Part (ISDNUP)^[12], and GR-1432-CORE, *CCS Network Interface Specification (CCSNIS) Supporting SCCP and TCAP*^[13].

The difference between GR-317-CORE and GR-394-CORE lies primarily in the area of call routing. GR-317-CORE contains the fundamental requirements for call setup for calls routed completely within one network. It describes in detail the codings of the parameters of the IAM for basic calls. It also contains the fundamental requirements for coding the other messages used in call setup, such as the Address Complete Message (ACM), Answer Message (ANM), Call Progress Message (CPG), the Release Message (REL), and the Release Complete Message (RLC). In addition, GR-317-CORE contains procedures for many non-call associated ISUP messages and procedures that protect the network when circuits or equipment fail. GR-394-CORE builds upon GR-317-CORE by extending the call setup requirements to calls which are routed through interexchange carriers. It is assumed that calls following GR-394-CORE also follow GR-317-CORE. For this reason, in the figure GR-394-CORE and GR-317-CORE are shown in the same box, with GR-394-CORE above GR-317-CORE. For calls requiring routing to a specific carrier, GR-394-CORE signaling is used since it is applicable for call connections between distinct networks independent of whether the connection is interLATA or intraLATA. The requirements in GR-394-CORE allow a Transit Network Selection (TNS) parameter to be signaled within the IAM. The TNS allows an Access Tandem (AT) to route the call to the carrier of choice.

1.4 High-Level Description

This document describes the SS7 messages transmitted between offices with SS7 capabilities that set up and then release an interoffice voice call connection that does not involve

- Supplementary services
- An ISDN calling or called subscriber.

This GR discusses details of the coding of these messages and of associated procedures. It also includes the signaling procedures to accompany circuit supervision processes such as blocking and reset.

Not described here is the use of SS7 ISDNUP for the support of ISDN access, supplementary services such as call forwarding and operator services, or call routing to another network via an IXC. The support of these, and potentially other, features will likely require the use of additional SS7 ISDNUP parameters and messages, and associated procedures.

A difference between the signaling described in this document and the signaling described in GR-394-CORE needs to be pointed out due to the requirement of dialing parity for intraLATA toll calls. Implementing dialing parity requires the deployment of a PIC-2 feature, where switches store a second Presubscribed Interexchange Carrier (PIC) against a customer line to identify the preferred carrier for intraLATA toll calls for that customer. If a customer chooses a LEC as the carrier

for intraLATA toll calls, it is expected that the end office would use the signaling described in this document. However, if the customer selects a different carrier as the intraLATA toll service provider, it is expected that the end office would use GR-394-CORE type signaling (Feature Group D - FGD) due to the different routing that would be needed for that type of call.

1.5 Changes From TR-NWT-000317, Issue 4; to GR-317-CORE, Issue 1

The following procedures discuss the additional information:

- Inclusion of procedures for the coding of the nature-of-connection indicator (Section 3.1.1.2.A)
- Inclusion of procedures for circuit group overflow (Section 3.1.1.2.B)
- Inclusion of procedures for multiple point codes (Sections 3.1 and 3.2)
- Inclusion of procedures for the interworking indicator bit coding (Section 3.1.1.5)
- Inclusion of procedures for collision of release messages (Section 3.1.3.1.C)
- Inclusion of procedures for default treatment for various causes (Section 3.1.4.2)
- Inclusion of procedures for compatibility handling for CGB, CGU, CGBA, and CGUA (Sections 3.1.4.3.B, 3.1.4.8, and Appendix B.7)
- Inclusion of procedures for the receipt of an unrecognized parameter or unrecognized parameter value (Section 3.1.4.7)
- Inclusion of the Diagnostic field for CFN message (Appendix B.6)
- Inclusion of procedures for Automatic Congestion Control (ACC) (Sections 3.1.4.12, 3.2, Appendix Table A-5, and Appendix B-22)
- Inclusion of procedures for one-way trunk group circuit validation test (Section 3.1.2.3).

1.6 Changes From GR-317-CORE, Issue 1; to Issue 1, Revision 1

Revision 1 included clarifications, updates, and issues resolutions to GR-317-CORE. These changes included

- Default coding for User Service Information Parameter (Section 3.1.1.2.A, 3.2, and 3.4.2)
- Call Progress Message (CPG) (Section 3.1.1.8)
- Echo Control Device Indicator (Section 3.1.1.2.A)
- Switch Processing Time Requirements (Section 3.6)
- Provisionable internetwork optional parameters (Section 3.1.1)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the foregoing were sent via electronic mail on April 26, 2010 to:

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and conditions of an interconnection agreement with Verizon Florida LLC by Bright House Networks Information Services (Florida), LLC)	Docket No. 090501-TP
)	
)	
)	
)	

**VERIZON FLORIDA LLC'S OBJECTIONS AND RESPONSES TO
STAFF'S SECOND SET OF INTERROGATORIES (NOS. 29-33)**

Verizon Florida LLC ("Verizon") hereby responds to the Second Set of Interrogatories (Nos. 29-33) ("Discovery Requests") served by the Staff of the Florida Public Service Commission ("Staff"), subject to the General Objections stated below.

Person providing responses	Interrogatories
Paul Vasington	29, 33
William Munsell	30-32

General Objections

1. Verizon objects to the Discovery Requests and all Definitions associated with the Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures and the Rules of the Commission.

2. Verizon objects to the Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other applicable privileges or doctrines.

3. Verizon objects to the Discovery Requests to the extent that they are vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined.

4. Verizon objects to the Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. Verizon further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

5. Verizon objects to the Discovery Requests to the extent they seek documents or information equally available to Staff as to Verizon through public sources or records or which are already in the possession, custody or control of Staff.

6. To the extent Verizon responds to the Discovery Requests, Verizon reserves the right to amend, replace, supersede, or supplement its responses as may become appropriate in the future, but it undertakes no continuing or ongoing obligation to update its responses.

7. Verizon objects to the Discovery Requests to the extent that they seek to impose an obligation on Verizon to provide documents or information concerning its affiliates.

8. Verizon objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this proceeding.

INTERROGATORIES

29. For purposes of the following, please refer to the Direct Testimony of Verizon Witness Paul Vasington on page 2, lines 8-9, where Witness Vasington states that "the parties resolved the following issues on the eve of this filing: 1, 2, 23(b) and 25":

a. Is it Verizon's understanding that Issues 1 and 2 have been resolved?

RESPONSE: Yes, these issues have been resolved in principle.

b. If Issue 1 has not been resolved, what is Verizon's position on this issue?

RESPONSE: Not applicable.

c. If Issue 2 has not been resolved, what is Verizon's position on this issue?

RESPONSE: Not applicable.

30. For purposes of the following, please refer to the rebuttal testimony of Bright House witness Timothy J. Gates on page 47, line 19 through page 48, line 9:

a. Is witness Gates' assertion correct?

RESPONSE: No, Mr. Gates' assertion is not correct. Mr. Gates contends that Verizon is engaged in some sort of anticompetitive conduct with respect to access tandem switching when, in fact, it is Bright House that is proposing to remove competitive choice from the market.

As Verizon witness Munsell explained in his direct, rebuttal and deposition testimony, Verizon has no objection to Bright House operating as a competitive tandem provider. As discussed in Mr. Munsell's testimony, Bright House can operate as a competitive tandem provider by, among other things, obtaining Tandem Switch Signaling ("TSS") under Verizon's FCC Tariff No. 14 to provide either originating or terminating service to or from Verizon's end users. So, contrary to Mr. Gates' assertion, Verizon has not taken the position that it has some sort of "monopoly" with respect to the provision of tandem switching to reach Verizon's own end offices. In fact, through its tariff offerings, Verizon **already** accommodates Bright House's ability to provide tandem switching to reach Verizon's end offices.

However, Bright House is not content to provide tandem service in this manner and instead proposes a different – and entirely objectionable – arrangement under the parties' interconnection agreement ("ICA"). Bright House suggests that, in order for Bright House to deliver traffic from interexchange carriers ("IXCs") to Verizon local exchange customers, Verizon must be required to subtend Bright House's tandem. But, as Mr. Munsell explained in his deposition,

local exchange carriers ordinarily have a choice as to which access tandem they will subtend. They are not required to subtend any particular tandem and, from a network routing perspective, they cannot subtend more than one tandem.

In this case, Verizon chooses to subtend its own tandem. In other cases, Verizon chooses to subtend another carrier's tandem. Bright House proposes to take that choice away from Verizon. Rather than compete for Verizon's business as a competitive tandem provider, Bright House would force Verizon to subtend a Bright House tandem (and thereby force Verizon to essentially hand over its tandem business and customers to Bright House). But there is no legal or policy support for taking that competitive choice away from Verizon or any other local exchange carrier. If Bright House wishes to operate as a competitive tandem provider, it should compete for the business of Verizon and other local exchange carriers, rather than ask the Commission to force those carriers to subtend the Bright House tandem.

- b. If the assertion is correct, please explain why Verizon should not establish such arrangement in the new ICA.

RESPONSE: Please see the Response to 30.a, above.

- 31. For purposes of the following, please refer to the Direct Testimony of Bright House witness Marva Johnson on page 27, lines 4 through 17:

- a. Does Verizon intend to limit transactions as suggested by the testimony?

RESPONSE: This Interrogatory relates to Issue 22(b), which has been resolved, so no response is necessary.

- b. What does Verizon propose as an appropriate methodology to be used in determining a reasonable volume limit?

RESPONSE: This Interrogatory relates to Issue 22(b), which has been resolved, so no response is necessary.

- c. Under what conditions might such a limit be imposed by Verizon?

RESPONSE: This Interrogatory relates to Issue 22(b), which has been resolved, so no response is necessary.

- 32. For purposes of the following, please refer to the Direct Testimony of Verizon Witness William Munsell on page 8, lines 1-25 and page 9, lines 1-18, regarding Verizon's proposed language in § 50 of the ICA's General Terms and Conditions.

- a. Please identify all legal authority Verizon believes supports this proposed language.

RESPONSE: As noted in Mr. Munsell's Rebuttal Testimony, the Commission dealt with a similar situation after the FCC eliminated the ILECs' obligation to provide unbundled local switching in its *Triennial Review Remand Order*. CLECs argued that they were entitled to keep ordering such switching unless and until the ILECs negotiated new ICA language to reflect the FCC's elimination of the obligation. The Commission rejected these arguments, finding that the elimination of the ILECs' obligation to provide unbundled local switching was self-effectuating, without the need for negotiation of new contract language to prohibit the CLECs from placing new orders for such switching. *Petition to Establish Generic Docket to Consider Amendments to Interconnection Agreements Resulting from Changes in Law, by BellSouth Telecomm., Inc., etc., Order Denying Emergency Petitions*, Order No. PSC-05-0492-FOF-TP, at 6-7 (May 25, 2005). This ruling is consistent with Verizon's position that, when Verizon is no longer legally required to perform a duty under the ICA, there is nothing to negotiate, and Verizon should be permitted to cease performing the duty without amending the contract.

- b. Please identify all current services provided by Verizon to Bright House that Verizon is legally obligated to provide.

RESPONSE: Verizon objects to Interrogatory No. 32.b. as overly broad and unduly burdensome and further objects to the extent this interrogatory calls for legal analysis and conclusions. Subject to these objections and the General Objections, Verizon states that to the best of its knowledge, it is legally obligated – under tariff, contract, or other applicable law – to provide all of the services it currently provides to Bright House.

- c. Please identify all current services provided by Verizon to Bright House that Verizon is not legally obligated to provide.

RESPONSE: Verizon objects to Interrogatory No. 32.c. as overly broad and unduly burdensome and further objects to the extent this interrogatory calls for legal analysis and conclusions. Subject to these objections and the General Objections, Verizon states that to the best of its knowledge, it is legally obligated – under tariff, contract, or other applicable law – to provide all of the services it currently provides to Bright House.

- d. Please explain why Verizon believes that its proposed language is not unconscionable.

RESPONSE: There is nothing unconscionable about Verizon's proposed language for § 50. The ICA is not a voluntary, commercial contract; it is a creature of regulation, embodying the parties' rights and obligations under section 251 of the Act. Verizon currently is required by law to provide services and make payments that it otherwise would not on a voluntary, contractual basis. When those requirements are removed – e.g., by either a change in law or a change in factual circumstances that would render a legal requirement no longer applicable

– there is no reason for Verizon to continue providing those services or making those payments. Indeed, it would be unjust and unreasonable to hold Verizon to interconnection terms that it would not voluntarily have agreed to once the corresponding legal interconnection obligations are removed. Because Verizon entered into those agreements with those terms only because of previously existing (and now removed) legal requirements, it should be entitled to the benefit of any change in applicable law or facts that render those requirements inoperative.

- e. Please explain why § 4 of the proposed agreement, which addresses Applicable Law, does not effectively address a change in Verizon's legal obligations to provide a service or payment of intercarrier compensation.

RESPONSE: Section 4 of the proposed agreement contains a "Change in Law" provision (§ 4.6) which provides, in pertinent part, that "[i]n the event of any Change in Applicable Law, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law" and, if the parties cannot agree on how to modify the contract in light of a change in law, they will bring the matter to the Commission for resolution. That "Change in Law" provision works well in most circumstances in which some further action by the parties or some further revision to the agreement is required. But it is ill-suited for the situation contemplated by Verizon's proposed changes for § 50, which address situations where Verizon's duty to provide service or make payment is eliminated. In such a situation – where all that must be done is to stop providing something, or stop making some payment – it is not necessary to go through the process of negotiating terms and conditions to accommodate the change. All that must be done is to stop providing, or stop paying. Unlike most changes in law, which might require the negotiation of implementing terms and conditions, there is nothing more that needs to be negotiated when one is simply withdrawing a service or payment.

Accordingly, Section 4 of the proposed agreement does not effectively address this situation and a separate provision is needed.

33. For purposes of the following, please refer to the Direct Testimony of Bright House Witness Marva Johnson on page 20, lines 5-8, where Witness Johnson states that "we asked Verizon to make the assurance of payment language mutual-that is giving us the right to demand assurances from Verizon on the same terms that Verizon wants to demand assurances from us-they said no.":

- a. Did Verizon refuse Bright House's proposal of mutual assurance of payment language?

RESPONSE: Yes.

- b. If yes, why did Verizon reject Bright House's proposal of mutual assurance of payment language?

RESPONSE: As explained in Mr. Vasington's Rebuttal Testimony, Verizon and Bright House are not similarly situated. Verizon is required to negotiate and arbitrate ICAs with all requesting CLECs and must include terms in those agreements that provide adequate financial protection. Bright House does not have that obligation or related exposure. Further, if the Bright House ICA had reciprocal assurance of payment provisions, other CLECs could opt into that ICA and obtain the same terms. Verizon thus had good reason to reject Bright House's proposal.

- c. Please identify all legal authority and factual data which Verizon believes supports this proposed language.

RESPONSE: The factual data supporting Verizon's proposed language is provided in the Direct and Rebuttal Testimony of Paul Vasington. As he explains, adequate assurance of payment provisions are essential in Verizon's ICAs, because Verizon is required to enter those ICAs without regard to the financial condition of the CLEC requesting interconnection. As the past few years in the industry demonstrate, even apparently credit-worthy enterprises can quickly devolve into insolvency; Verizon's extensive experience writing off as unrecoverable amounts invoiced to bankrupt CLECs proves the need for assurance of payment protections. Moreover, assurance-of-payment provisions benefit CLECs by allowing them to continue obtaining service despite financial difficulties.

The Commission has approved numerous Verizon ICAs with Verizon's proposed language as well as provisions in AT&T's ICAs that can authorize it to require CLECs to provide security deposits for two months of charges. See *Joint Petition by NewSouth Comm. Corp.*, Docket No. 040130-TP, Order No. PSC-05-0975-FOF-TP, pp. 66-68 (Oct. 11, 2005). Verizon's assurance of payment language, when triggered, requires a letter of credit covering two months of charges, which is in line with, and even more favorable, to Bright House, than the way the Commission has dealt with this issue with AT&T.

In an arbitration between Verizon and, among others, the former WorldCom, the FCC's Wireline Competition Bureau ruled that Verizon "has a legitimate business interest in receiving assurances of payment" from CLECs. Memorandum Opinion and Order, *In re: Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act*, 17 FCC Rcd 27039 ¶ 727 (2002). In that case, WorldCom had argued that a company with its apparent financial stability at the time should not be required to have assurance of payment language in its ICA. Within a week of the FCC's order, WorldCom declared bankruptcy.

VERIFICATION

STATE OF FLORIDA)
) ss.
COUNTY OF HILLSBOROUGH)

BEFORE ME, the undersigned authority, personally appeared Frank App who deposed and stated that the answers to the Second Set of Interrogatories (Nos. 29-33) served on Verizon Florida LLC by the Staff of the Florida Public Service Commission in Docket No. 090501-TP were prepared at his request and he is informed that the responses contained therein are true and correct to the best of his information and belief.

DATED at Tampa, Florida, this 13th day of May, 2010.


Frank App

Sworn to and subscribed before me this 13th day of May, 2010.


Notary Public
State of Florida

My Commission Expires:



EXHIBIT NO. 3

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Bright House Networks

DESCRIPTION: Composite of Responses to Staff's Interrogatories and Request for Production of Documents from Bright House Networks.

a. Item Nos. 1-30 of Bright House's Responses to Staff's First Set of Interrogatories and First Request for Production of Documents Item Nos. 1-8. Pages 1-82.

b. Item Nos. 31-35 of Bright House's Responses to Staff's Second Set of Interrogatories. Pages 83-95.

PROFFERING PARTY: Staff

I.D. # Stip-3

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP EXHIBIT 3

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS STIPULATED EXHIBIT- STIP-3

DATE 5/25/10

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Bright House Networks Information
Services (Florida), LLC

Petition for Arbitration of Terms and Conditions
of An Interconnection Agreement with Verizon
Florida, LLC

Docket No. 090501

**BRIGHT HOUSE'S RESPONSES TO THE COMMISSION STAFF'S FIRST SET OF
INTERROGATORIES (NOS. 1-30) AND
DOCUMENT PRODUCTION REQUESTS (NOS. 1-8)**

Bright House Networks Information Services (Florida), LLC, ("Bright House") hereby submits its responses, to the first set of interrogatories (Nos. 1-30) and first requests for production of documents (Nos. 1-8) of the Commission Staff in the above-captioned proceeding.

Attached to Bright House's responses is the affidavit of the person providing said responses. Note that where Staff has sought a description of Bright House's "contentions" in this proceeding, the responses have been prepared by counsel.

RESPONSES TO INTERROGATORIES

1. For the purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 87, lines 3-5:

If the parties have not tried to establish a fiber meet point, why is this matter in dispute?

Bright House is considering reconfiguring its current network interconnection arrangements with Verizon in order to lower cost and improve reliability. One option is to "decommission" its existing collocation arrangements and directly connect Bright House's optical fiber to Verizon optical fiber via a fiber meet. Bright House is therefore extremely interested in all terms and conditions associated with fiber meets, because those terms and conditions directly affect Bright House's analysis of its network reconfiguration options.

2. For the purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 88, lines 26-28:

- a. Would a requirement that Verizon extend cabling from 500 feet to 2,500 feet from its existing network result in the imposition of additional costs to Verizon?**

Potentially, yes. Note that Bright House and Verizon have resolved this issue.

- b. If the answer to question 2a. is affirmative, how would this recommendation be reconciled with witness Gates' assertion on page 3, lines 16-17 regarding the imposition of costs?**

In discussing meet point interconnections for purposes of traffic exchange, the FCC stated that in such an arrangement, "the incumbent and the new entrant are co-carriers and each gains value from the interconnection arrangement. Under these circumstances, it is reasonable to require each party to bear a reasonable portion of the economic costs of the arrangement." *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Report and Order, 11 FCC Red 15499 (1996) ("*Local Competition Order*") at ¶ 553. Because both the ILEC and the CLEC benefit from a meet point interconnection, there is no reason to impose any arbitrary limits on how far either party should build out facilities to establish the interconnection. So, while a longer build-out by an ILEC to establish a meet point indeed imposes some costs on the ILEC, it benefits from those costs. The question is simply what is reasonable in the circumstances.

Note, however, that Bright House and Verizon have resolved this issue.

- c. What economic assumptions support witness Gates' recommendation for Verizon to extend cabling from 500 feet to 2,500 feet from its existing network to establish a fiber meet point?**

No specific assumptions underlie the 2,500 foot recommendation. In the absence of agreement between the parties, the reasonableness of a particular proposed meet point arrangement should be determined on a case-by-case basis.

In addition, note that Bright House and Verizon have resolved this issue.

- d. What engineering assumptions support witness Gates' recommendation for Verizon to extend cabling from 500 feet to 2,500 feet from its existing network to establish a fiber meet point?**

See response to #2(c) above.

3. For the purposes of the following, please refer to the direct testimony of Verizon witness D'Amico on page 4, lines 9-11:

a. Is Bright House witness Gates' recommendation that Verizon extend cabling up to 2,500 feet from its existing network consistent with the 47 CFR § 51.305(2)?

Yes. Note, however, that the parties have settled this issue.

b. If the answer to question 3a. is affirmative, please explain your answer.

Section 251(e)(2) of the Act states that interconnection may occur at any technically feasible point "within" the ILEC's network. That language does not suggest that interconnection must occur at some point "on" the ILEC's existing network; instead, some reasonable amount of construction and rearrangement on the part of the ILEC is reasonable in order to facilitate and enable interconnection, as the FCC expressly found in the *Local Competition Order* at ¶ 553. For this reason, among others, the list of potential interconnection points contained in 47 C.F.R. § 51.302(2) is expressly identified as a "minimum" set of point, not an exhaustive list.

In this regard, note that in 47 C.F.R. § 51.321, which addresses "methods of obtaining interconnection," the FCC specifically lists "meet point interconnection arrangements" as a "technically feasible method[] of obtaining interconnection." 47 C.F.R. § 51.321(b)(2). Note also that the FCC's *Local Competition Order*, at ¶ 553, found that calling on ILECs to construct a reasonable amount of fiber to establish a meet point constitutes a reasonable accommodation of interconnection.

c. If the answer to question 3a. is negative, please explain what legal authority the Florida Public Service Commission has to order Verizon to establish points of interconnection outside of its network.

See discussion in item 3(b) above. The statutory requirement that interconnection occur "within" an ILEC's network is best understood as referring to an appropriate location within the ILEC's serving territory, not as being physically "on" the ILEC's existing network. This is the only reading of the statute that is consistent with the FCC's finding that ILECs are required to establish meet points to effectuate interconnection for purposes of traffic exchange.

Note also that this issue relates to the question of TELRIC pricing of interconnection facilities. Interconnection occurs "within" an ILEC's network as long as it occurs within the ILEC's serving area. If the ILEC is called upon to establish new facilities for interconnection, those facilities are either treated as a minor effort in support of interconnection (as is the case with meet points) or are to be paid for by the CLEC at TELRIC rates.

As to the Commission's authority, Bright House notes the following. First, the FCC itself, in ¶ 553 of the *Local Competition Order*, states that state commissions shall have the authority to determine how far ILECs should be called upon to build out their facilities to establish a meet point. Second, 47 U.S.C. §§ 251(d)(3), 252(e)(3), 261(b), and 261(c), all empower the Commission to impose additional requirements on ILECs that are reasonably necessary to encourage the growth and development of competition.

47 U.S.C. § 251(d)(3) states:

"(3) PRESERVATION OF STATE ACCESS REGULATIONS.--In prescribing and enforcing regulations to implement the requirements of this section, the Commission shall not preclude the enforcement of any regulation, order, or policy of a State commission that--(A) establishes access and interconnection obligations of local exchange carriers; (B) is consistent with the requirements of this section; and (C) does not substantially prevent implementation of the requirements of this section and the purposes of this part."

47 U.S.C. § 252(c)(3) states:

"(3) PRESERVATION OF AUTHORITY.--Notwithstanding paragraph (2), but subject to section 253, nothing in this section shall prohibit a State commission from establishing or enforcing other requirements of State law in its review of an agreement, including requiring compliance with intrastate telecommunications service quality standards or requirements."

(As to state law, see below.)

47 U.S.C. §§ 261(b) and (c) state:

"(b) EXISTING STATE REGULATIONS.--Nothing in this part [Sections 251-261] shall be construed to prohibit any State commission from enforcing regulations prescribed prior to the date of enactment of the Telecommunications Act of 1996, or from prescribing regulations after such date of enactment, in fulfilling the requirements of this part, if such regulations are not inconsistent with the provisions of this part.

(c) ADDITIONAL STATE REQUIREMENTS.--Nothing in this part [Sections 251-261] precludes a State from imposing requirements on a telecommunications carrier for intrastate services that are necessary to further competition in the provision of telephone exchange service or exchange access, as long as the State's requirements are not inconsistent with this part or the Commission's regulations to implement this part."

In addition, Florida Statutes § 364.15 expressly empowers the Commission to direct carriers to extend their networks where reasonably necessary:

"§ 364.15. Compelling repairs, improvements, changes, additions, or extensions

Whenever the commission finds, on its own motion or upon complaint, that repairs or improvements to, or changes in, any telecommunications facility ought reasonably to be made, or that any additions or extensions should reasonably be made to any telecommunications facility, in order to promote the security or convenience of the public or employees or in order to secure adequate service or facilities for basic local telecommunications services consistent with the requirements set forth in this chapter, the commission shall make and serve an order directing that such repairs, improvements, changes, additions, or extensions be made in the manner to be specified in the order. This section authorizes the commission to impose only those requirements that it is otherwise authorized to impose under this chapter."

4. For the purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 91, lines 3-5:

Does Bright House's proposal to route all traffic through fiber meet points include special access traffic?

No.

5. For the purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 33, lines 3-9:

Why is Bright House requiring Verizon to comply with all North American Numbering Council (NANC) guidelines?

The correct reference is to the NENA guidelines. Bright House and Verizon have settled this issue by agreeing to abide by the NENA guidelines.

6. For the purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 32, Lines 16-21:

- a. What is the standard industry interval to unlock a customer's E911 records when a customer transfers?**

The standard interval is generally one (1) business day as set forth in the NENA Data Standards for Local Exchange Carriers, ALI Service Providers & 9-1-1 Jurisdictions NENA 02-011, Version 7, September 17, 2009. The parties have agreed to follow those guidelines.

- b. Does Bright House have any documented instances of Verizon failing to unlock a customer's E911 records within standard industry intervals? If so, how many?**

Bright House has had intermittent concerns with Verizon regarding this issue. At one point in time, Verizon failed to unlock customer's E911 records within the standard 1 day interval as much as 5% of the time. As described in Ms. Johnson's rebuttal testimony, this issue creates a potential safety concern in cases where a customer is simultaneously changing carriers and changing his/her physical address. Our concern on this issue is to minimize any possibility of a customer making a 911 call and the emergency authorities having the wrong address due to failure to unlock and update the appropriate database. As noted above, the parties have resolved this issue by agreeing to abide by the NENA.

7. For purposes of the following, please refer to the direct testimony of Verizon witness Vasington on page 23, lines 8-23:

What effect, if any, would placing Verizon's collocation terms in the ICA have on Bright House? Does Bright House plan to offer testimony on this issue?

Bright House and Verizon are continuing to discuss this issue. The benefit of including collocation terms in the ICA is ease of reference. If the Commission had not previously taken an active interest in Verizon's collocation tariff and reviewed its terms, Bright House would perceive itself to be at greater risk from Verizon modifying its tariff in a potentially unreasonable way. In light of the Commission's supervision of this specific issue, our concerns are less significant.

8. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 116, lines 16-26:

- a. In the absence of applicable traffic, why is it necessary to arbitrate the issue of "unaddressed traffic" at this time?

The ICA will be in effect for several years. As technology and regulatory changes occur, it is possible that presently unclassified traffic types may emerge. It is prudent to account for that possibility in the parties' ICA.

- b. In reference to compensation for unaddressed traffic, how would using the terms in the ICA, applicable tariffs, FCC or Commission rates, or a mutual agreement harm Bright House?

The problem with Verizon's proposed language is that it leaves the treatment of new/unclassified types of traffic uncertain. That is a recipe for expensive and time-consuming disputes, as Verizon would logically claim that the highest arguably applicable rate applies to traffic it receives from Bright House and that the lowest arguably applicable rate applies to traffic it sends to Bright House, and vice versa. In contrast, Bright House's proposal eliminates any possibility for such disputes by declaring that no compensation applies to currently unknown or unclassified traffic, while at the same time providing an orderly process by which the question of compensation can be resolved.

9. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 49, lines 2-14 where Witness Gates states that one year is sufficient time to resolve a billing dispute and that most companies do not retain their billing records past one year.

a. Is retaining billing records for one year an industry standard or a Bright House standard? Please explain.

No. Bright House's essential concern regarding this issue relates to financial accounting. Generally accepted accounting principles define current liabilities as the obligations and debts a company owes which must be paid within one year. If the "window" for either party to raise additional claims (obligations) extends beyond one year, it makes it difficult for either party to close its financial statements each year with any certainty.

b. How long does Bright House retain the billing records it sends to its wholesale customers?

Bright House normally retains billing records for two (2) years.

c. How long does Bright House retain the billing records it sends to Verizon?

Bright House normally retains billing records for two (2) years.

d. How long does Bright House retain the billing records it receives from its wholesale providers?

Bright House normally retains billing records for two (2) years.

e. How long does Bright House retain the billing records it receives from Verizon?

Bright House normally retains billing records for two (2) years.

10. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 32, lines 1 -12, where witness Johnson states that Bright House has not asked Verizon to agree to anything specific regarding PIC Freezes, but wants the Commission to adopt Bright House's proposal. Please explain in detail Bright House's proposal regarding PIC Freezes.

Bright House's concern was that there be an adequate and efficient way to remove PIC freezes when Bright House wins a customer from Verizon. Having reviewed the Commission and FCC rules on this topic in more detail, Bright House agreed with Verizon to resolve this issue by agreeing to abide by applicable Commission and FCC rules regarding removal of PIC Freezes.

11. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 17, lines 8-10:

Has Bright House come to an agreement with Verizon on the prices for all services? If not, what are the outstanding disputes?

With one exception, Bright House and Verizon have agreed on prices for the services that appear likely to Bright House to be material to the parties during the term of the new ICA. Specifically:

- (a) The parties have agreed on the rates applicable to establishing directory listings for Bright House's ultimate end users.
- (b) The parties have agreed that local traffic will be exchanged at \$0.0007 per minute.
- (c) The parties have agreed that to the extent they send each other traffic to which per-minute access charges apply, those charges will be determined with reference to each party's respective access tariff.
- (d) The parties have agreed that there shall be no charges for the facilities used to terminate local traffic sent from the other party beyond the \$0.0007/minute rate noted above, except that Bright House has agreed to pay non-recurring charges in connection with the establishment of new trunks.
- (e) The parties have agreed that to the extent such facilities are used to deliver traffic subject to access charges, the amount of access charges will be determined based on the proportion of traffic sent to which access charges apply.
- (f) The parties have agreed that Verizon's intrastate-tariffed rates for collocation will continue to apply to Bright House's collocation arrangements.

The exception relates to facilities that Bright House obtains from Verizon for purposes of interconnecting to exchange traffic. Bright House believes that such facilities should be priced according to the FCC's TELRIC standard, while Verizon believes that such facilities should be priced according to its tariffs. This dispute is before the Commission in Issue #24. Moreover, the parties have certain disputes about when particular rates should apply. For example, Bright House contends that all intraLATA traffic it sends to Verizon should be rated as local and therefore subject to the \$0.0007 rate. This dispute is before the Commission in Issue # 37. But these are disputes about which rates apply in particular situations, not disputes about what the rates themselves are.

12. For purposes of the following, please refer to Exhibit 2 of Bright House's Petition, titled **Current Decision Point List** on page 42 and define the following words as understood by Bright House:

a. "purchase"

To obtain or receive something in exchange for a money payment.

b. "order"

To request or call upon another party to provide something, whether or not a payment obligation will apply.

c. "ordering"

The process of placing or establishing an order.

d. "obtain"

To actually receive a product, service, or benefit.

13. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 25, lines 5-7, where it references "related language in certain other sections of the agreement."

Please provide the "related language" and where it can be found in the ICA.

Mr. Gates was referring to the numerous places where the ICA refers to "ordering" things under the ICA. These include:

General Terms & Conditions:

§1.1; §1.2; §4.6.1; §8.3; §10.1.6 (proposed); §30; §51 (proposed)

Glossary:

§2.81; §2.92

Additional Services:

§4.3 (proposed); §4.6; §8.1.1; §8.2.1 (proposed); §8.8.2; §8.11

Interconnection:

§3.1.1; §5.2; §5.2.3; §15.2; §15.2.4 (proposed); § 15.5

Resale:

§4.1; §4.2

Network Elements:

§1.5; §1.7.2.2; §1.7.2.3; §3.1.1; §3.1.2; §3.1.3; §3.1.4; §3.1.5; §3.1.7; §3.1.8; §3.2; §3.2.1; §3.2.2; §3.2.3; §3.2.5; §3.2.6; §3.2.7; §3.2.8.1; §3.2.8.2; §3.2.9; §3.3.1.1; §3.3.1.5.1; §3.3.1.5.2; §3.3.1.6; §3.3.1.7; §3.6.4.2; §4.3; §4.4; §6.1.4; §6.1.5; §6.1.6; §7.1.1.1; §7.1.2.2; §8.2.5.1; §8.2.5.3; §8.2.5.4; §8.2.5.5.1; §8.2.6; §8.2.10; §8.2.14.2; §8.2.16; §8.2.19.2; §13; §14.3.8; §16.2.6

911:

§3.2.7

Fiber Meet:

§ 6.2; §6.3; §7.1

14. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 25, lines 14-18, where it discusses rates being changed by Verizon filing a tariff with the FCC or FPSC without any negotiation with Bright House.

a. Please identify any and all industry standards, rules, regulations, and statutes which address the inclusion or exclusion of tariff rates or references in ICAs.

See response to item 14(b).

b. Please identify any and all rulings or decisions by the FCC or any state Commission which address the inclusion or exclusion of tariff rates or references in ICAs.

The following decisions are relevant to this issue:

Joint petition by TDS Telecom d/b/a -TDS Telecom/Quincy Telephone; ALLTEL Florida, Inc.; Northeast Florida Telephone Company d/b/a NEFCOM; GTC, Inc. d/b/a GT Com; Smart City Telecommunications, LLC d/b/a Smart City Telecom; ITS Telecommunications Systems, Inc.; and Frontier Communications of the South, LLC objecting to and requesting suspension and cancellation of proposed transit traffic service tariff filed by BellSouth Telecommunications, Inc., 2006 Fla. PUC LEXIS 543, Doc. No. 0501 19-TP, Order No. PSC-06-0776-FOF-TP (Fla. PSC 2006)

Petition for arbitration of unresolved issues in negotiation of interconnection agreement with Verizon Florida Inc. by US LEC of Florida Inc., Doc. No. 020412-TP, Order No. PSC-03-0762-FOF-TP (Fla. PSC 2003)

In re: Petition by Sprint Communications Co. Limited Partnership for arbitration with Verizon Florida Inc. pursuant to Section 251/252 of the Telecommunications Act of 1996, Doc. No. 010795-TP, Order No. PSC-03-0048-FOF-TP (Fla. PSC 2003)

In Re: Petitions by AT&T Communications of the Southern States, Inc., MCI Telecommunications Corp. and MCI Metro Access Termination Services, Inc. for arbitration of certain terms and conditions of a proposed agreement with GTE Florida Inc. concerning interconnection and resale under the Telecommunications Act of 1996, Doc. No. 960847-TP and Doc. No. 960980-TP, Order No. PSC-97-0064-FOF-TP (Fla. PSC 1997)

Bell Atlantic-Delaware, Inc. v. Global NAPs, Inc., 15 FCC Red 20665, 20671 (2000)

In the Matter of Developing a Unified Intercarrier Compensation Regime, T-Mobile et al. Petition for Declaratory Ruling Regarding Incumbent LEC Wireless Termination Tariffs, Declaratory Ruling and Report & Order, CC Docket No. 01-92 (FCC 2005)

Wisconsin Bell v. Bie, 340 F.3d 441 (7th Cir. 2003)

Verizon v. Strand, 367 F.3d 577 (6th Cir. 2004)

Verizon v. Strand, 309 F.3d 935 (6th Cir. 2002)

MCI Telecommunications Corp. v. GTE Northwest, Inc., 41 F. Supp. 2d 1157 (D. Ore. 1999)

Global Access Ltd. v. AT&T Corp., 978 F. Supp. 1068 (S.D. Fla. 1997)

15. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 128, line 4:

Please define the term "efficiently" as understood by Bright House.

Mr. Gates' use of the word "efficiently" was a reference to the increased cost and reduced capacity associated with Verizon's proposal. This is discussed at pages 128 and 129 of his direct testimony and at pages 26-33 of his rebuttal testimony. Verizon's proposal is inefficient for several reasons. For instance, Bright House's traffic must be demultiplexed to accommodate Verizon's DS-1 ports. If Verizon interconnected at higher rates, this function would not be required. Further, the DS-1 level is very low – in terms of capacity – as compared to DS-3 or OC level interconnection. The higher the capacity, the lower the incremental cost per unit, all other things constant. Further, the DS-3 or fiber based interconnections are more stable, require less physical space, and are easier to manage and maintain.

16. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 128, lines 1-15, where it discusses the delivery of traffic to Verizon at an extremely low data rate.

a. Please explain how interconnecting at an "extremely low data rate" affects the efficiency of Bright House's network.

The "extremely low data rate" affects Bright House in several ways. As discussed in Mr. Gates' testimony, to the extent that Bright House is responsible for delivering traffic at a DS-1 rate, it must spend money and time demultiplexing its traffic to accommodate Verizon's DS-1 level of interconnection. The DS-1 interconnection also affects Bright House's collocations with Verizon. DS-3 or OC level interconnection takes less space, requires less human intervention and is more stable and easy to manage than DS-1 interconnection.

b. Please identify any and all industry standards, rules, regulations, and statutes addressing efficient network interconnections relating to the level of signal.

We are not aware of any specific industry standard, rules, regulations or statutes addressing efficient network interconnections relating to the level of signal. Nevertheless, the Act and the FCC rules allow for any "technically feasible" point of interconnection. (47 U.S.C. Section 251(c)(2)) Further, a key goal of the Act is to eliminate operational and economic barriers to competition and to increase the efficient operation of the market. There is no dispute that DS-3 or higher interconnection is technically feasible. It is also clear that a higher level of interconnection is more efficient from an engineering and economic perspective. As discussed in Mr. Gates' direct at page 73, the FCC TELRIC pricing standard, which applies to interconnection, assumes the "...use of the most efficient telecommunications technology currently available and the lowest cost network configuration..." With these mandates as background, Bright House's request for DS-3 or OC level interconnection is reasonable and consistent with the goals of the Act. After all, it is also technically feasible to interconnect at a DS-0 level (that is, a single voice channel), but an ILEC demand for DS-0 interconnection would be absurd for normal traffic exchange. The Commission should question whether Verizon's DS-1 interconnection is reasonable given currently available technology. One of the factors the Commission should consider in evaluating Verizon's proposal is the additional cost and inefficiency that the proposal imposes on Bright House.

c. What does Bright House believe the level of signal should be for an efficient network? Please explain.

The efficient level of signal depends on the amount of traffic to be exchanged. Verizon and Bright House routinely exchange in excess of 30,000,000 minutes of

local traffic per month (that is, not counting meet point billing traffic). The specific most efficient engineering configuration for particular traffic levels will depend on the particular characteristics of the traffic. However, at this traffic volume, OC-3 or higher interconnection would normally be the most efficient.

- d. Please identify any and all industry standards, rules, regulations, and statutes addressing the requirement of the specific use of equipment or technology, including but not limited to software and hardware of a network and/or interconnection.

See response to Item 16(b) above.

17. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 131, lines 15-20, where witness Gates discusses de-multiplexing.

a. Please identify any and all rules, regulations, statutes, and industry standards for the transport and termination functions.

The key definitions of these terms are contained in 47 C.F.R. § 51.701(c) and (d). Those provisions state (emphasis added)

"(c) *Transport*. For purposes of this subpart, transport is the transmission and any necessary tandem switching of telecommunications traffic subject to section 251(b)(5) of the Act *from the interconnection point between the two carriers to the terminating carrier's end office switch* that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.

(d) *Termination*. For purposes of this subpart, termination is the switching of telecommunications traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premises."

b. Is de-multiplexing considered a part of the transport function? Please explain.

Yes. Demultiplexing is essentially an ancillary part of the transmission of traffic from the physical point of hand-off (the interconnection point referred to in 47 C.F.R. § 51.701(c)) to the terminating end office switch. Note in this regard that the FCC defines "interconnection" as the physical linking of networks for the exchange of traffic. 47 C.F.R. § 51.5. Therefore the "transport" function begins at the point at which the traffic leaves one carrier's facilities and physically begins being carried on the other carrier's facilities. So, in a fiber meet arrangement, for example, transport begins at the point at which the two carriers' fiber is spliced or otherwise linked. In Bright House's current arrangement, transport begins once traffic leaves Bright House's collocated equipment – whether at DS3 or higher signal levels – and connects to the Verizon cross-connect or other facilities. Certainly by the time Bright House's traffic enters the high-signal-level port on a Verizon fiber optic terminal, DACCS, or demultiplexing device, the traffic has passed from Bright House's network to Verizon's, and the transport function has begun. Demultiplexing is therefore part of transport.

18. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 66, lines 9-10 where witness Gates mentions a substantial dispute regarding directory listings (DL) under the current agreement between Bright House and Verizon.

a. Please clarify and provide additional information regarding this dispute.

Very briefly, the parties' existing ICA states that directory listings will be provided at "no charge" to Bright House. Verizon nonetheless billed Bright House for order processing charges purportedly in connection with establishing directory listings. Bright House filed a complaint against Verizon regarding those bills at the Commission. However, Verizon insisted on invoking the provision in the existing ICA calling for private arbitration of certain disputes. The Commission agreed with Verizon that private arbitration was appropriate.

Following certain private arbitration proceedings, the parties reached a confidential settlement of the dispute with neither party admitting that its position was in error. One aspect of the settlement was an agreement by the parties to negotiate and establish a new ICA.

b. Please advise how this dispute was resolved.

See response to Item 18(a) above.

19. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 67, lines 3-7 where witness Gates refers to a legal/regulatory standard of "just, reasonable and nondiscriminatory":

- a. Please clarify what is meant by the legal/regulatory standard of "just, reasonable and nondiscriminatory".

This legal standard (although phrased in slightly different ways) has been included in state and federal "public utility" regulatory statutes for decades. It is a broad and flexible standard that is intended to allow the regulatory authority to establish a result that takes account of all the relevant factual considerations, as well as balancing the interests of the affected parties, including regulated entities and the public.

- b. Please provide documentation to support how the legal/regulatory standard of "just, reasonable and nondiscriminatory" applies to Verizon's responsibility to provide directory listings.

Note that Bright House and Verizon have settled this issue. That said, we note that in 47 C.F.R. § 51.217(b), the FCC established a "general rule" that access to directory listings shall be "nondiscriminatory," and in § 51.217(c)(3), laying out "specific requirements," the FCC states that "a LEC shall accept the listings of those customers served by competing providers for inclusion in its directory assistance/operator services database." The FCC confirmed that this applies to printed directories in In the Matters of Implementation of the Telecommunications Act of 1996, *et al.*, Third Report and Order in CC Docket No. 96-115, Second Order on Reconsideration of the Second Report and Order in CC Docket No. 96-98, and Notice of Proposed Rulemaking in CC Docket No. 99-273, 14 FCC Rcd 15550 (1999) where it stated (at ¶ 153) that:

"[T]he section 251(b)(3) requirement of non-discriminatory access to directory listing is most accurately reflected by the suggestion of MFS and Bell Atlantic that directory listing be defined as a verb that refers to the act of placing a customer's listing information in a directory assistance database or in a directory compilation for external use (such as a white pages). We believe that interpreting the Act's requirements of non-discriminatory access to directory listing and directory assistance in this manner will clear up any ambiguities concerning LEC obligations to provide access to directory assistance databases to competitors and to list competitors' information."

Id. at ¶ 153 (footnote omitted).

- c. **Please provide examples in case law or previous Commission rulings of issues resolved under the "just, reasonable and nondiscriminatory" standard.**

This standard has received the most judicial attention in the context of setting "just and reasonable" rates. In the specific context of setting rates under Sections 251 and 252 of the Communications Act, see *Verizon Communications v. FCC*, 535 U.S. 467 (2002). At 535 U.S. 500, the Court notes that the "just and reasonable" standard is intended to give regulators "ample discretion" in choosing the methodology used to determine rates. That same discretion exists in applying the "just and reasonable" standard to the terms and conditions of interconnection, traffic exchange, etc. as well.

20. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 64, lines 19 - 22 where witness Gates refers to Bright House's end users (subscribers to the interconnected VoIP services offered by Bright House's affiliates who obtain network connectivity through Bright House):

a. Does Verizon's responsibility to provide directory listings extend to all Bright House affiliates?

No. However, Bright House asserts that an ILEC's responsibility to provide directory listings does extend to the end users of interconnected VoIP services that obtain connectivity to the public switched telephone network by means of a CLEC that is interconnected to the ILEC. Note that Verizon and Bright House have settled the question of obtaining directory listings for Bright House's VoIP ultimate end users.

b. Please identify all Florida Bright House affiliates by name and type of business.

Bright House Networks, LLC, which is the cable affiliate of Bright House Networks Information Services (Florida) LLC.

21. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 66, lines 13 - 15 where witness Gates refers to the scope of Verizon's obligation to provide DL functions to Bright House:

a. What responsibility does Verizon have to verify customer directory listing?

Bright House believes that, in the absence of an agreement to apply a different standard, Verizon is responsible for using reasonable care in ensuring that the information that ultimately appears in its directories and databases conforms to the information submitted for that purpose, in this case by Bright House.

b. If there is an error in the information in the directory listing, would Bright House or Verizon be responsible for correcting the information?

That depends on the source of the error. If Bright House submitted erroneous data in the first instance, then it would be Bright House's responsibility to correct it. If Bright House submitted accurate data and Verizon garbled it, it would be Verizon's responsibility to correct it.

c. Does Bright House intend to include Verizon customers in its directory listing?

Bright House provides directory assistance for its customers using a third party vendor. We expect that vendor to include Verizon customers in its databases.

22. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 132, lines 12-13, where witness Gates states that establishing trunks and interconnection trunk groups is necessary to exchange traffic:

- a. Please provide an estimate of how many trunks or trunk groups will be one-way from Bright House to Verizon and how many will be two-way interconnections.

Verizon and Bright House are currently interconnected. Considering both local traffic and meet point billing traffic, they exchange on the order of 69,000,000 minutes of traffic per month between their respective customers and about 350,000,000 minutes of traffic between their respective networks. Handling this traffic requires many dozens of DS-1 equivalent trunk groups.

- b. Please provide an estimate of how many trunks or trunk groups will be one-way from Verizon to Bright House.

The overwhelming majority of the trunk groups between Verizon and Bright House are two-way.

- c. Is it standard industry practice for a CLEC to pay for the establishment of an interconnection trunk or trunk group with an ILEC?

It depends on the circumstances. Note that Bright House and Verizon have agreed that Bright House will pay Verizon's non-recurring charges when new trunk groups need to be established.

- d. Will the establishment of a trunk or trunk line between Verizon and Bright House involve disparate systems that may need special integration?

A variety of equipment from different vendors can interconnect to establish trunks at the DS-1, DS-3, and OC levels. Theoretically, equipment from different manufacturers, but conforming to industry standards, should interoperate. It is routine practice, however, to test any new trunk groups established prior to placing them into operation, so any incompatibilities, etc., can be identified and resolved. Beyond such standard pre-operational testing, the specific of coordination to handle potentially disparate signals will depend on the specific situation. Note that the new ICA's provisions regarding establishing fiber meets specifically address signal level and standard transmission formats. See Fiber Meet Appendix §§ 2, 3.

23. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 133, lines 6-16: Please clarify if it is standard industry practice for a customer to pay for receiving a call.

For local traffic, neither the calling party nor the called party is typically separately charged for a call. For toll traffic, calls to standard telephone numbers are normally charged to the calling party, while calls to toll-free "8YY" numbers are charged to the called party.

24. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 141, line 14 where witness Gates refers to Verizon's obligation to provide commercially reasonable efforts to facilitate Bright House in being able to establish direct connections with Verizon affiliates:
- a. Please identify by name and type of business the Verizon affiliates with whom Bright House would like to establish "direct connections"?
 - b. Please clarify what is meant by "direct connections"?
 - c. Please clarify what is meant by "commercially reasonable efforts".
 - d. Has Bright House made an effort to directly interconnect with Verizon affiliates? If not, why?
 - e. Please provide a chart showing the relationship of the Bright House affiliates to the Bright House CLEC and to each other.
 - f. Please provide a chart showing how Bright House (CLEC) and Bright House affiliates intend to interconnect with Verizon and Verizon affiliates.

Bright House has withdrawn its entire proposal with respect to this issue.

25. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 141, lines 9-17 where witness Gates refers to tandem transit service. Please further explain tandem transit service.

Tandem transit service involves a situation in which one carrier reaches another carrier by means of the tandem switch of a third carrier. If there is a direct connection between Carrier A and Carrier B there would be no third carrier involved: A → B. In a tandem transit arrangement, Carrier A's traffic would reach Carrier B by means of the facilities of Carrier C: A → C → B.

26. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 29, lines 3-12, where witness Johnson states that for competitive reasons Bright House offers its end users broader "free" local calling areas that allow them to make calls anywhere in Florida as a part of a single, flat-rated service plan:

a. Please explain how Bright House defines its local calling area.

Bright House's local calling area includes all of the Tampa LATA.

b. Is Bright House currently routing, or has routed in the past, any of its local calls to customers outside of Verizon's local calling areas? If so, how were those calls handled from a compensation standpoint? Should access charges apply to those calls?

Yes. In some cases this traffic is routed via Verizon's tandem to a third party carrier whose switch subtends that tandem. In other cases Bright House sends the traffic to third parties for termination.

Under the parties' existing ICA, calls that Bright House sends to Verizon that cross a Verizon calling area boundary are subject to access charges. For reasons explained in Mr. Gates' direct and rebuttal testimony in connection with Issue #37, when Bright House sends such traffic to Verizon, access charges should not apply to those calls.

27. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 29, lines 3-12 where witness Johnson testifies that there is no possible sensible reason why Bright House should have to pay terminating access charges to Verizon when a Bright House customer makes a local call, included within the customer's local calling plan that goes to a Verizon customer who happens to be in a different Verizon local calling area. Please explain the basis for this assertion, including any regulatory and statutory support.

Mr. Gates' discussion of Issue #37 in his direct and rebuttal testimony provides the key policy and economic grounds for this conclusion.

The statutory and regulatory grounds for this conclusion involve a set of interlocking statutory definitions and regulatory provisions. As described below, they show that when and ILEC and CLEC are establishing terms for intercarrier compensation in an interconnection agreement, each carrier may insist that calls that it treats as a local call and sends to the other carrier must be subject to reciprocal compensation, and not access charges, when it is terminated by the other carrier.

The key "interlocking" statutory and regulatory materials are: 47 U.S.C. § 153(16) (defining exchange access); 47 U.S.C. § 153(47) (defining telephone exchange service); 47 U.S.C. § 153(48) (defining telephone toll service); § 251(b)(5) (stating that reciprocal compensation applies to all "telecommunications"); § 251(g) (which temporarily exempts intercarrier compensation for "exchange access" from the general rule); and 47 C.F.R. §§ 703(a) and 701(a) and (b). Each of these provisions comes into play if a state commission is called upon to establish ICA terms that meet the requirements of Section 251, in accordance with Sections 252(b)(4)(C) and 252(c)(1).

1. The place to start is the definition of "telephone exchange service," 47 U.S.C. § 153(47). "Telephone exchange service" is the statutory term that includes traditional "local" phone service. It reads as follows:

"The term 'telephone exchange service' means (A) service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge, or (B) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service."

Subsection (A) describes traditional local telephone service and has been in the Communications Act since its initial passage in 1934. (Note that in 1934-era usage, a telephone "exchange" essentially referred to a single switch. So, service "within" an exchange was a call to someone served by the same switch – clearly a

"local" call. But even in 1934 Congress recognized that local service – "telephone exchange service" – could easily encompass multiple switches within the same "exchange area" – basically a local calling area – as long as the service is the same, and as long as the service within the broader area is "covered by the exchange service charge."

Subsection (B) was added by the landmark Telecommunications Act of 1996, which is the statute that opened up local telephone markets to competition, which added Sections 251 and 252 governing interconnection, arbitrations, etc., and that generally forms the backdrop of this proceeding. It substantially broadens the original definition by including, within the "telephone exchange service" rubric, any "comparable" service, essentially without regard to technology, by which a subscriber can send or receive calls.

For these purposes the key point is that local service can encompass one switch or many; the issue is whether the service functions like traditional local service and "is covered by the exchange service charge," i.e., is not separately rated or billed.

2. The next key term is "telephone toll service," defined at 47 U.S.C. § 153(48). This is the statutory term that encompasses traditional "long distance" service. The definition reads as follows:

"The term 'telephone toll service' means telephone service between stations in different exchange areas for which there is made a separate charge not included in contracts with subscribers for exchange service."

Under this definition, it takes two things to make a call a "telephone toll service" call. First, the call has to go "between stations [the 1934-era term for telephones] in different exchange areas." No call that starts and ends in the same switch will ever be a toll call. But as we saw with the definition of "telephone exchange service," calls between different switches can be part of local service. In that case, the question was whether the inter-switch calls are "covered by the exchange service charge." In the context of toll service, the issue is the exact opposite – for a service to be a toll service, there *must* be "a separate charge not included in contracts with subscribers for exchange service." In other words, if there is no separate charge to the customer, of some sort, for calling to some location, calling to that area is not "telephone toll service" under the Communications Act.

3. The next key term is "exchange access," defined at 47 U.S.C. §153(48). That definition states (emphasis added):

"The term 'exchange access' means the offering of access to telephone exchange services or facilities *for the purpose of the origination or termination of telephone toll services.*"

The emphasized language shows that the concepts of "exchange access" and "telephone toll service" are effectively "joined at the hip." A carrier might offer or permit the use of its telephone exchange services or facilities for many different reasons. But that activity is not "exchange access" service unless the traffic being originated or terminated constitutes "telephone toll service." As we saw just above, to be "telephone toll service," it is not enough that the call literally be "long distance" (in the sense of going between exchange areas). There *also* has to be a "separate charge" applicable to the call. As a result, if calling from Point A to Point B is included within the smallest calling plan offered by an originating carrier, a call from Point A to Point B is not "telephone toll service." In that case, this means that whatever service a carrier out at Point B might be providing when it terminates that call for the originating carrier, that service is *not* "exchange access."

If a CLEC offers end users a very large local calling area – that is, a very large area that can be reached under the basic, no-extra-charge service it offers to subscribers, that service is properly considered "telephone exchange service," even if it encompasses calls between points that the ILEC would have treated as a toll call/long distance call. This is consistent with even the traditional definition of "telephone exchange service" contained in subsection (A) of that definition, discussed above. But it is confirmed by the addition of subsection (B). Even if large-calling-area services are not *identical* to traditional local service, they are clearly *comparable* to such service.

Note that even though the service an ILEC performs in terminating a call from a CLEC with a large local calling area would not be "exchange access," it could well fall within the terms of the ILEC's "access service" tariff. "Access" tariffs were created in 1983, with an effective date of January 1, 1984, to accommodate the break-up of the old Bell System. At that time, the Communications Act did not contain a definition of "exchange access;" the definition was added as part of the 1996 Act. At the federal level, therefore, the FCC relied on its general authority over carriers under Section 201 of the Act to require the provision of access service and set the terms of access service tariffs. State regulators followed a similar course at that time. The passage of the 1996 Act did not automatically invalidate preexisting tariffs. However, while in the absence of an interconnection agreement, carriers' tariffs would normally control, in arbitrating the terms of an interconnection agreement between an ILEC and a CLEC, a state regulator is required to establish terms that conform to the law as it now exists. An ILEC is required by Section 251(c)(2), to permit a CLEC to interconnect for the purpose of the "transmission and routing" of both "telephone exchange

service" and "exchange access." 47 U.S.C. § 251(c)(2). As a result, the terms and conditions associated with the exchange of those two types of traffic is subject to the mandatory negotiation and arbitration process contemplated by 47 U.S.C. § 251(c)(1) (ILECs must negotiate in good faith regarding their Section 251(b) and (c) duties) and § 252(a)(1) (same). So, while interconnection and intercarrier compensation between other carriers may remain subject to traditional tariffing and other requirements, the situation between an ILEC and a CLEC is unique.

4. The next step is to explain why reciprocal compensation, rather than access charges, should apply when a CLEC with a large local calling area delivers traffic to an interconnected ILEC for termination. This issue is addressed in the FCC's regulations laying out the scope of reciprocal compensation, contained at 47 C.F.R. §§ 51.703 and 51.701.

First, § 51.703(a) lays out the basic reciprocal compensation requirement:

"§ 51.703 Reciprocal compensation obligation of LECs. (a) Each LEC shall establish reciprocal compensation arrangements for transport and termination of telecommunications traffic with any requesting telecommunications carrier."

Since all "telecommunications traffic" is subject to reciprocal compensation, the key question is then to define the scope of that term. The FCC's regulations do *that* in § 51.701(a) and (b)(1) (emphasis added):

"§ 51.701 Scope of transport and termination pricing rules. (a) The provisions of this subpart apply to reciprocal compensation for transport and termination of telecommunications traffic between LECs and other telecommunications carriers. (b) *Telecommunications traffic.* For purposes of this subpart, telecommunications traffic means: (1) Telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a [wireless carrier], *except for telecommunications traffic that is interstate or intrastate exchange access*, information access, or exchange services for such access."

(These rules implement 47 U.S.C. § 251(b)(5), which states that LECs have "the duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications," and 47 U.S.C. § 251(g), which has been interpreted to mean that intercarrier compensation with regard to "exchange access" traffic is not affected by Section 251(b)(5) until the FCC specifically so rules.)

In other words, for non-wireless traffic (wireless intercarrier compensation is subject to special rules), *all* "telecommunications traffic" that an ILEC and a

CLEC might send each other is subject to reciprocal compensation, as opposed to access, *unless* that traffic is exchange access or "exchange services for such access." (The "information access" exclusion is not relevant here.) As noted above, the term "exchange access" includes both the use of exchange facilities and exchange services, so to phrase "exchange services for such access" is already embraced within the definition of "exchange access."

5. The conclusion is now clear: when an ILEC and a CLEC directly interconnect to exchange traffic, that traffic is subject to reciprocal compensation, not access charges, unless the traffic being exchanged constitutes "exchange access." In that context, if the originating carrier does not impose a charge for a call – even within a large area – the underlying service to the customer does not meet the definition of "telephone toll service." As a result, the terminating LEC's function in delivering the call does not meet the definition of "exchange access." The exception to the "all telecommunications is subject to reciprocal compensation" rule does not apply, so this traffic must be subject to reciprocal compensation, not access.
6. This is confirmed by the FCC's most recent discussion of the scope of Section 251(b)(5)'s reciprocal compensation obligation. Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of High-Cost Universal Service Support; Federal-State Joint Board on Universal Service; Lifeline and Link Up; Universal Service Contribution Methodology; Numbering Resource Optimization; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Developing a Unified Intercarrier Compensation Regime; Intercarrier Compensation for ISP-Bound Traffic; IP-Enabled Services*, 24 FCC Red 6475 (2008) at ¶¶ 7, 15-16, 22. This specific ruling arose in the context of discussing intercarrier compensation for ISP-bound calls (not an issue between Verizon and Bright House), but in it the FCC undertook a general review of the scope of Section 251(b)(5) that is fully applicable here. The FCC confirmed that reciprocal compensation under Section 251(b)(5) applies to *all* "telecommunications," unless some exception applies, and confirmed that Section 251(g) – which carves out "exchange access" traffic – constitutes such an exception. But the FCC was also quite clear that traffic does *not* have to be traditional "local" traffic to be subject to reciprocal compensation rather than access. As the FCC states at ¶ 7: "we find that the better view is that section 251(b)(5) is not limited to local traffic." It reached this conclusion because, based on the text of Section 251(b)(5), its scope "is not limited geographically" and so "is not limited to the transport and termination of certain types of telecommunications traffic, such as local traffic." *Id.* at ¶ 8.

28. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 96, lines 8-20 where witness Gates testifies that the FCC stated that the question of what traffic interconnected LECs might exchange that would count as "local" would be left up to the states to determine on a case-by-case basis, in light of states' historical practice of defining local service areas for wireline LECs. Is the language proposed by Bright House consistent with Florida's "historical practice?" Please explain.

Yes. State commissions have regulatory authority over LECs' (or at least ILECs') local calling areas. As a general matter, state commissions tend to prefer large local calling areas because consumers benefit from being able to call a large number of subscribers on a "local" basis without incurring toll charges. As Mr. Gates explains in his direct and rebuttal testimony in connection with Issue #37, imposing access charges on a CLEC that sends locally-rated traffic to the ILEC acts as a disincentive to, and anti-competitive drag on, the CLEC's ability to provide its large-local-calling-area service to end users. It is therefore completely consistent with historical practice to determine the question of when access charges apply, in favor of the result that facilitates and encourages the establishment of large local calling areas.

29. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 106, lines 1-11, where witness Gates asserts that "when a Bright House customer calls a Verizon customer, Bright House will only pay the reciprocal compensation rate to which the parties have agreed, because it is a local call to that customer." Please explain the legal basis for your assertion including any regulatory and statutory support.

Please see discussion in response to Item 27, above.

30. For purposes of the following, please refer to the direct testimony of Bright House witness Gates at page 151, lines 12-22, where witness Gates testifies that point-to-point data services (special access services) should be available to CLECs at discounted rates, for resale. Please identify the specific section of any applicable federal or state rule or regulation, or Commission order that supports this testimony.

Please refer to the discussion under Item 27, above, regarding the definition of "exchange access." As explained there, a service constitutes "exchange access" *only* if it entails the use of local facilities or services to originate or terminate toll calls.

When the FCC established its rules regarding discounts available for resold services, it made specific reference to that definition. Thus, in 47 C.F.R. § 51.605(a) and (b) (the portion of the rules regarding the scope of discount obligations), the FCC stated:

"§ 51.605 Additional obligations of incumbent local exchange carriers. (a) An incumbent LEC shall offer to any requesting telecommunications carrier any telecommunications service that the incumbent LEC offers on a retail basis to subscribers that are not telecommunications carriers for resale at wholesale rates ... (b) For purposes of this subpart, exchange access services, as defined in section 3 of the Act, shall not be considered to be telecommunications services that incumbent LECs must make available for resale at wholesale rates to requesting telecommunications carriers."

In other words, all services that an ILEC "offers on a retail basis to subscribers that are not telecommunications carriers" are subject to the discount. Point-to-point data services are plainly offered "on a retail basis" to businesses that need such services. The exception identified in subpart (b) of the rule is for "exchange access services." As we have seen (see Item 27), to be an "exchange access" service the underlying traffic must constitute "telephone toll service." Point-to-point data transmissions for business customers obviously do not meet that definition. Therefore there is no exception for point-to-point data services an ILEC provides to retail customers.

PRODUCTION OF DOCUMENTS

1. Please provide any and all documents identified in responses to Interrogatories 14a and 14b.

See responses to Interrogatory 14a and 14b. Bright House will be happy to provide hard copies of any of the documents cited therein upon request, but suggests that most, if not all, may be more readily accessible and reviewable on-line.

2. Please provide any and all documents identified in responses to Interrogatories 16b and 16d.

See responses to Interrogatory 16b and 16d. Bright House will be happy to provide hard copies of any of the documents cited therein upon request, but suggests that most, if not all, may be more readily accessible and reviewable on-line.

3. **Please provide any and all documents identified in response to Interrogatory 17a.**

See response to Interrogatory 17a., wherein the referenced text is cited in full.

4. On page 130, line 5, and page 131, line 2, of Bright House witness Gates' direct testimony, references are made to the Local Competition Order §§ 685, 690, and 133-137. Please provide the text of the four paragraphs cited.

See attached excerpt with the requested paragraphs.

5. On page 130, lines 15-18, Bright House witness Gates' direct testimony specifies that Verizon is barred from imposing any of the costs associated with obsolete switches. Please provide the documents which support this assertion.

The documents responsive to this request are the FCC's order regarding application of the TELRIC standard and its rules, which are discussed in witness Gates' testimony. Specifically, the reference is to *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Report and Order, 11 FCC Rcd 15499 (1996) ("*Local Competition Order*"), at Paragraphs 625-766. Bright House will be happy to provide a hard copies upon request, but suggests that the Order may be more readily accessible and reviewable on-line.

6. Page 20, line 12 of Verizon witness Vasington's testimony refers to an "Additional Services Attachment." Please provide this agreement.

The additional services attachment is an attachment to the Verizon interconnection agreement template, and was provided as an attachment to the petition. The entire petition and attachments posted to the PSC website, and can be accessed at the following link:

<http://www.psc.state.fl.us/library/filings/09/11074-09/11074-09.pdf>.

The additional services attachment starts at page 543 of the .pdf file.

7. On page 28, line 19 through page 29, line 6, Bright House witness Johnson asserts that traditionally in the telephone business there was only one monopoly phone company, and the phone company determined which calls were free local calls and which calls were toll on the basis of geography. Please identify any documentation that supports this assertion.

See response to Interrogatory 27, wherein the referenced rules and statutes are largely restated in the text of the response. In addition, Bright House will be happy to provide a hard copies, upon request, of the Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of High-Cost Universal Service Support; Federal-State Joint Board on Universal Service; Lifeline and Link Up; Universal Service Contribution Methodology; Numbering Resource Optimization; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Developing a Unified Intercarrier Compensation Regime; Intercarrier Compensation for ISP-Bound Traffic; IP-Enabled Services*, 24 FCC Rod 6475 (2008). However, Bright House suggests that the Order may be more readily accessible and reviewable on-line.

8. Please provide a copy of all documents that support your response to Interrogatory number 31. [Staff have clarified that this request should be corrected to refer to Interrogatory 30.]

See response to Interrogatory 30, wherein in the text of the Rule referenced is restated.

Docket No. 090501-TP

**Bright House Networks Information Service's Response to
Request for Production of Document No. 4
from the Public Service Commission Staff**

Excerpt from FCC 96-325 – FCC's Local Competition Order

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)	
)	
Implementation of the Local Competition	)	CC Docket No. 96-98
Provisions in the Telecommunications Act)	
of 1996)	
)	
Interconnection between Local Exchange	)	CC Docket No. 95-185
Carriers and Commercial Mobile Radio)	
Service Providers)	
)	

FIRST REPORT AND ORDER

Adopted: August 1, 1996

Released: August 8, 1996

By the Commission: Chairman Hundt and Commissioners Quello, Ness, and Chong issuing separate statements.

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and BOC statements of generally available terms. Moreover, a single set of requirements will substantially ease the burdens of state commissions and the FCC in reviewing agreements and statements of generally available terms pursuant to sections 252 and 271.

G. States' Role in Fostering Local Competition Under Sections 251 and 252

133. As already referenced, states will play a critical role in promoting local competition, including by taking a key role in the negotiation and arbitration process. We believe the negotiation/arbitration process pursuant to section 252 is likely to proceed as follows. Initially, the requesting carrier and incumbent LEC will seek to negotiate mutually agreeable rates, terms, and conditions governing the competing carrier's interconnection to the incumbent's network, access to the incumbent's unbundled network elements, or the provision of services at wholesale rates for resale by the requesting carrier. Either party may ask the relevant state commission to mediate specific issues to facilitate an agreement during the negotiation process.

134. Because the new entrant's objective is to obtain the services and access to facilities from the incumbent that the entrant needs to compete in the incumbent's market, the negotiation process contemplated by the 1996 Act bears little resemblance to a typical commercial negotiation. Indeed, the entrant has nothing that the incumbent needs to compete with the entrant, and has little to offer the incumbent in a negotiation. Consequently, the 1996 Act provides that, if the parties fail to reach agreement on all issues, either party may seek arbitration before a state commission. The state commission will arbitrate individual issues specified by the parties, or conceivably may be asked to arbitrate the entire agreement. In the event that a state commission must act as arbitrator, it will need to ensure that the arbitrated agreement is consistent with the Commission's rules. In reviewing arbitrated and negotiated agreements, the state commission may ensure that such agreements are consistent with applicable state requirements.

135. Under the statutory scheme in sections 251 and 252, state commissions may be asked by parties to define specific terms and conditions governing access to unbundled elements, interconnection, and resale of services beyond the rules the Commission establishes in this Report and Order. Moreover, the state commissions are responsible for setting specific rates in arbitrated proceedings. For example, state commissions in an arbitration would likely designate the terms and conditions by which the competing carrier receives access to the incumbent's loops. The state commission might arbitrate a description or definition of the loop, the term for which the carrier commits to the purchase of rights to exclusive use of a specific network element, and the provisions under which the competing carrier will order loops from the incumbent and the incumbent will provision an order. The state commission may establish procedures that govern should the incumbent refurbish or replace the element during the agreement period, and the procedures that apply should an end user customer decide to switch from the competing carrier back to the incumbent or a different provider. In addition, the state commission will establish the

rates an incumbent charges for loops, perhaps with volume and term discounts specified, as well as rates that carriers may charge to end users.

136. State commissions will have similar responsibilities with respect to other unbundled network elements such as the switch, interoffice transport, signalling and databases. State commissions may identify network elements to be unbundled, in addition to those elements identified by the Commission, and may identify additional points at which incumbent LECs must provide interconnection, where technically feasible. State commissions are responsible for determining when virtual collocation may be provided instead of physical collocation, pursuant to section 251(e)(6). States also will determine, in accordance with section 251(f)(1), whether and to what extent a rural incumbent LEC is entitled to continued exemption from the requirements of section 251(c) after a telecommunications carrier has made a bona fide request under section 251. Under section 251(f)(2), states will determine whether to grant petitions that may be filed by certain LECs for suspension or modification of the requirements in sections 251(b) or (c).

137. The foregoing is a representative sampling of the role that states will have in steering the course of local competition. State commissions will make critical decisions concerning a host of issues involving rates, terms, and conditions of interconnection and unbundling arrangements, and exemption, suspension, or modification of the requirements in section 251. The actions taken by a state will significantly affect the development of local competition in that state. Moreover, actions in one state are likely to influence other states, and to have a substantial impact on steps the FCC takes in developing a pro-competitive national policy framework.

looking economic cost for interconnection and unbundled elements would be based on the most efficient network architecture, sizing, technology, and operating decisions that are operationally feasible and currently available to the industry. Prices based on the least-cost, most efficient network design and technology replicate conditions in a highly competitive marketplace by not basing prices on existing network design and investments unless they represent the least-cost systems available for purchase. This approach, however, may discourage facilities-based competition by new entrants because new entrants can use the incumbent LEC's existing network based on the cost of a hypothetical least-cost, most efficient network.

684. Under the second approach, the cost of interconnection and unbundled network elements would be based on existing network design and technology that are currently in operation.¹⁶⁸⁹ Because this approach is not based on a hypothetical network in the short run, incumbent LECs could recover costs based on their existing operations, and prices for interconnection and unbundled elements that reflect inefficient or obsolete network design and technology. This is essentially an embedded cost methodology.

685. Under the third approach, prices for interconnection and access to unbundled elements would be developed from a forward-looking economic cost methodology based on the most efficient technology deployed in the incumbent LEC's current wire center locations. This approach mitigates incumbent LECs' concerns that a forward-looking pricing methodology ignores existing network design, while basing prices on efficient, new technology that is compatible with the existing infrastructure. This benchmark of forward-looking cost and existing network design most closely represents the incremental costs that incumbents actually expect to incur in making network elements available to new entrants. Moreover, this approach encourages facilities-based competition to the extent that new entrants, by designing more efficient network configurations, are able to provide the service at a lower cost than the incumbent LEC. We, therefore, conclude that the forward-looking pricing methodology for interconnection and unbundled network elements should be based on costs that assume that wire centers will be placed at the incumbent LEC's current wire center locations, but that the reconstructed local network will employ the most efficient technology for reasonably foreseeable capacity requirements.

686. We agree with USTA, Bell Atlantic, and BellSouth that, as a theoretical matter, the combination of significant sunk investment, declining technology costs, and competitive entry may increase the depreciation costs and cost of capital of incumbent LECs. We do not agree, however, that TSLRIC does not or cannot account for risks that an incumbent LEC incurs because it has sunk investments in facilities. On the contrary, properly designed depreciation schedules should account for expected declines in the value of capital goods. Both AT&T and

¹⁶⁸⁹ See, e.g., BellSouth reply at 37; Roseville Tel. reply at 8; USTA reply at 18-19.

to choose among investment projects results in overestimates of their returns. Firms therefore use hurdle rates in excess of the market cost of capital to account for these overestimates.¹⁶⁹²

690. *Summary of TELRIC Methodology.* The following summarizes our conclusions regarding setting prices of interconnection and access to unbundled network elements based on the TELRIC methodology for such elements. The increment that forms the basis for a TELRIC study shall be the entire quantity of the network element provided. As we have previously stated, all costs associated with the providing the element shall be included in the incremental cost. Only forward-looking, incremental costs shall be included in a TELRIC study. Costs must be based on the incumbent LEC's existing wire center locations and most efficient technology available.

691. Any function necessary to produce a network element must have an associated cost. The study must explain with specificity why and how specific functions are necessary to provide network elements and how the associated costs were developed. Only those costs that are incurred in the provision of the network elements in the long run shall be directly attributable to those elements. Costs must be attributed on a cost-causative basis. Costs are causally-related to the network element being provided if the costs are incurred as a direct result of providing the network elements, or can be avoided, in the long run, when the company ceases to provide them. Thus, for example, the forward-looking costs of capital (debt and equity) needed to support investments required to produce a given element shall be included in the forward-looking direct cost of that element. Directly attributable costs shall include costs such as certain administrative expenses, which have traditionally been viewed as common costs, if these costs vary with the provision of network elements. Retailing costs, such as marketing or consumer billing costs associated with retail services, are not attributable to the production of network elements that are offered to interconnecting carriers and must not be included in the forward-looking direct cost of an element.

692. In a TELRIC methodology, the "long run" used shall be a period long enough that all costs are treated as variable and avoidable.¹⁶⁹³ This "long run" approach ensures that rates recover not only the operating costs that vary in the short run, but also fixed investment costs that, while not variable in the short term, are necessary inputs directly attributable to providing the element.

¹⁶⁹² See Richard Thaler, *The Winner's Curse*, 2 J. Econ. Perspectives 201 (1988); Keith Brown, *Note on the Apparent Bias of Net Revenue Estimates for Capital Investment Projects*, 29 J. Fin. 1215-16 (1974); Daniel Kahneman and Daniel Lovallo, *Timid Choices, Bold Forecasts*, 39 Management Science 17, 28 (1993). In addition, we note that Hausman's arguments that TELRIC method underestimate the true cost of an element apply only to the capital expense associated with an element and not to the operating expense.

¹⁶⁹³ See 1 Alfred E. Kahn *The Economics of Regulation: Principles and Institutions* 70-71 (1988).

RESPONSES TO COMMISSION STAFF'S FIRST SET OF
INTERROGATORIES TO BRIGHT HOUSE NETWORKS INFORMATION SERVICES
(FLORIDA), LLC
DOCKET NO. 090501-TP

I do hereby attest that the foregoing answers to the following Interrogatories are hereby true and correct to the best of my knowledge.

- 4(b)
- 9 (all subparts)
- 20(b)
- 21(c)
- 22(a), (b)
- 26 (all subparts)

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ORANGE)

I hereby certify that on this 26th day of April, 2010 before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Marva Johnson, who is personally known to me, and who acknowledged before me that she provided or reviewed the answers to Interrogatories Nos. 4(b), 9 (all subparts), 20(b), 21(c), 22(a), (b), 26 (all subparts) provided in response to Commission Staff's First Set of Interrogatories to Bright House Networks Information Services (Florida), LLC in Docket No.090501-TP, and that the responses to the aforesaid interrogatories are true and correct to the best of her personal knowledge.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the State and County set forth above as of this 26th day of April, 2010.


Notary Public

State of FLORIDA.



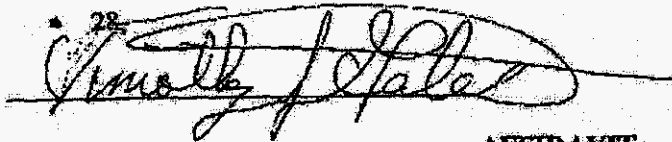
FIONA A. FESTA
NOTARY PUBLIC
STATE OF FLORIDA
Commission ID 000916869
Expires 8/10/2013

My Commission Expires: 8/10/2013

RESPONSES TO COMMISSION STAFF'S FIRST SET OF
INTERROGATORIES TO BRIGHT HOUSE NETWORKS INFORMATION SERVICES
(FLORIDA), LLC
DOCKET NO. 090501-TP

I do hereby attest that the foregoing answers to the following Interrogatories are hereby true and correct to the best of my knowledge.

- 15
- 16(a), (c)
- 22(d)
- 23
- 25
- 28



AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF PASCO)

I hereby certify that on this 26th day of April, 2010 before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Timothy J. Gates, who is personally known to me, and who acknowledged before me that he provided or reviewed the answers to Interrogatories Nos. 15, 16(a), (c), 22(d), 23, 25 and 28 provided in response to Commission Staff's First Set of Interrogatories to Bright House Networks Information Services (Florida), LLC in Docket No.090501-TP, and that the responses to the aforesaid interrogatories are true and correct to the best of his personal knowledge.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the State and County set forth above as of this 26th day of April, 2010.



Notary Public

State of Florida



Francesca Carlsen
Commission # 00804569
Expires February 12, 2011
Notary Public - State of Florida

My Commission Expires: _____

[TL218704:1]

25. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 141, lines 9-17 where witness Gates refers to tandem transit service. Please further explain tandem transit service.

Tandem transit service involves a situation in which one carrier reaches another carrier by means of the tandem switch of a third carrier. If there is a direct connection between Carrier A and Carrier B there would be no third carrier involved: A → B. In a tandem transit arrangement, Carrier A's traffic would reach Carrier B by means of the facilities of Carrier C: A → C → B.

26. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 29, lines 3-12, where witness Johnson states that for competitive reasons Bright House offers its end users broader "free" local calling areas that allow them to make calls anywhere in Florida as a part of a single, flat-rated service plan:

a. Please explain how Bright House defines its local calling area.

Bright House's local calling area includes all of the Tampa LATA.

b. Is Bright House currently routing, or has routed in the past, any of its local calls to customers outside of Verizon's local calling areas? If so, how were those calls handled from a compensation standpoint? Should access charges apply to those calls?

Yes. In some cases this traffic is routed via Verizon's tandem to a third party carrier whose switch subtends that tandem. In other cases Bright House sends the traffic to third parties for termination.

Under the parties' existing ICA, calls that Bright House sends to Verizon that cross a Verizon calling area boundary are subject to access charges. For reasons explained in Mr. Gates' direct and rebuttal testimony in connection with Issue #37, when Bright House sends such traffic to Verizon, access charges should not apply to those calls.

27. For purposes of the following, please refer to the direct testimony of Bright House witness Johnson on page 29, lines 3-12 where witness Johnson testifies that there is no possible sensible reason why Bright House should have to pay terminating access charges to Verizon when a Bright House customer makes a local call, included within the customer's local calling plan that goes to a Verizon customer who happens to be in a different Verizon local calling area. Please explain the basis for this assertion, including any regulatory and statutory support.

Mr. Gates' discussion of Issue #37 in his direct and rebuttal testimony provides the key policy and economic grounds for this conclusion.

The statutory and regulatory grounds for this conclusion involve a set of interlocking statutory definitions and regulatory provisions. As described below, they show that when and ILEC and CLEC are establishing terms for intercarrier compensation in an interconnection agreement, each carrier may insist that calls that it treats as a local call and sends to the other carrier must be subject to reciprocal compensation, and not access charges, when it is terminated by the other carrier.

The key "interlocking" statutory and regulatory materials are: 47 U.S.C. § 153(16) (defining exchange access); 47 U.S.C. § 153(47) (defining telephone exchange service); 47 U.S.C. § 153(48) (defining telephone toll service); § 251(b)(5) (stating that reciprocal compensation applies to all "telecommunications"); § 251(g) (which temporarily exempts intercarrier compensation for "exchange access" from the general rule); and 47 C.F.R. §§ 703(a) and 701(a) and (b). Each of these provisions comes into play if a state commission is called upon to establish ICA terms that meet the requirements of Section 251, in accordance with Sections 252(b)(4)(C) and 252(c)(1).

1. The place to start is the definition of "telephone exchange service," 47 U.S.C. § 153(47). "Telephone exchange service" is the statutory term that includes traditional "local" phone service. It reads as follows:

"The term 'telephone exchange service' means (A) service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge, or (B) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service."

Subsection (A) describes traditional local telephone service and has been in the Communications Act since its initial passage in 1934. (Note that in 1934-era usage, a telephone "exchange" essentially referred to a single switch. So, service "within" an exchange was a call to someone served by the same switch – clearly a

"local" call. But even in 1934 Congress recognized that local service – "telephone exchange service" – could easily encompass multiple switches within the same "exchange area" – basically a local calling area – as long as the service is the same, and as long as the service within the broader area is "covered by the exchange service charge."

Subsection (B) was added by the landmark Telecommunications Act of 1996, which is the statute that opened up local telephone markets to competition, which added Sections 251 and 252 governing interconnection, arbitrations, etc., and that generally forms the backdrop of this proceeding. It substantially broadens the original definition by including, within the "telephone exchange service" rubric, any "comparable" service, essentially without regard to technology, by which a subscriber can send or receive calls.

For these purposes the key point is that local service can encompass one switch or many; the issue is whether the service functions like traditional local service and "is covered by the exchange service charge," i.e., is not separately rated or billed.

2. The next key term is "telephone toll service," defined at 47 U.S.C. § 153(48). This is the statutory term that encompasses traditional "long distance" service. The definition reads as follows:

"The term 'telephone toll service' means telephone service between stations in different exchange areas for which there is made a separate charge not included in contracts with subscribers for exchange service."

Under this definition, it takes two things to make a call a "telephone toll service" call. First, the call has to go "between stations [the 1934-era term for telephones] in different exchange areas." No call that starts and ends in the same switch will ever be a toll call. But as we saw with the definition of "telephone exchange service," calls between different switches can be part of local service. In that case, the question was whether the inter-switch calls are "covered by the exchange service charge." In the context of toll service, the issue is the exact opposite – for a service to be a toll service, there *must* be "a separate charge not included in contracts with subscribers for exchange service." In other words, if there is no separate charge to the customer, of some sort, for calling to some location, calling to that area is not "telephone toll service" under the Communications Act.

3. The next key term is "exchange access," defined at 47 U.S.C. §153(48). That definition states (emphasis added):

"The term 'exchange access' means the offering of access to telephone exchange services or facilities *for the purpose of the origination or termination of telephone toll services.*"

The emphasized language shows that the concepts of "exchange access" and "telephone toll service" are effectively "joined at the hip." A carrier might offer or permit the use of its telephone exchange services or facilities for many different reasons. But that activity is not "exchange access" service unless the traffic being originated or terminated constitutes "telephone toll service." As we saw just above, to be "telephone toll service," it is not enough that the call literally be "long distance" (in the sense of going between exchange areas). There *also* has to be a "separate charge" applicable to the call. As a result, if calling from Point A to Point B is included within the smallest calling plan offered by an originating carrier, a call from Point A to Point B is not "telephone toll service." In that case, this means that whatever service a carrier out at Point B might be providing when it terminates that call for the originating carrier, that service is *not* "exchange access."

If a CLEC offers end users a very large local calling area – that is, a very large area that can be reached under the basic, no-extra-charge service it offers to subscribers, that service is properly considered "telephone exchange service," even if it encompasses calls between points that the ILEC would have treated as a toll call/long distance call. This is consistent with even the traditional definition of "telephone exchange service" contained in subsection (A) of that definition, discussed above. But it is confirmed by the addition of subsection (B). Even if large-calling-area services are not *identical* to traditional local service, they are clearly *comparable* to such service.

Note that even though the service an ILEC performs in terminating a call from a CLEC with a large local calling area would not be "exchange access," it could well fall within the terms of the ILEC's "access service" tariff. "Access" tariffs were created in 1983, with an effective date of January 1, 1984, to accommodate the break-up of the old Bell System. At that time, the Communications Act did not contain a definition of "exchange access;" the definition was added as part of the 1996 Act. At the federal level, therefore, the FCC relied on its general authority over carriers under Section 201 of the Act to require the provision of access service and set the terms of access service tariffs. State regulators followed a similar course at that time. The passage of the 1996 Act did not automatically invalidate preexisting tariffs. However, while in the absence of an interconnection agreement, carriers' tariffs would normally control, in arbitrating the terms of an interconnection agreement between an ILEC and a CLEC, a state regulator is required to establish terms that conform to the law as it now exists. An ILEC is required by Section 251(c)(2), to permit a CLEC to interconnect for the purpose of the "transmission and routing" of both "telephone exchange

service" and "exchange access." 47 U.S.C. § 251(c)(2). As a result, the terms and conditions associated with the exchange of those two types of traffic is subject to the mandatory negotiation and arbitration process contemplated by 47 U.S.C. § 251(c)(1) (ILECs must negotiate in good faith regarding their Section 251(b) and (c) duties) and § 252(a)(1) (same). So, while interconnection and intercarrier compensation between other carriers may remain subject to traditional tariffing and other requirements, the situation between an ILEC and a CLEC is unique.

4. The next step is to explain why reciprocal compensation, rather than access charges, should apply when a CLEC with a large local calling area delivers traffic to an interconnected ILEC for termination. This issue is addressed in the FCC's regulations laying out the scope of reciprocal compensation, contained at 47 C.F.R. §§ 51.703 and 51.701.

First, § 51.703(a) lays out the basic reciprocal compensation requirement:

"§ 51.703 Reciprocal compensation obligation of LECs. (a) Each LEC shall establish reciprocal compensation arrangements for transport and termination of telecommunications traffic with any requesting telecommunications carrier."

Since all "telecommunications traffic" is subject to reciprocal compensation, the key question is then to define the scope of that term. The FCC's regulations do *that* in § 51.701(a) and (b)(1) (emphasis added):

"§ 51.701 Scope of transport and termination pricing rules. (a) The provisions of this subpart apply to reciprocal compensation for transport and termination of telecommunications traffic between LECs and other telecommunications carriers. (b) *Telecommunications traffic*. For purposes of this subpart, telecommunications traffic means: (1) Telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a [wireless carrier], *except for telecommunications traffic that is interstate or intrastate exchange access*, information access, or exchange services for such access."

(These rules implement 47 U.S.C. § 251(b)(5), which states that LECs have "the duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications," and 47 U.S.C. § 251(g), which has been interpreted to mean that intercarrier compensation with regard to "exchange access" traffic is not affected by Section 251(b)(5) until the FCC specifically so rules.)

In other words, for non-wireless traffic (wireless intercarrier compensation is subject to special rules), *all* "telecommunications traffic" that an ILEC and a

CLEC might send each other is subject to reciprocal compensation, as opposed to access, *unless* that traffic is exchange access or "exchange services for such access." (The "information access" exclusion is not relevant here.) As noted above, the term "exchange access" includes both the use of exchange facilities and exchange services, so to phrase "exchange services for such access" is already embraced within the definition of "exchange access."

5. The conclusion is now clear: when an ILEC and a CLEC directly interconnect to exchange traffic, that traffic is subject to reciprocal compensation, not access charges, unless the traffic being exchanged constitutes "exchange access." In that context, if the originating carrier does not impose a charge for a call – even within a large area – the underlying service to the customer does not meet the definition of "telephone toll service." As a result, the terminating LEC's function in delivering the call does not meet the definition of "exchange access." The exception to the "all telecommunications is subject to reciprocal compensation" rule does not apply, so this traffic must be subject to reciprocal compensation, not access.
6. This is confirmed by the FCC's most recent discussion of the scope of Section 251(b)(5)'s reciprocal compensation obligation. Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of High-Cost Universal Service Support; Federal-State Joint Board on Universal Service; Lifeline and Link Up; Universal Service Contribution Methodology; Numbering Resource Optimization; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Developing a Unified Intercarrier Compensation Regime; Intercarrier Compensation for ISP-Bound Traffic; IP-Enabled Services*, 24 FCC Rcd 6475 (2008) at ¶¶ 7, 15-16, 22. This specific ruling arose in the context of discussing intercarrier compensation for ISP-bound calls (not an issue between Verizon and Bright House), but in it the FCC undertook a general review of the scope of Section 251(b)(5) that is fully applicable here. The FCC confirmed that reciprocal compensation under Section 251(b)(5) applies to *all* "telecommunications," unless some exception applies, and confirmed that Section 251(g) – which carves out "exchange access" traffic – constitutes such an exception. But the FCC was also quite clear that traffic does *not* have to be traditional "local" traffic to be subject to reciprocal compensation rather than access. As the FCC states at ¶ 7: "we find that the better view is that section 251(b)(5) is not limited to local traffic." It reached this conclusion because, based on the text of Section 251(b)(5), its scope "is not limited geographically" and so "is not limited to the transport and termination of certain types of telecommunications traffic, such as local traffic." *Id.* at ¶ 8.

28. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 96, lines 8-20 where witness Gates testifies that the FCC stated that the question of what traffic interconnected LECs might exchange that would count as "local" would be left up to the states to determine on a case-by-case basis, in light of states' historical practice of defining local service areas for wireline LECs. Is the language proposed by Bright House consistent with Florida's "historical practice?" Please explain.

Yes. State commissions have regulatory authority over LECs' (or at least ILECs') local calling areas. As a general matter, state commissions tend to prefer large local calling areas because consumers benefit from being able to call a large number of subscribers on a "local" basis without incurring toll charges. As Mr. Gates explains in his direct and rebuttal testimony in connection with Issue #37, imposing access charges on a CLEC that sends locally-rated traffic to the ILEC acts as a disincentive to, and anti-competitive drag on, the CLEC's ability to provide its large-local-calling-area service to end users. It is therefore completely consistent with historical practice to determine the question of when access charges apply, in favor of the result that facilitates and encourages the establishment of large local calling areas.

29. For purposes of the following, please refer to the direct testimony of Bright House witness Gates on page 106, lines 1-11, where witness Gates asserts that "when a Bright House customer calls a Verizon customer, Bright House will only pay the reciprocal compensation rate to which the parties have agreed, because it is a local call to that customer." Please explain the legal basis for your assertion including any regulatory and statutory support.

Please see discussion in response to Item 27, above.

30. For purposes of the following, please refer to the direct testimony of Bright House witness Gates at page 151, lines 12-22, where witness Gates testifies that point-to-point data services (special access services) should be available to CLECs at discounted rates, for resale. Please identify the specific section of any applicable federal or state rule or regulation, or Commission order that supports this testimony.

Please refer to the discussion under Item 27, above, regarding the definition of "exchange access." As explained there, a service constitutes "exchange access" *only* if it entails the use of local facilities or services to originate or terminate toll calls.

When the FCC established its rules regarding discounts available for resold services, it made specific reference to that definition. Thus, in 47 C.F.R. § 51.605(a) and (b) (the portion of the rules regarding the scope of discount obligations), the FCC stated:

"§ 51.605 Additional obligations of incumbent local exchange carriers. (a) An incumbent LEC shall offer to any requesting telecommunications carrier any telecommunications service that the incumbent LEC offers on a retail basis to subscribers that are not telecommunications carriers for resale at wholesale rates ... (b) For purposes of this subpart, exchange access services, as defined in section 3 of the Act, shall not be considered to be telecommunications services that incumbent LECs must make available for resale at wholesale rates to requesting telecommunications carriers."

In other words, all services that an ILEC "offers on a retail basis to subscribers that are not telecommunications carriers" are subject to the discount. Point-to-point data services are plainly offered "on a retail basis" to businesses that need such services. The exception identified in subpart (b) of the rule is for "exchange access services." As we have seen (see Item 27), to be an "exchange access" service the underlying traffic must constitute "telephone toll service." Point-to-point data transmissions for business customers obviously do not meet that definition. Therefore there is no exception for point-to-point data services an ILEC provides to retail customers.

PRODUCTION OF DOCUMENTS

1. Please provide any and all documents identified in responses to Interrogatories 14a and 14b.

See responses to Interrogatory 14a and 14b. Bright House will be happy to provide hard copies of any of the documents cited therein upon request, but suggests that most, if not all, may be more readily accessible and reviewable on-line.

2. Please provide any and all documents identified in responses to Interrogatories 16b and 16d.

See responses to Interrogatory 16b and 16d. Bright House will be happy to provide hard copies of any of the documents cited therein upon request, but suggests that most, if not all, may be more readily accessible and reviewable on-line.

3. **Please provide any and all documents identified in response to Interrogatory 17a.**

See response to Interrogatory 17a., wherein the referenced text is cited in full.

4. On page 130, line 5, and page 131, line 2, of Bright House witness Gates' direct testimony, references are made to the Local Competition Order ¶¶ 685, 690, and 133-137. Please provide the text of the four paragraphs cited.

See attached excerpt with the requested paragraphs.

5. On page 130, lines 15-18, Bright House witness Gates' direct testimony specifies that Verizon is barred from imposing any of the costs associated with obsolete switches. Please provide the documents which support this assertion.

The documents responsive to this request are the FCC's order regarding application of the TELRIC standard and its rules, which are discussed in witness Gates' testimony. Specifically, the reference is to *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Report and Order, 11 FCC Rcd 15499 (1996) ("*Local Competition Order*"), at Paragraphs 625-766. Bright House will be happy to provide a hard copies upon request, but suggests that the Order may be more readily accessible and reviewable on-line.

6. Page 20, line 12 of Verizon witness Vasington's testimony refers to an "Additional Services Attachment." Please provide this agreement.

The additional services attachment is an attachment to the Verizon interconnection agreement template, and was provided as an attachment to the petition. The entire petition and attachments posted to the PSC website, and can be accessed at the following link:

<http://www.psc.state.fl.us/library/filings/09/11074-09/11074-09.pdf>

The additional services attachment starts at page 543 of the .pdf file.

7. On page 28, line 19 through page 29, line 6, Bright House witness Johnson asserts that traditionally in the telephone business there was only one monopoly phone company, and the phone company determined which calls were free local calls and which calls were toll on the basis of geography. Please identify any documentation that supports this assertion.

See response to Interrogatory 27, wherein the referenced rules and statutes are largely restated in the text of the response. In addition, Bright House will be happy to provide a hard copies, upon request, of the Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of High-Cost Universal Service Support; Federal-State Joint Board on Universal Service; Lifeline and Link Up; Universal Service Contribution Methodology; Numbering Resource Optimization; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Developing a Unified Intercarrier Compensation Regime; Intercarrier Compensation for ISP-Bound Traffic; IP-Enabled Services*, 24 FCC Rod 6475 (2008). However, Bright House suggests that the Order may be more readily accessible and reviewable on-line.

8. Please provide a copy of all documents that support your response to Interrogatory number 31. [Staff have clarified that this request should be corrected to refer to Interrogatory 30.]

See response to Interrogatory 30, wherein in the text of the Rule referenced is restated.

Docket No. 090501-TP

Bright House Networks Information Service's Response to
Request for Production of Document No. 4
from the Public Service Commission Staff

Excerpt from FCC 96-325 – FCC's Local Competition Order

Before the
Federal Communications Commission
Washington, DC 20554

FCC 96-325

In the Matter of

Implementation of the Local Competition
Provisions in the Telecommunications Act
of 1996

CC Docket No. 96-98

Interconnection between Local Exchange
Carriers and Commercial Mobile Radio
Service Providers

CC Docket No. 95-185

FIRST REPORT AND ORDER

Adopted: August 1, 1996

Released: August 8, 1996

By the Commission: Chairman Hundt and Commissioners Quello, Ness, and Chong issuing
separate statements.

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and BOC statements of generally available terms. Moreover, a single set of requirements will substantially ease the burdens of state commissions and the FCC in reviewing agreements and statements of generally available terms pursuant to sections 252 and 271.

G. States' Role in Fostering Local Competition Under Sections 251 and 252

133. As already referenced, states will play a critical role in promoting local competition, including by taking a key role in the negotiation and arbitration process. We believe the negotiation/arbitration process pursuant to section 252 is likely to proceed as follows. Initially, the requesting carrier and incumbent LEC will seek to negotiate mutually agreeable rates, terms, and conditions governing the competing carrier's interconnection to the incumbent's network, access to the incumbent's unbundled network elements, or the provision of services at wholesale rates for resale by the requesting carrier. Either party may ask the relevant state commission to mediate specific issues to facilitate an agreement during the negotiation process.

134. Because the new entrant's objective is to obtain the services and access to facilities from the incumbent that the entrant needs to compete in the incumbent's market, the negotiation process contemplated by the 1996 Act bears little resemblance to a typical commercial negotiation. Indeed, the entrant has nothing that the incumbent needs to compete with the entrant, and has little to offer the incumbent in a negotiation. Consequently, the 1996 Act provides that, if the parties fail to reach agreement on all issues, either party may seek arbitration before a state commission. The state commission will arbitrate individual issues specified by the parties, or conceivably may be asked to arbitrate the entire agreement. In the event that a state commission must act as arbitrator, it will need to ensure that the arbitrated agreement is consistent with the Commission's rules. In reviewing arbitrated and negotiated agreements, the state commission may ensure that such agreements are consistent with applicable state requirements.

135. Under the statutory scheme in sections 251 and 252, state commissions may be asked by parties to define specific terms and conditions governing access to unbundled elements, interconnection, and resale of services beyond the rules the Commission establishes in this Report and Order. Moreover, the state commissions are responsible for setting specific rates in arbitrated proceedings. For example, state commissions in an arbitration would likely designate the terms and conditions by which the competing carrier receives access to the incumbent's loops. The state commission might arbitrate a description or definition of the loop, the term for which the carrier commits to the purchase of rights to exclusive use of a specific network element, and the provisions under which the competing carrier will order loops from the incumbent and the incumbent will provision an order. The state commission may establish procedures that govern should the incumbent refurbish or replace the element during the agreement period, and the procedures that apply should an end user customer decide to switch from the competing carrier back to the incumbent or a different provider. In addition, the state commission will establish the

rates an incumbent charges for loops, perhaps with volume and term discounts specified, as well as rates that carriers may charge to end users.

136. State commissions will have similar responsibilities with respect to other unbundled network elements such as the switch, interoffice transport, signalling and databases. State commissions may identify network elements to be unbundled, in addition to those elements identified by the Commission, and may identify additional points at which incumbent LECs must provide interconnection, where technically feasible. State commissions are responsible for determining when virtual collocation may be provided instead of physical collocation, pursuant to section 251(c)(6). States also will determine, in accordance with section 251(f)(1), whether and to what extent a rural incumbent LEC is entitled to continued exemption from the requirements of section 251(c) after a telecommunications carrier has made a bona fide request under section 251. Under section 251(f)(2), states will determine whether to grant petitions that may be filed by certain LECs for suspension or modification of the requirements in sections 251(b) or (c).

137. The foregoing is a representative sampling of the role that states will have in steering the course of local competition. State commissions will make critical decisions concerning a host of issues involving rates, terms, and conditions of interconnection and unbundling arrangements, and exemption, suspension, or modification of the requirements in section 251. The actions taken by a state will significantly affect the development of local competition in that state. Moreover, actions in one state are likely to influence other states, and to have a substantial impact on steps the FCC takes in developing a pro-competitive national policy framework.

looking economic cost for interconnection and unbundled elements would be based on the most efficient network architecture, sizing, technology, and operating decisions that are operationally feasible and currently available to the industry. Prices based on the least-cost, most efficient network design and technology replicate conditions in a highly competitive marketplace by not basing prices on existing network design and investments unless they represent the least-cost systems available for purchase. This approach, however, may discourage facilities-based competition by new entrants because new entrants can use the incumbent LEC's existing network based on the cost of a hypothetical least-cost, most efficient network.

684. Under the second approach, the cost of interconnection and unbundled network elements would be based on existing network design and technology that are currently in operation.¹⁶⁸⁹ Because this approach is not based on a hypothetical network in the short run, incumbent LECs could recover costs based on their existing operations, and prices for interconnection and unbundled elements that reflect inefficient or obsolete network design and technology. This is essentially an embedded cost methodology.

685. Under the third approach, prices for interconnection and access to unbundled elements would be developed from a forward-looking economic cost methodology based on the most efficient technology deployed in the incumbent LEC's current wire center locations. This approach mitigates incumbent LECs' concerns that a forward-looking pricing methodology ignores existing network design, while basing prices on efficient, new technology that is compatible with the existing infrastructure. This benchmark of forward-looking cost and existing network design most closely represents the incremental costs that incumbents actually expect to incur in making network elements available to new entrants. Moreover, this approach encourages facilities-based competition to the extent that new entrants, by designing more efficient network configurations, are able to provide the service at a lower cost than the incumbent LEC. We, therefore, conclude that the forward-looking pricing methodology for interconnection and unbundled network elements should be based on costs that assume that wire centers will be placed at the incumbent LEC's current wire center locations, but that the reconstructed local network will employ the most efficient technology for reasonably foreseeable capacity requirements.

686. We agree with USTA, Bell Atlantic, and BellSouth that, as a theoretical matter, the combination of significant sunk investment, declining technology costs, and competitive entry may increase the depreciation costs and cost of capital of incumbent LECs. We do not agree, however, that TSLRIC does not or cannot account for risks that an incumbent LEC incurs because it has sunk investments in facilities. On the contrary, properly designed depreciation schedules should account for expected declines in the value of capital goods. Both AT&T and

¹⁶⁸⁹ See, e.g., BellSouth reply at 37; Roseville Tel. reply at 8; USTA reply at 18-19.

to choose among investment projects results in overestimates of their returns. Firms therefore use hurdle rates in excess of the market cost of capital to account for these overestimates.¹⁶⁹²

690. *Summary of TELRIC Methodology.* The following summarizes our conclusions regarding setting prices of interconnection and access to unbundled network elements based on the TELRIC methodology for such elements. The increment that forms the basis for a TELRIC study shall be the entire quantity of the network element provided. As we have previously stated, all costs associated with the providing the element shall be included in the incremental cost. Only forward-looking, incremental costs shall be included in a TELRIC study. Costs must be based on the incumbent LEC's existing wire center locations and most efficient technology available.

691. Any function necessary to produce a network element must have an associated cost. The study must explain with specificity why and how specific functions are necessary to provide network elements and how the associated costs were developed. Only those costs that are incurred in the provision of the network elements in the long run shall be directly attributable to those elements. Costs must be attributed on a cost-causative basis. Costs are causally-related to the network element being provided if the costs are incurred as a direct result of providing the network elements, or can be avoided, in the long run, when the company ceases to provide them. Thus, for example, the forward-looking costs of capital (debt and equity) needed to support investments required to produce a given element shall be included in the forward-looking direct cost of that element. Directly attributable costs shall include costs such as certain administrative expenses, which have traditionally been viewed as common costs, if these costs vary with the provision of network elements. Retailing costs, such as marketing or consumer billing costs associated with retail services, are not attributable to the production of network elements that are offered to interconnecting carriers and must not be included in the forward-looking direct cost of an element.

692. In a TELRIC methodology, the "long run" used shall be a period long enough that all costs are treated as variable and avoidable.¹⁶⁹³ This "long run" approach ensures that rates recover not only the operating costs that vary in the short run, but also fixed investment costs that, while not variable in the short term, are necessary inputs directly attributable to providing the element.

¹⁶⁹² See Richard Thaler, *The Winner's Curse*, 2 J. Econ. Perspectives 201 (1988); Keith Brown, *Note on the Apparent Bias of Net Revenue Estimates for Capital Investment Projects*, 29 J. Fin. 1215-16 (1974); Daniel Kahneman and Daniel Lovallo, *Timid Choices, Bold Forecasts*, 39 Management Science 17, 28 (1993). In addition, we note that Hausman's arguments that TELRIC method underestimate the true cost of an element apply only to the capital expense associated with an element and not to the operating expense.

¹⁶⁹³ See 1 Alfred E. Kahn *The Economics of Regulation: Principles and Institutions* 70-71 (1988).

RESPONSES TO COMMISSION STAFF'S FIRST SET OF
INTERROGATORIES TO BRIGHT HOUSE NETWORKS INFORMATION SERVICES
(FLORIDA), LLC
DOCKET NO. 090501-TP

I do hereby attest that the foregoing answers to the following Interrogatories are hereby true and correct to the best of my knowledge.


- 4(b)
- 9 (all subparts)
- 20(b)
- 21(c)
- 22(a), (b)
- 26 (all subparts)

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ORANGE)

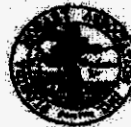
I hereby certify that on this 26th day of April, 2010 before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Marva Johnson, who is personally known to me, and who acknowledged before me that she provided or reviewed the answers to Interrogatories Nos. 4(b), 9 (all subparts), 20(b), 21(c), 22(a), (b), 26 (all subparts) provided in response to Commission Staff's First Set of Interrogatories to Bright House Networks Information Services (Florida), LLC in Docket No. 090501-TP, and that the responses to the aforesaid interrogatories are true and correct to the best of her personal knowledge.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the State and County set forth above as of this 26th day of April, 2010.



Notary Public

State of FLORIDA.



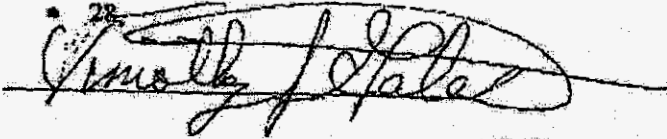
FIONA A. FESTA
NOTARY PUBLIC
STATE OF FLORIDA
Commission ID 000915568
Expires 8/10/2013

My Commission Expires: 8/10/2013.

RESPONSES TO COMMISSION STAFF'S FIRST SET OF
INTERROGATORIES TO BRIGHT HOUSE NETWORKS INFORMATION SERVICES
(FLORIDA), LLC
DOCKET NO. 090501-TP

I do hereby attest that the foregoing answers to the following Interrogatories are hereby true and correct to the best of my knowledge.

- 15
- 16(a), (c)
- 22(d)
- 23
- 25
- 28



AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF PASCO)

I hereby certify that on this 26th day of April, 2010 before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Timothy J. Gates, who is personally known to me, and who acknowledged before me that he provided or reviewed the answers to Interrogatories Nos. 15, 16(a), (c), 22(d), 23, 25 and 28 provided in response to Commission Staff's First Set of Interrogatories to Bright House Networks Information Services (Florida), LLC in Docket No. 090501-TP, and that the responses to the aforesaid interrogatories are true and correct to the best of his personal knowledge.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the State and County set forth above as of this 26th day of April, 2010.



Notary Public

State of Florida



Francesca Carlson
Commission # DD604869
Expires February 12, 2011
Notary Public - State of Florida

My Commission Expires: _____

[TL218704:]

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain
terms and conditions of an interconnection
agreement with Verizon Florida LLC by
Bright House Networks Information
Services (Florida), LLC

Docket No. 090501-TP
Filed: May 13, 2010


**BRIGHT HOUSE'S RESPONSES TO THE COMMISSION STAFF'S SECOND SET OF
INTERROGATORIES (NOS. 31-35)**

Bright House Networks Information Services (Florida), LLC, ("Bright House") hereby
submits its responses, to the second set of interrogatories (Nos. 31-35) of the Commission Staff
in the above-captioned proceeding.

Because in these interrogatories, Staff has sought a description of Bright House's legal
positions and/or contentions in this proceeding, the responses have been prepared by counsel.

Respectfully submitted on May 13, 2010.

By:


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RESPONSES TO INTERROGATORIES

31. For purposes of the following, please refer to the Direct Testimony of Bright House Witness Marva Johnson on page 16, lines 24-25, where Witness Johnson states that the parties "do not have an active dispute about Issue #1 and Issue #2."

a. Is it Bright House's understanding that Issues 1 and 2 have been resolved?

Yes.

b. If Issue 1 has not been resolved, what is Bright House's position on this issue?

Not applicable.

c. If Issue 2 has not been resolved, what is Bright House's position on this issue?

Not applicable.

32. For purposes of the following, please refer to the Rebuttal Testimony of Verizon witness Peter I. D'Amico on page 10, lines 7-10:

- a. Please identify what material changes Bright House is requesting regarding the current interconnection arrangement between Bright House and Verizon.

Bright House addresses these issues in response to Verizon Interrogatory No. 34. There we stated:

Bright House is considering a number of possible changes to its network interconnection arrangements with Verizon. These include (a) reconfiguring its access tandem and end office collocations so that third-party IXC traffic is routed to the access tandem collocation (which would result in augmenting the equipment at the access tandem collocation and down-sizing the equipment at the end office collocations) and (b) decommissioning its collocations entirely and instead establishing a fiber meet arrangement with Verizon.

Whether and to what extent Bright House will pursue these plans in detail depends on a number of considerations, including (a) whether there will be any constraints or restrictions on the types of traffic that might flow over a fiber meet arrangement; (b) the rearrangement costs that Bright House would incur (e.g., costs of changing out equipment at its collocations or removing such equipment entirely); and (c) how much Verizon would charge Bright House, and for what functions, under each possible scenario. Until relatively recently the parties had not reached closure on Item (a) (traffic types over fiber meets). This issue has now been settled. Item (c) is actively being considered as part of Issue Nos. 24, 32, 36, and 37 in this proceeding. In the absence of a definitive ruling (or settlement with Verizon) with respect to those issues, Bright House cannot meaningfully compare different network reconfiguration alternatives. As a result, we plan to undertake such considerations following the resolution of the open issues in this proceeding.

33. For purposes of the following, please refer to the Rebuttal Testimony of Verizon witness Peter 1. D' Amico on page 12, lines 1-13:

- a. Has the FCC or any state commission(s) used TELRIC as a standard to dictate an ILEC's physical network architecture or equipment (including hardware and/or software). Please explain.

As far as Bright House is aware, regulators have not used TELRIC as a standard to dictate an ILEC's physical network architecture or equipment, and Bright House is not proposing that the Commission do so. Two related issues, however, are at play here.

The first is, whatever Verizon's actual physical network equipment and architecture might be, what charges can Verizon impose on Bright House in order to interconnect with that network? That question is answered by the TELRIC standard. The FCC's rules, since the very first rulemaking under the 1996 Act (in August 1996) have required that "interconnection ... and methods of obtaining interconnection" are to be priced using the TELRIC standard. 47 C.F.R. § 51.501(b) (applying TELRIC standard to "interconnection ... and methods of obtaining interconnection"); 47 C.F.R. § 51.503 *et seq.* (describing TELRIC standard). As Mr. Gates explains in his testimony, the FCC's rules embodying the TELRIC standard state that costs "should be measured based on the use of the *most efficient telecommunications technology currently available and the lowest cost network configuration*, given the existing location of the [ILEC's] wire centers." 47 C.F.R. § 51.505(b)(1) (emphasis added). So, for any given type of technically feasible interconnection arrangement that a CLIC such as Bright House might request, the question is (a) what is the most efficient communications technology currently available that might be used to provide that arrangement, and (b) what would the lowest cost ILEC network configuration be to make use of that "most efficient ... currently available" technology? In practical terms this means that even if Verizon can only provide a relatively inefficient form of interconnection, and does not have the lowest cost network configuration, it can still only *charge* Bright House what it would cost if it actually *did have* the efficient, low cost network. As Mr. Gates explained in his deposition, this does not force or require Verizon to actually *deploy* an efficient, low cost network. It does, however, create a sound financial incentive for Verizon to do so, because Verizon will not be permitted to "export" the costs of its own inefficiency to Bright House in the form of charges to Bright House for an inefficient network configuration.

The second issue – putting aside what Verizon might charge Bright House – is the fact that this Commission has the authority to direct Verizon to make physical improvements in its network. This authority derives from both state and federal law. At the federal level, Section 251(c)(2) requires that interconnection be provided on terms and conditions that are "just"

and "reasonable." If, considering the facts and circumstances, it is "just" and "reasonable" to direct Verizon to improve its network, Section 251(c)(2) permits the Commission to do so. At the state level, Florida law specifically gives the Commission authority to direct carriers to make necessary improvements to their network facilities. *See* Fl. Stat. § 364.15. Moreover – recognizing state-level authority – the Communications Act specifically permits states to impose obligations on carriers in order to improve access and interconnection arrangements. *See, e.g.,* 47 U.S.C. § 251(d)(3), 47 U.S.C. § 252(e)(3), and 47 U.S.C. § 261(b) and (c). *See also* Bright House response to Staff Interrogatory No. 3 for full quotation of these statutes.

It is easy to see how these two issues can become intertwined. Applying the TELRIC standard, the Commission could determine, for example, that the most efficient available form of network interconnection would be a direct optical fiber link at the OC-3 level. If that were to be established, then Bright House could not be *charged* for the cost of demultiplexing its signals down from the OC-3 level to the DS-3 or DS-1 levels in order to accommodate Verizon's network. That is the "what can Verizon charge Bright House?" question. But the Commission could *also* conclude that actually establishing the facilities to permit OC-3 level optical interconnection would be a requirement of "just and reasonable" interconnection under 47 U.S.C. § 251(c)(2), or that establishing such a requirement would be a reasonable additional standard for interconnection, in order to facilitate competition in local markets, as contemplated by 47 U.S.C. § 251(d)(3) and/or 47 U.S.C. § 261(b) or (c). In other words, in the course of considering what is the most efficient network interconnection arrangement, using the most efficient available equipment might be (the TELRIC standard), the Commission could well come to understand that it should directly order Verizon to *deploy* that efficient interconnection arrangement, using that efficient equipment (the network architecture issue).

34. For purposes of the following, please refer to the direct testimony of Bright House Witness Timothy Gates on page 15, lines 14 - 22 and page 16, lines 1 - 8 where witness Gates discusses porting of customer's numbers.

- a. Since a "simple port" is a normal automated process, please explain briefly the process for porting a single large customer with several lines.

In theory, there should be nothing special about porting a large number of lines at the same time. When a customer is leaving Verizon for Bright House, Bright House will have submitted a local service request (LSR) indicating when the customer's Verizon service should be turned off and that Verizon should configure its own network (using, e.g., the 10-digit trigger) to handle calls properly while the transition is in place. Once Bright House has physically transferred the customer to Bright House's network, Bright House would then signal to the Number Portability Administrative Center (NPAC) to activate the port. This would update the NPAC database that all carriers consult in routing calls to ensure that calls to the ported number route to the new carrier's network rather than the old carrier's network.

In practice, however, things may not always work smoothly. A customer may have several different physical services from Verizon with different numbers assigned, and some operational problem might arise with respect to physically disconnecting one of those services. Or some unknown problem might arise in contacting NPAC. Normally things don't go wrong, but it is important to have arrangements in place for when they do.

34. For purposes of the following, please refer to the direct testimony of Bright House Witness Timothy Gates on page 15, lines 14 - 22 and page 16, lines 1 - 8 where witness Gates discusses porting of customer's numbers.

b. To make sure the porting process, whether "simple" or "complex", is completed, is there "coordination" between carriers? Please explain.

In the normal course of a simple port, there is not "coordination" as that term is normally understood in the industry. Assuming the customer is moving from Verizon to Bright House, Bright House will have submitted an LSR indicating when the customer's Verizon service is to be turned off. In the normal course all goes well and Bright House will signal to NPAC that the service transfer is complete and the number shall be ported.

As discussed above, complex ports – those involving unusual facilities arrangements or a large number of lines – should, in theory, go smoothly as well without formal "coordination," which basically involves having a person from one carrier on a call with (or at least available for a call from) a person from the other carrier to ensure that things are going as they should be, to take corrective action if problems arise, and if need be, to reverse whatever steps have been taken to transfer the customer and reschedule the transfer for another time. The differing approach reflects the number of people potentially affected by an error or a problem. We want every port to go smoothly, with no customer problems at all. But if the porting of a single residential line goes wrong in some way, that customer, and the people who call that customer, would be the only ones affected. On the other hand, if the porting of the lines serving a hospital, a school, or a government department were not to be handled correctly, hundreds of people who routinely call to or from that entity could be affected. Coordination ensures that those types of problems do not develop.

In this regard, Bright House notes that its proposal regarding coordination works both ways, so that either party will provide coordination to the other in these circumstances, no matter which party is winning the customer and which is losing.

35. For purposes of the following, please refer to the direct testimony of Bright House Witness Marva Johnson on page 14, lines 12-22, page 15, lines 2-22 and page 16, lines 1-13, where witness Johnson addresses Verizon's proposed language in Section 50.1 of the General Terms and Conditions:

a. Please identify all legal authority which supports Bright House's position.

There are several problems with Verizon's proposed Section 50.1. To see the problems, it is necessary to clearly focus on how the proposed provision would operate.

First, Section 50.1 is *not* a "change in law" provision. The parties agree that there should be an efficient procedure to modify contractual obligations that become out of synch with legal requirements by virtue of a change in the law. These situations are addressed by Section 4.6 of the General Terms and Conditions (which is not in dispute). That provision states:

In the event of any Change in Applicable Law, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law. If within thirty (30) days of the effective date of such Change in Applicable Law, the Parties are unable to agree in writing upon mutually acceptable revisions to this Agreement, either Party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction, without first pursuing dispute resolution in accordance with Section 14 of this Agreement.

This provides an orderly process for handling any situation in which a new legal ruling imposes a new obligation on a party or eliminates an existing obligation. Changes in law are fully addressed by Section 4.6.

Section 50.1 is entirely different. Verizon may invoke it without there being any change in the legal or factual landscape. Nothing in Section 50.1 obliges Verizon to discuss anything with Bright House. Nothing in Section 50.1 obliges Verizon to negotiate with Bright House in good faith. Nothing in Section 50.1 gives Bright House the right to bring disputes about Verizon's invocation of the provision to the Commission or the courts. As drafted, therefore, Section 50.1 empowers Verizon to unilaterally declare that it is not required to perform any one of, or all of, its contractual duties. Bright House's only remedy is to seek emergency, injunctive relief from the Commission or the courts, because nothing in

Section 50.1 in any way obliges Verizon to continue providing any service or function while litigation is pending.

As a result, Section 50.1, in effect, is a dispute- and litigation-generating machine. It gives Verizon the unilateral right, at any time, to throw the parties' entire contractual relationship into disarray.

This is a direct violation of 47 U.S.C. § 251(c)(2), which requires the terms and conditions associated with interconnection to be "just" and "reasonable." Bright House is entitled to reasonable certainty in its contractual relations with Verizon. As noted above, the parties agree that there need to be efficient contractual procedures for adjusting contractual terms if the law changes, and have agreed to such procedures. There is no need to give Verizon the right to unilaterally declare that, because its private view of its legal obligations has changed, it is permitted to walk away from them.

A matter of particular concern to Bright House is Verizon's equivocal stance regarding whether Bright House is entitled to interconnection with Verizon at all, or whether (from Verizon's viewpoint) its entire participation in the negotiation and arbitration process has been some sort of voluntary accommodation to Bright House. If, as Verizon has asserted, it is "reserving its rights" with respect to Bright House's entitlement to interconnection, that means that – under Section 50.1 – Verizon is "reserving its rights" to unilaterally walk away from each and every one of its obligations to Bright House under the contract. Given this, Section 50.1 creates a situation in which – Verizon's effort to avoid the issue notwithstanding – Bright House's status as a local exchange carrier, entitled to interconnection with Verizon under the law, is an "open issue" between the parties that must be resolved by the Commission under Section 252(c).

35. For purposes of the following, please refer to the direct testimony of Bright House Witness Marva Johnson on page 14, lines 12-22, page 15, lines 2-22 and page 16, lines 1-13, where witness Johnson addresses Verizon's proposed language in Section 50.1 of the General Terms and Conditions:

b. Please identify all current services provided by Verizon to Bright House that Verizon is legally obligated to provide.

Verizon is legally obliged to provide Bright House with at least the following services:

(a) The right to resell all Verizon telecommunications services with no unreasonable restrictions or conditions (47 U.S.C. § 251(b)(1)).

(b) Full compliance with the FCC's number portability requirements (47 U.S.C. § 251(b)(2)).

(c) Dialing parity, which, as interpreted by the FCC, includes the listing of Bright House's end users in Verizon's directories (47 U.S.C. § 251(b)(3)).

(d) Access to Verizon's poles, ducts, conduits and rights-of-way, in accordance with the requirements of 47 U.S.C. § 224 (47 U.S.C. § 251(b)(4)).

(e) Reciprocal compensation arrangements for the transport and termination of telecommunications, in accordance with the FCC's rules and rulings regarding such arrangements (47 U.S.C. § 251(b)(5)).

(f) The right to good faith negotiation with respect to how Verizon will fulfill its obligations to Bright House under 47 U.S.C. §§ 251(b) and 251(c) (47 U.S.C. § 251(c)(1)).

(g) Interconnection at any technically feasible point on Verizon's network for the exchange of telephone exchange service and exchange access traffic, on just, reasonable and nondiscriminatory terms and conditions, and just, reasonable, and nondiscriminatory rates (47 U.S.C. § 251(c)(2)).

(h) Access to unbundled network elements from Verizon on just, reasonable and nondiscriminatory terms and conditions, and at just, reasonable and nondiscriminatory rates, as provided for by 47 U.S.C. § 251(c)(3) and associated FCC rules and rulings.

(i) The right to obtain, at an appropriate discount off tariffed, retail rates, any telecommunications service that Verizon offers at retail to subscribers who are not telecommunications carriers, as required by 47 U.S.C. § 251(c)(4) and associated FCC rules and rulings.

(j) The right to advance notice of changes in Verizon's network, as required by 47 U.S.C. § 251(c)(5).

(k) The right to collocation on Verizon's premises for the purpose of interconnection and access to network elements, as provided for by 47 U.S.C. § 251(c)(6).

(l) The right to purchase and use any tariffed Verizon service in accordance with the provisions of Verizon's tariffs.

(m) Just, reasonable, and nondiscriminatory administrative, ancillary, ordering, and ministerial terms and conditions associated with obtaining any of the above services and functions.

(n) Any other services and functions that Verizon has agreed to, irrespective of its legal obligations in the abstract, as provided for in 47 U.S.C. § 252(a)(1).

(o) Any other services and functions that the Commission may direct Verizon to provide for Bright House, in accordance with 47 U.S.C. § 251(d)(3), § 252(e)(3), § 261(b), and § 261(c), and applicable state law.

35. For purposes of the following, please refer to the direct testimony of Bright House Witness Marva Johnson on page 14, lines 12-22, page 15, lines 2-22 and page 16, lines 1-13, where witness Johnson addresses Verizon's proposed language in Section 50.1 of the General Terms and Conditions:

- c. Please identify all current services provided by Verizon to Bright House that Verizon is not legally obligated to provide.

Bright House does not believe that there are any such services. However, as described in the testimony, the process of contract negotiation under Sections 251/252, as well as the breadth of the "just and reasonable" standard, means that "applicable law" does not, itself, literally dictate each detail of the services Verizon must provide. An additional problem with proposed Section 50.1 is that Verizon could assert (again, unilaterally and with no provision for discussion or negotiation) that, while it is obliged to provide "interconnection," for example, it is not specifically required to provide the precise form of interconnection that the parties have implemented.

35. For purposes of the following, please refer to the direct testimony of Bright House Witness Marva Johnson on page 14, lines 12-22, page 15, lines 2-22 and page 16, lines 1-13, where witness Johnson addresses Verizon's proposed language in Section 50.1 of the General Terms and Conditions:

d. Please identify the Commission's authority to prohibit Verizon's inclusion of proposed Section 50 in the ICA.

The Commission is not merely "authorized" to prohibit the inclusion of Section 50; it is *obliged* to ensure that Section 50 is not included in the parties' contract. The Commission is affirmatively obliged by Section 252(c) to ensure that the new contract fully imposes on the parties the obligations and duties laid out in Section 251 of the Act (summarized above in response to item No. 35(b)). That statute requires Verizon to perform its duties on terms that are just, reasonable, and nondiscriminatory. As described above, Section 50.1 is a dispute- and litigation-generating machine that permits Verizon to unilaterally throw the parties' contractual relationship into disarray. That is not just or reasonable, so Section 50.1 cannot properly be included in the contract.

EXHIBIT NO. 4

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Verizon Florida

DESCRIPTION: Composite of Responses to Verizon Florida's Interrogatories and Request for Production of Documents from Bright House Networks.

- a. Item Nos. 1-21 of Bright House's Responses to Verizon's First Set of Interrogatories and First Request for Production of Documents Item Nos. 1-8. Pages 1-46.
- b. Item No. 9 of Bright House's Response to Verizon's Second Request for Production of Documents. Pages 47-239
- c. Item Nos. 22-41 of Bright House's Responses to Verizon's Second and Third Set of Interrogatories and Third and Fourth Requests for Production of Documents Nos. 10-12. Including Bright House's Revised Responses to Interrogatories 32, 32(a), 38(a) and 38(c). Pages 240-276.

PROFFERING PARTY: Staff

I.D. # Stip-4

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 4

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS STIPULATED EXHIBIT - STIP- 4

DATE 5/25/10

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Bright House Networks Information
Services (Florida), LLC

Petition for Arbitration of Terms and Conditions
of An Interconnection Agreement with Verizon
Florida, LLC

Docket No. 090501

**BRIGHT HOUSE'S RESPONSES TO VERIZON FLORIDA LLC'S FIRST SET OF
INTERROGATORIES (NOS. 1-21) AND
DOCUMENT PRODUCTION REQUESTS (NOS. 1-8)**

PUBLIC VERSION

Bright House Networks Information Services (Florida), LLC, ("Bright House") hereby submits its responses, consistent with the previously filed objections, to the first set of interrogatories (Nos. 1-21) and first requests for production of documents (Nos. 1-8) of Verizon Florida LLC ("Verizon") in the above-captioned proceeding, subject to the proprietary agreement between the parties. Bright House treats certain information contained herein as proprietary confidential information and does not intend to waive confidentiality by providing these response. Bright House is submitting a request for a protective order and confidential classification contemporaneously with these responses.

Confidential information has been designated with ~~CONFIDENTIAL~~ in the confidential version, and redacted out of the public version. Attached to Bright House's responses is the affidavit of the person providing said responses. Note that where Verizon has sought a description of Bright House's "contentions" in this proceeding, the responses have been prepared by counsel.

Responses to Interrogatories

1. Please state the number of Bright House Cable Florida voice service customers at year end for 2007, 2008 and 2009.

Bright House provides wholesale telecommunications services to Bright House Networks, LLC ("Bright House Cable Florida" or "BHN"). BHN utilizes these telecommunications services to provide its retail voice service by means of Internet Protocol communications. This brand name of this voice service is "Home Phone." Bright House provided wholesale telecommunications services in support of approximately [REDACTED] (2007), [REDACTED] (2008), and [REDACTED] (2009) Home Phone end users at year end for 2007, 2008 and 2009, respectively.

2. Please state the number of Bright House Cable Florida voice service customers at year end for 2007, 2008 and 2009 that Bright House served by means of Internet Protocol ("IP") technology.

All of them. See response to Interrogatory 1 regarding the wholesale/retail relationship between Bright House and BHN.

3. Please state the number of Bright House Cable Florida voice service customers in Verizon's service territory at year end for 2007, 2008 and 2009.

See response to Interrogatory 1 regarding the wholesale/retail relationship between Bright House and BHN.

Bright House does not currently have sufficient data to segregate the number of Home Phone end users by ILEC territory. Bright House does have sufficient information to provide these numbers by BHN service divisions. Bright House's Tampa Bay Area service division is generally comparable to Verizon's service territory. The approximate end user counts are provided by year for that division below:

Service Division	2007 Approximate No. of End Users	2008 Approximate No. of End Users	2009 Approximate No. of End Users
Tampa Bay Area	██████████	██████████	██████████

As of December 2007, some portion of BHN's voice customers were served by Verizon Business, rather than Bright House. Bright House estimates that Verizon Business supported service for approximately ██████████ BHN voice services customers as of December 2007.

4. Please state the number of Bright House Cable Florida voice service customers in Verizon's service territory at year end for 2007, 2008 and 2009 that Bright House Cable service using IP technology.

All of them. See response to Interrogatory 1 regarding the wholesale/retail relationship between Bright House and BHN, and response to Interrogatory 3 for customer counts.

5. Please state the Company's cost for each month from January 2007 to January 2010, of (a) converting its Florida intrastate traffic from IP to time division multiplexing ("TDM") protocol for delivery to local exchange companies in Florida; and (b) converting to IP the Florida intrastate traffic the Company received in TDM protocol from local exchange carriers.

[REDACTED]

6. Please state the Company's cost for each month from January 2007 to January 2010, of (a) converting its Florida intrastate traffic delivered to Verizon from IP to TDM; and (b) converting to IP the Florida intrastate traffic the Company received in TDM protocol from Verizon.

See response to interrogatory 5.

7. If the Company has used third-party vendors to convert intrastate traffic from IP to TDM and/or from TDM to IP since January 1, 2007, please state the terms and conditions of each such service arrangement (including, but not limited to, the charges for each service) and identify each service contract.

Bright House has not used stand-alone or unbundled third party services or network elements solely for the purpose of converting intrastate traffic from IP to TDM or from TDM to IP ("conversion"). Bright House has purchased bundled or packaged services that included the conversion of traffic, but the specific costs associated with the conversion were not uniquely identified or charged.

8. If the Company itself converts intrastate traffic from IP to TDM (and/or from TDM to IP), please explain how the Company calculated the conversion costs stated in response to Interrogatory Nos. 5 and 6.

See response to interrogatory 5.

9. Please state whether the Company's request for interconnection in IP format in this arbitration, if adopted, would apply to all of the Company's intrastate traffic, including intrastate interexchange traffic.

It might.

More fully, this question appears to be based on a misunderstanding of how Bright House's proposed contract language would operate. Bright House proposes that it have the contractual right to obtain interconnection with Verizon in IP format. This contractual right would cover all traffic embraced by the parties' interconnection agreement. As Bright House understands the contractual terms to which the parties have agreed, as well as the underlying law, this traffic includes "telephone exchange service" traffic and "exchange access" traffic (both directly within the purview of 47 U.S.C. § 251(c)(2)), as well as any other "telecommunications" that the parties might agree to exchange, within the purview of 47 U.S.C. § 251(a), 47 C.F.R. § 51.100, and related FCC rulings. These legal authorities do not draw a distinction between interstate versus intrastate traffic, and both interexchange and intraexchange traffic is included within them.

That said, putting aside the question of the scope of IP-based interconnection Bright House might actually request (which would be based on any applicable business and technical considerations at the time of the request), the contractual right to IP-based interconnection should, as noted, apply to all traffic types covered by the agreement.

10. Please state whether the Company's request for interconnection in IP format in this arbitration, if adopted, would apply to the Company's interstate traffic.

See response to interrogatory 9.

11. Please state what changes to its network, if any, the Company would need to make to accommodate interconnection with Verizon in IP format.

None.

12. Please state the estimate of the costs, if any, of configuring the Company's Florida network to accommodate interconnection with Verizon in IP format.

None. It would take a certain amount of time on the part of existing network personnel to reconfigure the connections between Verizon and Bright House to IP format. These activities would fall within the normal duties of these personnel.

13. Please state the amount of expense the Company expects to save by exchanging Florida traffic with Verizon in IP format and explain how that amount was calculated.

[REDACTED]

14. Do any local exchange carriers in Florida provide interconnection in IP format to the Company? If so, please identify each such carrier, the type of traffic exchanged (e.g., local, intrastate, interexchange or interstate) and the locations where traffic is exchanged in IP format.

Bright House is currently interconnected with and exchanging traffic in IP format in Florida with [REDACTED], at the addresses listed below. We believe that each of these entities functions as and/or is certificated as a LEC in Florida. In addition, [REDACTED] acts as a wholesale carrier to numerous local exchange carriers in Florida. Bright House exchanges local, intrastate, interexchange and interstate traffic with these entities, including indirectly exchanging traffic with [REDACTED] wholesale customers. Bright House exchanges traffic in IP format at all interconnection points established with [REDACTED].

LEC**Addresses of Interconnection Points**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From [REDACTED], Bright House exchanged all traffic with MCIWorldcom Network Services in IP format. Bright House understands this is the entity currently doing business as Verizon Business.

15. Do any local exchange carriers in states other than Florida provide interconnection in IP format to the Company or any of its affiliates? If so, please identify each such carrier, the type of traffic exchanged (e.g., local, intrastate interexchange or interstate) and the locations where the traffic is exchanged in IP format.

Bright House is currently interconnected with and exchanging traffic in IP format with [REDACTED] in states other than Florida. Moreover, [REDACTED] acts as a wholesale carrier to numerous local exchange carriers. Bright House exchanges local, intrastate, interexchange and interstate traffic with these entities, including indirectly exchanging traffic with [REDACTED] wholesale customers. Bright House exchanges traffic in IP format at all interconnection points established with [REDACTED]

16. Please describe the Company's network configuration in Florida, including the type and location of each voice network device, including without limitation each application service, media server, voicemail server, ENUM, DNS, SIP Redirect server, softswitch, media gateway, firewall, session border controller, router, switch and circuit switch.

The description below illustrates the operation of the Company's network, and the different elements in it, by describing the call flow of three different types of calls: calls between two BHN VoIP subscribers; a call from a BHN VoIP subscriber to a third-party LEC's subscriber; and a call from a third-party LEC's subscriber to a BHN VoIP subscriber.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PUBLIC VERSION—CONFIDENTIAL INFORMATION REDACTED

Bright House Networks Information Services (Florida), LLC

Docket No. 090501-TP

Response to Verizon's First Set of Interrogatories

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

17. With respect to the Company's contention that it is entitled to IP interconnection with Verizon:

a. State the basis for the Company's contention;

Bright House is entitled to interconnection with Verizon for the exchange of "telephone exchange service" traffic and "exchange access" traffic – that is, essentially all traffic that would, in non-technical discussion, be called either "local" or "toll" traffic – at any technically feasible point on Verizon's network, and on terms that are "just, reasonable, and nondiscriminatory." 47 U.S.C. § 251(c)(2)(D). As the entire communications industry has continued to shift from old-style time-division-multiplexed (TDM), circuit-switched format to packet-switched IP format, it is simply no longer "just" or "reasonable" to require interconnecting entities such as Bright House to use TDM if they do not want to or need to for their own purposes. To the contrary, even if Verizon, for its own corporate reasons, chooses to retain its legacy voice network in TDM format, the shift in overall industry practices from TDM to IP means that it is just and reasonable to require Verizon to use IP format when interconnecting with carriers such as Bright House whose networks' native format is IP.

In addition, Bright House is entitled to interconnection with Verizon "that is at least equal in quality to that provided by [Verizon] to itself or to any subsidiary, affiliate, or any other party to which [Verizon] provides interconnection." 47 U.S.C. § 251(c)(2)(C). We have sought discovery from Verizon with respect to whether it or its affiliates provide IP-format interconnection to any other carriers or customers. While requiring Verizon to provide IP-format interconnection to Bright House is appropriate (as discussed above, and below) irrespective of whether Verizon (or, we would contend, its affiliates) is actually providing IP interconnection to anyone else, if Verizon in fact is doing so, that conclusively establishes that it is reasonable to do so for Bright House.

Moreover, even if providing IP-format interconnection is not literally required by 47 U.S.C. § 251(c), the Commission is fully empowered to require it under other provisions of both federal and state law. These provisions include:

- 47 U.S.C. § 251(d)(3), which empowers the Commission to impose interconnection obligations on carriers as long as such obligations are consistent with the requirements of Section 251 and do not "substantially prevent" implementation of those requirements and the purposes of 47 U.S.C. §§ 251-261.
- 47 U.S.C. § 261(b), which states that "nothing in [Sections 251-261 of the federal law] shall be construed to prohibit any State commission" from establishing regulations to fulfill the objectives of Sections 251-261, as long as those requirements are not inconsistent with those sections.
- 47 U.S.C. § 261(c), which expressly empowers the Commission to impose requirements on carriers (such as Verizon) "that are necessary to further competition in the provision

of telephone exchange service or exchange access," as long as such requirements are not inconsistent with Sections 251-261 or the FCC's regulations to implement those sections.

- Fl. Statutes § 364.15, which empowers the Commission to direct "improvements," "changes" and/or "additions" to a carrier's telecommunications facilities.

b. State all facts supporting the Company's contention;

The key fact is simply that the entire communications industry is transitioning from a circuit-switched, TDM method of transmitting information to a packet-switched, IP method of transmitting information. While we await Verizon's testimony and other filings to learn more, as we understand it, Verizon does not dispute that this is occurring. Instead, Verizon contends that this transition is not relevant to, or affected by, the process of establishing interconnection agreements under 47 U.S.C. §§251-252. For the reasons stated in response to Interrogatory No. 17(a) above, however, this is simply wrong.

c. Identify all witnesses supporting the Company's contention; and

As of the date of this response, Bright House expects to present the testimony of two witnesses – Mr. Tim Gates, and Ms. Marva Johnson. Both of these witnesses will likely address certain aspects of this question, although the precise scope of their respective testimonies has not yet been determined.

Depending on the evidence that Verizon presents on this question, Bright House reserves the right to present additional witnesses in rebuttal.

d. Identify all documents supporting the Company's contention.

As of the date of this response, Bright House has not determined whether there are any documents in its possession that specifically address its position in this arbitration. We will supplement this response as the case proceeds as any such documents are identified.

18. With respect to the Company's proposal in General Term § 42 that Verizon "shall be solely responsible for the cost and activities associated with accommodating, in its own network," specified changes in the Company's network:

a. State the basis for the Company's contention;

The issue here is not Bright House's basis for contending that Verizon should absorb the costs of accommodating changes in Bright House's network – since that is not really Bright House's contention. Bright House's contention is that neither party should have a privileged position with respect to the ability to change its own network in a way that imposes costs on the other party. The real issue is *Verizon's* contention that it can do whatever it wants in its network, no matter what costs that imposes on Bright House, but that no similar provision would apply to changes Bright House might make to its network.

Thus, Verizon may misunderstand our proposal in some respects. Verizon proposed contract language to the effect that it (Verizon) could make any changes it wanted to in its network, and that no matter what those changes were, or why Verizon made them, if and to the extent that those changes imposed costs on Bright House, Bright House was solely responsible for absorbing those costs.

Bright House is more than willing to agree to contract language that simply preserves the right of each carrier to make whatever modifications to its own network that it wants to, without declaring any general rule regarding the appropriate allocation of cost responsibility, which might, logically, vary from case to case. This would have the advantage of being symmetrical as between the carriers, which makes sense in that Verizon and Bright House each have physically separate networks, including their own switching and transmission facilities, their own arrangements for connections to ultimate end users, etc.

Verizon was unwilling to agree to that proposal. The most logical alternative, therefore, is to have the provision remain mutual/symmetrical, but instead of saying nothing about cost responsibility (or expressly relegating that question to case-by-case determination), saying that each party is responsible for doing what it needs to do, in its own network, to accommodate changes in the other party's network.

b. State all facts supporting the Company's contention;

This issue is driven more by considerations of fairness and sensible contract drafting, as opposed to disputes over particular facts.

c. Identify all witnesses supporting the Company's contention; and

As of the date of this response, Bright House expects to present the testimony of two witnesses – Mr. Tim Gates, and Ms. Marva Johnson. Both of these witnesses will likely address certain aspects of this question, although the precise scope of their respective testimonies has not yet been determined.

Depending on the evidence that Verizon presents on this question, Bright House reserves the right to present additional witnesses in rebuttal.

d. Identify all documents supporting the Company's contention.

As of the date of this response, Bright House has not determined whether there are any documents in its possession that specifically address its position in this arbitration. We will supplement this response as the case proceeds as any such documents are identified.

19. Does the Company contend that it is offering two-way telecommunications service to the public for hire in Florida? If so, please state the basis for that contention.

Not only does the Company "contend" this, it is true. As Verizon is well aware, this is settled law. See *Bright House Networks, LLC et al. v. Verizon California, Inc., et al.*, *Memorandum Opinion and Order*, 23 FCC Rcd 10704 (2008) at ¶¶ 37-41, *affirmed*, *Verizon California, Inc. v. FCC*, 555 F.3d 270, 275-76 (D.C. Cir. 2009); *Petition by Comcast Phone of Florida, LLC d/b/a Comcast Digital Phone for arbitration of an interconnection agreement with Quincy Telephone Company d/b/a TDS Telecom, pursuant to Section 252 of the Federal Communications Act of 1934, as amended, and Sections 120.57(1), 120.80(13), 364.012, 364.15, 364.16, 364.161, and 364.162, F.S., and Rule 28-106.201, F.A.C.*, DOCKET NO. 080731-TP, ORDER NO. PSC-09-0839-FOF-TP (F.P.S.C. December 21, 2009).

20. Has the Company provided telecommunications service to any entity in Florida other than Bright House Cable? If so, please identify each of those customers.

No. Note, however, that what is relevant to the Company's status as a carrier is its offering of such service, not to whom it actually provides service. See Response to Interrogatory No. 19, and cases cited there. As the D.C. Circuit noted:

Like the [FCC], we are not troubled by the fact that Bright House and Comcast-affiliated carriers are currently serving only their affiliates. As the FCC explained, "[i]f a voice services provider similarly situated to Comcast and Bright House were looking for a provider of these services, the Comcast and Bright House Competitive Carriers would be obvious choices." [23 FCC Rcd] at 10719 ¶ 40. Verizon does not present any evidence to suggest that the disputed affiliates would turn away such a customer.

21. Has the Company offered any telecommunications service by means of any public written or oral communication, such as a tariff, an advertisement, a brochure, a hand-out, a press release, an industry trade-show presentation, or a website posting in Florida? If so, please identify any such communications.

Yes. See Response to Interrogatory Nos. 19-20. Bright House's status as a certificated carrier in Florida is a matter of public knowledge and public record. A simple search of the Commission's web site at: <http://www.psc.state.fl.us/utilities/mcd/index.aspx> indicates that Bright House is a certificated carrier. As we explained to Verizon (and the FCC) in the litigation referred to in response to Interrogatory No. 19, given the nature of our service offering – wholesale connectivity – nothing more is necessary or required. As the FCC observed with respect to this issue:

[B]y obtaining publicly available state certificates and interconnection agreements, the Comcast and Bright House Competitive Carriers have given notice that telecommunications services are available to the particular class of potential customers that might be interested in the services at issue here.^[fn 98] If a voice services provider similarly situated to Comcast and Bright House were looking for a provider of these services, the Comcast and Bright House Competitive Carriers would be obvious choices.

The footnote states, in part:

The segment of the "public" to which the Comcast and Bright House Competitive Carriers seek to provide telecommunications consists of sophisticated entities – other carriers – knowledgeable about state regulatory processes and the ramifications of state certificates and interconnection agreements. See, e.g., Supp. Davis Aff. at ¶ 5; Supp. Johnson Aff. at ¶ 9.

In short, the company's publicly available certificate from the Commission, as well as its publicly available interconnection agreement with Verizon, are fully adequate to advise the specialized group of potential customers for our services that we indeed offer them on a common carrier basis.

Responses to Production of Document Requests

- 1. Please provide all documents supporting or otherwise relating to your response to Verizon's Interrogatory No. 7.**

There are no responsive documents.

2. Please provide all documents supporting or otherwise relating to your response to Verizon's Interrogatory No. 11.

There are no responsive documents.

3. Please provide all documents supporting or otherwise relating to your response to Verizon's Interrogatory No. 12.

There are no responsive documents.

4. Please provide all documents supporting or otherwise relating to your response to Verizon's Interrogatory No. 13.

There are no responsive documents.

5. Please provide all documents supporting or otherwise relating to your response to Verizon's Interrogatory No. 17.

See response to interrogatory 17.

6. Please provide all documents supporting or otherwise relating to your response to Verizon's Interrogatory No. 18.

See response to interrogatory 18.

7. Please provide all documents evidencing, reflecting or relating to the costs or benefits of interconnection in IP format with Verizon or other local exchange carriers.

See exhibit 1 regarding the benefits of interconnection in IP format. There are no responsive documents regarding the costs of such interconnection.

8. Please provide all documents evidencing, reflecting or relating to the cost savings the Company expects to realize from interconnection in IP format with Verizon or other local exchange carriers.

There are no responsive documents.

RESPONSES TO VERIZON'S FIRST SET OF
INTERROGATORIES TO BRIGHT HOUSE NETWORKS INFORMATION SERVICES
(FLORIDA), LLC
DOCKET NO. 090501-TP

I do hereby attest that the foregoing answers to Interrogatories Nos. 1 -- 21 are hereby true and correct to the best of my knowledge.

*As to BENIS's Responses to VERIZON's First
Set of Interrogatories Nos. 1 - 21*

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ORANGE)

I hereby certify that on this 4th day of March, 2010 before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Marva Brown Johnson, who is personally known to me, and who acknowledged before me that he provided or reviewed the answers to Interrogatories Nos. 1 -- 21 provided in response to Verizon's First Set of Interrogatories to Bright House in Docket No.090501-TP, and that the responses to the aforesaid interrogatories are true and correct to the best of his personal knowledge.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in the State and County set forth above as of this 4th day of March, 2010.



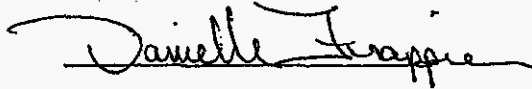
Notary Public

State of Florida



My Commission Expires: _____

Respectfully submitted this 5th day of March, 2010,



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served via Electronic Mail to the persons listed below this 5th day of March, 2010:

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EXHIBIT 1

Docket No. 090501-GU

Bright House Networks Information
Services (Florida), LLC

Response to Verizon's

First Request for Production of Documents

(POD 7)

BH 0001

Docket No. 090501

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DC, Washington...
Washington, DC

► **Systems Admin...**
Join CACI International... @
Forbes magazine, 7...
Washington, DC

► **Physician Sr Pr...**
Job Title: Physician Sr Principal
Leader Job ...
RECHLAND, WA

Telephone Service Provider Ratings

Home > Telecom > Telephone Service Provider Ratings > South

2009 Residential Telephone Customer Satisfaction Study

South

Award Recipient

Bright House Networks

★★★★★



• Read the Press Release

Company	Ratings Factors	Customer Service	Performance and Reliability	Cost of Service	Billing	Offerings and Promotions
	Overall Satisfaction					
Sort:	▲	▲	▲	▲	▲	▲
AT&T	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Bright House Networks Award Recipient	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★
CenturyTel	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Charter	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Comcast	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Cox Communications	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Embarq	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Time Warner Cable	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Verizon	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆
Windstream	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆	★★★★☆

Scoring Legend

★★★★★ Among the best ★★★★☆ Better than most ★★★★☆ About average ★★★★☆ The rest

Please note that J.D. Power Consumer Center Ratings may not include all information used to determine J.D. Power and Associates awards.

Power
Circle Ratings ★★★★★
JDPower.com

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Check with

BH 0002

Docket No. 090501

http://www.jdpower.com/telecom/ratings/telephone-service-provider-ratings/south

3/5/2010

038



► **DoDITS MOC Ne...**
This position is located in
our DC, Washington
facility Succes...
Washington/Metro

► **Ten Secret Cl...**
This position is located in
our DC, Washington
facility • Inst...
Washington, DC

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Put your job here!

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Press Release

J.D. Power and Associates Reports:

Overall Customer Satisfaction with Residential Telephone Service Increases Considerably

Bright House Networks, Cox Communications and WideOpenWest Each Rank Highest in Residential Telephone Customer Satisfaction in Their Respective Regions

WESTLAKE VILLAGE, Calif.: 16 September 2009 — Customer satisfaction with residential telephone service has increased notably in 2009, according to the J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM released today.

Overall satisfaction averages 653 on a 1,000-point scale, an increase of 18 index points from 2008. Service providers continue to make incremental improvements to their service offerings in an ongoing effort to attract new customers and retain current customers. For instance, the time spent on hold to resolve a customer's most recent problem or issue averaged 8.8 minutes, down from 9.5 minutes in 2008. Despite improvements in service, the number of customers who left their provider increased to 10 percent from 9 percent in 2008.

"Competition in the industry is at an all-time high, as providers are offering a variety of technologies to vie for increasingly savvy customers," said Frank Perazzini, director of telecommunications at J.D. Power and Associates. "This has resulted in stronger product performance than in the recent past, which is supported by more efficient service—making customers the big winners."

The study finds that improvements in residential telephone service have driven an increase in recommendation rates among customers. Nearly 70 percent of customers say they "probably will" or "definitely will" recommend their service provider, an increase from 64 percent in 2008.

The 2009 study marks the third consecutive year that traditional cable television providers have achieved the highest rankings in all regions included in the study.

The study measures customer satisfaction with both local and long distance telephone service in four regions throughout the United States. Five factors are examined in determining overall satisfaction. In order of importance, they are customer service; performance and reliability; cost of service; billing; and offerings and promotions.

Provider results by region are:

East Region: Cox Communications ranks highest in the region, performing particularly well in customer service and performance and reliability.

South Region: Bright House Networks ranks highest in the region and performs well across all five factors.

North Central Region: WideOpenWest (WOW!) ranks highest in the region, performing well across all five factors.

(Page 1 of 2)

BH 0003

Docket No. 090501

039

West Region: Cox Communications ranks highest in the region and performs well in performance and reliability; customer service; cost of service; and billing.

The 2009 Residential Telephone Customer Satisfaction Study is based on responses from more than 21,480 customers nationwide who receive their local and long distance telephone service from one provider. The study was fielded in January, April and July 2009.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, Web intelligence and customer satisfaction. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

About The McGraw-Hill Companies

Founded in 1888, The McGraw-Hill Companies (NYSE: MHP) is a leading global information services provider meeting worldwide needs in the financial services, education and business information markets through leading brands such as Standard & Poor's, McGraw-Hill Education, *BusinessWeek* and J.D. Power and Associates. The Corporation has more than 280 offices in 40 countries. Sales in 2008 were \$6.4 billion. Additional information is available at <http://www.mcgraw-hill.com>.

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(Page 2 of 2)

NOTE: Four charts follow.

BH 0004

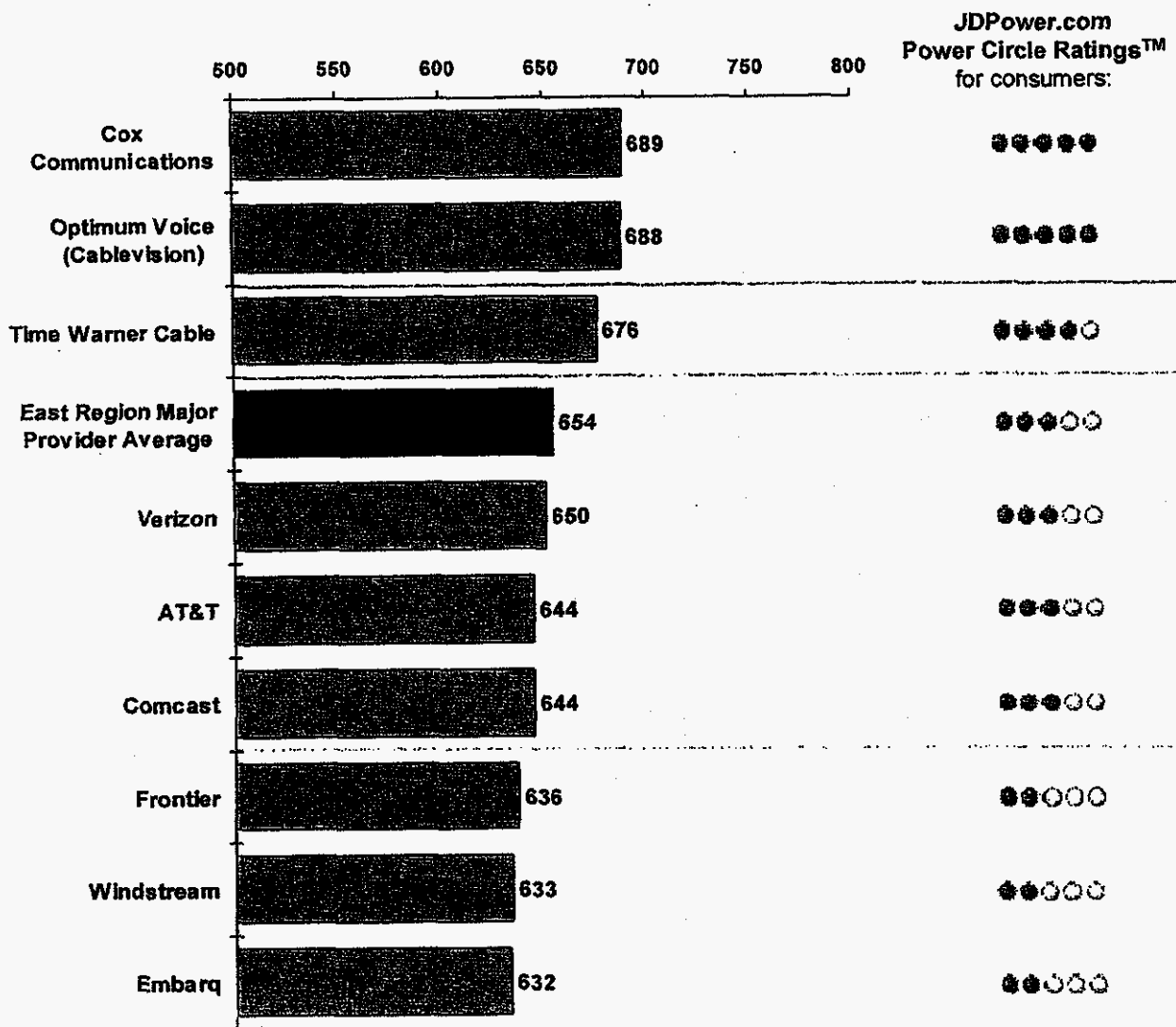
Docket No. 090501

040

J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM

Customer Satisfaction Index Ranking

East Region
(Based on a 1,000-point scale)



Power Circle Ratings Legend
 ★★★★★ Among the best
 ★★★★☆ Better than most
 ★★★☆☆ About average
 ★★☆☆☆ The rest

Source: J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.

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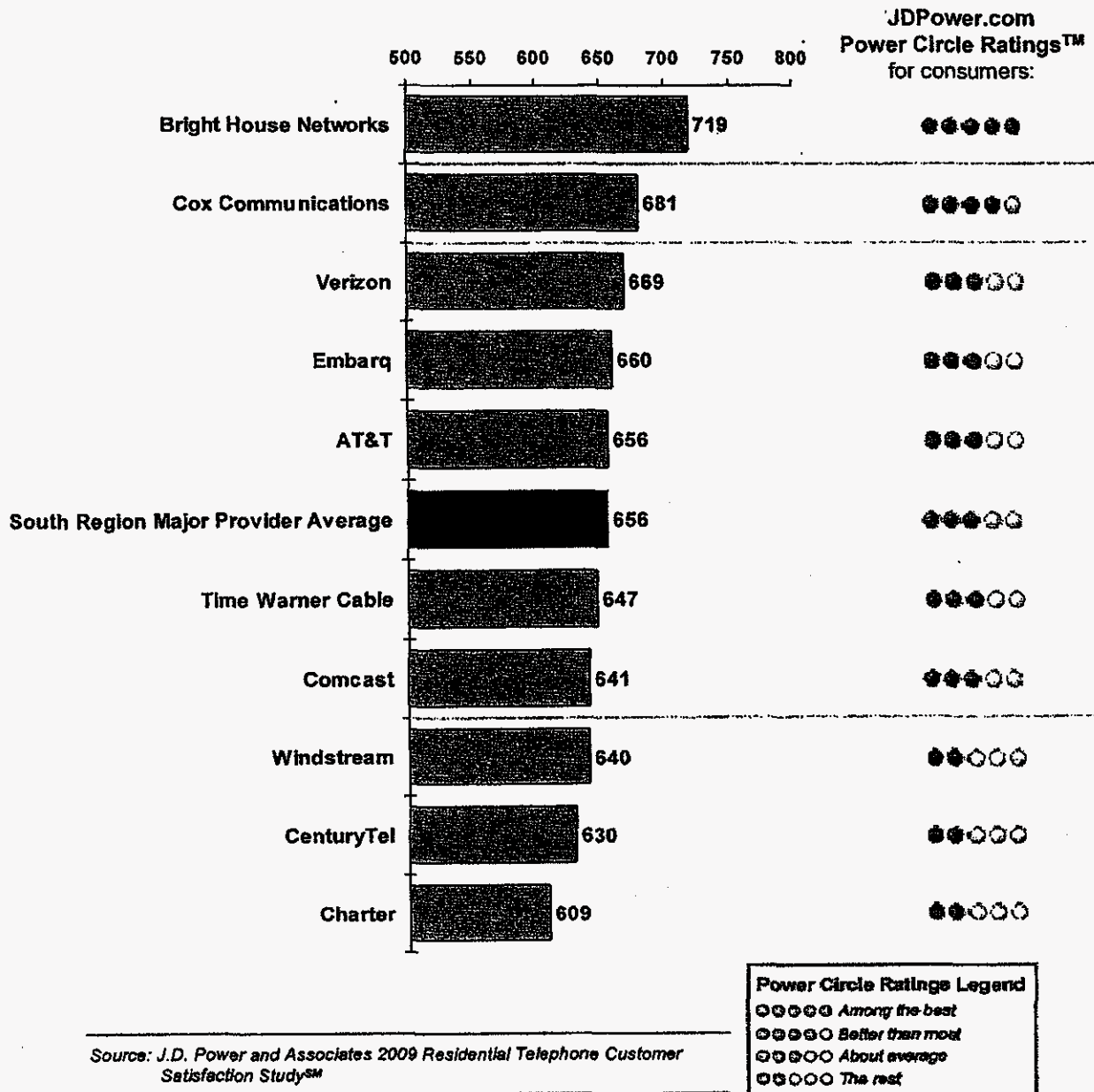
Docket No. 090501

J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM

Customer Satisfaction Index Ranking

South Region

(Based on a 1,000-point scale)



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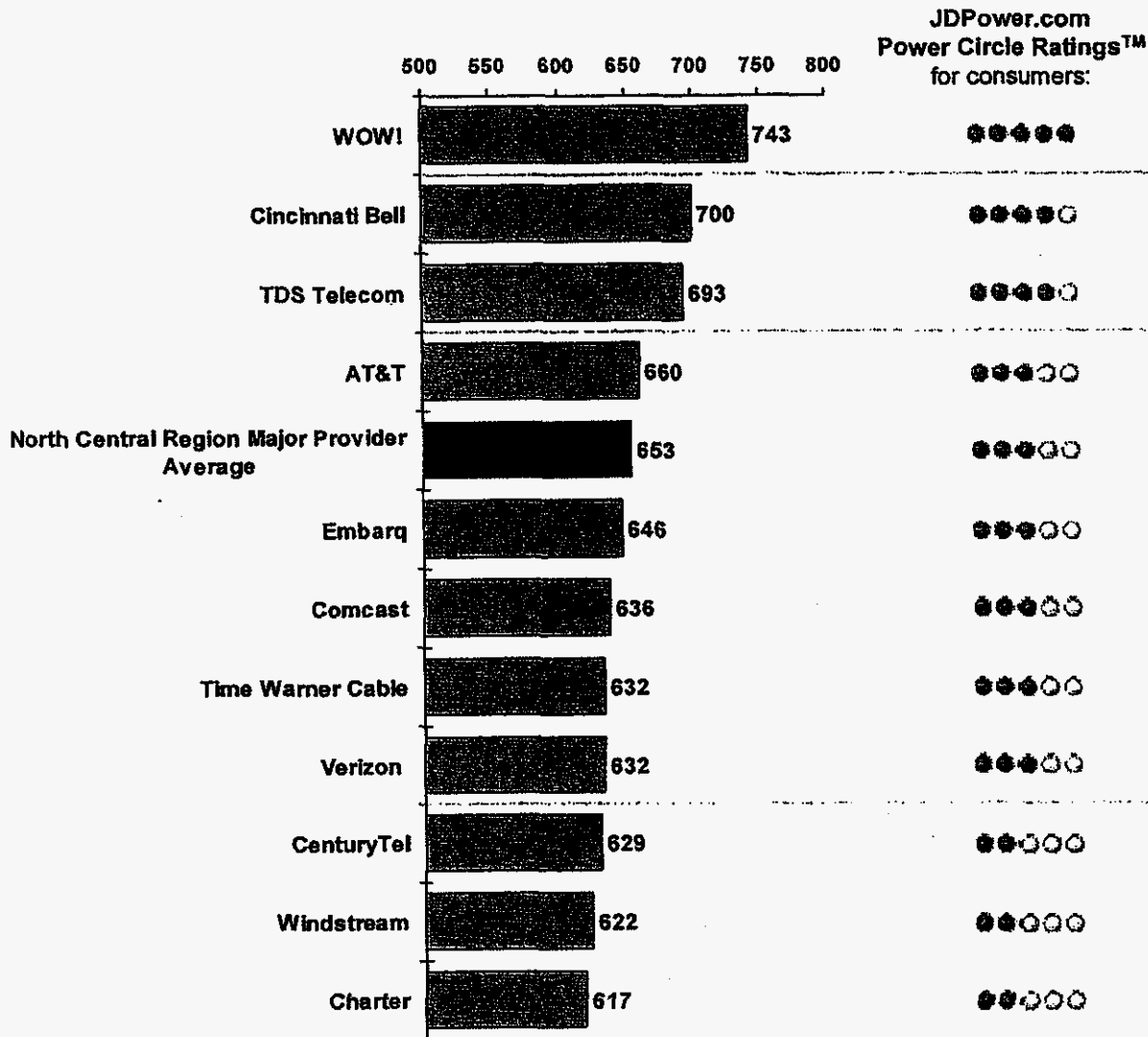
Docket No. 090501

J.D. Power and Associates

2009 Residential Telephone Customer Satisfaction StudySM

Customer Satisfaction Index Ranking

North Central Region (Based on a 1,000-point scale)



Source: J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM

Power Circle Ratings Legend
 ★★★★★ Among the best
 ★★★★☆ Better than most
 ★★★☆☆ About average
 ★★☆☆☆ The rest

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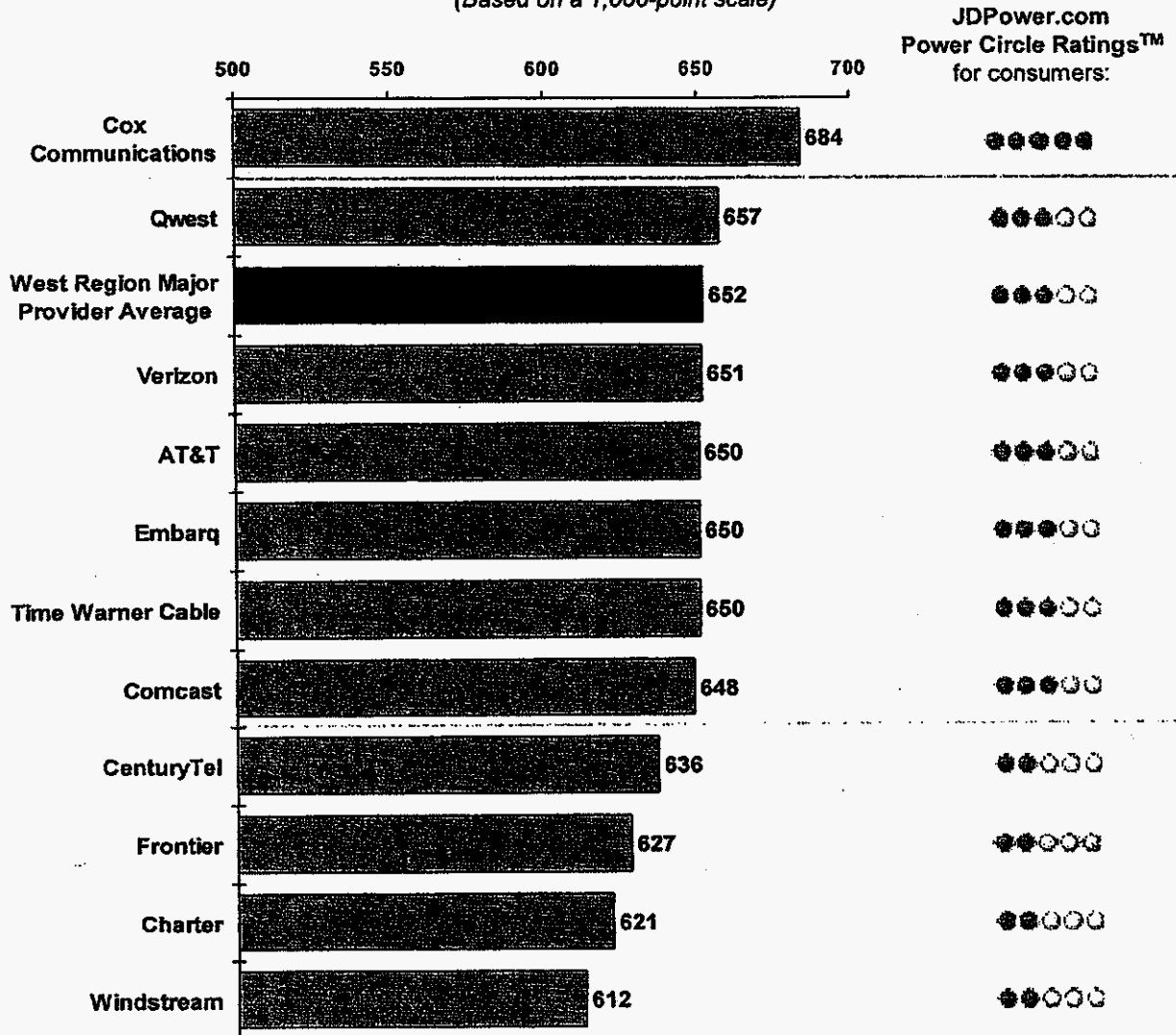
Docket No. 090501

J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM

Customer Satisfaction Index Ranking

West Region

(Based on a 1,000-point scale)



Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

Source: J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.

BH 0008

Docket No. 090501



P R E S S R E L E A S E

Joe Durkin
Senior Director of Corporate Communications
727-329-2926
Joe.Durkin@mybrighthouse.com

FOR IMMEDIATE RELEASE

For Home Phone, Bright House Networks Continues to Rank Highest In Customer Satisfaction in the South

St Petersburg, Fla. (September 17, 2009) – For the fourth consecutive year, Bright House Networks ranks highest in customer satisfaction among U.S. telephone service providers in the South according to the J.D. Power and Associates 2009 Residential Telephone Customer Satisfaction StudySM released on Sept. 16.¹ Bright House Networks provides Home Phone service to nearly 800,000 customers. According to the study, Bright House Networks customer satisfaction scores in the South Region were highest for all five factors that comprise Customer Satisfaction: Customer Service; Performance and Reliability; Cost of Service, Billing, and Offerings and Promotions.

Bright House Networks was notified that it would be named for the fourth time in a row, the highest ranking U.S. telephone service provider in the South Region. In 2006, 2007 and 2008, Bright House Networks ranked highest among customers surveyed for Residential Phone Service.

"We are so pleased to be recognized for providing excellent customer satisfaction with our Home Phone service for four years in a row," said Mike Robertson, President, Tampa Division - Bright House Networks. "Bright House Networks is committed to bringing the best in all of our services through Interactive TV, Home Phone and High Speed Internet. I am very proud of our hundreds of employees who uphold our customer promise of great service on a daily basis."

¹ In 2006 and 2007, BHN ranked highest in the Southeast region and this year and in 2008 in the South region.

BH 0009

Docket No. 090501

045

J.D. Power and Associates reported that the 2009 study marks the second consecutive year that cable television providers have achieved the highest-ranking positions across all regions examined in the study.

Since 2003, Bright House Networks has operated with the promise to put customers in control and to help make their lives easier. Bright House Networks has continued to live up to that promise by introducing innovative customer care initiatives, easier to understand billing practices and simple to use products that are available when customers want them including features like Start Over and Caller ID on PC.

The 2009 Residential Telephone Customer Satisfaction Study is based on responses collected in January, April, and July 2009 from more than 13,600 customers nationwide who receive their local and long distance telephone service from one provider.

###

About Bright House Networks

Bright House Networks is the 7th largest multiple cable system operator (MSO) in the US with 2.4 million customers in several large cities including Tampa Bay and Orlando, Florida; Bakersfield, California; Indianapolis, Indiana; Detroit, Michigan; and Birmingham, Alabama; along with several other smaller regions in Alabama and the Florida Panhandle. The Florida markets are adjacent and form one of the country's largest cable clusters. Bright House Networks corporate offices are located in Syracuse, New York and Orlando, Florida.

BH 0010

Docket No. 090501

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Bright House Networks Information
Services (Florida), LLC


Petition for Arbitration of Terms and Conditions
of An Interconnection Agreement with Verizon
Florida, LLC

Docket No. 090501-TP

**BRIGHT HOUSE'S RESPONSES TO VERIZON FLORIDA LLC'S SECOND
DOCUMENT PRODUCTION REQUESTS (NO. 9)**

Bright House Networks Information Services (Florida), LLC, ("Bright House") hereby submits its responses to the second requests for production of documents (No. 9) of Verizon Florida LLC ("Verizon") in the above-captioned proceeding, as follows this cover page. Service has been made in accordance with the attached Certificate of Service.

By:


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Washington, D.C. 20006

Attorneys for Bright House

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served via Hand Delivery or Overnight Mail/Next Day* service to the persons listed below this 27th day of April, 2010:

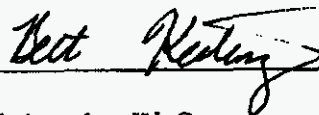
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Tallahassee, Florida 32301

9. **Please provide copies of all pre-filed testimony and other filings submitted by Mr. Gates in Case No. JRT-2008-AR-0001 before the Telecommunications Regulatory Board of Puerto Rico, and which is referenced at page 142 of Mr. Gates' Direct Testimony.**

See attached exhibit consisting of the Direct and Reply Testimony of Mr. Gates before the Telecommunications Regulatory Board of Puerto Rico in Case No. JRT-2008-AR-0001.

Docket No. 090501-GU

Bright House Networks Information
Services (Florida), LLC

Response to Verizon's

Second Request for Production of Documents

(POD 9)

BH 0017
Docket No. 090501

**Before the
TELECOMMUNICATIONS REGULATORY BOARD
OF PUERTO RICO**

<hr/>		
Petition of)	
)	
Centennial Puerto Rico License Corp.	)	Case No. JRT-2008-AR-0001
)	
For Arbitration Pursuant to Section 252(b))	
of the Telecommunications Act of 1996 to)	
Establish an Interconnection Agreement)	
with Puerto Rico Telephone Company)	
<hr/>		

**DIRECT TESTIMONY
OF
TIMOTHY J GATES
ON BEHALF OF
CENTENNIAL PUERTO RICO LICENSE CORP.**

June 9, 2008

**BH 0018
Docket No. 090501**

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Exhibits

Exhibit TJG-1: Curriculum Vitae of Timothy J Gates

Exhibit TJG-2: Disputed ICA language

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Timothy J Gates. My business address is QSI Consulting, 819
4 Huntington Drive, Highlands Ranch, Colorado 80126.

5 **Q. WHAT IS QSI CONSULTING, INC. AND WHAT IS YOUR POSITION**
6 **WITH THE FIRM?**

7 A. QSI Consulting, Inc. ("QSI") is a consulting firm specializing in traditional and
8 non-traditional utility industries, econometric analysis and computer-aided
9 modeling. QSI provides consulting services for regulated utilities, competitive
10 providers, government agencies (including public utility commissions, attorneys
11 general and consumer councils) and industry organizations. I currently serve as
12 Senior Vice President.

13 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**
14 **WORK EXPERIENCE.**

15 A. I received a Bachelor of Science degree from Oregon State University and a
16 Master of Management degree with an emphasis in Finance and Quantitative
17 Methods from Willamette University's Atkinson Graduate School of
18 Management. Since I received my Masters, I have taken additional graduate-level
19 courses in statistics and econometrics. I have also attended numerous courses and
20 seminars specific to the telecommunications industry, including both the NARUC
21 Annual and NARUC Advanced Regulatory Studies Programs.

1 Prior to joining QSI, I was a Senior Executive Staff Member at MCI WorldCom,
2 Inc. ("MWCOM"). I was employed by MCI and/or MWCOM for 15 years in
3 various public policy positions. While at MWCOM I managed various functions,
4 including tariffing, economic and financial analysis, competitive analysis, witness
5 training and MWCOM's use of external consultants. Prior to joining MWCOM, I
6 was employed as a Telephone Rate Analyst in the Engineering Division at the
7 Texas Public Utility Commission and earlier as an Economic Analyst at the
8 Oregon Public Utility Commission. I also worked at the Bonneville Power
9 Administration (United States Department of Energy) as a Financial Analyst
10 performing total electric use forecasts while I attended graduate school. Prior to
11 doing my graduate work, I worked for ten years as a reforestation forester in the
12 Pacific Northwest for multinational corporate and government organizations.
13 Exhibit TJG-1, attached hereto to this testimony, is a summary of my work
14 experience and education.

15 **Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN PROCEEDINGS**
16 **BEFORE THE TELECOMMUNICATIONS REGULATORY BOARD OF**
17 **PUERTO RICO ("BOARD")?**

18 **A.** Yes. I filed testimony in Case Nos. JRT-2005-Q-0121, JRT-2005-Q-0128, JRT-
19 2003-Q-0297, JRT-2004-Q-0068 (*Telefonica Larga Distancia de Puerto Rico, Inc.,*
20 *Worldnet Telecommunications, Inc., Sprint Communications Company, LP, and AT&T of*
21 *Puerto Rico, Inc., v. Puerto Rico Telephone Company, Inc.*), on behalf of Centennial
22 Puerto Rico License Corporation. In that case, however, the Puerto Rico Telephone
23 Company ("PRTC") withdrew its proposals before any live testimony, so I have never

1 appeared in person before the Board. In addition, I have testified more than 200
2 times in 44 states, and filed comments with the Federal Communications
3 Commission ("FCC") on various public policy issues ranging from costing,
4 pricing, local entry and universal service to strategic planning, merger and
5 network issues. See Exhibit TJG-1.

6 **Q. DO YOU HAVE EXPERIENCE WITH THE ISSUES IN THIS**
7 **PROCEEDING?**

8 A. Yes. I have participated in dozens of arbitrations since the passage of the
9 Telecommunications Act of 1996.¹ The issues in this proceeding are the same or
10 similar to the issues in the arbitrations in which I have participated.

11 **Q. ON WHOSE BEHALF ARE YOU FILING THIS DIRECT TESTIMONY?**

12 A. I am filing this testimony on behalf of Centennial Puerto Rico License Corp.
13 ("Centennial").

14 **II. PURPOSE OF TESTIMONY**

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

16 A. The purpose of my testimony is to provide support to Centennial's positions on
17 the following issues: Issue 1 (Term of the Agreement), Issue 3 (Late Payment
18 Penalties), Issue 5 (Scope of Traffic to be Exchanged), Issue 6 (Default Bill and
19 Keep Compensation), Issue 9 (Definition of Local Traffic), Issue 10 (Clarification
20 of Treatment of VoIP Traffic), Issue 11 (Treatment of Toll-Free Traffic), Issue 12

¹ Telecommunications Act of 1996, Pub. LA. No. 104-104, 110 Stat. 56 (1996) ("Telecom Act" or "Act").

1 (Prevention of PRTC Regulatory Arbitrage), Issue 15 (Transiting Rate) and Issue
2 16 (Clarification of Application of Reverse Toll Billing).

3 **Q. BEFORE TURNING TO THE ISSUE-BY-ISSUE ANALYSIS, DO YOU**
4 **HAVE ANY GENERAL COMMENTS ABOUT THE PROPOSALS OF**
5 **THE COMPANIES?**

6 **A.** Yes. A common theme that runs throughout many of the disputed issues is how a
7 call should be classified for intercarrier compensation purposes as between
8 Centennial and PRTC. As the Board knows, this is not the first time that these
9 types of issues have arisen in Puerto Rico; rather, there is an established history in
10 Puerto Rico on the foundational issues for proper intercarrier compensation
11 between the companies. Two of those foundational issues are – (1) whether the
12 geographic end points of a call should be used for compensation purposes versus
13 some other metric such as how the call is rated for retail purposes; and (2) how
14 the Governing Local Calling Area should be defined for intercarrier compensation
15 purposes. The Board has already decided both of these issues.

16 **Q. WHAT HAS THE BOARD DECIDED ON THE ISSUE OF WHETHER**
17 **THE GEOGRAPHIC END POINTS OF A CALL SHOULD BE USED TO**
18 **DETERMINE INTERCARRIER COMPENSATION?**

19 **A.** The Board has consistently decided that the geographic end points of a call should
20 dictate how to rate a call for intercarrier compensation purposes. I discuss below
21 what this has meant for PRTC and Centennial.

1 **Q. WHAT HAS THE BOARD DECIDED ON THE ISSUE OF HOW THE**
2 **GOVERNING LOCAL CALLING AREA SHOULD BE DEFINED FOR**
3 **INTERCARRIER COMPENSATION?**

4 **A. The Board has previously ruled (twice, with respect to Centennial and PRTC) that**
5 local calling areas should be defined according to the local calling areas of the
6 carrier with the fewest number of local calling zones, which in this case is
7 Centennial's single island-wide local calling area instead of PRTC's 10 local
8 calling areas.

9 **Q. PLEASE ELABORATE ON THE BOARD'S DECISION TO DEFINE**
10 **LOCAL CALLING AREAS ACCORDING TO THE CARRIER WITH**
11 **THE FEWEST NUMBER OF LOCAL CALLING AREAS.**

12 **A. In the 2002 Centennial/PRTC arbitration decision, the arbitrator ruled that local**
13 calling areas should be defined according to the local calling areas of the carrier
14 with the fewest number of zones.² At that time, Centennial had 14 local calling
15 areas and PRTC had 68 local calling areas. When the companies arbitrated the
16 successor to the 2002 agreement in 2005, the decision to define local calling areas
17 according to the carrier with the fewest number of zones was reaffirmed. At that
18 time, Centennial had reduced its local calling areas to one island-wide local
19 calling area³ and PRTC had 10 local calling areas⁴ (which is the case today). The

² Case No. JRT-2005-AR-0001, *Petition of Centennial Puerto Rico License Corp. for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Puerto Rico Telephone Company*, Arbitrator's Report and Order, p. 3, May 23, 2005 ("2005 Arbitration Decision"), citing *Centennial Puerto Rico License Corp. Petition for Arbitration*, Arbitrator's Report and Order, Case No. JRT-2002-AR-0002, June 28, 2002 ("2002 Arbitration Decision").

³ 2005 Arbitration Decision, p. 3.

1 and Reverse Toll Billing, respectively. Centennial's proposals on these issues, on
2 the other hand, harmonize the ICA language with the Board's previous rulings.

3 **Q. WHY, IN YOUR VIEW, IS PRTC ATTEMPTING TO REHASH ISSUES**
4 **THAT HAVE TWICE BEEN REJECTED AND GO BACK TO A LOCAL**
5 **CALLING STRUCTURE THAT HAS NOT EXISTED FOR SIX YEARS?**

6 **A.** PRTC's proposals to use its local calling areas for the purposes of classifying
7 calls would likely result in PRTC being allowed to collect access charges for the
8 greatest number of calls. However, its position is not consistent with the Board's
9 previous decisions. The Board decided that the geographic endpoints of the call is
10 what is relevant to classify calls for intercarrier compensation and ruled that the
11 Governing Local Calling Areas is the territory with the fewest number of local
12 calling areas. The Board rejected the notion that PRTC is attempting to rehash
13 here: that access charges should apply to any traffic that traverses PRTC's local
14 calling area boundaries. In other words, PRTC wants to use the geographic end
15 points to rate intercarrier compensation, but only if its local calling areas are used
16 to define a local call. The Board should reject PRTC's attempt to reargue these
17 issues, and instead, remain consistent with its prior decisions.

18 **Q. IS THERE ANOTHER FACTOR THAT THE BOARD SHOULD KEEP IN**
19 **MIND WHEN ANALYZING THE ISSUES IN THIS CASE,**
20 **PARTICULARLY AS THEY RELATE TO CLASSIFICATION OF**
21 **TRAFFIC AS LOCAL?**

22 **A.** Yes. Centennial has made the investment to establish fiber meet point
23 interconnections with Centennial at or near every PRTC end office. I am not

1 aware of any other CLEC anywhere in the country that has built out to every
2 ILEC end office. This is a substantial commitment to competition in the Puerto
3 Rico market for which Centennial should be applauded. Because of the
4 robustness and ubiquitous nature of the Centennial network interconnections,
5 PRTC is able to hand off traffic to Centennial at each of PRTC's end offices.

6 **Q. HOW DOES THE EXTENT OF CENTENNIAL'S INVESTMENT AND**
7 **NETWORK IMPACT THE ISSUES IN THIS ARBITRATION?**

8 **A.** The network investment and architecture plays into this arbitration in at least two
9 ways. First, essentially all traffic exchanged between PRTC and Centennial can
10 be handed off at the PRTC end office instead of PRTC carrying that call to hand
11 off at the tandem. With the existence of two ubiquitous networks (i.e., PRTC's
12 and Centennial's) and a single island-wide local calling area, there is no reason
13 for access charges as between Centennial and PRTC. Centennial will be
14 exchanging traffic with PRTC at the PRTC end office and every call between
15 Centennial and PRTC is local for intercarrier compensation purposes. Second,
16 Centennial should not be arbitrarily limited in the types of traffic that it can
17 exchange with PRTC at the meet point interconnections it has established (see,
18 e.g., Issue #5). Rather, Centennial should be allowed to exchange all types of
19 traffic at these meet points so that its investments can be used efficiently and
20 Centennial is not forced to incur duplicative and unnecessary costs in establishing
21 separate facilities or compensating PRTC to transport calls to distant locations.

1 **III. ISSUE BY ISSUE ANALYSES**

2 **Issue #1: Term of Agreement**

3 **Statement of Issue #1:** Should the Agreement have a term of 2 years or 3 years?

4 **ICA Reference:** GT&C Attachment § 2.1

5
6 **Q. PLEASE SUMMARIZE ISSUE #1 – TERM OF AGREEMENT.**

7 A. Issue #1 is a straightforward issue. Centennial proposes that the term of the
8 successor agreement⁷ be two years and PRTC proposes a three-year term. The
9 disputed language between the companies on Issue #1 is found in Section 2.1 of
10 the General Terms and Conditions (GT&C) Attachment as shown in Exhibit TJG-
11 2 (Disputed ICA language).

12 **Q. WHY IS A TWO-YEAR TERM FOR THE AGREEMENT PREFERABLE**
13 **TO A THREE-YEAR TERM?**

14 A. The appropriate term of an interconnection agreement is a matter of business
15 judgment. And because competitive conditions on many of the core competitive
16 terms could be quite different in a short period of time, it is Centennial's business
17 judgment that a two-year term is more appropriate than a three-year term.

18 **Q. PLEASE ELABORATE ON WHY CORE ISSUES BETWEEN**
19 **CENTENNIAL AND PRTC COULD BE CHANGING IN A SHORT**
20 **PERIOD OF TIME.**

21 A. Mr. Roughton and Mr. Khoury address this issue as well. From my perspective,
22 however, one such example is the evolving nature of technologies in the

⁷ For purposes of this testimony, "successor agreement" refers to the agreement Centennial and PRTC are arbitrating in this case to replace the 2005 agreement between the companies.

1 telecommunications marketplace, such as Voice over Internet Protocol ("VoIP").

2 As PRTC correctly notes at page 29 of its Response, fundamental issues regarding

3 VoIP, such as the proper intercarrier compensation and appropriate classification

4 for VoIP, are pending before the FCC. Other significant matters are also

5 currently pending before the FCC, which could dramatically change the dealings

6 between Centennial and PRTC. Most notable is the intercarrier compensation

7 FNPRM,⁸ which could dramatically change terms by which carriers compensate

8 each other for exchanging traffic. Further, national elections are just a few

9 months away, which could have a dramatic impact on the makeup and policies of

10 the FCC (particularly as they relate to the matters currently pending before the

11 FCC mentioned above). Finally, I have been informed by Centennial that both

12 PRTC and Centennial have recently experienced significant management

13 changes. It is reasonable to think that new managers may want to modify some

14 aspects of business strategy, and it is reasonable to be cautious about entering into

15 longer contracts during this time of change.

16 **Q. COULD THE CHANGE OF LAW PROVISION OF THE ICA BE USED**
17 **TO ADAPT THE ICA TO CHANGES OF LAW THAT OCCUR DURING**
18 **THE TERM OF THE AGREEMENT?⁹**

19 **A.** I am not a lawyer. However, my lay-person's understanding of that clause
20 suggests that (a) it could be used for that purpose, but (b) this is not support for
21 using a longer three-year term over a two-year term. If we assume for example

⁸ *Developing a Unified Intercarrier Compensation Regime*, Further Notice of Proposed Rulemaking, 20
FCC Rcd 4685, 4722 (2005).

⁹ See, e.g., PRTC Response, p. 5.

1 that the FCC issues an order in the Intercarrier Compensation NPRM, it is likely
2 that changes to the manner in which carriers compensate each other for certain
3 types of traffic would result. This would likely require a substantial review of the
4 companies' agreement to determine what changes, if any, would be necessary to
5 compensation for various types of traffic. This may result in a number of
6 disagreements between the companies on how to interpret the FCC's ruling and
7 how to incorporate the ruling into the companies' agreement. The resources and
8 time expended by the companies to implement the FCC's decision through the
9 Change of Law provision would be equal to or greater than the resources and time
10 expended in the ongoing negotiation/arbitration. This shows that PRTC's claims
11 of greater efficiencies related to dealing with changes to core issues between the
12 parties through a Change of Law provision versus negotiating a new ICA¹⁰ are
13 exaggerated.

14 **Q. CAN YOU PROVIDE AN EXAMPLE TO PROVE YOUR POINT?**

15 A. Yes. When the FCC modified the unbundling regime in its Triennial Review
16 Order (TRO)¹¹ and Triennial Review Remand Order (TRRO)¹², many litigated
17 proceedings were initiated by state commissions and boards for the purposes of
18 modifying the ILEC/CLEC interconnection agreements to incorporate the new
19 unbundling regime. And though the Change of Law provisions of the
20 ILEC/CLEC agreements were used to incorporate the FCC's changes in many
21 instances, the disagreements and litigation that transpired were more extensive

¹⁰ PRTC Response, pp. 5-6.

¹¹ FCC 03-36; Released: August 21, 2003.

¹² FCC 04-290; Released: February 4, 2005.

1 than disagreements and litigation that normally occur when companies renegotiate
2 an expiring contract. In the TRO/TRRO examples, the FCC changed the core
3 terms between ILECs and CLECs (i.e., the availability and in some cases the
4 pricing of unbundled network elements) to such an extent that it resulted in a
5 wholesale revamping of the agreements even when they were done within the
6 context of the Change of Law provisions of the Agreements. Any person or
7 company who was intimately involved in the post-TRO/TRRO arbitration cases
8 can attest to the fact that the proceedings to implement the FCC's decisions via
9 Change of Law provisions of existing ICAs were equally (or more) time and
10 resource-consuming than negotiating/arbitrating a normal successor agreement.

11 **Q. PRTC INDICATES THAT ADOPTING CENTENNIAL'S PROPOSED**
12 **TWO-YEAR TERM WOULD RESULT IN THE COMPANIES HAVING**
13 **TO BEGIN NEGOTIATIONS ON A NEW ICA 15 MONTHS AFTER THE**
14 **ISSUES IN THIS CASE ARE DECIDED (OR JUST 6 MONTHS IF**
15 **RECONSIDERATION IS SOUGHT AND GRANTED).¹³ WOULD YOU**
16 **LIKE TO RESPOND?**

17 **A. Yes. PRTC fails to mention that a portion of the agreed-to language in Section**
18 **2.2 of the GT&C Attachment states: "By agreement set forth in writing as**
19 **provided in Section 42 hereof, the parties may extend the term of this**
20 **Agreement." This means that to the extent that nothing has changed that warrants**
21 **modifications to the companies' Agreement during its term, then the companies**
22 **may simply extend the Agreement without negotiations taking place. If changes**

¹³ PRTC Response, pp. 4-5.

1 do take place, however, that warrant modifications, it would be appropriate for the
2 companies to negotiate those changes regardless of the timing associated with
3 resolving the issues in this case.

4 **Q. WHAT IS YOUR RECOMMENDATION FOR ISSUE #1?**

5 **A.** I recommend that the Board adopt Centennial's proposed Section 2.1 of the
6 GT&C Attachment.

7 ***Issue #3: Late Payment Penalties in Connection with Disputes where the Disputed***
8 ***Amounts are Placed Into Escrow***

9 **Statement of Issue #3:** Should the contract provide that the interest earned on
10 **disputed amounts in escrow constitutes sufficient "penalty" to the losing party?**
11 **ICA Reference:** GT&C Attachment § 17.6
12

13 **Q. PLEASE SUMMARIZE ISSUE #3 – LATE PAYMENT PENALTIES FOR**
14 **DISPUTED AMOUNTS PLACED IN ESCROW.**

15 **A.** Issue #3 relates to whether late payment penalties for properly disputed amounts
16 that are placed in escrow should apply if the dispute is ruled in favor of the
17 Invoicing party. When a dispute arises over a bill, the companies have agreed that
18 (with a very narrow possible exception) 100% of the disputed amount will be put
19 in an interest-bearing escrow account. This escrow requirement means that the
20 companies must give up control over the disputed funds while the dispute is being
21 resolved. The issue to be addressed under Issue #3 is whether it is appropriate for
22 the Invoicing party to also assess late payment penalty charges¹⁴ on the Invoiced
23 party should the dispute be resolved in favor of the Invoicing party. Late payment

¹⁴ Late payment penalties, as described in Section 17.4 of the GT&C Attachment, are calculated by applying a rate of interest to the amount not received by the Invoicing party compounded daily from the Payment Due Date to the date on which the amount is paid to the Invoiced party. The rate of interest is the lesser of (i) 15% per year or (ii) highest interest rate that may be charged by governing law.

1 charges should not apply to good-faith¹⁵ disputed amounts that are put into
2 escrow. On the other hand, if the dispute is resolved in favor of the Invoicing
3 party, the Invoicing party should be entitled to the unreceived disputed amounts
4 as well as an interest that accrues while the disputed funds are in escrow.

5 **Q. WHAT IS PRTC'S POSITION ON THE ESCROW PROCESS?**

6 **A.** PRTC contends that both the escrow requirement (including accrued interest) as
7 well as late payment charges should apply if the dispute is resolved in favor of the
8 Invoicing party. The language in dispute between the companies on Issue #3 is
9 found in Section 17.6 of the GT&C Attachment (as shown in Exhibit TJG-2).

10 **Q. HAVE THE COMPANIES BEEN ABLE TO NARROW THEIR**
11 **DISAGREEMENT RELATED TO THE APPROPRIATE HANDLING OF**
12 **BILLING DISPUTES?**

13 **A.** Yes. The companies have made substantial progress with respect to the
14 previously contentious issue of how to handle escrows for amounts in dispute.
15 Among other things the parties agree on the terms of the applicable escrow
16 account and on a procedure under which disputed amounts would be placed in
17 escrow. Centennial understands and agrees that if an invoiced party does not
18 dispute a bill in a timely fashion, but also does not pay it or escrow the disputed

¹⁵ Despite PRTC's proposal, which is based on the premise that the Invoiced party will raise frivolous disputes in the absence of late payment charges, both companies are required to act in good faith under the Agreement. Section 21 of the GT&C Attachment states: "The Parties shall act in good faith in their performance of this Agreement. Except as otherwise expressly stated in this Agreement (including, but not limited to, where consent, approval, agreement or a similar action is stated to be within a Party's sole discretion), where consent, approval, mutual agreement or a similar action is required by any provision of this Agreement, such action shall not be unreasonably withheld, conditioned or delayed."

1 amounts, the Invoiced party should pay a late payment penalty. Centennial also
2 understands and agrees that if an Invoiced party disputes a bill but fails to put the
3 disputed funds in a neutral, third-party escrow account, the Invoiced party should
4 pay late payment penalties if the bill is ultimately found to be valid.

5 **Q. WHAT THEN IS THE REMAINING DISPUTE OVER THE ESCROW**
6 **ISSUE?**

7 **A.** The dispute under Issue #3 only relates to situations where an Invoiced party
8 timely disputes a bill and takes the disputed amounts out of its own bank account
9 and places them in a third-party escrow.

10 **Q. WHAT PURPOSE DOES THE ESCROW REQUIREMENT SERVE?**

11 **A.** There are at least two purposes served by the escrow requirement. First, it
12 ensures that the Invoicing party will be paid the disputed amounts if the dispute is
13 ruled in the Invoicing party's favor. Second, the escrow requirement serves to
14 ensure that the Invoiced party does not dispute bills simply to delay or avoid
15 paying the bill and to remove any incentive an Invoiced party may have to raise
16 frivolous billing disputes. As set forth in Section 17.5.1 of the proposed ICA, an
17 Invoiced party must pay the disputed amount into an escrow account by the
18 Payment Due Date, which means that from the Invoiced party's perspective (and
19 more precisely, the Invoiced party's bank account's perspective), the Invoiced
20 party must give up use of these funds while the dispute is resolved. And from the
21 Invoicing party's perspective, it is provided assurances that it will get paid if it is
22 correct. Therefore, from a strictly financial perspective, the Invoiced party is

1 financially indifferent from the Payment due date as to whether the money is
2 disputed or not – it must still give up the money (the difference being is the
3 money goes into escrow for disputed amounts and to the Invoicing party for
4 undisputed amounts). There is no way for the Invoiced party to delay or avoid
5 paying the bill (i.e., game the system)¹⁶ by raising a dispute because the Invoiced
6 party must still give up access to the monies on the Payment Due Date. Further,
7 because the Invoiced party loses access to the money (and its earning power)
8 during resolution of the dispute, and must expend resources and money
9 attempting to resolve the dispute once raised,¹⁷ the Invoiced party has no
10 incentive to raise frivolous disputes.

11 **Q. WHY IS IT INAPPROPRIATE FOR LATE PAYMENT CHARGES TO**
12 **APPLY IF THE DISPUTE IS RESOLVED IN FAVOR OF THE**
13 **INVOICING PARTY?**

14 **A.** Mr. Khoury addresses this issue as well. Essentially, late payment charges are
15 assessed when a party is delinquent in paying a bill. With the agreed upon
16 language above, the disputed amounts will be paid into escrow in a timely
17 manner. This type of penalty advantages the Invoicing party because before the
18 Invoiced party disputes bills (no matter how legitimate the dispute may be) the
19 Invoiced party must weigh its chances of success in resolution of the dispute for

¹⁶ Indeed, Section 17.5.1 requires the Invoiced party disputing a bill to, by the Payment Due Date, not only pay the disputed amount into escrow but to also provide the Invoicing party with a certification that the disputed amount has been paid into escrow (17.5.1.3.2), the specific amount of the dispute (17.5.1.3.1) and a detailed description of the grounds for dispute (17.5.1.3.3). Given that the Invoiced party must give a detailed description of the grounds for dispute to the Invoicing party by the Payment Due Date, it would be very difficult for a Invoiced party to raise a frivolous dispute in the first instance.

¹⁷ Section 17.5.2 requires the a disputed amount to be negotiated in good faith at the managerial level for a minimum of 45 days from the Payment Due Date before seeking resolution from, for example, the Board.

1 fear of penalties for losing. There is no sound policy reason for imposing a late
2 payment penalty simply because, after a good-faith dispute, it turns out that the
3 bill was valid.

4 **Q. IF PRTC'S POSITION ON THE LATE PAYMENT CHARGE WAS**
5 **ADOPTED, WOULD IT CREATE PERVERSE INCENTIVES FOR PRTC?**

6 **A. Yes. Because late payment charges serve as disincentives to the Invoiced party to**
7 **raise legitimate billing disputes, it could result in frivolous billing on the part of**
8 **the Invoicing party. In other words, if the Invoiced party is less likely to raise**
9 **billing disputes, the Invoicing party is more likely to issue inaccurate or erroneous**
10 **bills.**

11 **Q. IS THERE ANOTHER REASON WHY A LATE PAYMENT PENALTY**
12 **SHOULD NOT BE ALLOWED UNDER THE CIRCUMSTANCES OF**
13 **ISSUE #3?**

14 **A. Yes. Late payment charges under the limited circumstances of Issue #3 are**
15 **fundamentally unfair and one-sided. Under PRTC's proposal, the Invoiced party**
16 **faces late payment penalty charges if it loses the dispute, but the Invoicing party**
17 **faces no similar penalties if the Invoiced party wins the dispute. In other words,**
18 **the Invoicing party faces no penalty for issuing inaccurate or erroneous bills. So,**
19 **if PRTC sends an incorrect bill and Centennial disputes it, Centennial must put its**
20 **funds in escrow (and forego access to those funds pending the dispute) and will**
21 **only get those funds back with interest when proven correct – with no additional**
22 **compensation for losing access to those funds during the dispute. While PRTC**

1 argues that it needs additional compensation for the escrowed, disputed amounts
2 to which it did not have access during the dispute should the bill be determined
3 correct,¹⁸ the same argument holds true for Centennial when its dispute is upheld
4 – but PRTC’s proposal would provide no such compensation for the Invoiced
5 party.

6 **Q. DOES CENTENNIAL’S PROPOSAL AVOID THE ONE-SIDED NATURE**
7 **OF PRTC’S PROPOSAL?**

8 **A.** Yes. In contrast to PRTC’s one-sided proposal in favor of the Invoicing party,
9 Centennial’s proposal treats the companies fairly by providing to the winner of
10 the dispute (whether that is the Invoicing party or Invoiced party) the disputed
11 funds in escrow plus the interest that accrued while in escrow.

12 **Q. WHAT IS YOUR RECOMMENDATION FOR ISSUE #3?**

13 **A.** The Board should adopt Centennial’s proposed Section of 17.6 of the GT&C
14 Attachment.

¹⁸ PRTC Response, p. 10.

1 **Issue #5: Scope of Traffic to be Exchanged Between the Parties**

2 **Statement of Issue #5:** Should the contract permit the parties to efficiently use the
3 numerous high-capacity meet points linking their networks for any types of traffic,
4 or should the use of those meet points be arbitrarily restricted to certain traffic
5 types?

6 **ICA Reference:** Interconnection Attachment § 1.1, 11.1

7
8 **Q. PLEASE SUMMARIZE ISSUE #5 – SCOPE OF TRAFFIC TO BE**
9 **EXCHANGED BETWEEN THE PARTIES.**

10 **A.** Centennial maintains that, based on existing law and engineering/economic
11 efficiency, the agreement should expressly permit any and all lawful traffic to be
12 exchanged between the parties using their extensive meet point interconnection
13 arrangements. PRTC argues that the use of the meet points should be restricted to
14 certain narrowly identified traffic types. I should note that in addition to this
15 testimony, Mr. Khoury and Mr. Angulo address Issue No. 5 as well.

16 **Q. WHAT DO YOU MEAN BY “LAWFUL” TYPES OF TRAFFIC?**

17 **A.** I am not a lawyer, but I am told by Centennial that by “lawful traffic” it is simply
18 referring to traffic where no applicable law bans the carriage or exchange of the
19 traffic.¹⁹ My lay person’s interpretation is that Centennial simply wants to
20 exchange all types of traffic originated or received by its customers over existing
21 meet points as opposed to adding additional and unnecessary meet points for
22 different traffic types.

¹⁹ See Centennial’s Response to PRTC’s First Data Requests No. 27(a).

1 **Q. PLEASE EXPLAIN WHY CENTENNIAL SHOULD BE ALLOWED TO**
2 **UTILIZE THE EXISTING MEET POINTS TO EXCHANGE ANY AND**
3 **ALL LAWFUL TRAFFIC.**

4 **A. First of all, as Mr. Angulo explains (and I agree), there is no technical reason to**
5 not allow the exchange of all traffic over the existing meet points. Centennial's
6 proposal is technically feasible and the most efficient solution from an
7 engineering perspective. Allowing the efficient use of interconnection facilities is
8 also pro-competitive.

9 **Q. HOW IS USING THE EXISTING MEET POINTS MORE EFFICIENT**
10 **THAN USING MULTIPLE MEET POINTS AS PRTC SUGGESTS?**

11 **A. The more traffic that can be exchanged with a given meet point, the less money it**
12 costs both carriers to handle the traffic. On the other hand, for any given volume
13 of traffic between two locations, the more trunk groups into which the traffic is
14 subdivided, the more expensive it becomes at the margin to carry it.

15 Given this, and the obvious expense of establishing the meet points in the
16 first place, Centennial understandably, wants to include all lawful types of traffic
17 exchanged at a single meet point and to minimize the number of trunk groups at
18 each meet point.

1 **Q. PRTC SEEMS CONCERNED THAT DIFFERENT TYPES OF TRAFFIC**
2 **WILL BE EXCHANGED OVER THE SAME MEET POINT. IS THAT A**
3 **VALID CONCERN?**

4 **A. No. It may well be that different types of traffic will be exchanged over the same**
5 **meet point, but that happens today. As I understand it, there is only one set of**
6 **physical meet points between Centennial and PRTC, yet each of those meet points**
7 **has been used to exchange landline traffic (whether classified as local or not) as**
8 **well as wireless traffic. If PRTC is concerned with different billing rates for the**
9 **different traffic types, then the facility can be organized into different trunk**
10 **groups for the different traffic types, in accordance with agreed-to procedures in**
11 **the interconnection agreement. But establishing separate trunk groups is also**
12 **expensive.**

13 **Q. IF ESTABLISHING SEPARATE TRUNK GROUPS IS EXPENSIVE, HOW**
14 **DOES CENTENNIAL PROPOSE TO MAINTAIN AN EFFICIENT AND**
15 **YET LOW COST INTERCONNECTION USING THE EXISTING MEET**
16 **POINTS THAT ASSURES PRTC OF ACCURATE PAYMENT FOR**
17 **DIFFERENT TYPES OF TRAFFIC?**

18 **A. Although I was not involved, I have been informed that in the most recent**
19 **arbitration between PRTC and Centennial, the parties spent a great deal of time**
20 **negotiating the existing provisions in the agreement dealing with establishing**
21 **separate trunk groups for separate types of traffic. At a high level, the parties**
22 **agreed that certain types of traffic may be segregated onto separate trunk groups**

1 at PRTC's option, but that requests for other separate trunk groups would be
2 subject to good faith discussions subject to certain constraints, e.g., that
3 Centennial not be required to perform 10-digit translations in order to identify
4 traffic to be placed on a separate trunk group. *See* Interconnection Attachment, §
5 2.6.2.

6 Moreover, I would point out there is a simple, inexpensive way to keep the
7 billing straight that does not entail the significant network inefficiencies of
8 separate trunking. All that is needed is for the parties to periodically sample the
9 traffic going between them and develop factors for how much is subject to
10 reciprocal compensation, how much (if any) to access charges, etc. Then all that
11 is required is to keep track of the total minutes exchanged in a given month, apply
12 the factors, and determine the appropriate bill. Mr. Mulcahy explains that the
13 amount of traffic that the parties would likely exchange that does not fit into a
14 category already enumerated in the agreement would be very small, but if for
15 some reason it becomes an issue, this type of factor-based billing could be used.

16 **Q. HAVE THESE FACTORS BEEN USED IN THE PAST FOR BILLING**
17 **PURPOSES?**

18 **A.** Yes. These billing factors have been used for decades with great success.

1 **Q. HAVE OTHER REGULATORS ACCEPTED THE FACT THAT BILLING**
2 **CAN BE ACCOMPLISHED USING FACTORS RATHER THAN**
3 **INEFFICIENT SEPARATE TRUNKS?**

4 **A. Yes. For instance, the Michigan Public Service Commission found in a**
5 **Sprint/Ameritech arbitration proceeding that:**

6 It appears to the Commission that economic entry into the market
7 requires that Sprint be permitted to use its existing trunks for *all*
8 traffic whenever feasible.²⁰ (emphasis added) In Texas, the
9 Commission there ordered Verizon to allow Sprint to carry local,
10 intrastate intraLATA and intrastate interLATA traffic on the same
11 trunks.²¹ Other states, such as Indiana, have required the use of
12 PLUs (percentage local usage) or other allocators (e.g., PIUs –
13 percent interstate usage) to reflect the jurisdiction of traffic on such
14 trunks for billing purposes.²²

15 **Q. CAN YOU IDENTIFY SOME OF THE DIFFERENT TYPES OF TRAFFIC**
16 **THAT MIGHT BE EXCHANGED OVER THE EXISTING MEET POINTS**
17 **AS CENTENNIAL SUGGESTS?**

18 **A. Yes. Centennial's proposed contract language in Section 1.1 of the**
19 **Interconnection Attachment provides some examples of the types of traffic that**
20 **can and should be exchanged between the parties at the meet points. Some of**
21 **those traffic types include, but are not limited to, the following: local traffic, ISP-**
22 **bound traffic, intrastate toll traffic, interstate toll traffic, interstate exchange**
23 **access traffic, intrastate exchange access traffic, voice-over-Internet-protocol**

²⁰ In the Matter of the Application of Sprint Communications Company, L.P. for Arbitration to Establish an Interconnection Agreement with Ameritech Michigan, MPSC Case No. U-11203, Order Approving Arbitration Agreement with Modifications, Jan 15, 1997.

²¹ Texas Public Utility Commission; *In the Matter of the Petition of Sprint for Arbitration with Verizon*; Docket No. 24306; Final Order Modifying Arbitration Award and Approving Interconnection Agreement; dated February 17, 2004.

²² Indiana Utility Regulatory Commission; *In the Matter of AT&T Petition for Arbitration with Indiana Bell Telephone Company*; Cause No. 40571-INT-03; November 20, 2000.

1 ("VoIP") traffic, jointly provided intrastate exchange access traffic, jointly
2 provided interstate exchange access traffic, toll free service access code traffic,
3 PRTC transited traffic, Centennial transited traffic, V/FX traffic, and unclassified
4 traffic.

5 Q. ARE EACH OF THESE TRAFFIC TYPES (INCLUDING
6 "UNCLASSIFIED TRAFFIC") DEFINED AND IDENTIFIED IN THE
7 INTERCONNECTION ATTACHMENT PROPOSED BY CENTENNIAL?

8 A. Yes.

9 Q. ABOVE YOU SAID THAT THE EFFICIENT USE OF
10 INTERCONNECTION FACILITIES WAS PRO-COMPETITIVE.
11 PLEASE EXPLAIN.

12 A. Forcing CLECs to use inefficient interconnection architectures forces unnecessary
13 costs on the CLEC. One of the key goals of the Telecommunications Act was to
14 eliminate economic and operational barriers to entry.²³ PRTC's proposal to
15 require additional meet points, or other forms of interconnection (although not
16 specified) for non-enumerated traffic would eviscerate the benefits of competition
17 by artificially increasing the costs of its competitor by eliminating the economies
18 that PRTC enjoys. Such a proposal should be rejected as inefficient and anti-
19 competitive.

²³ *In The Matter Of Implementation Of The Local Competition Provisions In The Telecommunications Act Of 1996, Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, First Report and Order, 11 FCC Rcd. 15,499, ¶ 3 (rel. Aug 8, 1996). ("Local Competition Order")

1 **Q. WHAT ADDITIONAL COSTS ARE IMPOSED ON CENTENNIAL BY**
2 **ADDING UNECESSARY MEET POINTS OR OTHER**
3 **INTERCONNECTION ARRANGEMENTS FOR THE EXCHANGE OF**
4 **TRAFFIC?**

5 **A.** The essence of PRTC's position is that certain types of traffic cannot be sent via
6 the existing meet points. This necessarily means that Centennial would have to
7 find some other way to exchange the traffic – either by constructing more meet
8 points or buying tariffed interconnection arrangements from PRTC. Neither of
9 these alternatives makes sense. If PRTC's position were to be adopted,
10 Centennial will have to spend more on switch programming, trunk administration,
11 trunk ports on switches, digital cross-connect systems, and fiber optic terminals;
12 and at some point will have to spend more on switches themselves. There is no
13 operational or economic justification for imposing these costs on CLECs. Their
14 only purpose would be to disadvantage Centennial vis-à-vis PRTC.

15 **Q. HAVE YOU OR CENTENNIAL QUANTIFIED THE ADDITIONAL**
16 **COSTS THAT WOULD BE CAUSED BY PRTC'S PROPOSAL?**

17 **A.** No. Nor would I recommend that they attempt to quantify the costs. It is clear
18 that additional facilities and resources would be required by PRTC's proposal.
19 Any increase in cost, regardless of the magnitude, is unnecessary and
20 disadvantages Centennial in the marketplace.

1 **Q. IS CENTENNIAL'S POSITION ON EFFICIENT INTERCONNECTION**
2 **CONSISTENT WITH THE ACT?**

3 A. Yes. The local competition provisions of the Act require that the economies of
4 density, connectivity, and scale of the incumbents be shared with new entrants.²⁴
5 Centennial, by building its own island-wide interconnection architecture, has
6 uniquely positioned itself to take advantage of some of those economies. For this
7 reason, routing all traffic over existing network interconnection facilities is an
8 efficient way to manage traffic, and is likely the same way that PRTC would
9 manage traffic in the absence of competition. As noted in section 251(c)(2) of the
10 Act ILECs are to provide interconnection to any requesting carrier at any
11 technically feasible point and that interconnection must be equal in quality to that
12 provided by the ILEC to itself and must be provided on rates, terms, and
13 conditions that are just, reasonable and nondiscriminatory.

14 **Q. IS PRTC'S PROPOSAL TO REQUIRE ADDITIONAL MEET POINTS OR**
15 **OTHER INTERCONNECTION ARRANGEMENTS FOR DIFFERENT**
16 **TYPES OF TRAFFIC CONSISTENT WITH SECTION 251(c)(2) OF THE**
17 **ACT?**

18 A. No.

²⁴ *Id.* at ¶ 11.

1 **Q. PLEASE SUMMARIZE YOUR POSITION ON THE USE OF MEET**
2 **POINTS FOR THE EXCHANGE OF ALL TRAFFIC TYPES.**

3 **A. The Commission should adopt Centennial's language on this issue. Centennial**
4 **should be allowed to use the most efficient form of interconnection that is**
5 **technically feasible. Centennial's proposal is consistent with the Act and standard**
6 **engineering principles and will result in benefits to the development of**
7 **competition and to consumers. PRTC's proposal is inefficient and discriminatory**
8 **and should be rejected.**

9
10 ***Issues #9 and #10: Definition of Local Traffic (#9) and Clarification of Treatment of***
11 ***VOIP Traffic (#10).***

12 **Statement of Issue #9:Should the Agreement clearly state that the status of traffic as**
13 **"local" is determined by the geographic points of the traffic, as the Board has**
14 **repeatedly ruled?**

15 **Statement of Issue #10: Should the contract specify when to classify VOIP traffic as**
16 **"local" in order to avoid disputes?**

17 **ICA References: Interconnection Attachment §§ 4.1.1, 4.1.2, 4.1.3, and 4.1.4**
18

19 **Q. PLEASE SUMMARIZE ISSUES #9 AND #10 – DEFINITION OF LOCAL**
20 **TRAFFIC AND CLARIFICATION OF TREATMENT OF VOIP**
21 **TRAFFIC.**

22 **A. As noted above, Centennial argues that the Board should maintain consistency**
23 **with its prior rulings on how to define local traffic. Despite those prior rulings,**
24 **PRTC claims that access charges should apply to geographically local traffic**
25 **when Centennial functions as, or takes on the role of, an IXC when viewed from**
26 **the perspective of a retail customer. This disagreement between the Companies**

1 serves as the basis for Issue #9. Issue #10 is essentially an extension of Issue #9
2 in that the disagreement is whether the geographic end points of a specific type of
3 traffic – VoIP – should be used to classify the traffic for intercarrier
4 compensation. I should note that Mr. Khoury, Mr. Angulo, and Mr. Mulcahy
5 have filed testimony relating to Issue #9, and that Mr. Khoury and Mr. Angulo
6 have filed testimony relating to Issue #10.

7 **Q. SHOULD THE AGREEMENT CLEARLY STATE THAT THE STATUS**
8 **OF TRAFFIC AS “LOCAL” IS DETERMINED BY THE GEOGRAPHIC**
9 **END POINTS OF THE TRAFFIC, AS THE BOARD HAS REPEATEDLY**
10 **RULED?**

11 **A.** Yes. In the previous arbitration between these two parties the Board found that
12 “In furtherance of the public interest, the scope of local traffic for intercarrier
13 compensation purposes should be the largest reasonable geographic calling
14 regime, regardless of whether that regime is the one used by the ILEC or the
15 CLEC.”²⁵ In light of disputes that have arisen between the parties under the
16 current agreement, the Board should clarify that all traffic that begins and ends
17 within the Governing Local Calling Area is local for purposes of compensation
18 between Centennial and PRTC.

²⁵ See **ARBITRATOR’S REPORT AND ORDER**, in Case No. JRT-2005-AR-0001, dated May 23, 2005, Conclusion of Law #4 at page 10.

1 **Q. DOES THE BOARD'S FINDING DIFFER FROM WHAT YOU HAVE**
2 **TESTIFIED TO IN THE PAST?**

3 **A. Yes, it does, and if we were writing on a totally clean slate in this case I might**
4 take a different position – as, indeed, Centennial did back in the 2002 arbitration.
5 But it bears emphasis that the facts in Puerto Rico are very different – and in a
6 generally pro-competitive way – than the facts in other states where I have
7 addressed this issue.

8 Generally speaking, I have argued that the treatment of a call as local or
9 toll should be based on a comparison of the NPA/NXX of the calling and called
10 numbers, rather than on any attempt to identify the actual geographical end points
11 of the call. This has been the traditional manner in which calls have been
12 identified for rating and routing. ILECs have generally resisted this approach
13 because they have wanted to create a situation in which their legacy local calling
14 area boundaries will be used to impose access charges on CLECs in cases where,
15 in my view, such access charges are inappropriate. ILECs, that is, attempt to
16 stifle competition and increase their competitors' costs through the vehicle of
17 imposing access charges on calls that cross their legacy calling area boundaries.

18 Puerto Rico, however, is unique in that – while adopting the view that call
19 rating should depend on the geography of the end points of the call – it has
20 resisted PRTC's attempts to ensure that it is the geography of *PRTC's* local
21 calling areas that will control. To the contrary, as noted above, in Puerto Rico
22 Centennial has advanced the public interest by establishing a single calling zone

1 for all of Puerto Rico, and the Board has advanced the public interest by ruling
2 that this single, island-wide Governing Local Calling Area applies for purposes of
3 intercarrier compensation. This is a highly procompetitive result, and I commend
4 the Board for reaching it. Given that the Board has done so, moreover, I will
5 assume and accept the Board's rulings on how to classify traffic.

6 **Q. DOES PRTC'S POSITION CONFLICT WITH THE BOARD'S PREVIOUS**
7 **RULINGS ON THE DEFINITION OF LOCAL TRAFFIC?**

8 **A.** Yes. Notwithstanding the Board's consistent rulings that traffic classification is
9 based on geography, PRTC claims that access charges should apply to
10 geographically local traffic when Centennial functions as, or takes on the role of,
11 an IXC when viewed from the perspective of a retail customer. This
12 disagreement between the Companies serves as the basis for Issue #9. Issue #10
13 is essentially an extension of Issue #9 in that the disagreement is whether the
14 geographic end points of a specific type of traffic – VoIP – should be used to
15 classify the traffic for compensation purposes. It is Centennial's position that as
16 VoIP traffic becomes a more important feature of the telecommunications
17 landscape, the parties' agreement should provide clear guidance as to how to
18 handle compensation for such traffic.

1 **Q. PLEASE ELABORATE ON CENTENNIAL'S PROPOSAL ON THESE**
2 **ISSUES.**

3 **A. Centennial's proposed language for §4 of the Interconnection Attachment is very**
4 close to the existing language that the Board established in the parties' prior
5 arbitration. The language in the previously approved agreement is as follows:
6

4.1.1 "Local Traffic" means Telecommunications traffic that originates on the
landline terminal of one Party's customer, is delivered by that Party to the
other Party at a PRTC/Centennial POI, and is terminated by the second
Party on the landline terminal of the second Party's customer in the same
Governing Local Calling Area in which it originated. For avoidance of
doubt, Local Traffic does not include any of the following types of traffic (it
being understood that certain types of traffic may fall into more than one
of the following categories): (a) ISP-Bound Traffic; (b) traffic that does not
originate and terminate within the same Governing Local Calling Area
based on the actual originating and terminating points of the complete
end-to-end communication; (c) Intrastate Toll Traffic and Interstate Toll
Traffic, including, but not limited to, calls originated on a 1+
presubscription basis, or on a casual dialed (10XXX/101XXX) basis; (d)
special access, private line, Frame Relay, ATM, or any other traffic that is
not switched by the terminating Party; (e) Toll Free Service Access Code
Traffic; (f) PRTC Transited Traffic; (g) Centennial Transited Traffic; (h)
V/FX Traffic; (i) Voice Information Service Traffic; or (j) Unclassified
Traffic.

7
8 Centennials proposed language for the definition of "Local Traffic" is as follows:

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4.1.1 "Local Traffic" means Telecommunications traffic that originates and terminates in the same Governing Local Calling Area. For avoidance of doubt, Local Traffic does not include any of the following types of traffic (it being understood that certain types of traffic may fall into more than one of the following categories): (a) ISP-Bound Traffic; (b) traffic that does not originate and terminate within the same Governing Local Calling Area based on the actual originating and terminating points of the complete end-to-end communication; (c) Interstate Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis; (d) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (e) Interstate Toll Free Service Access Code Traffic; (f) PRTC Transited Traffic; (g) Centennial Transited Traffic; (h) V/FX Traffic; (i) Voice Information Service Traffic; or (j) Unclassified Traffic.

The minor changes suggested by Centennial are consistent with the Board's previous orders.

Q. WHAT IS PRTC PROPOSING THAT IS THE SOURCE OF THE DISPUTE BETWEEN THE PARTIES ON THIS DEFINITION OF "LOCAL TRAFFIC"?

A. Notwithstanding the Board's consistent rulings that traffic classification is based on geography, PRTC claims that access charges should apply to geographically local traffic when Centennial functions as, or takes on the role of, an IXC when viewed from the perspective of a retail customer. Specifically, at page 21 of its Response to the Centennial Petition it states: "For the purposes of intercarrier compensation, "local traffic" should be defined as traffic that originates and terminates within the same PRTC local calling area, and when Centennial acts as an IXC, it should pay governing access charges."

1 **Q. CAN YOU PROVIDE AN EXAMPLE OF A SITUATION WHERE PRTC**
2 **WOULD ATTEMPT TO CHARGE CENTENNIAL ACCESS CHARGES**
3 **FOR TRAFFIC THAT IS WITHOUT QUESTION ENTIRELY WITHIN**
4 **THE GOVERNING LOCAL CALLING AREA?**

5 **A. Yes. Suppose a PRTC local service subscriber who is presubscribed to**
6 **Centennial makes a call to a PRTC customer. The call originates in one PRTC**
7 **local calling area and terminates in a different PRTC local calling area. PRTC**
8 **proposes to charge Centennial access charges on the call because it is**
9 **"interexchange" from PRTC's perspective. This is clearly wrong, however,**
10 **because the call both originates and terminates within the Governing Local**
11 **Calling Area, and, as such, it is a local call.**

12 **Q. WHY IS IT CORRECT TO USE THE GOVERNING LOCAL CALLING**
13 **AREA AS OPPOSED TO THE PRTC LOCAL CALLING AREAS AS**
14 **PRTC HAS SUGGESTED?**

15 **A. The Board has ruled in 2002 and in 2005 that local calling areas should be defined**
16 **according to the local calling structure of the carrier with the fewest number of**
17 **zones, which, today is Centennial's island-wide local calling area. PRTC is**
18 **wrong to suggest that the Board should now change those previous decisions – to**
19 **the detriment of competition and consumers – simply so PRTC can retain its**
20 **access charge revenues. This is especially true since there is no technical need to**
21 **route the traffic via a PRTC tandem to complete the call. While I am not certain**
22 **that PRTC has done so, nothing would prevent PRTC from routing calls made by**
23 **its end users who are presubscribed to Centennial directly to Centennial via the**

1 meet point serving the end user in question. The ubiquitous interconnection
2 networks of PRTC and Centennial make such routing unnecessary. Indeed, I
3 strongly suspect that to the extent that PRTC has *not* configured its network to
4 send such calls to Centennial, the reason has nothing to do with efficient network
5 arrangements and everything to do with trying to ensure that PRTC can impose
6 access charges.

7 **Q. PRTC ARGUES THAT CENTENNIAL'S PROPOSAL WOULD HARM**
8 **PRTC BECAUSE IT IS THE "SOLE OR DOMINANT SUPPLIER" OF**
9 **INTRAISLAND TOLL SERVICE. HOW DO YOU RESPOND?**

10 **A. PRTC must respond to the market for services in Puerto Rico. If a carrier is**
11 **offering island-wide local service, it is very unlikely that consumers will want to**
12 **pay more for intra-island toll service. So regardless of PRTC's desire to offer**
13 **intra-island toll service and to charge access charges for that service, the market**
14 **reality is that there is no need for such a service. While there may be some**
15 **circumstances where uninformed consumers may make such a toll call that is no**
16 **justification for the service or for the archaic charges underlying the service.²⁶**

²⁶ Consumers may presubscribe to Centennial for interstate toll and inadvertently dial an intra-island toll call. I would not expect this to happen often, but it is possible.

1 **Q. PRTC ARGUES THAT IT CANNOT ACCEPT CENTENNIAL'S**
2 **LANGUAGE BECAUSE TO DO SO WOULD PUT PRTC IN VIOLATION**
3 **OF THE BOARD'S IMPUTATION REQUIREMENTS. DO YOU AGREE?**

4 A. No. First of all, I am not a lawyer so I cannot express a legal opinion on whether
5 PRTC would be in violation of the Board's imputation requirements. But this
6 very issue (in addition to the discrimination issue raised by PRTC) was addressed
7 and rejected by the Arbitrator in the 2005 Decision. In that Decision and in the
8 Order on Reconsideration the Board has invited PRTC to seek relief from the
9 imputation requirement if PRTC believes it is seriously impeding its ability on
10 Puerto Rico.

11 **Q. WOULD YOU EXPECT PRTC TO SEEK A WAIVER OF THE**
12 **IMPUTATION REGULATION IF IT WERE ACTUALLY BEING**
13 **HARMED?**

14 A. Yes. I would also note that while a waiver of the imputation requirement for
15 PRTC would reduce PRTC's toll revenues, consumers would benefit from the
16 PRTC reduction in price.

17 **Q. DO YOU HAVE ANY FINAL COMMENTS ON THIS DISPUTE?**

18 A. Yes. The market should ultimately resolve this dispute. PRTC has raised
19 numerous potential problems with rating calls, customers changing providers,
20 imputation requirements, noneconomic advantages, etc. As the Arbitrator
21 correctly recognized in the 2005 Proceeding, "...once island-wide calling is

1 established, there will be no need for the Imputation Regulation.”²⁷ All of the
2 other potential problems created by or suggested by PRTC will also go away once
3 island-wide local calling is established, including island-wide local calling by
4 PRTC. PRTC’s desire to maintain its toll and access charge revenue streams is
5 understandable, but the market in Puerto Rico will ultimately eliminate intra-
6 island toll and its associated access charges. Centennial’s position is consistent
7 with the Board’s previous rulings and with the market realities in Puerto Rico.

8 **Q. WHAT IS YOUR RECOMMENDATION TO THE BOARD ON THE**
9 **DEFINITION OF “LOCAL TRAFFIC”?**

10 A. Given the unique competitive situation in Puerto Rico, it is particularly important
11 that the Board clearly and unequivocally reaffirm its commitment to classifying
12 traffic, for intercarrier compensation purposes, on the basis of the geographic end
13 points of the call, and not the retail arrangements that might arise for different
14 subsets of geographically local traffic. Centennial’s language clearly establishes
15 this result and should be adopted.

16 **Q. WITH RESPECT TO ISSUE #10, PLEASE DEFINE A “VOIP”**
17 **SERVICE.**²⁸

18 A. Briefly, VoIP services involve using the same network that carries Internet traffic
19 to carry packetized real-time, two-way voice communications. Because voice
20 data packets can be dispersed among other types of Internet traffic, such as e-mail

²⁷ See 2005 Decision at page 7.

²⁸ The FCC has defined VoIP in CFR 47 § 9.3. See also Centennial’s Response to PRTC Request No. 59.

1 messages, web pages, Instant Messaging conversations, music downloads from
2 iTunes or similar services, etc., VoIP doesn't use as much bandwidth as in a
3 circuit-switched network. This makes phone calls essentially as cheap to transmit
4 as e-mail.²⁹ Indeed, VoIP is a good example of the convergence of computers,
5 telephones and television into a single and more efficient integrated information
6 environment.

7 **Q. PLEASE DESCRIBE THE FUNDAMENTAL DIFFERENCES BETWEEN**
8 **VOIP CALLS AND TYPICAL PSTN CALLS.**

9 **A.** In the simplest of terms, VoIP is an information service application that uses the
10 Internet backbone and discrete data packets to deliver real-time voice
11 communications. Rather than voice information being transmitted across the
12 traditional circuits of the PSTN, VoIP uses the Internet Protocol, and the Internet
13 backbone, or some other private IP network. In addition to this difference in
14 transmission, VoIP calling, being IP-enabled, facilitates the introduction and
15 integration all sorts of potential capabilities not present with PSTN circuit
16 switched calls.³⁰ From a regulatory perspective the IP-based capabilities
17 distinguish VoIP – an information service – from basic circuit-switched
18 telecommunications services.

19 Having said that, I recognize that the FCC has not yet issued a final ruling
20 classifying VoIP as an "information service" or a "telecommunications service."

²⁹ See Comments of VON Coalition in CC Docket No. 01-92, WC Dockets No. 02-361, 03-211, 03-266, 04-36; filed August 19, 2004, at page 2.

³⁰ For instance, when you have a missed call on Vonage service, you get an email detailing the call information (time, calling number, etc.). The features and capabilities of VoIP services are many and expanding.

1 The question is how the Board should deal with the issue of VoIP traffic now,
2 given that the FCC has not yet ruled.

3 **Q. WHY SHOULD THE BOARD RULE AT THIS TIME ON THE**
4 **JURISDICTIONAL TREATMENT OF VOIP TRAFFIC?**

5 **A.** It is common knowledge in the telecommunications industry that VoIP traffic is
6 growing in volume and significance. However, as just noted, the FCC has not yet
7 spoken with regard to how such traffic should be handled for regulatory purposes.
8 If and when the FCC does act, its ruling will most likely control how Centennial
9 and PRTC should handle this traffic. Unfortunately, there is no assurance that the
10 FCC will make its determination regarding these issues any time soon. As a
11 result, it is prudent to include in the agreement a clear rule for how VoIP traffic
12 will be treated as between PRTC and Centennial. This is accomplished by
13 Centennial's proposed § 4.1.4 of the Interconnection Attachment.

14 **Q. PLEASE BRIEFLY DESCRIBE HOW CENTENNIAL'S PROPOSAL**
15 **WOULD WORK.**

16 **A.** As Mr. Angulo notes (and I agree), any VoIP call that Centennial and PRTC
17 might exchange will have one "end" on a normal PSTN line, and the other "end"
18 somewhere on the Internet – which may or may not even be known to the parties,
19 and theoretically could be anywhere. Centennial proposes that in order to avoid
20 disputes about how to identify the location of the "Internet end" of a VoIP call,
21 the agreement should specify that the "Internet end" simply be defined as the
22 location at which the traffic is converted between standard PSTN format (time
23 division multiplexing or "TDM") and Internet protocol ("IP") format. If that

1 location – which can be determined – is within the Governing Local Calling Area,
2 the call is treated as local, and the carrier terminating it will receive the standard
3 \$0.0007 per minute compensation. If it is not, the call will be treated as access,
4 and the carrier terminating the call will receive access charges.

5 **Q. PRTC STATES THAT THE BOARD SHOULD FOLLOW THE LEAD OF**
6 **OTHER STATE COMMISSIONS (OR, WA, CO and WY) AND DECLINE**
7 **TO ACT IN ADVANCE OF THE FCC DECIDING THIS ISSUE.³¹ HOW**
8 **DO YOU RESPOND?**

9 **A.** Generally speaking waiting for the FCC to make a decision can be a frustrating
10 process. There is no need for the Board to wait on the FCC to determine an
11 appropriate interim mechanism to guide the exchange of VoIP traffic.
12 Centennial's proposal is designed to provide a clear rule for handling this traffic
13 between now and whatever time the FCC finally decides how it should be treated
14 for regulatory purposes (if that FCC decision should take place during the term of
15 this agreement).

16 **Q. IS THERE ANY BASIS IN LAW OR PRECEDENT TO SUPPORT**
17 **CENTENNIAL'S PROPOSAL?**

18 **A.** Yes. First of all, the intercarrier compensation proposed by Centennial (\$0.0007
19 per minute of use) is consistent with the FCC's *ISP Remand Order*.³² That order
20 established the \$0.0007 rate for IP-enabled or ISP-bound traffic. That is an
21 appropriate rate for the VoIP traffic at issue in this proceeding.

³¹ PTRC Response, pp. 30-32.

³² *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996: Intercarrier Compensation for ISP-Bound Traffic*, Order on Remand and Report and Order, 16 FCC Red 9151 (2001) ("*ISP Remand Order*")

1 Second, Centennial's suggestion that the call be treated as local based on
2 the originating and terminating points is consistent with the Board's decisions on
3 the Governing Local Calling Area.

4 **Q. IS THERE PRECEDENT FOR THE SUGGESTION THAT THE**
5 **LOCATION OF THE "INTERNET END" OF THE CALL BE**
6 **IDENTIFIED WITH THE POINT OF PROTOCOL CONVERSION?**

7 **A. Not necessarily. But it is a reasonable proposal based on where the TDM portion**
8 **of the call (the "telecommunications" portion) either begins or terminates. Again,**
9 **Centennial is not making its proposal in order to settle the issue for all time.**
10 **Centennial is making its proposal in order to ensure that its interconnection**
11 **agreement with PRTC contains a clear rule for dealing with this type of traffic**
12 **right now – which is a practical business necessity, notwithstanding the FCC's**
13 **extensive consideration of the issue. It is a supportable position that can be**
14 **modified if and when the FCC issues an order on these issues.**

15 **Q. WHAT IS YOUR RECOMMENDATION TO THE BOARD ON THE**
16 **ISSUE OF VOIP TRAFFIC?**

17 **A. I recommend that the Board adopt the language proposed by Centennial. PRTC's**
18 **proposal is to do nothing and to continue a state of uncertainty regarding the**
19 **appropriate treatment of VoIP traffic. Centennial's proposal is workable and**
20 **provides a clear rule for handling this traffic between now and whenever the FCC**
21 **finally decides how to treat this traffic for regulatory purposes.**
22

1 **Issue #11: Treatment of Toll-Free Traffic.**

2 **Statement of Issue #11:** Should the agreement conform the intercarrier
3 compensation arrangements for "8YY" traffic to the general rules applicable to
4 traffic the parties exchange?

5 **ICA Reference:** Interconnection Attachment § 7

6
7 **Q. PLEASE SUMMARIZE ISSUE #11 – TREATMENT OF TOLL-FREE**
8 **TRAFFIC.**

9 **A.** Much like the discussions regarding the treatment of traffic above, the
10 interconnection agreement should make clear that the application of reciprocal
11 compensation as opposed to access charges is based on the end points of the call.
12 PRTC states that the agreement should make clear that access charges apply when
13 one of the parties is acting as an IXC in providing 8YY service to customers –
14 again, the retail service approach. Again, note that Mr. Khoury, Mr. Angulo, and
15 Mr. Mulcahy have each provided testimony bearing on this issue.

16 **Q. ARE THE PARTIES IN AGREEMENT ON ANY ASPECTS OF THE**
17 **TREATMENT OF 8YY SERVICE?**

18 **A.** Yes. The parties' competing language for §7 of the Interconnection Attachment
19 actually hides some fairly large areas of agreement. The parties agree that if one
20 party relies on the other party to do the database "query" needed to translate a
21 dialed "8YY" number into a routing telephone number, the party doing the query
22 should receive its tariffed rate for query service. The parties also agree that if in
23 the course of handling an 8YY call for purposes of translation, the call is routed
24 through the translating party's tandem switch, it should receive tandem switching
25 rates for that function. Where the parties disagree is what happens next.

1 **Q. PLEASE ELABORATE ON THAT DISAGREEMENT BETWEEN THE**
2 **COMPANIES.**

3 **A. Centennial's language, consistent with its overall view (which it understands also**
4 **to be the Board's view) that call classification depends on the geographic end**
5 **points of the call, would apply local compensation to traffic that begins and ends**
6 **within the Governing Local Calling Area, and access charges to traffic that**
7 **crosses a Governing Local Calling Area boundary. PRTC's language, consistent**
8 **with PRTC's view that the retail treatment of a call should, at least in some**
9 **situations, control, would impose access charges on the party that provides the**
10 **8YY service to an end user (normally, business) customer. Specifically, PRTC**
11 **states in its response as follows: "The forthcoming agreements should establish**
12 **that, when a party acting in its capacity as a 8YY service provider routes**
13 **originating or terminating 8YY traffic, that traffic is subject to access charges**
14 **regardless of the end points of the call." PRTC's specific disregard for the "end**
15 **points of the call" is reflective of its continuing disagreement with the Board on**
16 **the Governing Local Calling Area. This issue, therefore, is actually a sub-part of**
17 **the larger issue of whether geography controls call classification. If it does, then**
18 **the Board should adopt Centennial's language. PRTC's language should be**
19 **adopted only if the Board were to choose to reverse its longstanding view that**
20 **geography, indeed, controls.**

21 **Q. PRTC CLAIMS THAT CENTENNIAL CHOSE TO BE A TOLL FREE**
22 **PROVIDER AND PURCHASES PRTC'S ACCESS SERVICES TO DO SO,**

1 AND BECAUSE OF THIS, CENTENNIAL MUST ABIDE BY THE
2 ACCESS COMPENSATION REGIME INSTEAD OF RECIPROCAL
3 COMPENSATION.³³ WOULD YOU LIKE TO RESPOND?

4 A. Yes. As noted above, the parties agree that when a query is required to route an
5 8YY call, the party utilizing the service will pay the query charge. PRTC's
6 discussion at page 33 of its Response describes that process but fails to note that
7 Centennial has agreed to pay that charge. Unfortunately, PRTC incorrectly
8 suggests that because Centennial uses and pays for the query charge, that it must
9 therefore pay all switched access charges for the call. This is incorrect. It is
10 wrong for carriers to be paid for services that they do not use.

11 Q. HOW SHOULD THE BOARD RESOLVE THIS DISPUTE?

12 A. The Board should approve Centennial's language on 8YY traffic because it
13 results in parties being paid for the services they provide at the appropriate rates
14 based on activities performed and the Governing Local Calling Area rulings.

15 **Issue #12: Prevention of PRTC regulatory arbitrage in connection with transit traffic.**

16 **Statement of Issue #12:** Should the agreement make clear that PRTC may not
17 simultaneously (a) prevent Centennial from establishing an efficient direct
18 connection to a third-party carrier but then (b) charge Centennial for having to
19 reach that carrier through PRTC's tandem switch?

20 **ICA References:** Interconnection Attachment §§ 8.5.3 and 8.5.4

21 Q. WHAT IS TRANSITING?
22

23 A. According to the FCC, "transiting occurs when two carriers that are not directly
24 interconnected exchange nonaccess traffic by routing the traffic through an

³³ PRTC Response, pp. 33-34.

1 intermediary carrier's network. Typically, the intermediary carrier is an ILEC
2 and the transited traffic is routed from the originating carrier through the ILEC's
3 tandem switch to the terminating carrier. The intermediary (transiting) carrier
4 then charges a fee for use of its facilities."³⁴ By way of example, transiting works
5 as follows: a customer of Carrier A (originating carrier) calls a customer of
6 Carrier B (terminating carrier), and since Carriers A and B are not directly
7 interconnected, they utilize the ILEC's transiting service as an indirect
8 interconnection so that the call can terminate to Carrier B's customer. In most
9 places other than Puerto Rico the ILEC is the only carrier capable of providing
10 transit service connecting all carriers, primarily because of the ubiquitous local
11 network it has constructed over many years of monopoly-provided services.

12 Q. PLEASE SUMMARIZE ISSUE #12 - PREVENTION OF PRTC
13 REGULATORY ARBITRAGE IN CONNECTION WITH TRANSIT
14 TRAFFIC.

15 A. PRTC has refused to allow Claro (the wireless division of PRTC) to establish
16 direct interconnection with Centennial. Indeed, it has also refused to allow its
17 own facilities to be used to establish a direct interconnection between Claro and
18 Centennial. This intentional refusal to establish a direct interconnection -
19 Centennial preferred and standard operating procedure - results in this dispute. In
20 addition to my testimony, note that Mr. Khoury and Mr. Angulo comment on this
21 issue as well.

³⁴ *In the Matter of Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, Further Notice of Proposed Rulemaking, Federal Communications Commission, 20 FCC Rcd 4685; 2005 FCC LEXIS 1390, FCC 05-33, rel. March 3, 2005 ("ICF FNPRM"), ¶ 120.

1 **Q. HOW DOES THE LACK OF A DIRECT INTERCONNECTION RESULT**
2 **IN THE DISPUTE?**

3 A. PRTC uses the lack of a direct interconnection – the result of its own management
4 decisions – as justification for charging transit rates to Centennial. Obviously
5 PRTC should not be allowed to unilaterally force an inefficient interconnection
6 architecture on two parties (one of which it controls) and then charge the captive
7 competitor for the “service.”

8 **Q. DOES THE ACT REQUIRE A CARRIER TO AGREE TO DIRECTLY**
9 **INTERCONNECT WITH ANOTHER CARRIER?**

10 A. Not necessarily. Section 251(a) of the Act identifies the general duties of
11 telecommunications carriers to “interconnect directly or indirectly with the
12 facilities and equipment of other telecommunications carriers.” 47 USC §
13 251(a)(1). In fact, the only reference to CLEC to CLEC interconnection occurs in
14 Section 251(a)(1) which states:

15 SEC. 251. INTERCONNECTION.

16 (a) GENERAL DUTY OF TELECOMMUNICATIONS CARRIERS –
17 Each telecommunications carrier has the duty –

18 (1) to interconnect *directly or indirectly* with the
19 facilities and equipment of other telecommunications
20 carriers. (emphasis added)

21
22 Note, however, that while Centennial would certainly like to have direct
23 connections with Claro for both landline and wireless traffic, and while I certainly
24 believe that the Board would be justified in ordering such direct connections,
25 Centennial is not, in this arbitration, seeking to compel such connections.

1 **Q. PLEASE ELABORATE ON THE OPPORTUNITY FOR REGULATORY**
2 **ARBITRAGE ON THE PART OF PRTC.**

3 **A. Centennial prefers not to use PRTC's network as a transit carrier between**
4 **Centennial and third party carriers. To the contrary, Centennial prefers to use its**
5 **own network to establish direct connections to all carriers with which it will be**
6 **exchanging traffic. And with one exception, Centennial has established such**
7 **direct connections.**

8 **Q. IS THE ONE EXCEPTION THE "CLARO INTERCONNECTION" YOU**
9 **DESCRIBED BRIEFLY ABOVE?**

10 **A. Yes. The one exception is Claro (formerly known as Verizon Wireless). Claro is**
11 **a division of PRTC and is under PRTC's control. PRTC has refused to require**
12 **Claro to establish direct connections to Centennial and has refused to allow its**
13 **own facilities to be used to establish such direct connections.**

14 **Q. HAS PRTC REFUSED TO ALLOW CLARO TO DIRECTLY**
15 **INTERCONNECT BECAUSE THE INTERCONNECTION IS NOT**
16 **TECHNICALLY FEASIBLE OR IS UNDULY EXPENSIVE?**

17 **A. No.**

18 **Q. CAN YOU THINK OF ANY VALID REASON WHY PRTC WOULD NOT**
19 **ALLOW THE DIRECT INTERCONNECTION?**

20 **A. No.**

1 **Q. SHOULD THE BOARD ALLOW PRTC TO REFUSE THE DIRECT**
2 **INTERCONNECTION BETWEEN CLARO AND CENTENNIAL?**

3 A. In my view, no. There is no pro-competitive reason to allow PRTC to prevent
4 Centennial from establishing a direct connection with another carrier but then
5 allow PRTC to charge Centennial for using PRTC's tandem to reach that carrier.
6 This is simply regulatory arbitrage, in effect a form of "call-pumping." PRTC –
7 including Claro – should be required to establish direct connections to Centennial.

8 **Q. IS THE DEMAND FOR DIRECT INTERCONNECTION WITH CLARO A**
9 **PART OF CENTENNIAL'S PETITION?**

10 A. No. As noted above, Centennial is not pressing that claim before the Board in this
11 case. Centennial's proposed language, however, requires PRTC to make
12 reasonable efforts to facilitate direct connection and, if PRTC does not do so,
13 PRTC loses its right to charge Centennial for using PRTC's tandem switch to
14 reach the third party – here, Claro. This proposed language is necessary to
15 prevent PRTC from engaging in regulatory arbitrage and, indeed, monopolistic
16 abuse.

17 **Q. HOW DOES CENTENNIAL'S PROPOSAL PREVENT REGULATORY**
18 **ARBITRAGE IN THIS REGARD?**

19 A. Centennial's language only requires PRTC to make commercially reasonable
20 efforts to facilitate direct connections to third parties and Claro. If there actually
21 were some valid technical or operational reason making direct connections
22 between Centennial and Claro technically infeasible, then PRTC would be able to
23 charge for the use of its tandem to make those connections indirectly. But where

1 there is no such valid reason to deny direct connections – which I strongly suspect
2 to be the case here – PRTC should not be permitted to collect a bounty for
3 establishing itself as an artificial monopolistic middle-man.

4 **Q. PRTC STATES THAT IN A RECENT ARBITRATION IN PUERTO RICO,**
5 **IT WAS RULED THAT PRTC SHOULD NOT BE TREATED AS AN ILEC**
6 **WITH REGARD TO ITS CMRS SERVICES.³⁵ DOES THIS RULING**
7 **UNDERMINE CENTENNIAL'S PROPOSAL ON THIS ISSUE?**

8 **A. No. As mentioned above, Centennial is not proposing in this case that the**
9 **wireless carrier (Claro) should be required to establish direct connections with**
10 **Centennial. Indeed, Centennial's proposal does not even include PRTC's wireless**
11 **carrier. Rather, Centennial's proposal pertains to PRTC – the ILEC – which is**
12 **attempting to use its control as the incumbent and its affiliated control over the**
13 **wireless carrier in this instance to extract monopoly profits from competitors. If,**
14 **as PRTC asserts, PRTC and Claro have no obligation to permit direct connections**
15 **to Claro, then the only way to reach Claro is through PRTC. This is another way**
16 **of saying that, for traffic bound for Claro, PRTC has a complete monopoly on**
17 **access to Claro. If not for PRTC being the ILEC and PRTC controlling the**
18 **wireless carrier, it could not demand payment of this type. There would be no**
19 **incentive for PRTC or the wireless carrier to establish direct connections when it**
20 **forces competitors to pay the rate. This is especially egregious given the**
21 **extensive network (meet points at every PRTC central office, including PRTC's**
22 **tandems) available to exchange traffic with both Claro and PRTC.**

³⁵ PRTC Response, pp. 35-36.

1 **Q. PRTC REFERS TO A CASE INVOLVING NEUTRAL TANDEM AS**
2 **SUPPORT FOR ITS POSITIONS. PLEASE RESPOND.**

3 **A. PRTC's reliance on this particular pending proceeding at the FCC is misplaced.**
4 Neutral Tandem is not owned by an ILEC – hence its name. Neutral Tandem is
5 attempting to force other carriers – in the case cited by PRTC, Verizon Wireless –
6 to directly interconnect with Neutral Tandem when those carriers do not wish to
7 do so. As noted above, the Act does not support such a request.

8 **Q. BASED ON YOUR KNOWLEDGE OF NEUTRAL TANDEM, DO YOU**
9 **UNDERSTAND WHY VERIZON WIRELESS MIGHT NOT WANT TO**
10 **INTERCONNECT WITH THAT ENTITY?**

11 **A. Yes. Neutral Tandem is not willing to compensate carriers for terminating traffic**
12 **once the direct interconnection is established. Further, given the relationship of**
13 **the originating carriers with Neutral Tandem, those originating carriers have no**
14 **incentive to agree to compensate the terminating carrier. Given the lack of cost**
15 **recovery for the terminating carrier, one can understand why a carrier would**
16 **refuse to interconnect directly with Neutral Tandem.**

17 **Q. DOES NEUTRAL TANDEM'S PETITION AT THE FCC SUPPORT**
18 **PRTC'S POSITION IN THIS CASE.**

19 **A. Absolutely not.**

20 **Q. HOW SHOULD THE BOARD RESOLVE THIS DISPUTE?**

21 **A. The Board should adopt Centennial's proposed language to prevent PRTC from**
22 **extracting monopoly profits from its competitors. PRTC is preventing the**
23 **efficient exchange of traffic between two providers. PRTC's control over Claro**

1 allows it to force inefficient interconnection and to impose unwarranted costs on
2 its competitor – Centennial. Centennial's proposed language simply keeps PRTC
3 from extracting these monopoly rents.

4 **Issue #15: Transiting Rate.**

5 **Statement of Issue #15: Should PRTC be required to impose only its tandem**
6 **switching rate for handling transit traffic?**

7 **ICA Reference: Pricing Attachment § VII.1**
8

9 **Q. PLEASE SUMMARIZE ISSUE #15 – TRANSITING RATE.**

10 A. It is Centennial's position that PRTC's tandem switching rate is fully adequate to
11 compensate PRTC for the work it does in handling transit traffic. PRTC, on the
12 other hand, states that it is not required to provide transiting pursuant to Section
13 251(c)(2) of the Act and should be allowed to charge a rate four times that of its
14 tandem switching rate.

15 **Q. WHAT FEDERAL POLICY FRAMEWORK HAS THE FCC**
16 **ESTABLISHED REGARDING TRANSITING?**

17 A. To date, the FCC has not created a well-defined federal policy framework for
18 transiting. When addressing Verizon's transiting obligations in the *Cavalier*
19 *Order*,³⁶ the FCC Wireline Competition Bureau made note of this lack of
20 precedent as follows:

21 We note that, as with the *Virginia Arbitration Order*, the
22 Commission has not yet had occasion to determine whether
23 incumbent LECs have a duty to provide transit service under the
24 Act or whether incumbent LECs must serve as billing
25 intermediaries for other carriers, nor do we find clear Commission

³⁶ *In the Matter of Petition of Cavalier Telephone LLC Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia, Inc. and for Arbitration*, WC Docket No. 02-359, Memorandum Opinion and Order, Federal Communications Commission, 18 FCC Rod 25887; 2003 FCC LEXIS 6879, DA 03-3947, December 12, 2003 ("*Cavalier Order*").

1 precedent or rules declaring such duties. In the absence of such a
2 precedent or rule, we decline, on delegated authority, to determine
3 for the first time that Verizon has such duties under the Act.
4 Where a Party undertakes to voluntarily provide transit service,
5 however, and proposes to incorporate the terms of such service
6 into a provision of an interconnection agreement which is subject
7 to arbitration by the Bureau, we have determined whether such
8 provisions are reasonable.
9

10 Indeed, the FCC has sought comment on a host of transiting issues in the pending
11 Further Notice of Proposed Rulemaking ("FNPRM") regarding intercarrier
12 compensation and, as such, is still in the process of setting its federal policy
13 regarding transiting. For instance, in ¶ 127 of that FNPRM, the FCC seeks
14 comment on its legal authority to impose transiting obligations pursuant to § 251
15 of the Act, and the FCC seeks comment on the appropriate pricing methodology
16 for transiting in ¶ 132. This shows that the FCC is still pondering the two most
17 basic aspects of transiting policy – (1) the obligations of ILECs to provide
18 transiting and (2) the appropriate transiting rates. As such, PRTC's statements
19 regarding the status of transit obligations are not correct.³⁷

20 **Q. HAVE SOME STATE COMMISSION'S FOUND THAT ILECS DO HAVE**
21 **AN OBLIGATION TO PROVIDE TRANSIT SERVICE?**

22 **A.** Yes. The North Carolina Public Utilities Commission issued an order that made a
23 very specific statement on this issue: "[t]he tandem transit function is a § 251
24 obligation, and BellSouth must charge TELRIC rates for it."³⁸ Likewise, the

³⁷ See PRTC Response at 38.

³⁸ *In the Matter of Joint Petition of NewSouth Communications Corp. et al. for Arbitration with BellSouth Telecommunications, Inc.*, North Carolina Docket No. P-772, Sub 8, Docket No. P-913, sub 5; Docket No. P-989, sub 3; Docket No. P-824, sub 6; Docket No. P-1202, sub 4, North Carolina Utilities Commission, 2005 N.C. PUC LEXIS 888, July 26, 2005 ("Joint CLEC/BellSouth Arbitration Order").

1 Michigan Public Service Commission required SBC to provide transiting, and
2 though I am not an attorney, it is my understanding that the Michigan Public
3 Service Commission's ("PSC's") decision requiring transiting was upheld on
4 appeal.³⁹

5 **Q. HAVE ANY ILECS CONCEDED THAT TRANSITING MUST BE**
6 **PROVIDED PURSUANT TO § 251 OF THE ACT?**

7 **A. Yes.** BellSouth in the past apparently conceded in one state that it does indeed
8 have a §251 obligation to provide transiting. This admission is memorialized in
9 the *Joint CLEC/BellSouth Arbitration Order* as follows:

10 The Public Staff stated in its Proposed Order that there appears to
11 be no dispute that BellSouth is obligated to provide transit service.
12 Witness Blake acknowledged that the Commission has previously
13 found ILECs have an obligation to provide transit service and that
14 the FCC has found the tandem transit function is a Section 251
15 obligation. *Although BellSouth has conceded that the tandem*
16 *transit function is a Section 251 obligation, it is unclear why*
17 *BellSouth still maintains that this function is not subject to the*
18 *pricing requirements set forth in Section 252.* The Public Staff
19 noted that the FCC has implemented specific rules to which the
20 Commission must adhere in determining the appropriate rates for
21 providing a tandem transit function. (emphasis added)

22
23 This concession is important because if an ILEC's transiting obligations are
24 grounded in § 251, as BellSouth at least conceded, transiting must be provided by
25 any ILEC on a nondiscriminatory basis at any technically feasible point, and
26 TELRIC pricing principles must apply when developing the rates.

³⁹ *Michigan Bell Telephone Co. d/b/a Ameritech Michigan v Laura Chappelle, et al.*, Case No. 01-CV-71517, United States District Court for the Eastern District of Michigan, Southern Division, 222 F. Supp. 2d 905; 2002 U.S. Dist. LEXIS 15269, August 12, 2002.

1 **Q. IS CENTENNIAL ARGUING IN THIS PROCEEDING THAT PRTC**
2 **MUST PROVIDE TRANSIT AT TELRIC RATES?**

3 A. No. Centennial is arguing a much more modest position, that the existing tandem
4 switching rate is the appropriate rate for transit since there is no cost justification
5 for a higher rate.

6 **Q. WHAT RATE(S) FOR TRANSITING IS EACH COMPANY PROPOSING?**

7 A. As noted above, Centennial is proposing the elimination of the negotiated transit
8 rate in favor of the existing tandem switching rate which is \$0.001289 per minute
9 of use.⁴⁰ PRTC is proposing a Tandem Traffic Tandem Switching rate of
10 \$0.005236.⁴¹

11 **Q. HAS PRTC PROVIDED ANY COST SUPPORT FOR THIS HIGH**
12 **TRANSIT RATE?**

13 A. No. PRTC has not shown any support for its rate. But it is clear that PRTC does
14 not incur any additional costs over what it incurs for tandem switching when
15 delivering this traffic.

16 **Q. IS CENTENNIAL A LARGE USER OF PRTC'S TRANSIT SERVICE?**

17 A. No. As noted elsewhere herein, because of Centennial's expansive
18 interconnection network, including interconnections to other carriers in Puerto
19 Rico, there is rarely an occasion for transiting traffic through the PRTC tandem.
20 Nevertheless, at any given time some new carrier may arrive in Puerto Rico, and
21 when Centennial's customers call any customers of the new carrier, Centennial

⁴⁰ See Centennial Proposed Wireline Agreement, Section VII(1).

⁴¹ See PRTC Proposed Pricing Attachment at Section VII(1).

1 will necessarily use PRTC's tandem to connect to the new carrier until direct
2 connections can be established.

3 **Q. IF CENTENNIAL DID USE PRTC'S TRANSIT SERVICE TO CONNECT**
4 **WITH A THIRD PARTY IN PUERTO RICO, HOW WOULD THAT**
5 **SERVICE BE PROVIDED FROM A NETWORK PERSPECTIVE?**

6 **A.** A Centennial customer's call would be routed from Centennial's end office to the
7 PRTC tandem. PRTC would switch the call to the third party over the appropriate
8 trunks and the call would be routed to the third party for termination. The same
9 network arrangement would hold true for a third party's customer which
10 originated a call to a Centennial customer.

11 **Q. DOES THIS NETWORK ARRANGEMENT SUPPORT CENTENNIAL'S**
12 **POSITION?**

13 **A.** Yes. There is no basis, either in competitive policy or in PRTC's costs, to allow
14 PRTC to charge anything above its tariffed tandem switching rate for handling
15 this traffic. When PRTC sends its own traffic to the new carrier via PRTC's own
16 tandem, it does not incur any extra costs to do so over and above its tandem
17 switching costs. It is therefore discriminatory for PRTC to charge Centennial
18 more than its tandem switching rate for this function.

19 **Q. WHEN YOU SAY IT IS DISCRIMINATORY TO CHARGE**
20 **CENTENNIAL MORE THAN THE TANDEM SWITCHING RATE,**
21 **WHAT DO YOU MEAN?**

22 **A.** It is discriminatory because PRTC charges IXCs only the tandem switching rate
23 for doing the same function that PRTC proposes to perform for Centennial at four

1 times the cost. And when PRTC routes calls from its own customers, through its
2 tandem, to a third party carrier such as another wireless carrier or CLEC, there is
3 no suggestion that it incurs any costs beyond tandem switching, and no evidence
4 that it charges its end users anything extra at all. Yet routing a call from a PRTC
5 end office, through a PRTC tandem, to a third party carrier is, from a network
6 perspective, just like routing a call from Centennial's network, through a PRTC
7 tandem, to a third party carrier.

8 **Q. PRTC ARGUES THAT ITS RATEPAYERS WOULD BE FORCED TO**
9 **SUBSIDIZE CENTENNIAL AND THE THIRD PARTY CARRIER**
10 **THROUGH THE APPLICATION OF A "BELOW-COST TRANSIT**
11 **TRAFFIC TANDEM SWITCHING RATE."⁴² IS THIS A CORRECT**
12 **STATEMENT?**

13 **A.** No. PRTC has provided absolutely no cost support for its proposed rate. Further,
14 the existing tandem switching rate was approved by this Board and is a
15 compensatory rate. As such, PRTC is wrong to suggest that receiving payment at
16 the tandem switching rate will result in subsidization.

17 **Q. IF CENTENNIAL'S POSITION IS ADOPTED, WILL IT UNDERMINE**
18 **INCENTIVES FOR CENTENNIAL TO ESTABLISH DIRECT**
19 **CONNECTIONS WITH THIRD PARTY CARRIERS, AS PRTC**
20 **CLAIMS?⁴³**

21 **A.** No. Particularly because of Centennial's extensive island-wide network, the
22 incremental cost to Centennial to establish a direct connection to a third party

⁴² See PRTC Response at 38.

⁴³ *Id.* at pp. 37-38.

1 carrier is likely to be low. In addition, as a practical business matter, Centennial
2 clearly understands that its interests are served by making as little use of PRTC's
3 network as is feasible. Furthermore, the provisions of the interconnection
4 agreement relating to Centennial using PRTC as a transit carrier (Interconnection
5 Attachment, § 8) establish an obligation on Centennial to seek and establish direct
6 connections with third-party carriers, and there is no indication that Centennial
7 has failed to do so (except, as in the case of Claro, where PRTC itself has
8 apparently prevented that result). PRTC's claim that charging a lower rate for
9 tandem transiting will affect Centennial's establishment of direct connections to
10 third party carriers is completely unfounded.

11 **Q. WHAT IS YOUR RECOMMENDATION FOR ISSUE #15?**

12 A. I recommend that the Board adopt Centennial's language on this issue. PRTC is
13 attempting to extract monopoly profits at the expense of Centennial. It has shown
14 no support for the proposed rates and has failed to show that the existing tandem
15 switching rate does not already recover the costs of transiting traffic as discussed
16 herein.

17 **Issue #16: Clarification of application of Reverse Toll Billing.**

18 **Statement of Issue #16:** Should the agreement clarify that reverse toll billing
19 charges will not apply if the traffic carrying capacity of an end office meet point is
20 adequate to meet the blocking standard in the agreement?

21 **ICA Reference:** Wireless Interconnection Attachment § 4.3

22
23 **Q. WHAT IS REVERSE TOLL BILLING?**

24 A. The concept of Reverse Toll Billing arises when a customer of a landline carrier
25 calls a customer of a wireless carrier, and the wireless carrier has not established
26 interconnection with the landline carrier at or near the landline carrier's end

1 office. In this instance, the landline carrier could, conceivably, charge its
2 customer toll charges to carry that call from the landline customer to the distant
3 point of interconnection between the landline and wireless carriers. For example,
4 if a PRTC customer in the Mayaguez wire center called a Centennial wireless
5 carrier and Centennial chose not to establish a meet point interconnection with
6 PRTC in Mayaguez, PRTC could charge its end user customer a toll charge to
7 carry the traffic from Mayaguez to the tandem-based connection between PRTC
8 and Centennial Wireless in San Juan. However, since it would be unattractive to
9 a wireless carrier's customers and potentially harmful to a wireless carrier's
10 business for wireline customers to be assessed a toll charge (and make a 1+ call)
11 each time it calls the wireless carriers, the wireless carrier may allow the landline
12 carrier to assess a charge on the wireless carrier instead of the landline customer –
13 hence the “reverse” in the “Reverse Toll Billing.” Since Reverse Toll Billing
14 occurs only in situations where the wireless carrier is not interconnected with the
15 landline carrier at or near the landline customer's serving end office, Reverse Toll
16 Billing has no application in a situation where Centennial is interconnected at or
17 near the PRTC end office serving the PRTC customer.

18 **Q. WHY DO YOU UNDERScore THE STATEMENT THAT REVERSE**
19 **TOLL BILLING HAS NO APPLICATION IN A SITUATION WHERE**
20 **CENTENNIAL IS INTERCONNECTED AT AN END OFFICE?**

21 **A.** This point is especially important as it relates to Centennial and PRTC because
22 Centennial has meet point interconnections at each of PRTC's end offices in
23 Puerto Rico. As a result, all calls made from PRTC landline customers to

1 Centennial's wireless carriers would be handed off at the serving end office and,
2 therefore, Reverse Toll Billing does not come into play. The only exception to
3 this would be if "overflow" traffic occurs that is routed through the tandem (and
4 Centennial has agreed to compensate PRTC, at PRTC's tandem switching rates, if
5 and when this exception arises).

6 **Q. PLEASE SUMMARIZE THE COMPANIES' PROPOSALS FOR ISSUE**
7 **#16 – CLARIFICATION OF REVERSE TOLL BILLING.**

8 A. Centennial's proposed language under the Reverse Toll Billing Section 4.3.4 sets
9 forth provisions for two different scenarios. First, Centennial's Section 4.3.4.1
10 applies to situations in which Centennial has not established a POI at the serving
11 PRTC end office per the terms of Section 2.6.6,⁴⁴ in which case Centennial agrees
12 to pay PRTC's Reverse Toll Billing charge of \$0.022 per minute per call for
13 Centennial to carry that call from the PRTC customer to the distant Centennial
14 POI.⁴⁵ Second, Centennial's Section 4.3.4.2 applies to situations in which
15 Centennial *has* established a POI at the serving PRTC end office per the term of
16 Section 2.6.6 but the traffic is routed through the tandem nonetheless (e.g.,
17 overflow traffic), in which case Centennial agrees to pay PRTC a tariffed tandem
18 switching charge (\$0.001289/minute from PRTC's K-2 tariff).⁴⁶ Again, if

⁴⁴ Section 2.6.6 states: "The Parties shall work individually and cooperatively to apply reasonable network management principles by invoking appropriate network management controls to alleviate or prevent network congestion at or in connection with PRTC/Centennial POIs. In addition, at each PRTC/Centennial POI where separate trunking is installed pursuant to Sections 2.6.1 and/or 2.6.2 of this Attachment, the Parties shall install sufficient trunking to achieve and/or maintain P.03 Grade of Service for each initial route at that PRTC/Centennial POI and P.01 Grade of Service for each final route serving that PRTC/Centennial POI."

⁴⁵ At the same time, PRTC would not charge toll charges on the PRTC end user (Section 4.3.4.1.3).

⁴⁶ The exception to this is if the traffic is routed through the tandem due to PRTC's actions or omissions.

1 Centennial is interconnected at the PRTC end office and the call is handed off
2 there, then Reverse Toll Billing does not come into play and no Reverse Toll
3 Billing charges or tandem switching charges would apply. (Also, please not that
4 Mr. Angulo's testimony addresses certain aspects of this issue.)

5 By contrast, PRTC proposes language that would assess a Reverse Toll
6 Billing per minute of use charge of \$0.022 on Centennial for carrying a call across
7 PRTC's local calling area boundaries to a Centennial interconnection. Further,
8 PRTC proposes Section 4.3.4.2, which essentially indemnifies and holds harmless
9 PRTC for essentially all conceivable actions it undertakes related to Reverse Toll
10 Billing.

11 **Q. WHY IS CENTENNIAL'S PROPOSAL ON THIS ISSUE SUPERIOR TO**
12 **PRTC'S PROPOSAL?**

13 **A.** Centennial's proposed language recognizes the substantial investment that
14 Centennial has made to establish meet point interconnections at each PRTC end
15 office. As a result, so long as Centennial sizes these meet points in accordance
16 with the capacity requirements of the Agreement (discussed in more detail
17 below), Reverse Toll Billing is a non-issue because the traffic will be handed off
18 at or near the PRTC end office. If, however, Centennial does not establish a meet
19 point in accordance with the capacity requirements of the Agreement (or does not
20 establish a meet point at an end office at all), then Centennial agrees (and the
21 language provides) that PRTC's \$0.022/minute Reverse Toll Billing rate will
22 apply. The only other way that traffic would not be handed off at the end office is

1 in the case of overflow traffic that is routed through the tandem. In this case,
2 Centennial has sized the meet point in accordance with the sizing requirements of
3 the Agreement, but a peak traffic load exceeds the maximum capacity of the
4 interconnection at the end office and the excess (or overflow) traffic is routed
5 through the tandem. In this instance, Centennial agrees to pay the tandem
6 switching rate (\$0.001289/minute) (recognizing that the traffic is handed off at the
7 tandem instead of the end office), but disagrees that the premium rate for Reverse
8 Toll Billing which is more than 15 times the tandem switching rate should apply.
9 This is especially true since Centennial has already made the investment to
10 establish meet points at each end office.

11 **Q. IF CENTENNIAL BUILDS MEET POINTS AND EACH END OFFICE**
12 **AND THEY ARE PROPERLY ENGINEERED, SHOULD REVERSE**
13 **TOLL BILLING BE AN ISSUE?**

14 **A.** No. In these circumstances, the fair and reasonable solution is to limit the scope
15 of Reverse Toll Billing charges to situations in which Centennial has not
16 established an adequately sized meet point, and limit PRTC's charges to its
17 tandem switching rate when overflow conditions arise at adequately sized meet
18 points.

19 **Q. ARE THERE OTHER REASONS THAT PRTC'S PROPOSAL SHOULD**
20 **BE REJECTED?**

21 **A.** Yes. PRTC's proposed language for Section 4.3.4.1 uses PRTC's tariffed local
22 calling areas as the determining factor as to whether Reverse Toll Billing charges

1 are applied ["...other than the PRTC local calling area in which traffic is
2 delivered by PRTC to Centennial through a PRTC/Centennial POI..." (emphasis
3 added)]. As described above, PRTC's local calling area is not the proper
4 boundary for determining intercarrier compensation as between PRTC and
5 Centennial, and should therefore not be used to determine whether Reverse Toll
6 Billing charges should apply. Though PRTC discusses the benefit of its "bright
7 line standard", ⁴⁷ the "bright lines" that PRTC draws (i.e., the boundaries of its
8 own local calling area) are incorrect.

9 Second, PRTC's language in Section 4.3.4.2 is chock full of provisions to
10 indemnify and hold PRTC harmless in its provisioning of Reverse Toll Billing –
11 to the point where it essentially renders the terms of Reverse Toll Billing
12 meaningless.

13 **Q. PLEASE ELABORATE.**

14 **A.** PRTC's proposed language states that "Centennial shall indemnify PRTC, defend
15 PRTC, and hold PRTC harmless for any errors or omissions arising out of
16 Reverse Toll Billing Failure" [or PRTC's failure to abide by its agreement to
17 provide Reverse Toll Billing]. PRTC goes on to say that this indemnification
18 provision is "without limitation", which essentially allows PRTC to do whatever
19 it so chooses regarding Reverse Toll Billing under the Agreement without the
20 possibility of reprisal. For example, PRTC proposes language in Section 4.3.4.1.3
21 that states that PRTC "shall not" assess applicable tariffed toll service charges on

⁴⁷ PRTC Response, p. 40.

1 the PRTC end user (subject to the limitation under Section 4.3.4.2), but then in
2 Section 4.3.4.2, PRTC proposes language that indemnifies and holds harmless
3 PRTC "without limitation" if PRTC assesses toll service charges on PRTC end
4 users. PRTC's proposed 4.3.4.2 renders its proposed Section 4.3.4.1.3
5 meaningless.

6 **Q. ABOVE YOU MENTION THE POTENTIAL FOR OVERFLOW TRAFFIC**
7 **TO BE ROUTED TO THE TANDEM, WHICH WOULD BE**
8 **COMPENSATED AT THE TANDEM SWITCHING RATE UNDER**
9 **CENTENNIAL'S PROPOSAL. PLEASE ELABORATE ON HOW**
10 **OVERFLOW TRAFFIC COULD OCCUR IF CENTENNIAL'S MEET**
11 **POINTS ARE SIZED APPROPRIATELY?**

12 **A. The language in the companies' agreement regarding sizing meet point**
13 **interconnections (Section 2.6.6 of the Interconnection Attachment) states that "at**
14 **each PRTC/Centennial POI [point of interconnection] where separate trunking is**
15 **installed...the Parties shall install sufficient trunking to achieve and/or maintain**
16 **P.03 Grade of Service for each initial route at that PRTC/Centennial POI and P.01**
17 **Grade of Service for each final route serving that PRTC/Centennial POI." P.03**
18 **Grade of Service and P.01 Grade of Service are defined terms in the Agreement**
19 **as follows (Sections 2.6.1 and 2.6.2 of the Glossary Attachment):**

20 **P.01 Grade of Service" means a trunk facility provisioning**
21 **standard with the statistical probability of no more than one call in**
22 **100 blocked on initial attempt during the average busy hour.**

23 **P.03 Grade of Service" means a trunk facility provisioning**
24 **standard with the statistical probability of no more than three calls**
25 **in 100 blocked on initial attempt during the average busy hour.**
26

1 In other words, the standard in the Agreement requires each company to size
2 interconnection facilities so as to allow no more than 1% blocking at the busy
3 hour for a final route and 3% blocking at the busy hour for an initial route.⁴⁸
4 Hence, the interconnection facilities are designed to allow a certain percentage of
5 calls to be blocked at the busy hour – or as in this case between Centennial and
6 PRTC, routed to the tandem for exchange instead of blocked. The traffic that is
7 not handled by the interconnection at the end office – in this case a maximum of
8 1% of calls on final routes and 3% calls on initial routes at the busy hour – is
9 overflow traffic.

10 **Q. IS IT REASONABLE TO ENGINEER FACILITIES SO THAT**
11 **OVERFLOW TRAFFIC NEVER OCCURS EVEN AT THE BUSY HOUR?**

12 **A.** No. Though I am not a professional engineer by trade, I am generally familiar
13 with how telecommunications facilities are sized for network deployment. When
14 it comes to capacity-based facilities such as switches or interconnection trunking,
15 they are generally sized according to the amount of traffic that they must handle at
16 the busy hour.⁴⁹ *Newton's Telecom Dictionary* describes this concept as follows:
17 "The 'busy hour' is perhaps the most important concept in traffic engineering –
18 the science of figuring what telephone switching and transmission capacities one
19 needs. Since the 'busy hour' represents the most traffic carried in a hour, the idea
20 is if you create enough capacity to carry that 'busy hour' traffic, you will be able

⁴⁸ For Grades of Service, the digits following the P, indicate the number of calls per 100 that are or can be blocked by the system. *Newton's Telecom Dictionary*, 20th ed., p. 609.

⁴⁹ The busy hour is defined as "the hour of the day (or the week, or the month, or the year) during which a telephone system carries the most traffic." *Newton's Telecom Dictionary*, 20th ed., p. 133.

1 to carry all the other traffic during all the other hours.”⁵⁰ However, if facilities
2 were engineered to handle all traffic that occurs at the busy hour, a significant
3 amount of facilities would sit idle at all times other than the busy hour. This
4 would result in excess capacity and lower the efficiencies of the facilities.
5 Therefore, it is generally accepted engineering practice to engineer capacity-based
6 facilities such that a certain maximum amount of call blocking may occur at the
7 busy hour. This reduces the amount of capacity that remains idle at times other
8 than the busy hour and increases efficiencies. *Newton’s* describes this situation as
9 follows:

10 In actuality, one never designs capacity sufficient to carry 100% of
11 the busy hour traffic. That would be too wasteful and too expensive.
12 So, the argument then comes down to, “What percentage of my peak
13 busy or busy hour traffic am I prepared to block?”...Typically, it’s
14 between 2% and 5%...

15 What this shows is that engineering principles for capacity-based facilities dictate
16 that some amount of overflow traffic may occur at the busy hour. As a result,
17 even if Centennial has engineered its meet points to meet the Grades of Service
18 called for in the Agreement, the potential for overflow traffic still exists (and is
19 actually engineered into the network by design), and Centennial should not be
20 forced to pay the premium Reverse Toll Billing charges when this occurs.

21 **Q. WOULD CENTENNIAL’S PROPOSAL PRECLUDE PRTC FROM**
22 **ASSESSING REVERSE TOLL BILLING CHARGES REGARDLESS OF**

⁵⁰ *Newton’s Telecom Dictionary*, 20th ed., p. 133.

1 I can only conclude from PRTC's apparent difficulty in understanding this
2 concept that PRTC wants to (a) exclude certain types of traffic from the meet
3 points established under the ICA and either (b) force Centennial to establish
4 inefficient, duplicative physical interconnection arrangements for such traffic or
5 (c) not exchange it at all. The Board should not countenance such a result, which
6 is inefficient and anticompetitive.

7 **Q. PRTC STATES THAT CENTENNIAL HAS NOT IDENTIFIED ANY**
8 **TYPES OF TRAFFIC THAT COULD BE EXCHANGED AT A POI**
9 **OTHER THAN THOSE LISTED IN PRTC'S PROPOSED SECTION 11.1**
10 **OF THE INTERCONNECTION ATTACHMENT.¹⁵ IS THIS TRUE?**

11 **A.** First, the reference to Section "11.1" in Mr. Correa's testimony (see, Correa
12 Direct, p. 9, line 20) appears to be a typo and should actually read Section "1.1".¹⁶
13 But, second, to answer PRTC's contention directly, PRTC is wrong. As
14 Centennial indicates in its supplemental response to PRTC data request #32:

15 An issue of relevance to the current agreement and the prospective
16 agreement is that a given call or minute of traffic might fall into
17 more than one category. Moreover, the parties might dispute
18 whether any particular call/minute does, or does not, fall within
19 more than one category, or the category into which it falls. This
20 creates a situation in which one party may contend that certain
21 traffic is not permissibly exchanged under the current agreement
22 while the other party disagrees. Therefore, the additional types of
23 traffic listed below may, or may not, depending on the
24 circumstances, already be included under an existing listed traffic
25 type, and by listing them below Centennial does not concede that
26 any particular calls/minutes that fall within one of the categories
27 listed below would not already covered by an existing traffic type.

¹⁵ Correa Direct, pp. 9-10, referencing Centennial's response to data request #1-32.

¹⁶ This is evidenced by the fact that PRTC's data request #32 nowhere refers to Section 11.1 and instead refers to Section 1.1.

1 **WHETHER CENTENNIAL'S POI IS PERFORMING**
2 **APPROPRIATELY?**⁵¹

3 A. No. The fact that Centennial's proposal allows PRTC to assess Reverse Toll
4 Billing charges if Centennial does establish an adequately sized POI at or near the
5 end office proves that PRTC is wrong. And to the extent that the interconnection
6 is not performing appropriately because of PRTC's actions or omissions,
7 Centennial should not have to pay PRTC a premium rate for PRTC's failing (and
8 would not be required to under Centennial's proposal). Centennial's proposal is
9 fundamentally fair to both companies and consistent with the concept of Reverse
10 Toll Billing.

11 **Q. WHAT IS YOUR RECOMMENDATION ON ISSUE #16?**

12 A. I recommend the Board adopt Centennial's proposed language for Section 4.3.4
13 of the Wireless Interconnection Attachment.

⁵¹ See, PRTC Response, pp. 40-41.

1 **Issue #18: Application of Wholesale Discount to Exchange Access Facilities.**

2 **PRTC's Statement of Issue #18 (as indicated in PRTC's Response):** Should the
3 **Draft 2008 Landline Agreement** extend the wholesale discount developed under
4 **Section 251(c)(4) of the Communications Act** to special access circuits that PRTC
5 **provides under access tariffs?**

6 **ICA Reference:** Resale Attachment § 1.1
7

8 **Q. PLEASE SUMMARIZE THE ADDITIONAL ISSUE THAT PRTC RAISED**
9 **IN ITS RESPONSE – APPLICATION OF WHOLESALE DISCOUNT TO**
10 **EXCHANGE ACCESS FACILITIES.**

11 **A.** This issue pertains to whether the current ruling of the Board in JRT-2003-Q-
12 0070 wherein special access circuits purchased by Centennial from PRTC are
13 eligible for a wholesale discount so long as they are not used in the provision of
14 exchange access (with the discount not applying to the portion used to provide
15 exchange access for mixed-use facilities) should be included in the companies'
16 successor ICA. PRTC freely acknowledges in its response that its proposal runs
17 counter to the Board's previous decision and the existing ICA between the
18 companies.⁵² Centennial accepts the current structure and opposes changes that
19 PRTC proposes. Rather than describing the merits of its proposal on this issue in
20 its response, PRTC points to its pleadings before the US District Court of Puerto
21 Rico. To the extent that PRTC clarifies its proposal in its direct testimony, I will
22 respond to the merits of Centennial's proposal in my reply testimony.

23 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

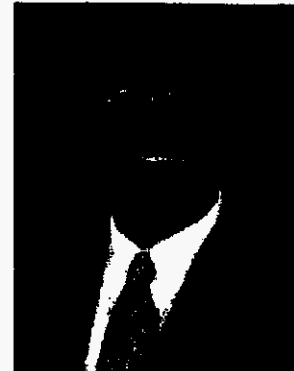
24 **A.** Yes.

⁵² PRTC Response, p. 42.

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Biography

Mr. Gates is a QSI partner and currently serves as Senior Vice President, managing some of QSI's largest clients. Before joining QSI, Mr. Gates held key management positions over a 15-year period with MCI, Inc.'s Law and Public Policy Group. Mr. Gates has focused on telecommunications issues ranging from costing, pricing, alternative forms of regulation, local entry, and universal service to strategic planning, legislation, and merger and network issues over a telecommunications career spanning 25 years. He has extensive experience working with attorneys, analysts, external consultants, regulators, lobbyists, and company executives on issues associated with the convergence of competition, technologies, services, and companies. Mr. Gates has developed policy positions and advocated those positions before regulatory commissions and legislatures across the nation. During his tenure with MCI, Mr. Gates managed its many external consultants and the associated budget. He has testified in more than 200 proceedings in 44 states and Puerto Rico and before the FCC and the Department of Justice. Mr. Gates is widely recognized in the telecommunications industry as one of the most talented witnesses and witness trainers.

Before joining MCI, Mr. Gates was employed by the Texas Public Utility Commission as a Telephone Rate Analyst in the Telecommunications Division's Engineering Department. Prior to joining the Texas staff, Mr. Gates was employed by the Oregon Public Utility Commission as an Economic Analyst in the Telecommunications Division. Mr. Gates also has experience in the energy industry, having worked with the Bonneville Power Administration (United States Department of Energy), where he was employed as a Financial Analyst. Mr. Gates also spent 10 years in the forest industry in the Northwest, where he held numerous positions of increasing responsibility for International Paper, Weyerhaeuser and the Oregon Department of Forestry.

Educational Background

Master of Management, Emphasis in Finance and Quantitative Methods
Willamette University's Atkinson Graduate School of Management, Salem, Oregon 1983

Bachelor of Science, Forest Management
Oregon State University, Corvallis, Oregon 1978



Professional Experience

QSI Consulting, Inc.
2000 – Current
Senior Vice President
Denver, Colorado

MCI Telecommunications
1994 – 1996
Executive Staff Member II
World Headquarters, Washington D.C.

**Economic Analysis and Regulatory Policy
in the Legal, Regulatory and Legislative
Affairs Department for the Midwest
Division of MCI**
1988 – 1992
Senior Manager
Chicago, Illinois

MCI Southwest Division
1985 – 1986
Financial Analyst III and Senior Staff
Specialist
Austin, Texas

Public Utility Commission of Oregon
1983 – 1984
Economic Analyst
Salem, Oregon

MCI WorldCom
1996 - 2000
Senior Executive Staff Member
National Public Policy Group
Denver, Colorado

MCI Regulatory Analysis Department
1992 – 1994
Senior Manager
National Public Policy Group
Chicago, Illinois

MCI West Division

1986 – 1988
Manager of Tariffs and Economic Analysis
Denver, Colorado

Public Utility Commission of Texas
1984 – 1985
Telephone Rate
Analyst
Austin, Texas

Bonneville Power Administration
1982 – 1983
Financial Analyst
Portland, Oregon

Expert Testimony – Profile

The information below is Mr. Gates's best effort to identify all proceedings wherein he has either provided pre-filed written testimony, an expert report or provided live testimony.

Before the Alabama Public Service Commission

Docket No. 27867

Adelphia Business Solutions Arbitration with BellSouth Telecommunications

Direct

October 18, 2000

Rebuttal

January 31, 2001

Before the Arizona Corporation Commission

Docket No. T-03654-05-0350, T-01051B-05-0350

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corp.

On Behalf of Level 3

Direct

July 15, 2005

Rebuttal

August 15, 2005

Before the Arizona Corporation Commission

Docket No. T-01051B-0454

In the Matter of Qwest Corporation's Amended Renewed Price Regulation Plan

On Behalf of Time Warner Telecom, Inc.

Direct

November 18, 2004

Before the Arizona Corporation Commission

Docket No. T-00000A-03-0369

In the Matter of ILEC Unbundling Obligations as a Result of the Federal Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 9, 2004

Before the Arizona Corporation Commission

Docket No. T-00000A-00-0194

Phase II – A; Investigation into Qwest's Compliance with Wholesale Pricing Requirements for Unbundled Network Elements and Resale Discounts

On Behalf of WorldCom, Inc.

Rebuttal

September 2, 2001

Before the Arizona Corporation Commission

Case CV 99-20649

Superior Court of Arizona; Count of Maricopa; ESI Ergonomic Solutions, LLC, Plaintiff, vs.

United Artists Theatre Circuit

On Behalf of United Artists Theatre Circuit

Affidavit

February 20, 2001

Before the Arizona Corporation Commission

Docket Nos. T-03654A-00-0882, T-01051B-00-0882

Petition of Level 3 Communications, LLC, for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

January 8, 2001

Before the Arizona Corporation Commission

Docket No. T-00000B-97-238

USWC OSS Workshop

On Behalf of MCI WorldCom, Inc.

Comments

September 20, 1999

Before the Arizona Corporation Commission

Docket No. T-03175A-97-0251

Application of MCImetro Access Transmission Services, Inc. to Expand It's CCN to Provide IntraLATA Services and to Determine that Its IntraLATA Services are Competitive

On Behalf of MCI WorldCom, Inc.

Direct

November 9, 1998

Before the Arizona Corporation Commission

Arizona Corporation Commission Workshop on Special Access Services

On Behalf of MCI

Comments

September 23, 1987

Before the Arizona Corporation Commission

Docket No. R-0000-97-137

Comments to the Universal Service Fund Working Group

On Behalf of MCI

Comments

October 24, 1997

Comments

May 8, 1998

Before the Arizona Corporation Commission

Judgment; Nos. CV 95-14284, CV-96-03355, CV-96-03356, (consolidated).

Affidavit in Opposition to USWC Motion for Partial Summary

On Behalf of MCI

Affidavit

August 21, 1996

Before the Arkansas Public Service Commission

Docket No. 04-0999-U

In the Matter of Level 3 Petition for Arbitration with Southwestern Bell Telephone, L.P. D/B/A

SBC Arkansas

On Behalf of Level 3

Direct

September 7, 2004

Before the California Public Utilities Commission

Case No. C.07-03-008

Complaint of Neutral Tandem, Inc. v. Level 3 Communications, LLC

On Behalf of Level 3

Declaration

Direct

May 7, 2007

May 25, 2007

Before the California Public Utilities Commission

Docket No. A.04-06-004

Petition of Level 3 Communications for Arbitration with SBC

On Behalf of Level 3 Communications LLC

Direct

June 1, 2004

Before the California Public Utilities Commission

Application 00-04-037

Petition of Level 3 Communications for Arbitration of an Interconnection Agreement with Pacific Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

June 5, 2000

Before the California Public Utilities Commission

Application No. 96-09-012

MCI Petition for Arbitration with GTE California, Inc.

On Behalf of MCI

Direct

September 10, 1996

Before the California Public Utilities Commission

Application No. 96-08-068

MCI Petition for Arbitration with Pacific Bell

On Behalf of MCI

Direct

August 30, 1996

Before the Colorado Public Utilities Commission

Docket No. 06F-039T

Adams County E-911 Emergency Telephone Service Authority Complaint Against Qwest

On Behalf of Adams, Arapahoe, Douglas, El Paso, Teller, Jefferson, Larimer Counties & the City of Aurora

Direct

October 24, 2007

Before the Colorado Public Utilities Commission

Docket No. 05B-210T

Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

July 11, 2005

Rebuttal

December 19, 2005

Before the Colorado Public Utilities Commission

Docket No. 04A-411T

Regarding Application of Qwest for Reclassification and Deregulation of Certain Products and Services

On Behalf of Time Warner Telecom

Direct

February 18, 2005

Before the Colorado Public Utilities Commission

Docket No. 031-478T

Regarding the Unbundling Obligations of ILECs Pursuant to the Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 26, 2004

Before the Colorado Public Utilities Commission

Docket No. 991-577T

US WEST Statement of Generally Available Terms and Conditions

On Behalf of Covad Communications Company, Rhythms Links, Inc., and New Edge Networks, Inc.

Direct

June 27, 2001

Before the Colorado Public Utilities Commission

Case No. 99CV8252

Qwest Corporation, Inc., Plaintiff, v. IP Telephony, Inc., Defendant. District Court, City and County of Denver, State of Colorado

On Behalf of IP Telephony

Direct

January 29, 2001

Before the Colorado Public Utilities Commission

Docket No. 00B-601T

Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

January 4, 2001

Rebuttal

January 16, 2001

Before the Colorado Public Utilities Commission

Docket No. 99R-128T

Proposed Amendments to the Rules on Local Calling Area Standards

On Behalf of MCI WorldCom

Oral Comments before the Commissioners

May 13, 1999

Before the Colorado Public Utilities Commission

Docket No. 98R-426T

Proposed Amendments to the Rules Prescribing IntraLATA Equal Access

On Behalf of MCI WorldCom and AT&T Communications of the Mountain States, Inc.

Comments

November 4, 1998

Before the Colorado Public Utilities Commission

Docket No. 97A-494T

Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.

Affidavit in Response to GTE

May 8, 1998

Before the Colorado Public Utilities Commission

Docket No. 97A-494T

Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.

On Behalf of MCI.

Supplemental Direct

March 10, 1998

Rebuttal

March 26, 1998

Before the Colorado Public Utilities Commission

Docket Nos. 97K-237T, 97F-175T (consolidated) and 97F-212T (consolidated)

Complaint of MCI to Reduce USWC Access Charges to Economic Cost

On Behalf of MCI

Direct

July 18, 1997

Rebuttal

August 15, 1997

Before the Colorado Public Utilities Commission

Docket No. 90A-665T (consolidated)

Application of U S WEST Communications, Inc. To Modify Its Rate and Service Regulation Plan

On Behalf of MCI

Direct

September 26, 1996

Rebuttal

October 7, 1996

Before the Colorado Public Utilities Commission

Docket No. 96A-366T (consolidated)

MCImetro Petition for Arbitration wit U S WEST Communications, Inc.

On Behalf of MCI

Direct

September 6, 1996

Rebuttal

September 17, 1996

Before the Colorado Public Utilities Commission

Docket No. 1766

Investigation and Suspension; Mountain States Telephone and Telegraph Company's Local Calling Access Plan

On Behalf of MCI

Direct

October 26, 1988

Before the Colorado Public Utilities Commission

Docket No. 1720

Investigation and Suspension; Rate Case of Mountain States Telephone and Telegraph Company

On Behalf of MCI

Direct

December 1, 1986

Before the Connecticut Department of Public Utility Control

Docket No. 07-02-29

Petition of Neutral Tandem, Inc., for Interconnection with Level 3 Communications and Request for Interim Order

On Behalf of Level 3

Direct

May 1, 2007

Before the Connecticut Department of Public Utility Control

*Petition of Level 3 Communications, LLC for Arbitration Pursuant to Section 252(b) with
Southern New England Telephone Company d/b/a/ SBC Connecticut; Level 3/SNET Arbitration*
On Behalf of Level 3 Communications, LLC

Direct

November 2, 2004

Before the Delaware Public Service Commission

Docket No. 92-47

Diamond State Telephone Company's Application for a Rate Increase
On Behalf of MCI

Direct

February 12, 1993

Before the Florida Public Service Commission

Docket Nos. 050119-TP/050125-TP

*Petition and Complaint for Suspension and Cancellation of Transit Traffic Service Tariff No.
FL2004-284 filed by BellSouth Telecommunications, Inc., by AT&T Communications of the
Southern States, LLC*

On Behalf of CompSouth

Direct

December 19, 2005

Rebuttal

January 30, 2006

Before the Florida Public Service Commission

Docket No. 031047-TP

*Petition of KMC Telecom for Arbitration with Sprint Communications: On Behalf of KMC
Telecom III, L.L.C, KMC Telecom V, Inc., and KMC Data, L.L.C.*

Direct

June 11, 2004

Rebuttal

July 9, 2004

Before the Florida Public Service Commission

Docket No. 000084-TP

Petition of BellSouth for Arbitration with US LEC of Florida Inc.

On Behalf of US LEC

Direct

October 13, 2000

Rebuttal

October 27, 2000

Before the Florida Public Service Commission

Docket No. 000907-TP

Petition of Level 3 for Arbitration with BellSouth

On Behalf of Level 3.

Direct

October 5, 2000

Rebuttal

November 1, 2000

Before the Florida Public Service Commission

Docket No. 930330-TP

Investigation into IntraLATA Presubscription

On Behalf of MCI

Direct

July 1, 1994

Before the Georgia Public Utilities Commission

Docket No. 24844

Petition of Neutral Tandem for the Establishment of Interconnection with Level 3

On Behalf of Level 3

Direct

April 13, 2007

Rebuttal

April 24, 2007

Before the Georgia Public Utilities Commission

Docket No. 12645-U

Petition of Level 3 for Arbitration with BellSouth

On Behalf of Level 3

Direct

December 6, 2000

Rebuttal

December 20, 2000

Before the Idaho Public Utilities Commission

Case No. QWE-T-05-11

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

August 12, 2005

Rebuttal

September 16, 2005

Before the Idaho Public Utilities Commission

Case No. GNR-T-02-16

Petition of Potlatch, CenturyTel, the Idaho Telephone Association for Declaratory Order

Prohibiting the Use of "Virtual NXX Calling"

On Behalf of Level 3, AT&T, WorldCom, and Time Warner Telecom

Comments/Presentation

November 25, 2002

Before the Idaho Public Utilities Commission

Case No. U-1500-177

Investigation of the Universal Local Access Service Tariff

On Behalf of MCI

Direct

March 17, 1988

Rebuttal

April 26, 1988

Before the Idaho Public Utilities Commission

Case No. U-1150-1

Petition of MCI for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

November 20, 1987

Before the Illinois Commerce Commission

Docket No. 07-0277

Complaint of Neutral Tandem, Inc. v. Level 3 Communications, LLC

On Behalf of Level 3

Direct

May 15, 2007

Before the Illinois Commerce Commission

Docket No. 04-0428

Level 3 Petition for Arbitration to Establish an Interconnection Agreement with Illinois Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

June 22, 2004

Direct

September 3, 2004

Before the Illinois Commerce Commission

Docket No. 00-0332

Level 3 Petition for Arbitration to Establish and Interconnection Agreement with Illinois Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

May 30, 2000

Supplemental Verified Statement

July 11, 2000

Before the Illinois Commerce Commission

Docket No. 93-0044

Complaint of MCI and LDDS re Illinois Bell Additional Aggregated Discount and Growth Incentive Discount Services

On Behalf of MCI and LDDS.

Direct

November 18, 1993

Rebuttal

January 10, 1994

Before the Illinois Commerce Commission

Case No. 90-0425

Presentation to the Industry Regarding MCI's Position on Imputation.

July 29, 1991

Before the Illinois Commerce Commission

Docket No. 83-0142

Industry presentation to the Commission re Docket No. 83-0142 and issues for next generic access docket re the Imputation Trial and Unitary Pricing/Building Blocks

On Behalf of MCI

Comments

November 19, 1990

Before the Illinois Commerce Commission

Docket No. 88-0091

IntraMSA Dialing Arrangements

On Behalf of MCI

Direct

November 22, 1989

Rebuttal

February 9, 1990

Before the Illinois Commerce Commission

Docket No. 89-0033

Illinois Bell Telephone Company's Rate Restructuring

On Behalf of MCI

Direct

May 3, 1989

Rebuttal

July 14, 1989

Before the Illinois Commerce Commission

Docket No. 83-0142

Appropriate Methodology for Intrastate Access Charges Regarding ICTC's Access Charge Proposal

On Behalf of MCI

Surrebuttal

February 16, 1989

Before the Illinois Commerce Commission

Docket No. 83-0142

Appropriate Methodology for Intrastate Access Charges Regarding Toll Access

On Behalf of MCI

Rebuttal

January 16, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 43299

Complaint of Neutral Tandem, Inc. and Neutral Tandem -- Indiana, LLC Against Level 3 Communications, LLC, Concerning Interconnection with Level 3 Communications, LLC

On Behalf of Level 3

Reply

July 23, 2007

Before the Indiana Utility Regulatory Commission

Cause No. 42663-INT-01

In the Matter of Level 3 Communications, LLC Petition for Arbitration with SBC Indiana

On Behalf of Level 3 Communications, LLC

Direct

September 2, 2004

Rebuttal

October 5, 2004

Before the Indiana Utility Regulatory Commission

Cause No. 39032

MCI Request for IntraLATA Authority

On Behalf of MCI

Direct

October 25, 1990

Rebuttal

April 4, 1991

Before the Indiana Utility Regulatory Commission

Cause No. 38560

Reseller Complaint Regarding 1+ IntraLATA Calling

On Behalf of MCI

Direct

June 29, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 37905

Intrastate Access Tariffs -- Parity with Federal Rates

On Behalf of MCI

Direct

June 21, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 38561

Deregulation of Customer Specific Offerings of Indiana Telephone Companies

On Behalf of MCI Regarding Staff Reports.

Direct

April 14, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 38561

Deregulation of Customer Specific Offerings of Indiana Telephone Companies

On Behalf of MCI Regarding GTE

Direct

December 16, 1988

Before the Indiana Utility Regulatory Commission

Cause No. 38561

Deregulation of Customer Specific Offerings of Indiana Telephone Companies

On Behalf of MCI

Direct

October 28, 1988

Before the Iowa Utilities Board

Docket No. FCU-06-42

In the Matter of Coon Creek Telecommunications Corp. Complaint Against Iowa Telecommunications Services

On Behalf of CCTC

Direct

July 14, 2006

Rebuttal

August 21, 2006

Before the Iowa Utilities Board

Docket No. ARB-05-4

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest

On Behalf of Level 3

Direct

July 20, 2005

Rebuttal

August 12, 2005

Surrebuttal

August 24, 2005

Before the Iowa Utilities Board

Docket Nos. INU-03-4, WRU-03-61

In Re: Qwest Corporation; Sworn Counter Statement of Position on Behalf of MCI.

December 15, 2003

Before the Iowa Utilities Board

Docket Nos. INU-03-4, WRU-03-61

In Re: Qwest Corporation; Sworn Statement of Position on Behalf of MCI.

November 14, 2003

Before the Iowa Utilities Board

Docket NOI-99-1

Universal Service Workshop; Responded to questions posed by the Staff of the Board during one day workshop

On Behalf of MCIW and AT&T

Comments

October 27, 1999

Before the Iowa Utilities Board

Docket NOI-99-1

Universal Service Workshop; Participated on numerous panels during two day workshop

On Behalf of MCI WorldCom

Comments

June 8, 1999

Before the Iowa Utilities Board

Docket No. NOI-90-1

Presentation on Imputation of Access Charges and the Other Costs of Providing Toll Services

On Behalf of MCI

October 3, 1991

Before the Iowa Utilities Board

Docket No. RPU-91-4

Investigation of the Earnings of U S WEST Communications, Inc.

On Behalf of MCI

Direct

September 25, 1991

Rebuttal

November 5, 1991

Supplemental

December 23, 1991

Rebuttal

January 10, 1992

Surrebuttal

January 20, 1992

Before the Iowa Utilities Board

Docket No. RPU-88-1

Regarding the Access Charges of Northwestern Bell Telephone Company

On Behalf of MCI

Direct

September 20, 1988

Before the Iowa Utilities Board

Docket No. RPU 88-6

IntraLATA Competition in Iowa

On Behalf of MCI

Direct

September 1, 1988

Before the Kansas Corporation Commission

Docket No. 04-L3CT-1046-ARB

In the Matter of Arbitration Between Level 3 Communications LLC and SBC Communications

On Behalf of Level 3 Communications, LLC

Direct

August 31, 2004

Before the Kansas Corporation Commission

Docket No. 181,097-U

General Investigation into IntraLATA Competition within the State of Kansas

On Behalf of MCI

Direct

June 10, 1992

Rebuttal

September 16, 1992

Before the Kentucky Public Service Commission

Case No. 2000-477

Petition of Adelphia Business Solutions for Arbitration with BellSouth

On Behalf of Adelphia

Direct

January 12, 2001

Before the Kentucky Public Service Commission

Case No. 2000-404

Petition of Level 3 Communications, LLC for Arbitration with BellSouth

On Behalf of Level 3

Direct

December 21, 2000

Before the Kentucky Public Service Commission

Administrative Case No. 323

Phase I; An Inquiry into IntraLATA Toll Competition, an Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality

On Behalf of MCI

Direct

May 20, 1993

Before the Louisiana Public Service Commission

Docket No. U-25301

Petition of Adelphia Business Solutions for Arbitration with BellSouth

On Behalf of Adelphia

Direct

December 28, 2000

Rebuttal

January 5, 2001

Before the Maryland Public Service Commission

Case No. 8879

Rates for Unbundled Network Elements Pursuant to the Telecommunications Act of 1996

Testimony on behalf of the Staff of the Public Service Commission of Maryland

Rebuttal

September 5, 2001

Surrebuttal

October 15, 2001

Before the Maryland Public Service Commission

Case No. 8585

Competitive Safeguards Required re C&P's Centrex Extend Service

On Behalf of MCI

Rebuttal

June 2, 1994

Before the Maryland Public Service Commission

Case No. 8585

Re Bell Atlantic Maryland, Inc.'s Transmittal No. 878

On Behalf of MCI

Direct

May 19, 1994

Before the Maryland Public Service Commission

Case No. 8585

Competitive Safeguards Required re C&P's Centrex Extend Service

On Behalf of MCI

Direct

November 12, 1993

Rebuttal

January 14, 1994

Before the Massachusetts Department of Telecommunications and Energy

D.P.U. 93-45

New England Telephone Implementation of Interchangeable NPAs

On Behalf of MCI

Direct

April 22, 1993

Rebuttal

May 10, 1993

Before the Michigan Public Service Commission

Case No. U-15230

Complaint and Application for Emergency Relief by Neutral Tandem Inc. for Interconnection with Level 3 Communications

On Behalf of Level 3

Direct

June 26, 2007

Before the Michigan Public Service Commission

Case No. U-14152

Petition of Level 3 Communications LLC for Arbitration with SBC Michigan

On Behalf of Level 3 Communications, LLC

Direct

June 1, 2004

Before the Michigan Public Service Commission

Case No. U-12528

In the Matter of the Implementation of the Local Calling Area Provisions of the MTA

On Behalf of Focal Communications, Inc.

Rebuttal

September 27, 2000

Before the Michigan Public Service Commission

Case No. U-12460

Petition of Level 3 Communications for Arbitration to Establish an Interconnection Agreement with Ameritech Michigan

On Behalf of Level (3) Communications, LLC

Direct

June 8, 2000

Before the Michigan Public Service Commission

Case No. U-12321

AT&T Communications of Michigan, Inc. Complainant v. GTE North Inc. and Contel of the South, Inc., d/b/a GTE Systems of Michigan

On Behalf of AT&T.

Direct (Adopted Testimony of Michael Starkey)

February 16, 2000

Rebuttal

May 11, 2000

Before the Michigan Public Service Commission
Case No. U-10138 (Reopener)
MCI v Michigan Bell and GTE re IntraLATA Equal Access
On Behalf of MCI
Direct

July 22, 1993

Before the Michigan Public Service Commission
Case No. U-10138
MCI v Michigan Bell and GTE re IntraLATA Equal Access
On Behalf of MCI
Direct
Rebuttal

July 31, 1992
November 17, 1992

Before the Michigan Public Service Commission
Case No. U-8987
Michigan Bell Telephone Company Incentive Regulation Plan
On Behalf of MCI
Direct

June 30, 1989

Before the Michigan Public Service Commission
Case Nos. U-9004, U-9006, U-9007 (Consolidated)
Industry Framework for IntraLATA Toll Competition
On Behalf of MCI
Direct
Rebuttal

September 29, 1988
November 30, 1988

Before the Minnesota Public Utilities Commission
Docket No. P-5733/C-07-296
In the Matter of a Complaint and Request for Expedited Hearing of Neutral Tandem, Inc. Against Level 3 Communications, LLC & In the Matter of the Application of Level 3 Communications, LLC to Terminate Services to Neutral Tandem, Inc. (Consolidated)
On Behalf of Level 3
Direct
Reply

June 14, 2007
July 24, 2007

Before the Minnesota Public Utilities Commission
Docket No.: P-999/CI-03-961
In the Matter of the Commission Investigation into ILEC Unbundling Obligations as a Result of the Federal Triennial Review Order
On Behalf of WorldCom, Inc. (MCI)
Direct

January 23, 2004

Before the Minnesota Public Utilities Commission

Docket Nos. P-442, 421, 3012/M-01-1916; P-421/CI-01-1375; OAH Docket No. 12-2500-14490

Commission Investigation of Qwest's Pricing of Certain Unbundled Network Elements

On Behalf of McLeod USA Telecommunications Services, Inc., Eschelon Telecom of Minnesota, Inc., US Link, Inc., Northstar Access, LLC, Otter Tail Telecomm LLC, VAL-Ed Joint Venture, LLP, dba 702 Communications

Rebuttal

April 18, 2002

Before the Minnesota Public Utilities Commission

Docket No. P-999/R-97-609

Universal Service Group

On Behalf of MCI WorldCom, Inc. and AT&T Communications
Comments

September 28, 1999

Before the Minnesota Public Utilities Commission

USWC OSS Workshop; re OSS Issues

On Behalf of MCI WorldCom, Inc.

Comments

September 14-16, 1999

Before the Minnesota Public Utilities Commission

Docket No. P-442, 421/M-96-855; P-5321, 421/M-96-909; and P-3167, 421/M-96-729

(consolidated)

Petition for Arbitration with U S WEST Communications, Inc

On Behalf of MCI

Direct

September 20, 1996

Rebuttal

September 30, 1996

Before the Minnesota Public Utilities Commission

Docket Nos. P-999/CI-85-582, P-999/CI-87-697 and P-999/CI-87-695

In the Matter of an Investigation into IntraLATA Equal Access and Presubscription; Comments of MCI on the Report of the Equal Access and Presubscription Study Committee

On Behalf of MCI

Comments

September 7, 1993

Before the Minnesota Public Utilities Commission

Docket No. P_421/CI_86_88

Summary Investigation into Alternative Methods for Recovery of Non-traffic Sensitive Costs

On Behalf of MCI

Comments to the Commission

January 30, 1987

Before the Mississippi Public Service Commission

Docket No. 2000-AD-846

Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications

On Behalf of Adelphia

Direct

February 2, 2001

Rebuttal

February 16, 2001

Before the Montana Public Service Commission

Docket No. D97.10.191

Application of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.

On Behalf of MCI

Rebuttal

May 12, 1998

Amended Rebuttal

June 1, 1998

Before the Montana Public Service Commission

Docket No. 88.1.2

Rate Case of Mountain States Telephone and Telegraph Company

On Behalf of MCI

Direct

September 12, 1988

Before the Montana Public Service Commission

Docket No. 86.12.67

Rate Case of AT&T Communications of the Mountain States, Inc.

On Behalf of MCI

Direct

May 1, 1987

Before the Nebraska Public Service Commission

Application No. C-749

Application of United Telephone Long Distance Company of the Midwest for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

March 31, 1988

Before the Nebraska Public Service Commission

Application No. C-627

Nebraska Telephone Association Access Charge Proceeding

On Behalf of MCI

Direct

November 6, 1986

Before the New Hampshire Public Utilities Commission

Docket No. DT 00-223

Investigation Into Whether Certain Calls are Local

On Behalf of BayRing Communications

Direct

January 12, 2001

Rebuttal

April 5, 2002

Before the New Hampshire Public Utilities Commission

Docket DE 93-003

Investigation into New England Telephone's Proposal to Implement Seven Digit Dialing for Intrastate Toll Calls

On Behalf of MCI

Direct

April 30, 1993

Before the New Jersey Board of Public Utilities

Docket Nos. TX90050349, TE92111047, and TE93060211

Petitions of MCI, Sprint and AT&T for Authorization of IntraLATA Competition and Elimination of Compensation

On Behalf of MCI

Direct

April 7, 1994

Rebuttal

April 25, 1994

Before the New Jersey Board of Public Utilities

Docket No. TX93060259

Notice of Pre-Proposal re IntraLATA Competition; Response to the Board of Regulatory Commissioners

On Behalf of MCI

Comments

September 15, 1993

Reply Comments

October 1, 1993

Before the New Mexico Public Regulation Commission

Case No. 06-00325-UT

Settlement Agreement

On Behalf of the New Mexico Attorney General

Direct

December 15, 2006

Before the New Mexico Public Regulation Commission

Case No. 05-00094-UT (Phase II)

In the Matter of the Implementation and Enforcement of Qwest Corporation's Amended Alternative Form of Regulation

On Behalf of the New Mexico Attorney General

Direct

July 24, 2006

Direct (on proposed settlement agreement)

September 25, 2006

Before the New Mexico Public Regulation Commission

Case No. 05-00466-UT

In the Matter of the Development of an Alternative Form of Regulation for Qwest Corporation

On Behalf of the New Mexico Attorney General

Direct

February 24, 2006

Rebuttal

March 31, 2006

Before the New Mexico Public Regulation Commission

Case No. 05-00484-UT

In the Matter of Level 3 Communications, LLC's Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

December 15, 2005

Before the New Mexico Public Regulation Commission

Case No. 05-00094-UT

*In the Matter of the Implementation and Enforcement of Qwest Corporation's Amended
Alternative Form of Regulation*

On Behalf of the New Mexico Attorney General

Direct

December 5, 2005

Before the New Mexico Public Regulation Commission

Case No. 05-00211-UT

*In the Matter of a Notice of Inquiry to Develop a Rule to Implement House Bill 776, Relating to
Access Charge Reform*

On Behalf of MCI

Oral Comments

September 14, 2005

Before the New Mexico Public Regulation Commission

Case No. 00108-UT

*Regarding Unfiled Agreements between Qwest Corporation and Competitive Local Exchange
Carriers*

On Behalf of Time Warner Telecom

Direct

May 11, 2004

Before the New Mexico Public Regulation Commission

Case Nos. 03-00403-UT and 03-00404-UT

Triennial Review Proceedings (Batch Hot Cut and Local Circuit Switching)

On Behalf of WorldCom, Inc. (MCI).

Direct

February 9, 2004

Before the New Mexico Public Regulation Commission

Utility Case No. 3495, Phase B

*Consideration of Costing and Pricing Rules for OSS, Collocation, Shared Transport,
Nonrecurring Charges, Spot Frames, Combination of Network Elements and Switching*

On Behalf of the Staff of the New Mexico Public Regulation Commission

Direct

September 16, 2002

Before the New Mexico Public Regulation Commission

Docket No. 95-572-TC

Petition of AT&T for IntraLATA Equal Access

On Behalf of MCI

Rebuttal

August 30, 1996

Before the New Mexico Public Regulation Commission

Docket No. 87-61-TC

Application of MCI for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

September 28, 1987

Before the New York Public Service Commission

Case No. 07-C-0233

Petition of Neutral Tandem for Interconnection with Level 3 Communications, LLC and Request for Interim Order

On Behalf of Level 3

Direct

March 23, 2007

Before the New York Public Service Commission

Case No. 28425

Comments of MCI Telecommunications Corporation on IntraLATA Presubscription

Reply Comments

April 30, 1992

June 8, 1992

Before the North Carolina Public Utilities Commission

Docket No. P-886, SUB 1

Petition of Adelphia Business Solutions or North Carolina, LP for Arbitration with BellSouth

On Behalf of Adelphia

Direct

October 18, 2000

Rebuttal

December 8, 2000

Before the North Carolina Public Utilities Commission

Docket No. P779 SUB4

Petition of Level (3) Communications, LLC for Arbitration with Bell South

On Behalf of Level (3) Communications, LLC

Direct

August 4, 2000

Rebuttal

September 18, 2000

Before the North Dakota Public Service Commission

Case No. PU-05-451

Midcontinent Communications v. North Dakota Telephone Company

On Behalf of Midcontinent

Direct

December 21, 2005

Rebuttal

January 16, 2006

Before the North Dakota Public Service Commission

Case No. PU-2342-01-296

Qwest Corporation Price Investigation

On Behalf of the CLEC Coalition (US Link, Inc., VAL-ED Joint Venture LLP d/b/a 702

Communications, McLeodUSA Telecommunications, Inc. and IdeaOne Telecom Group, LLC)

Direct

May 2, 2003

Before the North Dakota Public Service Commission

Case No. PU-2065-02-465

Petition of Level 3 for Arbitration with SRT Communications Cooperative

On Behalf of Level (3) Communications, LLC

Direct

December 4, 2002

Before the North Dakota Public Service Commission

Case No. PU-2320-90-183

Implementation of SB 2320 -- Subsidy Investigation

On Behalf of MCI

Direct

June 24, 1991

Rebuttal

October 24, 1991

Before the Public Utilities Commission of Ohio

Case No. 04-35-TP-COI

In the Matter of the Implementation of the FCC's Triennial Review Regarding Local Circuit

Switching in the Cincinnati Bell Telephone Company's Mass Market

On Behalf of AT&T

Direct

February 26, 2004

Before the Oklahoma Corporation Commission

Cause No. 28713

Application of MCI for Additional CCN Authority to Provide IntraLATA Services

On Behalf of MCI

Direct

April 2, 1992

Rebuttal

June 22, 1992

Before the Oregon Public Utility Commission

Docket No. ARB 665

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

August 12, 2005

Rebuttal

September 6, 2005

Before the Oregon Public Utility Commission

Docket No. UM 1058

Investigation into the Use of Virtual NPA/NXX Calling Patterns

On Behalf of Level (3) Communications, LLC

Comments/Presentation

November 6, 2002

Before the Oregon Public Utility Commission

Docket No. ARB 9

Interconnection Contract Negotiations Between MCI metro and GTE

On Behalf of MCI

Direct

October 11, 1996

Rebuttal

November 5, 1996

Before the Oregon Public Utility Commission

Docket ARB3/ARB6

Petition of MCI for Arbitration with U S WEST Communications, Inc

On Behalf of MCI

Direct

September 6, 1996

Before the Oregon Public Utility Commission

Docket No. AR 154

Administrative Rules Relating to the Universal Service Protection Plan

On Behalf of MCI

Rebuttal

October 31, 1986

Before the Oregon Public Utility Commission

Docket No. UT 17

Pacific Northwest Bell Telephone Company Business Measured Service

On Behalf of the Public Utility Commissioner of Oregon

Direct

April 23, 1984

Rebuttal

May 7, 1984

Before the Oregon Public Utility Commission

Docket No. UT 9

Pacific Northwest Bell Telephone Company Business Measured Service

On Behalf of the Public Utility Commissioner of Oregon

Direct

October 27, 1983

Before the Pennsylvania Public Utility Commission

Docket Nos. A-310922F7003/A-310922F7038

Petition of Core Communications, Inc. for Arbitration of Interconnection Rates, Terms and Conditions with the RTCC, the PTA and the Frontier Companies

On Behalf of Core

Direct

December 7, 2007

Rebuttal

February 5, 2008

Surrebuttal

March 4, 2008

Before the Pennsylvania Public Utility Commission

Docket No. A-310922F7004

Petition of Core Communications, Inc. for Arbitration of Interconnection Rates, Terms and Conditions Pursuant to 47 USC §252(b) with Windstream Pennsylvania, Inc. f/k/a Alltel

On Behalf of Core

Direct

August 17, 2007

Rebuttal

September 6, 2007

Before the Pennsylvania Public Utility Commission

Docket No. A-310922F7002

Petition of Core Communications, Inc. for Arbitration with the United Telephone Company of Pennsylvania d/b/a Embarq

On Behalf of Core

Direct

April 27, 2007

Rebuttal

June 4, 2007

Before the Pennsylvania Public Utility Commission

Docket No. C-20028114

Level 3 Communications, LLC v. Marianna & Scenery Hill Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

September 5, 2002

Before the Pennsylvania Public Utility Commission

Docket No. I-00940034

Investigation Into IntraLATA Interconnection Arrangements (Presubscription)

On Behalf of MCI

Direct

December 9, 1994

Puerto Rico Telecommunications Board

Case Nos. JRT-2005-Q-0121, JRT-2005-Q-0128, JRT-2003-Q-0297, JRT-2004-Q-0068

Telefonica Larga Distancia de Puerto Rico, Inc., Worldnet Telecommunications, Inc., Sprint Communications Company, LP, and AT&T of Puerto Rico, Inc., v. Puerto Rico Telephone Company, Inc.

On Behalf of Centennial Puerto Rico License Corporation

Direct

January 19, 2006

Before the Rhode Island Public Utilities Commission

Docket No. 2089

Dialing Pattern Proposal Made by the New England Telephone Company

On Behalf of MCI

Direct

April 30, 1993

Before the South Carolina Public Service Commission

Docket No. 2000-516-C

Adelphia Business Solutions of South Carolina, Inc. Arbitration with BellSouth Telecommunications

On Behalf of Adelphia

Direct

November 22, 2000

Rebuttal

December 14, 2000

Before the South Carolina Public Service Commission

Docket No. 2000-0446-C

US LEC of South Carolina Inc. Arbitration with BellSouth Telecommunications

On Behalf of US LEC

Direct

October 20, 2000

Before the South Dakota Public Utilities Commission

Docket No. TC03-057

Application of Qwest to Reclassify Local Exchange Services as Fully Competitive

On Behalf of WorldCom, Inc., Black Hills FiberCom and Midcontinent Communications

Direct

May 27, 2003

Before the South Dakota Public Utilities Commission

Docket No. F-3652-12

Application of Northwestern Bell Telephone Company to Introduce Its Contract Toll Plan

On Behalf of MCI

Direct

November 11, 1987

Before the Tennessee Regulatory Authority

Docket No. 00-00927

Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications

On Behalf of Adelphia

Direct

January 31, 2001

Rebuttal

February 7, 2001

Before the Texas Public Utilities Commission

PUC Docket No. 28821

Arbitration of Non-costing Issues for Successor Interconnection Agreement to the Texas 271 Agreement

On Behalf of KMC Telecom III, LLC, KMC Telecom V, Inc. (d/b/a KMC Network Services, Inc.), and KMC Data, LLC

Direct

July 19, 2004

Rebuttal

August 23, 2004

Before the Texas Public Utilities Commission

PUC Docket No. 26431

Petition of Level 3 for Arbitration with CenturyTel of Lake Dallas, Inc. and CenturyTel of San Marcos, Inc.

On Behalf of Level (3) Communications, LLC

Direct

October 10, 2002

Reply

October 16, 2002

Before the Texas Public Utilities Commission

PUC Docket No. 22441

Petition of Level 3 for Arbitration with Southwestern Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

June 5, 2000

Rebuttal

June 12, 2000

Before the Utah Public Service Commission

Docket No. 03-999-04

In the Matter of a Proceeding to Address Actions Necessary to Respond to the FCC's Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 13, 2004

Before the Utah Public Service Commission

Docket No. 00-999-05

In the Matter of the Investigation of Inter-Carrier Compensation for Exchanged ESP Traffic

On Behalf of Level 3 Communications, LLP

Direct

February 2, 2001

Before the Utah Public Service Commission

Docket No. 97-049-08

USWC Rate Case

On Behalf of MCI

Surrebuttal

Revised Direct

September 3, 1997

September 29, 1997

Before the Utah Public Service Commission

Docket No. 96-095-01

MCImetro Petition for Arbitration with USWC Pursuant to 47 U.S.C. Section 252

On Behalf of MCI

Direct

Rebuttal

November 8, 1996

November 22, 1996

Before the Utah Public Service Commission

Case No. 83-999-11

Investigation of Access Charges for Intrastate InterLATA and IntraLATA Telephone Services

On Behalf of MCI

Direct

July 7, 1988

Before the Utah Public Service Commission

Case No. 87-049-05

Petition of the Mountain State Telephone and Telegraph Company for Exemption from Regulation of Various Transport Services

On Behalf of MCI

Direct

November 16, 1987

Before the Washington Utilities and Transportation Commission

Docket No. UT-033011

In the Matter of Washington Utilities and Transportation Commission, Petitioners, v. Advanced Telecom Group, Inc., et al, Respondents

On Behalf of Time Warner Telecom of Washington, LLC

Direct

September 13, 2004

Before the Washington Utilities and Transportation Commission

Docket No. UT-030614

In the Matter of the Petition of Qwest Corporation for Competitive Classification of Basic Exchange Telecommunications Services

On Behalf of MCI, Inc.

Direct

Rebuttal

August 13, 2003

August 29, 2003

Before the Washington Utilities and Transportation Commission

Docket No. UT-021569

Developing an Interpretive or Policy Statement relating to the Use of Virtual NPA/NXX Calling Patterns

On Behalf of MCI, KMC Telecom, and Level (3) Communications, LLC

Workshop Participation

May 1, 2003

Before the Washington Utilities and Transportation Commission

Docket No. UT-021569

Developing an Interpretive or Policy Statement relating to the Use of Virtual NPA/NXX Calling Patterns

On Behalf of WorldCom, Inc. and KMC Telecom

Comments

January 31, 2003

Before the Washington Utilities and Transportation Commission

Docket No. UT-023043

Petition of Level 3 for Arbitration with CenturyTel of Washington, Inc.

On Behalf of Level (3) Communications, LLC

Direct

October 18, 2002

Rebuttal

November 1, 2002

Before the Washington Utilities and Transportation Commission

Docket No. UT-003013, Part D

Continued Costing and Pricing of Unbundled Network Elements, Transport, and Termination

On Behalf of WorldCom, Inc.

Direct

December 21, 2001

Before the Washington Utilities and Transportation Commission

Docket No. UT-970325

Rulemaking Workshop re Access Charge Reform and the Cost of Universal Service

On Behalf of MCI

Comments and Presentation

January 13, 1998

Before the Washington Utilities and Transportation Commission

Docket No. UT-960338

Petition of MCI metro for Arbitration with GTE Northwest, Inc., Pursuant to 47 U.S.C.252

On Behalf of MCI

Direct

October 11, 1996

Rebuttal

November 20, 1996

Before the Washington Utilities and Transportation Commission

Docket No. U-88-2052-P

Petition of Pacific Northwest Bell Telephone Company for Classification of Services as Competitive

On Behalf of MCI

Direct

September 27, 1988

Before the West Virginia Public Service Commission

Case No. 97-1338-T-PC

Petition of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.

On Behalf of MCI

Rebuttal

June 18, 1998

Before the West Virginia Public Service Commission

Case No. 94-0725-T-PC

Bell Atlantic - West Virginia Incentive Regulation Plan

On Behalf of MCI

Direct

October 11, 1994

Before the Wisconsin Public Service Commission

Docket No. 05-MA-135

Petition of Level 3 for Arbitration with Wisconsin Bell, Inc. d/b/a/ SBC Wisconsin

On Behalf of Level (3) Communications, LLC

Direct

September 1, 2004

Before the Wisconsin Public Service Commission

Docket No. 05-MA-130

Petition of Level 3 for Arbitration with CenturyTel

On Behalf of Level (3) Communications, LLC

Direct

September 30, 2002

Reply

October 9, 2002

Before the Wisconsin Public Service Commission

Docket No. 05-NC-102

Petition of MCI for IntraLATA 10XXX 1+ Authority

On Behalf of MCI

Direct

April 3, 1992

Before the Wisconsin Public Service Commission

Docket No. 05-TR-103

Investigation of Intrastate Access Costs and Intrastate Access Charges

On Behalf of MCI

Direct

November 15, 1990

Before the Wisconsin Public Service Commission

Docket No. 2180-TR-102

GTE Rate Case and Request for Alternative Regulatory Plan

On Behalf of MCI

Direct

October 1, 1990

Rebuttal

October 15, 1990

Before the Wisconsin Public Service Commission

Docket No. 6720-TR-104

Wisconsin Bell Rate Case

On Behalf of MCI

Direct

April 16, 1990

Before the Wisconsin Public Service Commission

Docket No. 05-TR-102

Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges

On Behalf of MCI

Direct

December 1, 1989

Before the Wisconsin Public Service Commission

Docket No. 6720-TI-102

Review of the WBI Rate Moratorium

On Behalf of MCI

Direct

October 9, 1989

Rebuttal

November 17, 1989

Before the Wisconsin Public Service Commission

Docket No. 05-TI-112

Disconnection of Local and Toll Services for Nonpayment -- Part A; Examination of Industry

Wide Billing and Collection Practices -- Part B

On Behalf of MCI

Direct

July 5, 1989

Rebuttal

July 12, 1989

Before the Wisconsin Public Service Commission

Docket No. 6720-TR-103

Investigation Into the Financial Data and Regulation of Wisconsin Bell, Inc.

On Behalf of MCI

Rebuttal

May 11, 1989

Before the Wisconsin Public Service Commission

Docket No. 05-NC-100

Amendment of MCI's CCN for Authority to Provide IntraLATA Dedicated Access Services

On Behalf of MCI

Direct

May 1, 1989

Before the Wisconsin Public Service Commission

Docket No. 6720-TI-102

Review of Financial Data Filed by Wisconsin Bell, Inc.

On Behalf of MCI

Direct

March 6, 1989

Before the Wisconsin Public Service Commission

Docket No. 05-TI-116

In the Matter of Provision of Operator Services

On Behalf of MCI

Rebuttal

December 12, 1988

Before the Wisconsin Public Service Commission

Docket No. 05-TR-102

Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges

On Behalf of MCI

Direct

October 31, 1988

Rebuttal

November 14, 1988

Before the Wyoming Public Service Commission

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

September 8, 2005

Rebuttal

November 18, 2005

Before the Wyoming Public Service Commission

Docket No. 9746 Sub 1

Application of MCI for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

June 17, 1987

Before the Wyoming Public Service Commission

Docket No. 72000-TC-97-99

In the Matter of Compliance with Federal Regulations of Payphones

On Behalf of MCI

Oral Testimony

May 19, 1997

Comments Submitted to the Federal Communications Commission and/or the Department of Justice

Comments to the Department of Justice (Task Force on Telecommunications) on the Status of OSS Testing in Arizona and the USWC Collaborative on Behalf of MCI WorldCom, Inc.

November 9, 1999

Comments to FCC Staff of Common Carrier Bureau on the Status of OSS Testing in Arizona on Behalf of MCI WorldCom, Inc.

November 9, 1999

Presentation to FCC Staff on the Status of Intrastate Competition on Behalf of MCI.

February 16, 1995

Ameritech Transmittal No. 650

Petition to Suspend and Investigate on Behalf of MCI re Ameritech 64 Clear Channel Capability Service.

September 4, 1992

Ameritech Transmittal No. 578

Petition to Suspend and Investigate on Behalf of MCI re Ameritech Directory Search Service.

November 27, 1991

CC Docket No. 91-215

Opposition to Direct Cases of Ameritech and United (Ameritech Transmittal No. 518; United Transmittal No. 273) on Behalf of MCI re the introduction of 64 Kbps Special Access Service.

October 15, 1991

Ameritech Transmittal No. 562

Petition to Suspend and Investigate on Behalf of MCI re Proposed Rates and Possible MFJ Violations Associated with Ameritech's OPTINET Reconfiguration Service (AORS).

September 30, 1991

Ameritech Transmittal No. 555

Petition to Suspend and Investigate on Behalf of MCI re Ameritech Directory Search Service.

August 30, 1991

Ameritech Transmittal No. 526

Petition to Suspend and Investigate on Behalf of MCI re Proposed Flexible ANI Service.

April 17, 1991

Ameritech Transmittal No. 518

Petition to Suspend and Investigate on Behalf of MCI re Proposed Rates for OPTINET 64 Kbps Service.

March 6, 1991

Selected Reports, Presentations and Publications

CLE International 10th Annual Conference, "Telecommunications Law," "Technology Update – The State of Wireless Technologies in Canada – A Comparison of Wireless Technologies in Canada and the United States of America."

December 13-14, 2007

CLE International 8th Annual Conference, "Telecommunications Law," "VoIP and Brand X – Legal and Regulatory Developments."

December 8-9, 2005

QSI Technical Report No. 012605A "IP-Enabled Voice Services: Impact of Applying Switched Access Charges to IP-PSTN Voice Services"

Ex Parte filing in FCC dockets WC Dockets No. 04-36 (In the Matter of IP-Enabled Services), 03-266 (In the Matter of Level 3 Communications LLC Petition for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of 47 U.S.C. § 251(g), Rule 51.701(b)(1), and Rule 69.5(b); IP Enabled Services)

Washington DC, January 27, 2005

QSI Report to the Wyoming Legislature "The Wyoming Universal Service Fund. *An Evaluation of the Basis and Qualifications for Funding*" December 3, 2004.

Presentation to the Iowa Senate Committee Regarding House Study Bill 622/Senate Study Bill 3035; Comments on Behalf of MCI
February 19, 2004

National Association of Regulatory Utility Commissioners Summer Committee Meetings; Participated in Panel regarding "Wireless Substitution of Wireline - Policy Implications."
July 25, 2003

Seminar for the New York State Department of Public Service entitled "Emerging Technologies and Convergence in the Telecommunications Network". Presented with Ken Wilson of Boulder Telecommunications Consultants, LLC
February 19-20, 2003

"Litigating Telecommunications Cost Cases and Other Sources of Enlightenment"; Educational Seminar for State Commission and Attorney General Employees on Litigating TELRIC Cases; Denver, Colorado.
February 5-6, 2002

Illinois; Presentation to the Environment & Energy Senate Committee re Emerging Technologies and Their Impact on Public Policy, on Behalf of MCI WorldCom, Inc.
March 8, 2000

"Interpreting the FCC Rules of 1997"; The Annenberg School for Communication at the University of Southern California; Panel Presentation on Universal Service and Access Reform.
October 23, 1997

"NECA/Century Access Conference"; Panel Presentation on Local Exchange Competition.
December 13-14, 1995

"TDS Annual Regulatory Meeting"; Panel Presentation on Local Competition Issues.
August 29, 1995

"Phone+ Supershow '95"; Playing Fair: An Update on IntraLATA Equal Access; Panel Presentation.
August 28-30, 1995

"The LEC-IXC Conference"; Sponsored by Telecommunications Reports and Telco Competition Report; Panel on Redefining the IntraLATA Service Market -- Toll Competition, Extended Area Calling and Local Resale.
March 14-15, 1995

The 12th Annual National Telecommunications Forecasting Conference; Represented IXCs in Special Town Meeting Segment Regarding the Convergence of CATV and Telecommunications and other Local Competition Issues.
May 23-26, 1994

TeleStrategies Conference -- "IntraLATA Toll Competition -- Gaining the Competitive Edge";
Presentation on Carriers and IntraLATA Toll Competition on Behalf of MCI.
May 13-14, 1993

NARUC Introductory Regulatory Training Program; Panel Presentation on Competition in
Telecommunications on Behalf of MCI.
March 14-17, 1993

TeleStrategies Conference -- "IntraLATA Toll Competition -- A Multi-Billion Dollar Market
Opportunity." Presentations on the interexchange carriers' position on intraLATA dialing parity
and presubscription and on technical considerations on behalf of MCI.
December 2-3, 1992

North Dakota Association of Telephone Cooperatives Summer Conference, July 8-10, 1992.
Panel presentations on "Equal Access in North Dakota: Implementation of PSC Mandate" and
"Open Network Access in North Dakota" on Behalf of MCI.
July 9, 1992

TeleStrategies Conference -- "Local Exchange Competition: The \$70 Billion Opportunity."
Presentation as part of a panel on "IntraLATA 1+ Presubscription" on Behalf of MCI.
November 19, 1991

Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation Course; May
13-16, 1991; Participated in IntraLATA Toll Competition Debate on Behalf of MCI.
May 16, 1991

Michigan; Presentation to the Michigan Senate Technology and Energy Commission and the
House Public Utilities Committee re MCI's Building Blocks Proposal and SB 124/HB 4343.
May 15, 1991

Wisconsin; Comments Before the Wisconsin Assembly Utilities Committee Regarding the
Wisconsin Bell Plan for Flexible Regulation, on Behalf of MCI.
May 16, 1990

Michigan; Presentation to the Michigan Senate Technology and Energy Committee re SB 124 on
behalf of MCI.
March 20, 1991

Illinois Telecommunications Sunset Review Forum; Two Panel Presentations: Discussion of the
Illinois Commerce Commission's Decision in Docket No. 88-0091 for the Technology Working
Group; and, Discussion of the Treatment of Competitive Services for the Rate of Return
Regulation Working Group; Comments on Behalf of MCI.
October 29, 1990

Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation; May 14-18,
1990; Presentation on Alternative Forms of Regulation.
May 16, 1990

Michigan; Presentation Before the Michigan House and Senate Staff Working Group on Telecommunications; "A First Look at Nebraska, Incentive Rates and Price Caps," Comments on Behalf of MCI.

October 30, 1989

National Association of Regulatory Utility Commissioners -- Summer Committee Meeting, San Francisco, California. Panel Presentation -- Specific IntraLATA Market Concerns of Interexchange Carriers; Comments on Behalf of MCI.

July 24, 1989

Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation; May 15-18, 1989; Panel Presentation -- Interexchange Service Pricing Practices Under Price Cap Regulation; Comments on Behalf of MCI.

May 17, 1989

Minnesota; Senate File 677; Proposed Deregulation Legislation; Comments before the House Committee on Telecommunications.

April 8, 1987

Centennial and PRTC Proposed Interconnection Language**Key:**

- **Bold, Underlined Text** is Centennial-proposed language / PRTC disagrees
- **Strikeout Text** is PRTC-proposed language / Centennial disagrees

ISSUE #1: TERM OF AGREEMENT – GT&C SECT 2.1***Should the Agreement have a term of 2 years or 3 years?***

The term of this Agreement shall begin on Effective Date and, unless the Agreement is cancelled or terminated earlier or the term is extended, all in accordance with the provisions hereof, shall end at 11:59am Atlantic Time on the date that is **two (2)** ~~three (3)~~ years after the Effective Date.

ISSUE #3: LATE PAYMENT PENALTIES FOR DISPUTED ESCROWED AMOUNTS – GT&C SECTS 17.6***Should the contract provide that the interest earned on disputed amounts in escrow constitutes sufficient "penalty" to the losing party?***

Should all or any portion of the invoice dispute brought under the terms of Section 17.5 be resolved in the invoicing Party's favor, the late payment penalty set forth in Section 17.4 shall **not apply be applied to; however, in such event the invoicing Party shall be entitled both to (a) the unreceived disputed amount that is resolved in the invoicing Party's favor, compounded daily from the Payment Due Date to and including the date the outstanding amount is received by the Invoicing Party to be paid from the Escrow Account in accordance with the terms of the Escrow Agreement, and to (b) the interest on such amount that has accrued on it within the Escrow Account.** Should all or any portion of the invoice dispute brought under the terms of Section 17.5 be resolved in the invoiced Party's favor, the late payment penalty set forth in Section 17.4 shall not be applied to the unreceived disputed amount that is resolved in the invoiced Party's favor. The late payment penalty set forth in Section 17.4 shall be applied to all unreceived amounts that are not disputed in compliance with the terms of Section 17.5. The cost of maintaining a disputed amount in an escrow account under the terms of Section 17.5 ~~12.2~~ of this Attachment shall be borne by the Parties in proportion to the resolution of the associated billing dispute.

ISSUE #5: SCOPE OF TRAFFIC TO BE EXCHANGED BETWEEN THE PARTIES – INTERCONNECTION ATTACHMENT SECT. 1.1, 11.1

Should the contract permit the parties to efficiently use the numerous high-capacity meet points linking their networks for any types of traffic, or should the use of those meet points be arbitrarily restricted to certain traffic types?

1.1 This Interconnection Attachment addresses the Points of Interconnection (“POIs”) for the exchange of traffic between the networks of the Parties and the compensation, if any, to be paid by one Party to the other Party therefore. Any lawful traffic may be exchanged by the Parties under this Agreement, whether at the POIs or otherwise. Certain types of traffic may have different compensation rates associated with them. Among the types of traffic to be exchanged, and which may have different compensation rates by the Parties under this Agreement are:

- 1.1.1 Local Traffic;
- 1.1.2 ISP-Bound Traffic;
- 1.1.3 Intrastate Toll Traffic;
- 1.1.4 Interstate Toll Traffic;
- 1.1.5 Interstate Exchange Access Traffic;
- 1.1.6 Intrastate Exchange Access Traffic;
- 1.1.7 Voice-over-Internet-Protocol (“VoIP”) Traffic;
- 1.1.83 Jointly Provided Intrastate Exchange Access Traffic;
- 1.1.94 Jointly Provided Interstate Exchange Access Traffic;
- 1.1.105 Toll Free Service Access Code Traffic;
- 1.1.116 PRTC Transited Traffic;
- 1.1.127 Centennial Transited Traffic;
- 1.1.138 V/FX Traffic; and
- 1.1.149 Unclassified Traffic.

11.1 Unclassified Traffic is Telecommunications traffic delivered by Centennial to PRTC that is not ~~Local Traffic, ISP Bound Traffic, Jointly Provided Intrastate Exchange Access Traffic, Joint Provided Interstate Exchange Access Traffic, Toll Free Service Access Code Traffic, PRTC Transited Traffic, Special Use Traffic, or V/FX Traffic~~ identified or defined in Section 1.1 of this Interconnection Attachment and/or the Glossary Attachment.

**ISSUE #6: DEFAULT BILL & KEEP COMPENSATION – INTERCONNECTION
SECT 1.2**

Should the Agreement make clear that traffic types for which compensation is not specified should be exchanged on a B&K basis?

1.2 ~~The POIs established or maintained under this Agreement shall not be used, and n~~No compensation shall be due; to or from either Party for the exchange of any traffic:

1.2.1 Compensation for which that is not expressly identified and provided for in this Agreement;

1.2.2 by or with a Party that is not a Common Carrier for the purpose of delivering or receiving that traffic; or

1.2.3 that, except as and to the extent provided in Sections 6, 7, and 9 of this Attachment, neither originates nor terminates on a Centennial Customer landline terminal in the Puerto Rico MTA.

**ISSUE #9: DEFINITION OF LOCAL TRAFFIC – INTERCONNECTION SECT. 4
& ISSUE #10: CLARIFICATION OF TREATMENT OF VOIP TRAFFIC –
INTERCONNECTION SECT. 4.1.4**

Should the agreement clearly state that the status of traffic as “local” is determined by the geographic end points of the traffic, as the Board has repeatedly ruled? (Issue #9)

Should the contract specify when to classify VoIP traffic as “local” in order to avoid disputes? (Issue #10)

4.1.1 “Local Traffic” means Telecommunications traffic that originates ~~on the landline terminal of one Party’s customer, is delivered by that Party to the other Party at a PRTC/Centennial POI, and is terminated by the second Party on the landline terminal of the second Party’s customer~~ in the same Governing Local Calling Area ~~in which it originated~~. For avoidance of doubt, Local Traffic does not include any of the following types of traffic (it being understood that certain types of traffic may fall into more than one of the following categories): (a) ISP-Bound Traffic; (b) traffic that does not originate and terminate within the same Governing Local Calling Area based on the actual originating and terminating points of the complete end-to-end communication; (c) ~~Intrastate Toll Traffic and~~ Interstate Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis; (d) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (e) Interstate Toll Free Service Access Code Traffic; (f) PRTC Transited Traffic; (g) Centennial

Transited Traffic; (h) V/FX Traffic; (i) Voice Information Service Traffic; or (j) Unclassified Traffic.

4.1.2 "Governing Local Calling Area" means the Puerto Rico local calling area or areas as set forth in an Effective Price List that applies the fewest number of local calling areas in Puerto Rico without regard to the class or classes of Customers to be served under the Effective Price List (e.g., business customers, residential customers), subject to the provisions of Section 4.2 of this Attachment of PRTC as reflected on its tariffs on file with the Telecommunications Regulatory Board of Puerto Rico (TRB).

4.1.3 "Effective Price List" means a then-effective list of prices and charges of a Party on file with the Board under the terms of Chapter III, Article 7 of Law 213, 27 L.P.R.A. § 269f.

4.1.4 For avoidance of doubt, VoIP traffic shall be treated as Local Traffic as long as (a) the end user on Puerto Rico originating or receiving the traffic, as the case may be, and (b) the location at which the traffic is converted between public switched telephone network/time division multiplexing VoIP format are both within the same Governing Local Calling Area.

**ISSUE #11: TREATMENT OF TOLL-FREE TRAFFIC –
INTERCONNECTION SECT 7**

Should the Agreement conform the intercarrier compensation arrangements for "8YY" traffic to the general rules applicable to traffic the parties exchange?

7.3 For intraisland Toll Free Service Access Code Traffic (defined as traffic where the originating and terminating end users are both in Puerto Rico), the following compensation rules apply: Except as otherwise agreed to by the Parties in writing, all untranslated toll free service access code traffic delivered by Centennial to PRTC will be routed to PRTC over a separate and distinct one-way trunk group at a PRTC/Centennial POI located at a PRTC Access Tandem Switch.

7.3.1 If a Party does not perform its own translations, and sends untranslated traffic to the other Party, the Party performing the translation function shall be entitled to its tariffed charge for that function. When Centennial delivers untranslated toll free service access code calls to PRTC for purposes of performing the translation, and the call is then returned

~~to the Centennial in its capacity as a toll free service access code service provider, Centennial, shall pay PRTC any applicable tandem switching charges in addition to any applicable access charges for performing the translation.~~

7.3.2 If a call originates on the network of one Party and is terminated on the network of the other Party, the originating Party shall pay the terminating Party the local call termination rate established in this Agreement PRTC will not direct untranslated toll free service access code calls to Centennial.

7.3.3 If a call (a) originates on the network of one Party, (b) is handed off to the other Party in an untranslated form; and then (c) is returned to the first Party for termination, the first Party shall pay, in addition to the translation fee provided for in Section 7.3.1 above, the other Party's tariffed intrastate per-minute tandem switching rate.

7.3.4 If a call (a) originates on the network of one Party; (b) is handed off to the other Party in an untranslated form; (c) is returned to the first Party based on the translations; and then (d) is delivered by the first Party over a meet point for termination by the second Party, then, in addition to the payments provided for in Section 7.3.3 above, the first Party shall also pay the second Party the local call termination rate established in this Agreement.

7.3.5 No other charges as between the Parties shall apply for any intransland Toll Free Service Access Code Traffic that they exchange.

7.4 For interstate Toll Free Service Access Code Traffic (defined as traffic where one of the end users is in Puerto Rico and the other is not), the following compensation rules apply: When a Party delivers translated toll free service access code calls to the other Party and the other Party is acting in its capacity as a toll free service access code service provider, the other Party shall pay all applicable access charges set forth in the Party's then effective tariff.

7.4.1 If neither Party is the interstate toll carrier with respect to the call, then each Party shall charge the interstate toll carrier its appropriate interstate originating access charges

and/or translation fees, consistent with Section 6 of this Interconnection Attachment.

7.4.2 If the Party whose end user originates the call is not the toll carrier with respect to the call, and the other Party is the toll carrier with respect to the call, the Party that is the toll carrier shall pay the other Party its tariffed interstate originating access charges.

7.4.3 If the Party whose end user originates the call is the toll carrier with respect to the call but hands the call to the other Party in untranslated form, the Party whose end user originates the call shall pay the other Party its tariffed fees for (a) translation and (b) originating interstate tandem switching.

7.4.4 For avoidance of doubt, this Section 7.4 does not apply to Toll Free Service Access Code Traffic originated by an end user of Centennial's wireless operations located in the U.S. Virgin Islands and calling an 8YY number associated with an 8YY customer located in the U.S. Virgin Islands or Puerto Rico. Compensation for such traffic shall be as set forth in the separate agreement between PRTC and Centennial with respect to wireless traffic.

7.5 Except as otherwise agreed to by the Parties in writing, all untranslated toll free service access code traffic delivered by Centennial to PRTC will be routed to PRTC over a separate and distinct one-way trunk group. When a Party in its capacity as a toll free service access code service provider delivers previously translated toll free service access code calls to the other Party for termination with a Customer of the other Party, the delivering Party shall deliver the traffic to the other Party over a separate and distinct two-way trunk group and shall pay to the other Party any applicable access charges set forth in the Party's then effective tariff.

ISSUE #12: PREVENTION OF PRTC REGULATORY ARBITRAGE IN CONNECTION WITH TRANSIT TRAFFIC - INTERCONNECTION SECTS 8.5.3 AND 8.5.4

Should the Agreement make clear that PRTC may not simultaneously (a) prevent Centennial from establishing an efficient direct connection to a third-party carrier but then (b) charge Centennial for having to reach that carrier through PRTC's tandem switch?

8.5.3 Notwithstanding anything to the contrary in this Agreement except Section 8.5.4 of this Interconnection Attachment, PRTC shall have no obligation to deliver PRTC Transited Traffic between Centennial and a particular Third Party Carrier under this Agreement for a period to exceed one-hundred eighty (180) days from the later of (i) the Effective Date of this Agreement or (ii) the date on which PRTC Transited Traffic was first delivered from or to that particular Third Party Carrier by PRTC.

8.5.4 Notwithstanding anything to the contrary in this Agreement, including, without limitation Section 8.5.3 of this Interconnection Agreement, PRTC shall use commercially reasonable efforts, including access to PRTC premises and/or facilities on commercially reasonable terms, to facilitate Centennial's efforts to establish direct connections to any Third Party Carrier or Carrier affiliated with PRTC whose switching or other interconnection points are located on premises under PRTC's total or partial control. If and to the extent that PRTC does not meet the requirement of the preceding sentence, then PRTC shall provide transit service for traffic between Centennial's network and the affected Third Party Carrier(s) and/or Carrier(s) affiliated with PRTC, at no charge or cost to Centennial.

ISSUE #15: TRANSITING RATE – PRICING SECT VII.1

Should PRTC be required to impose only its tandem switching rate for handling transit traffic?

VII. Transit Traffic Tandem Switching

I. Tandem Switching (per minute) ~~\$0.001289~~ \$0.005236

ISSUE #16: CLARIFICATION OF APPLICATION OF TOLL BILLING – WIRELESS INTERCONNECTION SECT 4.3

Should the Agreement clarify that reverse toll billing charges will not apply if the traffic carrying capacity of an end office meet point is adequate to meet the blocking standard in the Agreement?

4.3 Local CMRS Traffic Delivered by PRTC to Centennial

4.3.1 Except as provided in Section 4.3.4.1 of this Attachment, PRTC shall pay to Centennial the FCC Capped Rate set forth in the Pricing Attachment for Local CMRS Traffic that is delivered by PRTC to Centennial at a PRTC/Centennial POI.

4.3.2 Centennial acknowledges that, ~~except as provided in Section 4.3.4.1 of this Attachment, PRTC may will~~ assess applicable tariffed charges for each call from a PRTC Telephone Exchange Service Customer to a Centennial CMRS mobile radio Customer terminal, in accordance with ~~subject to the provisions of Section 4.3.3 of this Attachment, but not otherwise.~~

4.3.3 ~~Notwithstanding anything in this Agreement to the contrary, PRTC may will~~ assess applicable tariffed local service charges for each call from a PRTC Telephone Exchange Service Customer to a Centennial CMRS mobile radio Customer terminal that originates within the same PRTC local calling area (as defined in PRTC's then-effective Tariff) as the PRTC local calling area in which the traffic is delivered by PRTC to Centennial through a PRTC/Centennial POI. For the purposes of this Section 4.3.3, a PRTC/Centennial POI shall be considered to be within the same PRTC local calling area as that in which a call originates if the subject PRTC/Centennial POI it is located no more than four (4) miles from the End Office Switch in which the NXX of the PRTC Telephone Exchange Service Customer originating the call resides; provided, however, that if the End Office Switch in which the NXX of the PRTC Telephone Exchange Service Customer originating the call resides is a remote switch that is not physically configured to allow connections from Centennial, then the PRTC/Centennial POI shall be considered to be within the same PRTC local calling area as that in which a call originates if the subject PRTC/Centennial POI it is located no more than four (4) miles from the host End Office Switch serving that remote End Office Switch.

4.3.4 Reverse Toll Billing

4.3.4.1 For each call from a PRTC Telephone Exchange Service Customer to a Centennial CMRS mobile radio Customer terminal that originates within a PRTC local calling area (as defined in PRTC's then-effective Tariff) ~~other than the PRTC local calling area in which traffic is delivered by PRTC to Centennial through a PRTC/Centennial POI (as determined under Section 4.3.3 of this Attachment)~~ in which Centennial has not established a POI that has been configured to meet the requirements of Section 2.6.6 of this Attachment:

4.3.4.1.1 Centennial shall pay to PRTC \$0.022 per minute of the call;

4.3.4.1.2 Centennial shall not charge PRTC, and PRTC shall not be required to pay, any charges or fees, however characterized, for the carriage, transport, and/or termination of the call, including, without limitation, the charge described in Section 4.3.1 of this Attachment; and

4.3.4.1.3 subject to the provisions of Section 4.3.4.2 of this Attachment, PRTC shall not assess applicable tariffed toll service charges on the PRTC Telephone Exchange Service Customer.

4.3.4.2 For each call (a) from a PRTC Telephone Exchange Service Customer to a Centennial CMRS mobile radio Customer terminal that originates within a PRTC local calling area (as defined in PRTC's then-effective Tariff) in which Centennial has established a POI that has been configured to meet the requirements of Section 2.6.6 of this Attachment but that (b) nevertheless is routed via a PRTC tandem switch, PRTC may assess tariffed tandem switching charges for such call, provided, however, that no such tandem switching charges shall apply if the traffic is routed via a PRTC tandem switch as a result of PRTC's actions or omissions leading to congestion on, or unavailability of, a POI within the originating local calling area. The provision of reverse toll billing as set forth in this Section 4.3.4 is incompatible with the implementation of federal intermodal number portability and intermodal number pooling policies as described in that certain Petition for Declaratory Ruling filed with the FCC by PRTC on November 26, 2003 and placed on Public Notice by the FCC's Wireline Competition Bureau on January 9, 2004 (DA 04-36) (which incompatibility is referred to hereinafter as "Reverse Toll Billing Failure"). Centennial shall indemnify PRTC, defend PRTC, and hold PRTC harmless for any errors or omissions arising out of Reverse Toll Billing Failure associated with PRTC's obligations under this Section 4.3.4. Such errors or omissions may include, without limitation, (a) the assessment of applicable toll service charges on a PRTC Telephone Exchange Service Customer that calls a Centennial Customer CMRS mobile radio terminal assigned a telephone number from a native wireline NPA NXX; and (b) the failure to deliver to a presubscribed interexchange carrier an interexchange call from a PRTC Telephone Exchange Service Customer to a former Centennial CMRS Customer who has ported the called telephone number to a wireline service provider. Notwithstanding anything to the contrary in this Agreement, PRTC shall not be liable to Centennial for any failure, mistake, omission, interruption, delay, error, or defect arising out of Reverse Toll Billing Failure associated with PRTC's obligations under this Section 4.3.4, and Centennial shall assert no claim against PRTC therefore. In the event of any Third Party Claim made against PRTC arising out of Reverse Toll Billing Failure associated with PRTC's obligation under this Section 4.3.4, Centennial shall indemnify PRTC as provided in Section 14 of the General Terms and Conditions of this Agreement.

**ISSUE #18: APPLICATION OF WHOLESALE DISCOUNT TO
EXCHANGE ACCESS FACILITIES – RESALE ATTACHMENT SECT.1.1**

Should the Draft 2008 Landline Agreement extend the wholesale discount developed under Section 251(c)(4) of the Communications Act to special access circuits that PRTC provides under access tariffs?

Any Telecommunications Service offered by PRTC on a retail basis to customers that are not (a) Telecommunications Carriers or (b) wholesale purchasers of the Telecommunications Service (including, but not limited to, ISPs) (hereinafter referred to as a "Qualifying PRTC Telecommunications Service") shall be made available by PRTC to Centennial for resale to the extent required under the terms of the Communications Act, the FCC Rules (including the limitations set forth in 47 C.F.R. § 51.605), and this Attachment at such time and in those locations as it is offered by PRTC on a retail basis to Customers. Such Qualifying PRTC Telecommunications Services include, but are not limited to, those listed in the Resale Section of the Pricing Attachment to this Agreement. The Parties shall comply with any effective ruling of the Board in Case Number JRT-2003-Q-0070, without prejudice to the right of either Party to seek reconsideration or review of such ruling, and subject to the final resolution thereof.

[NOTE: PRTC takes issue with the last (underlined) sentence shown above in Issue #18].

**Before the
TELECOMMUNICATIONS REGULATORY BOARD
OF PUERTO RICO**

Petition of)
)
)

Centennial Puerto Rico License Corp.)
)

For Arbitration Pursuant to Section 252(b)
of the Telecommunications Act of 1996 to
Establish an Interconnection Agreement
with Puerto Rico Telephone Company)
)

Case No. JRT-2008-AR-0001

REPLY TESTIMONY

OF

TIMOTHY J GATES

ON BEHALF OF

CENTENNIAL PUERTO RICO LICENSE CORP.

July 7, 2008

**BH 0130
Docket No. 090501**

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Timothy J Gates. My business address is QSI Consulting, 819 Huntington Drive, Highlands Ranch, Colorado 80126.

Q. ARE YOU THE SAME TIMOTHY GATES WHO FILED DIRECT TESTIMONY IN THIS PROCEEDING ON JUNE 9, 2008?

A. Yes.

Q. ON WHOSE BEHALF ARE YOU FILING THIS REPLY TESTIMONY?

A. Centennial Puerto Rico License Corp. (Centennial).

II. PURPOSE OF REPLY TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR REPLY TESTIMONY?

A. I will respond to the direct testimonies of Puerto Rico Telephone Company's ("PRTC's") witnesses David Blessing,¹ Roberto Correa,² and Alicia Caballero.³ Specifically, I will respond to Mr. Blessing's testimony on arbitration issue numbers 3, 6, 9, 11, 12, 15. With respect to Mr. Correa's direct testimony, I will respond to arbitration issue numbers 1, 5, 10, 16 and 18. And I will respond to Ms. Caballero's direct testimony on arbitration issue number 3. The issue

¹ Direct testimony of David C. Blessing, on behalf of Puerto Rico Telephone Company, Case No. JRT-2008-AR-0001, June 9, 2008 ("Blessing Direct").

² Direct testimony of Roberto Correa Carro, on behalf of Puerto Rico Telephone Company, Case No. JRT-2008-AR-0001, June 9, 2008 ("Correa Direct").

³ Direct testimony of Alicia Caballero Perrier, on behalf of Puerto Rico Telephone Company, Case No. JRT-2008-AR-0001, June 9, 2008 ("Caballero Direct").

1 statements describing these arbitration issues are shown in the section headings
2 below and in my direct testimony.

3 **III. ISSUE BY ISSUE ANALYSES**

4 **Issue #1: Term of Agreement**

5 **Statement of Issue #1:** Should the Agreement have a term of 2 years or 3 years?

6 **ICA Reference:** General Terms and Conditions ("GT&Cs"), § 2.1
7

8 **Q. WHAT IS THE STATUS OF ISSUE #1?**

9 **A.** As of the date of this Reply Testimony, the parties have settled Issue #1.

10 **Issue #3: Late Payment Penalties in Connection with Disputes where the Disputed**
11 **Amounts are Placed Into Escrow**

12 **Statement of Issue #3:** Should the contract provide that the interest earned on
13 **disputed amounts in escrow constitutes sufficient "penalty" to the losing party?**

14 **ICA Reference:** GT&Cs, § 17.6
15

16 **Q. PLEASE SUMMARIZE THE COMPANIES' POSITIONS ON ISSUE #3.**

17 **A.** The companies agree that when an Invoiced Party disputes a bill (or a portion of a
18 bill) rendered by the Invoicing Party, the Invoiced Party should put the disputed
19 funds in an interest-bearing escrow account, the terms of which they have also
20 agreed upon. The companies also agree that if an Invoiced Party doesn't either
21 (a) pay a bill or (b) dispute it and put the disputed funds into escrow, a late
22 payment fee applies. The only disagreement on this point is whether a late
23 payment penalty should apply when the Invoiced Party timely disputes a bill and
24 timely pays the disputed amount into escrow, and the dispute is eventually
25 resolved in the Invoicing Party's favor. No late payment fee should apply in that
26 case because the Invoiced Party will have relinquished control over the funds in a

1 timely manner, and because the Invoiced Party does not receive any bonus
2 payment if the dispute is resolved in its favor and the money returned from
3 escrow. PRTC incorrectly asserts that this asymmetrical arrangement is
4 appropriate.

5 **Q. WHAT CONCERNS DOES PRTC RAISE REGARDING CENTENNIAL'S**
6 **PROPOSAL FOR ISSUE #3?**

7 A. PRTC raises two primary concerns with Centennial's proposal. First, PRTC
8 states that the Invoicing Party has been deprived of the use of disputed funds
9 during the dispute, and the late payment penalty compensates the Invoicing Party
10 for this loss if a dispute is resolved in its favor.⁴ Second, PRTC claims that it has
11 been difficult to get Centennial to adhere to the billing provisions of the 2005 ICA
12 and that the interest accrued on escrowed amounts is not sufficient protection for
13 the Invoicing Party if there is a risk that the Invoiced Party will not place amounts
14 in escrow in the first place.⁵

15 **Q. PLEASE ADDRESS PRTC'S SECOND CONCERN.**

16 A. PRTC's second concern is completely misguided. Under the agreed provisions of
17 the ICA, if an Invoiced Party does not place disputed amounts in escrow in a
18 timely fashion, late fees do apply. Agreed language in Section 17.6 states: "The
19 late payment penalty set forth in Section 17.4 shall be applied to all unreceived
20 amounts that are not disputed in compliance with the terms of Section 17.5", and
21 one of the terms of Section 17.5 is that an Invoiced Party must place disputed

⁴ See, e.g., Caballero Direct pp. 4 and Blessing Direct, p. 9.

⁵ Caballero Direct, pp. 4-5.

1 amounts in escrow by the payment due date (GT&Cs, Section 17.5.1.2). In
2 addition, if Centennial simply ignores its payment obligations under Section 17 of
3 the ICA, PRTC would be entitled, under Section 18, to demand "Assurances of
4 Payment" from Centennial. Any concerns about Centennial simply not paying its
5 bills are completely addressed by other provisions in the ICA. PRTC's second
6 concern, therefore, is a "red herring."

7 **Q. PLEASE RESPOND TO THE CONCERN THAT CENTENNIAL'S**
8 **PROPOSAL DEPRIVES THE INVOICING PARTY OF COMPENSATION**
9 **FOR LOSS OF USE OF FUNDS DURING THE DISPUTE.**

10 **A.** PRTC's observation on this point is not so much wrong as it is one-sided. If an
11 Invoiced Party disputes a bill and pays the disputed funds into escrow, both the
12 Invoiced Party and the Invoicing Party lose the use of those funds while the
13 dispute is pending. (In both cases the interest on the escrowed funds can safely be
14 assumed to be well below either company's cost of capital.) If the Invoiced
15 Party's dispute is upheld, nothing in the ICA – and certainly nothing PRTC has
16 proposed – would compensate the Invoiced Party for the loss of the use of the
17 funds while the dispute is pending. But if the Invoicing Party prevails, PRTC
18 wants the ICA to compensate the Invoicing Party for the loss of use of funds by
19 means of the late payment penalty. This is one-sided and unreasonable. If it is
20 important to compensate the prevailing party for the loss of use of funds placed
21 into escrow during a dispute, then the ICA should impose a symmetrical "late
22 payment/erroneous billing" penalty. Centennial's proposal correctly treats these

1 situations symmetrically, but limits the compensation to the interest earned while
2 the disputed funds are in escrow.

3 **Q. WHAT INCENTIVES WOULD THE PARTIES' RESPECTIVE**
4 **PROPOSALS CREATE?**

5 **A.** PRTC's proposal dampens the incentive on Invoicing Parties to promptly resolve
6 billing disputes. An Invoicing Party can send a questionable bill with impunity,
7 knowing that the Invoiced Party will put the funds in escrow – thus depriving the
8 Invoiced Party of the use of the funds – while also knowing that if the bill turns
9 out to be sustained, the Invoicing Party gets paid not only for the bill, but also a
10 hefty late fee. In such a situation the Invoicing Party will have a disincentive to
11 actually resolve the dispute, making negotiations less productive and making it
12 more likely that the Invoiced Party would have to bring the matter to the Board
13 for resolution. Indeed, this ultimately creates an incentive for the Invoicing Party
14 to render inaccurate bills in the first place. On the other hand, under Centennial's
15 proposal, both parties would be equally motivated to resolve the dispute quickly
16 because neither one would have use of the funds while they are in escrow, and
17 neither one would be entitled to a bonus payment, in the form of a late fee, if their
18 position in the dispute happens to prevail.

1 **Q. SHOULDN'T PRTC BE ALLOWED TO COLLECT THE HIGHER**
2 **INTEREST RATE FOR LATE PAYMENT PENALTIES IN ADDITION**
3 **TO THE LOWER INTEREST RATE ON ESCROWED AMOUNTS WHEN**
4 **A PAYMENT IS RESOLVED IN PRTC'S FAVOR?**

5 A. No. There are two problems here. First, as discussed above, the late payment
6 arrangement PRTC prefers is one-sided. But, second, the interest rate associated
7 with the late payment penalty – “the lesser of (i) 15 percent per year or (ii) the
8 highest interest rate that may be charged under governing law”⁶ – is set at a
9 relatively high level in recognition of the fact that it applies when the Invoiced
10 Party does not pay its bills on time, either by paying them directly or disputing
11 them and paying them into escrow. But once the Invoiced Party has surrendered
12 the funds – either to the Invoicing Party or to the escrow account – there is no
13 need to further motivate the Invoiced Party to part with the funds. PRTC may
14 claim that the high late payment fee is needed, even on disputed amounts, in order
15 to discourage erroneous or frivolous disputes, but that would equally justify
16 imposing a high fee when disputes are resolved in the Invoiced Party’s favor, in
17 order to discourage erroneous or frivolous bills – a position that PRTC rejects.

18 **Q. DO YOU AGREE WITH PRTC'S CLAIM THAT THE LATE PAYMENT**
19 **PENALTY “SERVES A COMPENSATORY PURPOSE”⁷?**

20 A. No. First, the structure of the agreed terms in the ICA shows that the late
21 payment penalty is designed to encourage the Invoiced Party to pay its bills on

⁶ GT&C Attachment, Section 17.4

⁷ Caballero Direct, p. 5, line 6.

1 time, either to the Invoicing Party or to the escrow account. Second, the level of
2 interest for the late payment fee – 15% – is well above PRTC’s cost of capital,
3 which remains at 11.25% for regulatory purposes (and which PRTC suggests is
4 only slightly higher, 11.33%⁸).

5 **Q. IF THE ICA DOES NOT REQUIRE LATE PAYMENT PENALTIES FOR**
6 **PROPERLY DISPUTED FUNDS IN ESCROW WHEN RESOLVED IN**
7 **THE INVOICING PARTY’S FAVOR, WILL THE “PROPHYLACTIC**
8 **EFFECT” OF THE ICA BE DIMINISHED, AS PRTC CLAIMS⁹?**

9 A. No. The late payment fee applies (appropriately) if an Invoiced Party fails to pay
10 the Invoicing Party or pay the funds into escrow in a timely manner. That is an
11 appropriate “prophylactic effect” and Centennial’s proposal does not affect it.
12 PRTC wants a system in which an Invoiced Party is punished for disputing a bill
13 and turning out to be wrong, but an Invoicing Party is not punished for sending a
14 bill that turns out to be wrong. This is one-sided, unfair, and not in the public
15 interest.

16 **Q. WHAT ABOUT PRTC’S POINT THAT EVERY DOLLAR PRTC IS**
17 **DEPRIVED VIA DISPUTED AMOUNTS IN ESCROW REDUCES PRTC’S**
18 **RETURN BY 1 DOLLAR TIMES ITS COST OF CAPITAL?¹⁰**

19 A. This is true but applies with full force to every dollar Centennial is deprived of by
20 placing a disputed payment into escrow rather than keeping it. As noted above,

⁸ Blessing Direct, p. 9, footnote 1.

⁹ Caballero, p. 5, lines 9-12.

¹⁰ Blessing Direct, p. 9.

1 placing the funds into escrow, with the prevailing party receiving the disputed
2 amount and the escrow interest, but no more, gives both parties an incentive to
3 resolve disputes promptly because the escrow interest is lower than either party's
4 cost of capital. The only other fair alternative, which PRTC has not proposed,
5 would be to award the prevailing party both the disputed amounts and a penalty
6 amount designed to more closely reflect each party's respective cost of capital. In
7 this regard, I would note that Centennial's cost of capital would be higher than
8 PRTC's.

9 **Q. PLEASE ELABORATE.**

10 **A.** Generally speaking, CLECs have a higher cost of capital than ILECs because the
11 competitor's business is riskier than the incumbent's. As a result, debt lenders
12 will require higher rates of interest for competitors and equity investors will
13 require higher rates of return from competitors – which will result in a higher cost
14 of capital. Because Centennial's cost of capital would be greater than PRTC's,
15 the impact of depriving Centennial of a dollar during a dispute that is resolved in
16 Centennial's favor has a greater impact on Centennial than depriving PRTC of a
17 dollar during a dispute that is resolved in PRTC's favor. Despite this having a
18 disproportionate impact on Centennial vis-à-vis PRTC, PRTC's proposal attempts
19 to provide compensation only for itself in this regard.

20 **Q. MS. CABALLERO TESTIFIES THAT "CENTENNIAL'S SUGGESTION,**
21 **THEREFORE, THAT THE ALTERATION OF THE ESCROW 'FLOOR'**
22 **SOMEHOW JUSTIFIES ITS NEW, AND VERY DIFFERENT,**

1 **PROPOSAL IS QUITE WRONG AS A PRACTICAL MATTER.”¹¹ HAS**
2 **CENTENNIAL MADE SUCH A SUGGESTION?**

3 A. Not that I’m aware of,¹² and Ms. Caballero provides no cite to where Centennial
4 makes this suggestion (see, Caballero Direct, p. 7, lines 10-12).¹³ I can only
5 presume that Ms. Caballero is reporting on some comment that may have been
6 made during some negotiation session.

7 That said, I would note that the parties’ agreed-to revision of the escrow provision
8 under which all disputed amounts (not just large amounts) are paid into escrow,
9 combined with Centennial’s proposal to pay the prevailing party – whether the
10 Invoicing or Invoiced Party – the same amount of interest on the monies released
11 at the end of a dispute, creates a symmetrical situation between Invoiced and
12 Invoicing Parties that would not have existed if the old escrow floor were
13 maintained. Symmetrical treatment is fair and appropriate and, in that sense, the
14 two provisions are indeed related and mutually reinforcing.

15 **Q. WHAT IS YOUR RECOMMENDATION FOR ISSUE #3?**

16 A. The Board should adopt Centennial’s proposed Section of 17.6 of the ICA’s
17 GT&Cs.

¹¹ Caballero Direct, p. 7, lines 10-12.

¹² I have reviewed Centennial’s Petition for Arbitration and see no such suggestion.

¹³ If Ms. Caballero’s quote from Centennial’s Petition for Arbitration at Caballero Direct, p. 5, line 19 – p. 6, line 7 is supposed to contain this suggestion, it does not. This excerpt just explains that the escrow requirement which requires 100% of disputed funds to be placed in escrow removes any incentive to raise disputes in bad faith or attempt to delay or avoid payment (*i.e.*, because it must give up control of disputed funds), and that PRTC’s proposal is one-sided. There is no mention of the escrow floor alteration justifying Centennial’s proposal in this quote.

1 ***Issue #5: Scope of Traffic to be Exchanged Between the Parties***

2 ***Statement of Issue #5:*** Should the contract permit the parties to efficiently use the
3 numerous high-capacity meet points linking their networks for any types of traffic,
4 or should the use of those meet points be arbitrarily restricted to certain traffic
5 types?

6 ***ICA Reference:*** Interconnection Attachment §§ 1.1, 11.1

7
8 **Q. PLEASE SUMMARIZE THE DISAGREEMENT BETWEEN THE**
9 **PARTIES ON ISSUE #5**

10 **A.** It is Centennial's position that the meet point interconnections that Centennial has
11 established at each of PRTC's end offices should be used to exchange all types of
12 lawful traffic between the companies. PRTC's position, on the other hand, is that
13 the meet points should be restricted to certain narrowly identified traffic types.

14 **Q. PRTC STATES THAT IT DOES NOT KNOW WHAT "ANY LAWFUL**
15 **TRAFFIC" MEANS UNDER CENTENNIAL'S PROPOSED**
16 **LANGUAGE.¹⁴ CAN YOU CLARIFY?**

17 **A.** I addressed this issue at page 19 of my direct testimony. From a lay perspective,
18 "any lawful traffic" is straightforward: Centennial wants to exchange all types of
19 traffic originated or received between the companies over the meet points
20 established under the agreement. Put another way, what Centennial does not want
21 to do is to have to identify particular types of traffic and route such separately
22 identified traffic over additional, unnecessary physical interconnection facilities.
23 As discussed below, this Centennial proposal is not only completely consistent
24 with the applicable FCC rules and rulings, from my lay perspective it seems to
25 very clearly be required by those rulings.

¹⁴ Correa Direct, p. 9, lines 9-16.

1 I can only conclude from PRTC's apparent difficulty in understanding this
2 concept that PRTC wants to (a) exclude certain types of traffic from the meet
3 points established under the ICA and either (b) force Centennial to establish
4 inefficient, duplicative physical interconnection arrangements for such traffic or
5 (c) not exchange it at all. The Board should not countenance such a result, which
6 is inefficient and anticompetitive.

7 **Q. PRTC STATES THAT CENTENNIAL HAS NOT IDENTIFIED ANY**
8 **TYPES OF TRAFFIC THAT COULD BE EXCHANGED AT A POI**
9 **OTHER THAN THOSE LISTED IN PRTC'S PROPOSED SECTION 11.1**
10 **OF THE INTERCONNECTION ATTACHMENT.¹⁵ IS THIS TRUE?**

11 **A. First, the reference to Section "11.1" in Mr. Correa's testimony (see, Correa**
12 **Direct, p. 9, line 20) appears to be a typo and should actually read Section "1.1".¹⁶**
13 **But, second, to answer PRTC's contention directly, PRTC is wrong. As**
14 **Centennial indicates in its supplemental response to PRTC data request #32:**

15 An issue of relevance to the current agreement and the prospective
16 agreement is that a given call or minute of traffic might fall into
17 more than one category. Moreover, the parties might dispute
18 whether any particular call/minute does, or does not, fall within
19 more than one category, or the category into which it falls. This
20 creates a situation in which one party may contend that certain
21 traffic is not permissibly exchanged under the current agreement
22 while the other party disagrees. Therefore, the additional types of
23 traffic listed below may, or may not, depending on the
24 circumstances, already be included under an existing listed traffic
25 type, and by listing them below Centennial does not concede that
26 any particular calls/minutes that fall within one of the categories
27 listed below would not already covered by an existing traffic type.

¹⁵ Correa Direct, pp. 9-10, referencing Centennial's response to data request #1-32.

¹⁶ This is evidenced by the fact that PRTC's data request #32 nowhere refers to Section 11.1 and instead refers to Section 1.1.

1 With those qualifications, other types of traffic that may (or may
2 not) be included under existing specified traffic types but that
3 would clearly be included under Centennial's proposal, include the
4 following:

- 5 a. VoIP Traffic, irrespective of its independent
6 classification as "local," "toll," "access," etc. for purposes
7 of the agreement or at retail.
- 8 b. Interstate and intrastate exchange access traffic, whether
9 jointly provided or not.
- 10 c. Interstate and intrastate access service traffic, whether
11 jointly provided or not, to the extent that this is different
12 from exchange access traffic
- 13 d. Interstate and intrastate toll traffic, whether jointly
14 provided or not.
- 15 e. Wireless traffic.

16
17 As technology and intercarrier compensation rules develop there
18 may well be other "types" of traffic that arise. The point of
19 Centennial's proposal is that any such traffic may be exchanged at
20 the meet points. Note also that designating a particular traffic type
21 as permissible for exchange at the meet points does not determine
22 either (a) the rating of that traffic for purposes of intercarrier
23 compensation or (b) whether such traffic will be exchanged on
24 separate trunk groups.

25 The gist of this heavily "lawyered" response is that the traffic types that are listed
26 in Centennial's proposed Section 1.1 but that are not listed in PRTC's proposed
27 Section 1.1 may or may not already be covered by the PRTC list, depending on
28 the interpretation of that list.

29 Centennial has real reason to be concerned that PRTC will interpret its list
30 narrowly. I have been informed that in disputes under the existing ICA, PRTC
31 claims that certain types of traffic – specifically, traffic where one of the two
32 parties is acting as a toll carrier – may not permissibly be exchanged over the
33 meet points. This shows that Centennial is justified in its concern that under the
34 new ICA PRTC will try to force Centennial to establish duplicative and inefficient

1 physical interconnection arrangements for certain types of traffic (presumably
2 including the "toll" traffic at issue in the currently pending disputes).

3 Actually, PRTC's proposed language in the Interconnection Attachment confirms
4 that PRTC wants to exclude certain types of traffic from the POIs. Its version of
5 Interconnection Attachment, §§ 1.2 and 1.2.1 says: "The POIs established or
6 maintained under this Agreement may not be used ... for the exchange of traffic:
7 that is not expressly identified and provided for in this Agreement." This
8 language appears in the current agreement and is part of the basis for the PRTC
9 arguments noted above. Centennial's proposed language would remove that
10 potential restriction.

11 **Q. AS FAR AS YOU ARE AWARE, HAS THE FCC ADDRESSED THE**
12 **QUESTION OF USING MEET POINTS ESTABLISHED UNDER**
13 **SECTION 251 OF THE COMMUNICATIONS ACT FOR DIFFERENT**
14 **TYPES OF TRAFFIC?**

15 **A.** Yes. I will not address the legal analysis that the FCC undertook to reach its
16 conclusions, but it is clear from a practical perspective that the FCC forbids
17 ILECs from requiring a CLEC to establish redundant physical interconnection
18 arrangements for different "types" of traffic. That is, the FCC forbids exactly
19 what PRTC is trying to do.

20 The FCC's rule is very simple. CLECs are entitled to establish physical
21 interconnection arrangements with ILECs under Section 251(c)(2) and/or Section
22 251(c)(1), for the exchange (among other things) of traditional local traffic. Once

1 such physical interconnection arrangements have been established for that
2 purpose, those same arrangements can be used for any other type of traffic,
3 whether that other traffic is classified as generic "telecommunications" traffic, as
4 "information services" traffic, or simply as "non-telecommunications" traffic.
5 The reason for the rule is equally simple: The FCC recognized that a requirement
6 to establish duplicative and unnecessary physical interconnection arrangements
7 for different types of traffic would be inefficient and would impose costs on
8 CLECs. For that reason, ILECs will have a motivation to impose such a
9 requirement, so the FCC needed to expressly forbid them.

10 **Q. HOW DO YOU KNOW THAT THE FCC'S RULE, AND THE REASON**
11 **FOR IT, IS AS YOU STATED ABOVE?**

12 **A.** It is plain from the FCC's own rules and statements in its orders. FCC Rule
13 52.100(b) states that: "A telecommunications carrier that has interconnected or
14 gained access under sections 251(a)(1), 251(c)(2), or 251(c)(3) of the Act, may
15 offer information services through the same arrangement, so long as it is offering
16 telecommunications services through the same arrangement." The only way a
17 CLEC could offer service "through" an interconnection arrangement is by
18 exchanging traffic over it with the incumbent. So an "interconnection ...
19 arrangement ... under section 251(a)(1) [or] 251(c)(2)" may be used to exchange
20 either telecommunications or information services traffic. I don't see any
21 limitation or restriction in the FCC's language.

22 The matter gets even more clear if you consider what the FCC has said in its

1 orders about this issue. In the 1996 *Local Competition Order*¹⁷, the FCC
2 addressed this point in paragraph 995, where it said the following (emphasis
3 added):

4 telecommunications carriers that have interconnected or gained access
5 under sections 251(a)(1), 251(c)(2), or 251(c)(3), may offer
6 information services through the same arrangement, so long as *they*
7 *are offering telecommunications services* through the same
8 arrangement as well. Under a contrary conclusion, a competitor would
9 be precluded from offering information services in competition with
10 the incumbent LEC under the same arrangement, thus *increasing the*
11 *transaction cost for the competitor*. We find this to be *contrary to the*
12 *pro-competitive spirit of the 1996 Act*. By rejecting this outcome we
13 *provide competitors the opportunity to compete effectively with the*
14 *incumbent* by offering a full range of services to end users *without*
15 *having to provide some services inefficiently through distinct*
16 *facilities or agreements*.

17 The “outcome” the FCC was “rejecting” is exactly what PRTC is proposing in
18 this case – a limitation on the types of traffic that may be exchanged over the
19 POIs (established under Section 251(c)(2) of the Act). PRTC’s proposal, to quote
20 the FCC, would “increase transaction cost[s] for [Centennial],” would be
21 “contrary to the pro-competitive spirit of the 1996 Act,” and would force
22 Centennial “to provide some services inefficiently through distinct facilities or
23 agreements.”

24 **Q. HAS THE FCC ADDRESSED THIS QUESTION SINCE THE LOCAL**
25 **COMPETITION ORDER IN 1996?**

¹⁷ *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Report and Order*, 11 FCC Red 15499 (1996) (“*Local Competition Order*”).

1 A. Yes. For example, last year's *Time Warner Declaratory Ruling*¹⁸ involved a
2 claim that a CLEC (in that case, Sprint) was not entitled to interconnect under
3 Section 251 for the purpose of exchanging Voice-over-Internet-Protocol (VoIP)
4 traffic originating on a cable operator's network. The FCC's Wireline
5 Competition Bureau rejected that position and clearly restated the broad rule
6 noted above:

7 [U]nder the Commission's existing rules, "[a] telecommunications
8 carrier that has interconnected or gained access under section[]
9 251(a) . . . of the Act, may offer information services through the
10 same arrangement, so long as it is offering telecommunications
11 services through the same arrangement as well." 47 C.F.R. §
12 51.100(b) (emphasis added). Thus, the fact that a telecommunications
13 carrier is also providing a non-telecommunications service is not
14 dispositive of its rights.

15 *Time Warner Declaratory Ruling* at ¶14 n.39 (first emphasis in original, second
16 emphasis added). This ruling does not limit the "non-telecommunications
17 services" which are permissibly transmitted under a § 251 interconnection
18 arrangement to "information services." Instead, once the interconnection
19 arrangement is being used for "telecommunications services," it may be used for
20 "non-telecommunications services" as well.

21 The FCC made essentially the same point in last year's *Wireless Broadband*
22 *Classification Order*,¹⁹ again re-affirming that once a physical interconnection
23 arrangement is established under Section 251, that same arrangement can be used

¹⁸ *Time Warner Cable Request for Declaratory Ruling that Competitive Local Exchange Carriers May Obtain Interconnection Under Section 251 of the Communications Act of 1934, as Amended, to Provide Wholesale Telecommunications Services to VoIP Providers*, Memorandum Opinion and Order, 22 FCC Rcd 3513 (Wireline Comp. Bureau 2007) ("*Time Warner Declaratory Ruling*").

¹⁹ *Appropriate Regulatory Treatment for Broadband Access to the Internet over Wireless Networks*, Declaratory Ruling, 22 FCC Rcd 5901 (2007) ("*Wireless Broadband Classification Order*").

1 both for the exchange of any telecommunications traffic, as well as for the
2 exchange of information services traffic. *Id.* at ¶¶ 67-68.

3 I will leave the legal significance of these FCC pronouncements to the lawyers,
4 but from a practical perspective it seems 100% clear what the FCC's rule is: once
5 an ILEC and a CLEC have established physical connections under Section 251, it
6 can be used for any type of telecommunications traffic.

7 **Q. PRTC CLAIMS THAT IDENTIFYING AND RESTRICTING TRAFFIC**
8 **EXCHANGED OVER MEET POINTS MAKES SENSE BECAUSE IN THE**
9 **CASE OF SWITCHED ACCESS, FOR EXAMPLE, THE IXC SHOULD**
10 **BEAR THE ENTIRE COST OF ACCESS FACILITIES AT TARIFFED**
11 **ACCESS RATES, WHILE COSTS OF MEET POINTS ARE SHARED**
12 **BETWEEN CENTENNIAL AND PRTC.²⁰ DO YOU AGREE?**

13 **A.** No. First, that PRTC argument is contradicted by the FCC rule and rulings I just
14 discussed. Second, as I explained in my direct testimony, there are ways to
15 ensure that different types of traffic exchanged at the same meet point are billed
16 the correct rates associated with that type of traffic. One such example is using
17 different trunk groups in accordance with the agreed-to provisions in the
18 interconnection agreement;²¹ another is using factors created from traffic studies
19 to identify different types of traffic.²² There is no reason to use the more costly

²⁰ Correa Direct, p. 8.

²¹ Gates Direct, p. 21.

²² Gates Direct, pp. 22-23.

1 and inefficient proposal of PRTC to establish entirely new and duplicative
2 facilities between the companies other than to disadvantage Centennial.

3 **Q. WHAT ABOUT THE POINT THAT WITH A MEET POINT POI EACH**
4 **CARRIER BEARS ITS OWN COSTS OF THE FACILITIES USED TO**
5 **ESTABLISH THE POI, BUT WITH ACCESS SERVICE THE IXC PAYS**
6 **FOR THE FACILITIES?**

7 **A.** There are both practical and policy reasons why PRTC's point is not valid. As a
8 practical matter, while it is true that the FCC denied pure IXCs the right to avoid
9 access charges by interconnecting under Section 251 (which I discuss below), the
10 only way I can understand the FCC's clear rule permitting all types of traffic to be
11 exchanged over a "legitimate" Section 251 interconnection arrangement is that the
12 costs of the arrangement itself are governed by the policies of that provision –
13 which, in the case of a meet point arrangement, essentially split the costs between
14 the interconnected carriers – and not by the rules that would apply to facilities
15 obtained under an access tariff. (Note that this applies only to the interconnection
16 *facilities*. The per-minute rate for traffic termination is a separate matter; if
17 access charges apply to particular traffic, then the access per-minute rate should
18 apply.) As a practical matter, moreover, in the case of Centennial and PRTC it
19 seems obvious that the vast majority of traffic the parties have exchanged and will
20 exchange is plain old Section 251 traffic – either landline traffic entirely within
21 Puerto Rico (which is local) or wireless traffic entirely within the Puerto Rico-
22 USVI MTA (which is local). Trying to parse out separate facilities costs for

1 whatever small fraction of traffic might be subject to access charges seems
2 unnecessary as a practical matter.

3 **Q. PRTC GOES ON TO STATE THAT THE "OR OTHERWISE"**
4 **LANGUAGE IN CENTENNIAL'S PROPOSAL IS CONFUSING.²³ CAN**
5 **YOU CLARIFY?**

6 **A. Yes. Mr. Correa takes issue with the phrase "or otherwise" in the following**
7 **Centennial proposed language: "[a]ny lawful traffic may be exchanged by the**
8 **Parties under this Agreement, whether at the POIs or otherwise." As indicated in**
9 **Centennial's response to PRTC data request #27b, Centennial's language does not**
10 **have the effect of establishing or requiring traffic exchange points other than the**
11 **POIs discussed in the Agreement. Rather, as indicated in Centennial's response**
12 **to PRTC discovery, it means that if the companies agree to establish additional**
13 **exchange points (such as if Centennial decided to purchase an entrance facility**
14 **from PRTC's access tariff), Centennial's proposal provides that any lawful traffic**
15 **could be exchange at the newly established exchange point as well.**

16 **Q. PRTC STATES THAT "THE FCC HAS MADE CLEAR THAT THE**
17 **GOVERNING STATUTE DOES NOT CALL FOR THE USE OF**
18 **INTERCONNECTION MEET POINTS IN THE FASHION APPARENTLY**
19 **CONTEMPLATED HERE BY CENTENNIAL."²⁴ DO YOU AGREE?**

20 **A. No. Mr. Correa is wrong about this. To the contrary, as I explained above, what**
21 **the FCC has said is that the broad use of interconnection meet points as**

²³ Correa Direct, p. 10, lines 4-13.

²⁴ Correa Direct, p. 10, lines 20-22.

1 contemplated by Centennial is exactly what it thinks should happen, and that
2 restrictions on the type of traffic that can be exchanged over interconnection meet
3 points, of the sort that PRTC is trying to impose, are anticompetitive, contrary to
4 the spirit of the 1996 Act, impose needless costs on competitors like Centennial,
5 and are not allowed.

6 **Q. SO, TO WHAT DO YOU THINK MR. CORREA IS REFERRING?**

7 A. Mr. Correa does not cite to the "governing statute" to which he refers,²⁵ but I
8 assume that he is referring to paragraph 191 of the *Local Competition Order*. I
9 say this because that paragraph was cited on this point in PRTC's Response to
10 Centennial's Petition for Arbitration.²⁶

11 **Q. WHAT DOES PARAGRAPH 191 OF THE LOCAL COMPETITION**
12 **ORDER DEAL WITH?**

13 A. As I discussed above, the FCC's rule stating that an interconnected carrier may
14 use a Section 251 interconnection arrangement for all types of traffic is very clear.
15 But that is not the only situation the FCC was considering at the time of the *Local*
16 *Competition Order*. Specifically, at the time of the *Local Competition Order*,
17 there was concern that pure long distance carriers would try to establish a Section
18 251 interconnection arrangement, not to enter the local market and compete with
19 the ILEC, but rather solely and entirely for the purpose of originating and
20 terminating long distance traffic at a lower rate. The FCC concluded that a pure
21 long distance carrier, with no intention of actually competing in the local

²⁵ Correa Direct, p. 10, lines 20-22.

²⁶ See, PRTC Response, pp. 14-15.

1 exchange market, was not entitled to a Section 251 interconnection arrangement
2 with the ILEC. That is what the FCC was addressing in paragraph 191, which
3 states:

4 an IXC that requests interconnection *solely* for the purpose of
5 originating or terminating its *interexchange* traffic, *not for the*
6 *provision of telephone exchange service* and exchange access to
7 others, on an incumbent LEC's network is not entitled to receive
8 interconnection pursuant to section 251(c)(2).²⁷

9 If Mr. Correa thinks that this provision applies to Centennial, he is wrong.
10 Centennial has been exchanging local traffic ("telephone exchange service") with
11 PRTC over the meet points for more than 10 years. All traffic that originates with
12 Centennial's landline or wireless end users that gets sent to PRTC is local traffic,
13 and under the terms of the parties' 2005 agreement, most if not all traffic that
14 originates with PRTC's end users and terminates with a Centennial end user is
15 local traffic. As between PRTC and Centennial, the notion that Centennial is "an
16 IXC" that is "requesting interconnection *solely* for the purpose of originating or
17 terminating its interexchange traffic" is wrong. Indeed, Mr. Correa himself
18 acknowledges at pages 6 and 7 of his testimony that Centennial's proposal is to
19 use the meet point interconnections for telephone exchange service and exchange
20 access service.²⁸

²⁷ Quoted at page 14 of PRTC's Response (first and third emphases added; second in PRTC's response).

²⁸ While PRTC claims that Centennial is not proposing to provide competing exchange access to others over its meet point arrangements (PRTC Response at page 15), Centennial's proposed language for 1.1.5 and 1.1.6 shows that Centennial is proposing to exchange interstate and intrastate exchange access traffic at the POIs. Also, Centennial's response to PRTC's data request #1-34 indicates that Centennial has provided access services to more than a dozen IXCs in the past couple of years.

1 Perhaps the best way to look at paragraph 191 of the *Local Competition Order* is
2 not as a restriction on the types of traffic that an interconnected carrier can
3 exchange over a Section 251 interconnection arrangement, but rather as a
4 restriction on the types of entities that are entitled to obtain Section 251
5 interconnection arrangements in the first place. A pure IXC looking to do nothing
6 more than originate and terminate its own toll traffic is not entitled to a Section
7 251 interconnection arrangement at all; such an entity would have to obtain
8 physical interconnection arrangements under the statutes and tariffs governing
9 access services. But an entity that is competing in the local market, like
10 Centennial, is without question entitled to Section 251 interconnection, and once
11 such an interconnection arrangement is established – given the rules quoted above
12 – any kind of traffic can be exchanged over that arrangement.

13 **Q. PRTC STATES THAT DESPITE THE BOARD PREVIOUSLY**
14 **REJECTING A PROPOSAL BY CENTENNIAL IN 2005 TO EXCHANGE**
15 **UNSWITCHED SPECIAL ACCESS TRAFFIC OVER MEET POINTS,**
16 **THAT TRAFFIC WOULD BE ALLOWABLE UNDER CENTENNIAL'S**
17 **PROPOSAL FOR #5.²⁹ WOULD YOU LIKE TO RESPOND?**

18 **A.** Centennial has said that it is not seeking to exchange unswitched special access
19 traffic over the meet points. Indeed, based on Mr. Angulo's testimony, it is my
20 understanding that exchanging unswitched special access traffic over the existing
21 meet point configurations would be technically infeasible. Accordingly, PRTC is
22 attempting to raise a concern where there is none.

²⁹ Correa Direct, pp. 10-11.

1 Q. HAS YOUR RECOMMENDATION ON ISSUE #5 CHANGED SINCE
2 YOUR DIRECT TESTIMONY?

3 A. No. As in my direct testimony, I recommend that Centennial's proposed language
4 for Sections 1.1 and 11.1 of the Interconnection Attachment be adopted.

5 **Issue #6: Default "bill and keep" compensation**

6 **Statement of Issue #6: Should the Agreement make clear that traffic types for which**
7 **compensation is not specified should be exchanged on a bill-and-keep basis?**

8 **ICA Reference: Interconnection Attachment § 1.2**
9

10 Q. PRTC'S DIRECT TESTIMONY INDICATES THAT PRTC IS CONFUSED
11 BY CENTENNIAL'S PROPOSAL FOR ISSUE #6³⁰ - "DEFAULT BILL
12 AND KEEP." BRIEFLY EXPLAIN HOW CENTENNIAL'S PROPOSAL
13 WOULD WORK.

14 A. This issue relates to whether a bill and keep compensation mechanism should be
15 used between the companies for traffic not expressly identified and provided for
16 in the Agreement. Centennial proposes language which states that bill and keep
17 should apply to traffic for which compensation is "not expressly identified and
18 provided for in this Agreement." Centennial proposes language in Section 1.1 of
19 the Interconnection Attachment that attempts to identify types of traffic that will
20 be exchanged at the companies' POIs, and has expanded that list beyond what the
21 agreement already says, but there is a chance that a type of traffic that is not
22 specifically enumerated in Section 1.1 or otherwise identified in the Agreement
23 will arise during the Agreement. If this occurs, Centennial's language would call

³⁰ Blessing Direct, p. 11, line 15.

1 for this traffic to be compensated at bill and keep. The disputed language is
2 shown in Exhibit TJG-2, provided with my direct testimony.

3 **Q. WHAT IS "BILL AND KEEP" AS IT PERTAINS TO THE EXCHANGE**
4 **OF TRAFFIC UNDER THE PROPOSED AGREEMENT?**

5 **A.** 47 CFR §51.713 defines bill and keep as follows: "bill-and-keep arrangements are
6 those in which neither of the two interconnecting carriers charges the other for the
7 termination of telecommunications traffic that originates on the other carrier's
8 network."

9 **Q. WHY IS CENTENNIAL'S PROPOSAL ON THIS POINT NEEDED?**

10 **A.** The agreement should specify the compensation applicable to the major known
11 types of traffic that will be exchanged between the parties; Centennial's proposals
12 accomplish that. However, with technology and regulatory changes in the
13 industry, it is possible that some type of traffic that is not easily classified might
14 arise and be exchanged. If this occurs, the traffic should be exchanged on a bill-
15 and-keep basis. It is appropriate to ensure that intercarrier compensation demands
16 by PRTC do not impede the growth of such new developments by, in effect,
17 trying to "tax" them at the highest possible rate. Centennial should not run the
18 risk of violating the contract by sending certain types of traffic when the
19 overwhelming majority of traffic is expressly identified under the contract, nor
20 should Centennial be required to manage its business and configure its network in
21 such a way that it can search for and isolate traffic not expressly identified in the
22 Agreement. Centennial's proposed language avoids this result by making clear

1 that no payment shall be due, as between the parties, for any type of traffic for
2 which payment is not specified in the agreement.

3 **Q. MR. BLESSING SAYS THAT IMPEDING GROWTH OF THIS TRAFFIC**
4 **IS A NON-ISSUE BECAUSE THERE IS NOT MUCH GROWTH TO BE**
5 **SEEN IN THE FIRST PLACE AND CENTENNIAL PREVIOUSLY**
6 **AGREED TO APPLYING ACCESS TO UNCLASSIFIED TRAFFIC**
7 **WITHOUT A CONCERN OF IMPEDING GROWTH.³¹ WOULD YOU**
8 **LIKE TO RESPOND?**

9 **A. Yes. We do not know how much traffic there may be in this category, just as we**
10 do not know what type of traffic may be exchanged. Regardless of the type
11 and/or amount of this traffic, applying access charges – rates that are more than
12 compensatory for PRTC – is not appropriate for the traffic. Instead, rather than
13 enriching PRTC based on access rates the parties should simply use bill and keep.
14 If traffic studies indicate at some point in the future that the majority of this
15 “unclassified traffic” was properly subject to access charges, then adjusting the
16 next agreement (or amending the agreement) to apply access charges might be
17 appropriate. Until that time, however, bill and keep is a reasonable way to treat
18 this traffic.

19 **Q. PRTC SUGGESTS THAT THIS IS UNNECESSARY BECAUSE**
20 **CENTENNIAL HAS NEVER YET INVOKED THE UNCLASSIFIED**

³¹ Blessing Direct, pp. 15-16.

1 **TRAFFIC PROVISION IN THE CURRENT AGREEMENT.³² WOULD**
2 **YOU LIKE TO RESPOND?**

3 A. Yes. One development that has occurred since the parties entered into their
4 current agreement is an increase in the amount of VoIP traffic they exchange.
5 Now, Centennial believes that, with some simple clarifying language (which it
6 has proposed), VoIP traffic will fit neatly into either the "local" or "access"
7 categories for intercarrier compensation purposes. But it does not appear that
8 PRTC agrees. At the same time, in disputes before the Board, PRTC has argued
9 that the current agreement should be read to include a complete ban on
10 exchanging any kind of traffic not specified in the agreement. This shows that the
11 language in the current agreement on these points – which PRTC proposes to
12 retain – has a real potential for generating disputes. In order to avoid such
13 disputes in the future, Centennial is proposing a series of changes to the
14 agreement. These include the proposals regarding traffic exchange in Issue #5,
15 the proposal regarding traffic routing in Issue # 7, the definition of local traffic in
16 Issue #9, and the clarification of when VoIP traffic is treated as local in Issue #10.
17 Centennial's proposal here, in Issue #6, is part of Centennial's broader effort to
18 operate under an agreement that is consistent with both the FCC's statements
19 about the appropriate and efficient use of interconnection meet points and that
20 does not contain unworkable or difficult operational requirements (such as
21 isolating and specially routing traffic that might be of a different regulatory "type"

³² Blessing Direct, pp. 14-15.

1 than previously exchanged). So this proposal should be viewed not merely in
2 isolation but also as part of that broader set of proposed agreement provisions.

3 **Q. IS THIS ISSUE ABOUT CENTENNIAL'S DEMAND THAT PRTC**
4 **TERMINATE TRAFFIC FOR FREE, AS PRTC CLAIMS?**

5 **A. No.** Mr. Blessing states: "The basic question involved in Issue 6 is whether
6 Centennial should be permitted to demand that PRTC terminate for free traffic
7 ...for which no rate is specified in the interconnection agreement."³³ I disagree
8 with this statement. As shown in the disputed language for this issue, language
9 stating that no compensation will apply (i.e., bill and keep will apply) is actually
10 closed between the parties, and as I understand it has been part of the parties'
11 agreements for some time. I have provided this language from the wireline
12 Agreement below to demonstrate this point:

13 ~~1.2 The POIs established or maintained under this Agreement shall~~
14 ~~not be used, and no~~ No compensation shall be due, to or from either
15 Party for the exchange of any traffic:

16 1.2.1 Compensation for which ~~that~~ is not expressly
17 identified and provided for in this Agreement;

18 1.2.2 by or with a Party that is not a Common Carrier for
19 the purpose of delivering or receiving that traffic; or

20 1.2.3 that, except as and to the extent provided in Sections
21 6, 7, and 9 of this Attachment, neither originates nor
22 terminates on a Centennial Customer landline terminal in
23 the Puerto Rico MTA.

24 As the disputed language shows, the agreed language indicates that no
25 compensation shall be due for the exchange of traffic "not expressly identified
26 and provided for in this Agreement." It is disingenuous for PRTC to criticize

³³ Blessing Direct, p. 10, lines 8-10.

1 Centennial's proposal for calling for no compensation to apply to traffic for which
2 compensation is not provided for in the Agreement when the current agreement
3 contains language, which PRTC does not propose to change, that would result in
4 the same outcome. The major difference between the two companies' proposals
5 is that Centennial's language would allow the exchange of this traffic at the POIs
6 established or maintained under the Agreement, while PRTC's proposal would
7 impose a prohibition on exchanging this traffic at the meet point. The issue of
8 whether Centennial should be allowed to exchange all types of traffic at its POIs
9 is addressed under Issue #5. I would also note that Centennial's language applies
10 in to traffic sent in both directions. If technological or regulatory developments
11 generate some new type of traffic, Centennial would terminate that traffic "for
12 free" for PRTC just as PRTC would terminate it "for free" for Centennial.
13 Centennial's proposal is fair and even-handed; it is not, as Mr. Blessing suggests,
14 an effort to take advantage of PRTC.

15 **Q. PRTC STATES THAT CENTENNIAL'S PROPOSAL WOULD ADD A**
16 **"BILL AND KEEP" EXCEPTION TO THE "UNCLASSIFIED TRAFFIC"**
17 **LANGUAGE THAT WAS ADDED TO THE COMPANIES' 2005 ICA AND**
18 **IS MAINTAINED IN THE SUCCESSOR AGREEMENT, AND THAT**
19 **THIS IS A "RECIPE FOR CONFUSION AND LITIGATION."³⁴ WOULD**
20 **YOU LIKE TO RESPOND?**

21 **A. Yes. I disagree that Centennial's language would create a bill and keep exception**
22 **to the Unclassified Traffic language. Instead, for any traffic that is not identified**

³⁴ Blessing Direct, pp. 11-12.

1 under Section 1.1 of the Interconnection Attachment, bill and keep would apply –
2 *i.e.*, default bill and keep would trump the Unclassified Traffic language. Given
3 that Centennial has fiber meet points at each of PRTC's end offices, as well as at
4 PRTC's tandems, and that a very large fraction of the traffic exchanged between
5 the companies should be local for intercarrier compensation purposes, there is no
6 reason to make the "default" for this unidentified traffic to require the companies
7 to exchange it at the tandem at access rates.

8 **Q. HAS THE FCC SIGNALLED A PREFERENCE FOR BILL AND KEEP IN**
9 **THE PAST?**³⁵

10 A. Yes. In April 2001, the FCC released the *ISP Remand Order*³⁶ and the
11 *Inter-carrier Compensation NPRM*.³⁷ In the *ISP Remand Order*, the FCC
12 explained that Calling Party Network Pays (CPNP) forms of reciprocal
13 compensation create market distortions and the potential for regulatory
14 arbitrage.³⁸ The FCC found in that order that the "market distortions are most
15 apparent in the case of ISP-bound traffic due primarily to the one-way nature of
16 this traffic, and to the tremendous growth in dial-up Internet access..."³⁹ and put
17 in place a mechanism for, among other things, a 36-month transition period to
18 complete bill and keep for ISP bound traffic.⁴⁰ At the same time, the FCC

³⁵ Blessing Direct, p. 16, lines 4-5.

³⁶ *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Inter-carrier Compensation for ISP-Bound Traffic*, CC Docket No. 96-98; CC Docket No. 99-68; FCC 01-131, 16 FCC Rod 9151; 2001 FCC LEXIS 2340; 23 Comm. Reg. (P & F) 678. April 27, 2001 Released; Adopted April 18, 2001.

³⁷ *In the Matter of Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92, FCC 01-132; Released April 27, 2001.

³⁸ *ISP Remand Order*, ¶ 68.

³⁹ *ISP Remand Order*, ¶ 69.

⁴⁰ *ISP Remand Order*, ¶ 7

1 released the *Intercarrier Compensation NPRM*, which sought comments on a
2 broader application of bill and keep for intercarrier compensation. The FCC
3 stated in the *ISP Remand Order*:

4 ...we believe that a bill and keep approach to recovering the costs
5 of delivering ISP-bound traffic is likely to be more economically
6 efficient than recovering these costs from originating carriers. In
7 particular, requiring carriers to recover the costs of delivering
8 traffic to ISP customers directly from those customers is likely to
9 send appropriate market signals and substantially eliminate
10 existing opportunities for regulatory arbitrage. As noted above, we
11 consider issues related to the broader application of bill and keep
12 as an intercarrier compensation regime in conjunction with the
13 *NPRM* that we are adopting concurrently with this Order.⁴¹

14 Though the FCC has yet to take action in this docket related to a broader
15 application of a bill and keep intercarrier compensation mechanism, a reading of
16 that *NPRM* shows that the FCC, at least at that time, was seriously considering a
17 broader (i.e., broader than just ISP-bound traffic) application of bill and keep.⁴²

18 **Q. MUST CENTENNIAL MAKE A SHOWING THAT TRAFFIC THAT IS**
19 **NOT IDENTIFIED OR PROVIDED FOR IN THE AGREEMENT IS**
20 **ROUGHLY BALANCED BETWEEN THE COMPANIES IN ORDER FOR**
21 **ITS DEFAULT BILL AND KEEP PROPOSAL TO BE ADOPTED?**

22 **A. No.** Mr. Blessing testifies: "Centennial never undertakes to demonstrate that the
23 volume of this unknown traffic exchanged by the parties will be roughly balanced
24 in each direction, which is at the core of the FCC's application of a 'bill and keep'

⁴¹ *ISP Remand Order*, ¶ 67.

⁴² The *NPRM*'s focus on bill and keep was acknowledged in the Separate Statement of Commission Furtchgott-Roth ["This *NPRM* seeks comment on a variety of pricing mechanisms for commercial relationships between and among carriers, placing particular emphasis on bill-and-keep arrangement

1 approach.”⁴³ Contrary to PRTC’s claim, the FCC does not require a showing of
2 roughly balanced traffic (or “more data”⁴⁴) for a state commission to adopt bill
3 and keep. The FCC rules state: “Nothing in this section precludes a state
4 commission from presuming that the amount of telecommunications traffic from
5 one network to the other is roughly balanced with the amount of
6 telecommunications traffic flowing in the opposite direction and is expected to
7 remain so, unless a party rebuts such a presumption.”⁴⁵ The Board, therefore, is
8 free to adopt bill and keep compensation regime as provided for in Centennial’s
9 recommendation.

10 **Q. WHAT IS YOUR RECOMMENDATION FOR ISSUE #6?**

11 A. The Board should adopt Centennial’s proposed Section of 1.2 of the
12 Interconnection Attachment.

⁴³ Blessing Direct, p. 16, lines 9-11.

⁴⁴ Blessing Direct, p. 16, line 13.

⁴⁵ 47 CFR § 51.713(c).

1 **Issue #9: Definition of local traffic.**

2 **Statement of Issue #9:**Should the Agreement clearly state that the status of traffic as
3 "local" is determined by the geographic points of the traffic, as the Board has
4 repeatedly ruled?

5 **ICA References:** Interconnection Attachment §§ 4.1.1, 4.1.2, 4.1.3, 4.2 (Centennial-
6 proposed) and 4.7 (PRTC-proposed)⁴⁶

7
8 **Q. WHAT IS THE CRUX OF THE DISAGREEMENT BETWEEN THE**
9 **COMPANIES UNDER ISSUE 9?**

10 **A.** This issue boils down to whether PRTC can convince the Board to roll back its
11 prior decision to define the governing local calling area for intercarrier
12 compensation between Centennial and PRTC. The Board has decided that the
13 governing local calling area is the one which applies the fewest number of local
14 calling areas in Puerto Rico – which, for many years now, has been Centennial's
15 island-wide local calling area. PRTC argues that despite the Board's previous
16 ruling the Board should now allow PRTC's retail calling zones to determine
17 intercarrier compensation between the parties. Centennial proposes to continue
18 the arrangement that has been in place between Centennial and PRTC since 2002,
19 in which Centennial's larger local calling areas control – with Centennial's single
20 zone for all of Puerto Rico in effect today. This arrangement should be
21 maintained, as Centennial's proposal provides. Centennial's proposals relating to
22 this issue are intended to clarify the application of the Board's (and, as noted
23 below, the federal court's) geographic test for classifying traffic. PRTC, on the
24 other hand, wants to revert back to the day when PRTC's chosen local calling

⁴⁶ Note that Centennial's proposed Section 4.2 and PRTC's proposed Section 4.7 of the Interconnection Attachment was inadvertently omitted from Exhibit TJG-2 (Disputed ICA language). These proposals are shown in Exhibits A (Centennial proposed wireline ICA) and C (PRTC proposed wireline ICA) to Centennial's Petition for Arbitration.

1 areas dictated to competitors and customers alike what should constitute local
2 traffic.

3 **Q. PRTC CLAIMS THAT THERE ARE TWO ASPECTS OF ISSUE #9.⁴⁷ DO**
4 **BOTH OF THESE ASPECTS STEM FROM THE "CRUX" OF THE**
5 **DISAGREEMENT EXPLAINED ABOVE?**

6 **A.** Yes. PRTC's first "aspect" is whether the governing local calling area should be
7 the existing definition that applies the fewest local calling areas or revert back to
8 PRTC's local calling areas. Its second aspect is whether, "regardless of which
9 local calling area should control ... that Centennial should pay access charges
10 when it acts as an IXC."⁴⁸ In the first aspect, PRTC is not directly challenging the
11 Board's decision to rely on geography as the way to classify calls – it just wants
12 to be able to dictate that its own notions of local calling zones trump both
13 Centennial's zones, and the public interest. In the second aspect, however (which
14 relates to PRTC's proposed Section 4.7), PRTC actually seeks to subvert the idea
15 that geography controls call classification and impose a system in which calls are
16 classified for purposes of intercarrier compensation based on things like retail
17 calling arrangements – whether a call is rated as "toll" at retail or not. Though
18 this second aspect relates to PRTC's insistence on using its own local calling
19 areas to define the proper intercarrier compensation between the companies,⁴⁹ it
20 raises a second issue of whether the geographic endpoints of a call should dictate

⁴⁷ Blessing Direct, p. 19.

⁴⁸ Blessing Direct, p. 19, lines 17-19.

⁴⁹ This is evidenced by Mr. Blessing's testimony: "The simplest way to solve this problem created by Centennial is to make clear that PRTC's local calling areas control for the purposes of intercarrier compensation for local traffic under the landline interconnection agreement." (Blessing Direct, p. 20, lines 1-3).

1 how traffic is rated, as the Board has consistently ruled, or whether the
2 perspective of the retail end user should determine wholesale intercarrier
3 compensation as between the companies.

4 **Q. HOW SHOULD THE BOARD DEAL WITH THESE TWO "ASPECTS"**
5 **OF THE ISSUE?**

6 A. As discussed more fully below, the Board should remain consistent on both
7 accounts – *i.e.*, it should (1) maintain its definition of governing local calling
8 areas as relying on the company's calling plan that has the fewest local calling
9 areas and (2) maintain the precedent that geographic endpoints of a call should
10 dictate the appropriate intercarrier compensation for that traffic. If the Board
11 remains consistent, then it will adopt Centennial's proposed language in Sections
12 4.1 and 4.2 as well as reject PRTC's proposed language for Section 4.7 of the
13 Interconnection Attachment.

14 **Q. WHAT REASON DOES PRTC PROVIDE FOR RECOMMENDING THAT**
15 **THE BOARD REVERSE ITS PRIOR DECISION RELATED TO THE**
16 **DEFINITION OF GOVERNING LOCAL CALLING AREA (THE FIRST**
17 **ASPECT)?**

18 A. Mr. Blessing testifies: "To me, the Board and the Arbitrator should take a fresh
19 look at this issue because of the enormous implementation problems that

1 Centennial's conduct under the current landline interconnection agreement has
2 produced."⁵⁰

3 Q. WHAT ARE THE "ENORMOUS IMPLEMENTATION PROBLEMS"
4 PRTC CLAIMS HAVE BEEN CAUSED BY CENTENNIAL?

5 A. To the extent that there are any, they appear to be entirely self-inflicted by PRTC.
6 Based on my reading of Mr. Blessing's testimony,⁵¹ he seems to be claiming that
7 Centennial is somehow inappropriately avoiding access charges when it is the
8 primary interexchange carrier to PRTC end users for traffic that traverses PRTC's
9 local calling area boundaries. The parties have indeed had disputes about that
10 issue, and Centennial has proposed language – consistent with the Board's
11 geographic test for call classification – that addresses those disputes. But, that
12 dispute has nothing to do with which carrier's calling zones are used. PRTC's
13 claim in connection with that dispute is that, no matter whose calling zones or
14 used for intercarrier compensation purposes, any time Centennial acts as a
15 presubscribed carrier for PRTC end users, that traffic is subject to access charges
16 even if it falls within the Governing Local Calling Area. So – while I certainly do
17 not recommend this position, among other reasons because it is internally
18 inconsistent – if the Board were to rule that Centennial must pay access charges
19 on traffic that (a) is geographically local, but as to which (b) Centennial charges
20 originating end users a toll, Centennial could, indeed, comply with such a ruling.
21 That issue has nothing to do with which carrier's calling zones control.

⁵⁰ Blessing Direct, p. 19, lines 14-17.

⁵¹ See, Blessing Direct p. 19, lines 14-17 and p. 29, lines 13-18.

1 It appears that PRTC's stated basis for asking the Board to conduct a "fresh look"
2 on the first identified aspect of the issue ("enormous implementation problems"
3 allegedly arising from using Centennial's calling zone to classify traffic) really
4 underlies the second identified aspect of the issue (regardless of the defined local
5 calling area, Centennial should be required to pay access when acting as an IXC).
6 As a result, it is fair to say that PRTC has provided no real basis for the Board to
7 conduct a fresh look on the first aspect.

8 **Q. WOULD YOU LIKE TO RESPOND TO PRTC'S CLAIM THAT**
9 **CENTENNIAL'S CONDUCT HAS LED TO ENORMOUS**
10 **IMPLEMENTATION PROBLEMS?**

11 **A.** Yes. This criticism is based on PRTC's refusal to accept the Board's decision not
12 to adopt PRTC's local calling areas as the governing local calling areas. For
13 example, Mr. Blessing testifies that "The matter is complicated when the two
14 interconnected carriers have different retail local calling areas for their respective
15 service offerings...Without an agreement as to what geographic boundaries will
16 control in these circumstances, the parties will not know how to bill one another
17 for such calls."⁵² However, Mr. Blessing fails to mention that in the existing ICA
18 there *is* an agreement as to what geographic boundaries will control for the
19 purpose of the parties billing one another for such calls – and that agreement is,
20 consistent with the Board's prior decision, that which applies the fewest local
21 calling areas (or Centennial's single local calling area). This should be
22 maintained.

⁵² Blessing Direct, p. 23.

1 Furthermore, to Mr. Blessing's claim that "the matter is complicated when the
2 two interconnected carriers have different retail local calling areas for their
3 respective service offerings," given the Board's longstanding rule that call
4 classification is based on the geographic end points of a call, the retail service
5 offerings of the companies should have no bearing on the intercarrier
6 compensation between the carriers. Instead, the rating of intercarrier
7 compensation should be based on the geographic endpoints of the traffic and
8 whether that traffic crosses boundaries of the governing local calling area. As
9 such, this is not really a complicated matter because as it currently stands (and as
10 Centennial's proposal would maintain), the governing local calling area is clearly
11 defined and the geographic endpoints of traffic can be determined.

12 **Q. DID PRTC ELABORATE ON THE IMPLEMENTATION PROBLEMS**
13 **ABOUT WHICH IT IS CONCERNED?**

14 **A.** Yes. At pages 29-30, Mr. Blessing states that based on the definition of local
15 calling area from the 2005 ICA, Centennial has attempted to gain preferential
16 treatment by "refus[ing] to pay switched access charges when it receives to or
17 delivers traffic to PRTC as the primary interexchange carrier for a PRTC end
18 user; local transport access charges for intra-island toll calls that are routed to
19 Centennial through PRTC's tandem switch; and entrance facilities charges for the
20 exchange of intra-island toll traffic..."⁵³ However, it is not fair to say that
21 Centennial is attempting to "avoid" access charges on traffic to which such
22 charges apply. Rather, Centennial is attempting to ensure that it is not

⁵³ Blessing Direct, p. 30.

1 erroneously charged access charges by PRTC for geographically local traffic to
2 which such charges do *not* apply.

3 Put another way, it is evident that the parties disagree, at least under the current
4 ICA, as to whether certain traffic should be classified as "local" or not. That
5 disagreement does not arise from the fact that the current interconnection
6 agreement uses Centennial's single zone rather than PRTC's multiple zones.
7 Instead, it arises from the parties' disagreement, under the current ICA, as to
8 whether geography or retail call rating applies when Centennial "acts like" an
9 IXC. Looking forward to the new ICA, rather than backward to the disputes
10 under the 2005 ICA, whether Centennial is the primary interexchange carrier for
11 the retail customer has and should have no bearing on how that traffic is rated
12 between the companies. Further, to PRTC's claim that Centennial is seeking
13 preferential treatment, any other similarly situated carrier that exchanges traffic
14 with PRTC that has a single local calling area should get the same treatment.
15 Though Mr. Blessing claims that "every other IXC in Puerto Rico providing
16 similar intra-island long distance service to a PRTC local exchange customers has
17 to pay these tariffed access charges"⁵⁴, what he ignores is that IXCs and
18 Centennial are not similarly situated. What is important is the island-wide local
19 calling areas for reciprocal compensation between PRTC and Centennial, and to

⁵⁴ Blessing Direct, p. 30, lines 1-3.

1 the extent that the IXCs do not have a similar compensation arrangement, then a
2 comparison between the two is an "apples to oranges" comparison.⁵⁵

3 Rather than attempting to "leverage the Board's resolution of the related issue in
4 2005 to gain even more than what the Board approved there,"⁵⁶ as PRTC claims,
5 Centennial has attempted to implement the Board's decision precisely as it should
6 be, and in a simple and consistent manner. The Board has decided that the
7 geographic end points of a call should rule for intercarrier compensation and that
8 the applicable local calling area is that which applies the fewest local calling areas
9 -- and this is precisely the arrangement that Centennial has abided by under the
10 2005 Agreement and the arrangement that it proposes be maintained under the
11 successor agreement. It is PRTC who is attempting to confuse the issue by failing
12 to acknowledge this precedent and carving out exceptions to this relatively
13 straightforward arrangement.⁵⁷

14 **Q. DOES PRTC'S TESTIMONY INDICATE THAT ITS CLAIM OF**
15 **ENORMOUS IMPLEMENTATION PROBLEMS IS EXAGGERATED?**

16 **A. Yes.** The fact that this is not a complicated matter is evidenced by Mr. Blessing's
17 testimony which states: "The simplest way to solve this problem created by

⁵⁵ Mr. Blessing's confusion on this part is similar to, and probably related to, PRTC's evident misunderstanding of paragraph 191 of the *Local Competition Order*, discussed above under Issue #5. There the FCC has a rule limiting certain rights of entities that are acting "*solely*" as IXCs, a rule that PRTC misinterprets as applying to any entity that provides any "interexchange" service. Here Mr. Blessing seems to be saying that because Centennial provides some retail interexchange service -- among the many other things Centennial does -- it is strictly and literally comparable to "other IXCs," by which he seems to mean entities whose sole or primary business is offering interexchange service. Given Centennial's actual operations and role in the Puerto Rico telecommunications marketplace, this PRTC perspective is not persuasive.

⁵⁶ Blessing Direct, p. 20, lines 7-8.

⁵⁷ See, e.g., PRTC's proposed Section 4.7.

1 Centennial is to make clear that PRTC's local calling areas control for purposes of
2 intercarrier compensation for local traffic..."⁵⁸ If the Board reversed course and
3 adopted PRTC's local calling areas as the governing local calling areas, that
4 would obviously do nothing to solve the "problem" of the carriers having
5 "different retail local calling areas for their respective service offerings."
6 However, Mr. Blessing seems to think that under his plan miraculously all of the
7 complication and implementation problems would disappear. What this shows is
8 that the matter is not, as Mr. Blessing claims, complicated because of differing
9 retail local calling areas. It is complicated because PRTC refuses to accept that
10 Centennial's calling areas, rather than PRTC's own, control.⁵⁹

11 **Q. HAS THE BOARD PREVIOUSLY REJECTED PRTC'S CLAIM OF**
12 **IMPLEMENTATION PROBLEMS?**

13 **A. Yes, twice before. In 2005, the Arbitrator found:**

14 PRTC's second argument against adoption of Centennial's
15 proposal concerns the perceived administrative difficulties
16 associated with implementation – for however short a time – of an
17 Agreement which contemplates two different local calling plans:
18 Centennial's one zone plan vs. PRTC's ten zone plan. We note
19 that the current agreement between Centennial and PRTC includes
20 different calling plans. We also note that in the 2002 arbitration
21 PRTC warned of serious implementation issues. It seems for the
22 most part that these have been resolved, or at least the record in
23 this proceeding does not contain evidence of outages or disputes
24 specifically attributable to the forecast implementation problems.⁶⁰

25 The Board should reject PRTC's argument for the third time.⁶¹

⁵⁸ Blessing Direct, p. 20, lines 1-2.

⁵⁹ See, e.g., Blessing Direct, p. 23, lines 13-22.

⁶⁰ 2005 Arbitration Order, p. 7.

⁶¹ Blessing Direct, pp. 29-30.

1 **Q. PRTC CLAIMS THAT CENTENNIAL HAS DECIDED TO PROVIDE**
2 **INTRA-ISLAND TOLL, SUBMITS PICS TO PRTC AND PURCHASES**
3 **ACCESS TO PROVIDE TOLL AND THEREFORE SHOULD PAY**
4 **ACCESS.⁶² WHAT IS WRONG WITH PRTC'S REASONING IN THIS**
5 **REGARD?**

6 **A. The Board's prior rulings establish a regime in which the status of traffic as local**
7 **versus non-local, for purposes of intercarrier compensation, is determined neither**
8 **by the calling and called numbers, nor by whether there is a separate toll charge**
9 **for the call, but rather strictly by geography, i.e., whether the call originates and**
10 **terminates within a particular geographic region. The Board's prior rulings also**
11 **establish a regime in which the relevant local calling zone is Centennial's one,**
12 **island-wide zone. Centennial understands these Board rulings, as well as the**
13 **detailed language of the existing agreements, to establish a regime in which all**
14 **traffic that is exchanged by the parties within that zone should be rated as local**
15 **for purposes of intercarrier compensation. These calls should not be treated as**
16 **anything other than "local" under the existing agreement; and the Board's**
17 **previous decisions should be maintained going forward. Acknowledging that**
18 **disputes have arisen about this issue under the current agreement, Centennial has**
19 **proposed language for the new agreement that would eliminate any ambiguities**
20 **and make the correct result clear.**

⁶² Blessing Direct, pp. 30-31.

1 **Q. HAS THE BOARD'S GEOGRAPHIC APPROACH TO CALL**
2 **CLASSIFICATION BEEN UPHELD BY THE COURTS?**

3 **A. Yes. I am not an attorney but I have been informed that the federal district court**
4 **in Puerto Rico has recently issued a ruling that upholds the Board's decision from**
5 **2005 to base call classification on the calling zones of the party with the fewest**
6 **number of zones. While I will leave the details to the lawyers, I have been**
7 **informed that the court's decision contains the observation that Local traffic**
8 **"stays within the boundaries of a local calling area;" that "Interexchange (or "non-**
9 **local") traffic crosses the boundaries of a local calling area;" and that**
10 **"Traditionally, local calling areas have been geographically defined."⁶³ To my**
11 **lay understanding, this certainly sounds as if the court has approved the use of the**
12 **simple and straightforward geographic test for classifying calls that the Board**
13 **adopted in 2005 and that Centennial seeks to clarify here.**

14 **Q. PRTC CLAIMS THAT ADOPTING CENTENNIAL'S PROPOSAL FOR**
15 **ISSUE #9 WOULD BE A MISTAKE BECAUSE IT SUFFERS FROM A**
16 **NUMBER OF DEFECTS.⁶⁴ WHAT ARE THESE SUPPOSED DEFECTS?**

17 **A. Mr. Blessing references two defects. First, PRTC states that Centennial's**
18 **proposal is unfair to other wireline providers (namely PRTC) because the**
19 **compensation would be more advantageous for Centennial than PRTC for the**
20 **same traffic. Second, PRTC states that Centennial's proposal is not competitively**

⁶³ *PRTC v. Telecommunications Regulatory Board of Puerto Rico*, Opinion and Order, Civ. No. 06-1050 (ADC) slip op. at 3 (D.P.R. June 19, 2008).

⁶⁴ Blessing Direct, p. 25, lines 19-20.

1 neutral because of the imputation regulation that applies to PRTC but not
2 Centennial. I will address both of these PRTC concerns below.

3 **Q. PLEASE ADDRESS PRTC'S FIRST CONCERN.**

4 **A.** Again, PRTC's concern stems from the old approach of defining the governing
5 local calling area as PRTC's local calling area. For example, Mr. Blessing
6 testifies:

7 Centennial would be paid reciprocal compensation (\$0.0007 per
8 minute) when PRTC originates calls that Centennial carries across
9 many *PRTC* local calling area boundaries, while PRTC and other
10 IXCs must pay (impute) Tariff K-2 in-aisland switched access
11 charges (\$0.0107445 per minute as of April 1, 2005) for calls
12 carried across the same *PRTC* local calling area boundaries.
13 Centennial also would be permitted to pay generally low reciprocal
14 compensation rates (\$0.0007 per minute) to PRTC when PRTC
15 terminates calls that Centennial carries across many *PRTC* local
16 calling area boundaries instead of the higher Tariff K-2 in-aisland
17 switched access charges (\$0.0107445 per minute as of April 1,
18 2005) paid (or imputed) by PRTC and other IXCs.⁶⁵

19 By mistakenly focusing on PRTC's local calling area boundaries for defining the
20 classification of traffic for intercarrier compensation purposes, Mr. Blessing
21 erroneously concludes that Centennial's proposal is unfair. By focusing on the
22 traffic being carried across many PRTC local calling boundaries, PRTC attempts
23 to create the notion that Centennial is attempting to avoid access. Given the
24 Board's decision that Centennial's local calling area controls, however, the more
25 accurate characterization would be that PRTC is attempting to impose access
26 charges on traffic to which those charges do not apply. For instance, if Mr.
27 Blessing's discussion referencing PRTC's local calling areas is corrected to refer

⁶⁵ Blessing Direct, p. 26, lines 17 – p. 27, line 3. (emphasis added)

1 instead to the proper single island-wide governing local calling area, that
2 discussion above would reach the correct result – *i.e.*, (1) Centennial would be
3 paid reciprocal compensation (\$0.0007 per minute) when PRTC originates calls
4 that Centennial terminates within the same local calling area, and (2) Centennial
5 would pay reciprocal compensation (\$0.0007 per minute) to PRTC when PRTC
6 terminates calls that Centennial originates within the same local calling area.
7 PRTC would be paid and would pay the same amounts as Centennial, which
8 means that Centennial's proposal is fair. The fact is that compensation between
9 Centennial and PRTC would not be more advantageous to Centennial vis-à-vis
10 PRTC for the same traffic under Centennial's proposal.

11 **Q. HAS THE BOARD ALREADY CONSIDERED AND REJECTED PRTC'S**
12 **CLAIMS IN THIS REGARD?**

13 **A. Yes, twice before. The 2005 Arbitration Order at page 5 shows that PRTC raised**
14 **the exact same argument, even using the very same language,⁶⁶ in the 2005**
15 **arbitration. The Arbitration Order then goes on to say:**

16 PRTC raised similar arguments in the 2002 Centennial arbitration.
17 There, the Board found on reconsideration that other CLEC
18 carriers were not being discriminated against since there was no
19 reason that other CLECs could not opt into the local calling area
20 regime used in the Centennial Interconnection Attachment.
21 Further, as to IXCs, the Board found that they are not entitled to
22 reciprocal compensation and agreed with Centennial that in the
23 absence of like services being provided to like entities, there can be
24 no discrimination. In this case, Centennial offers a similar rebuttal
25 to PRTC's discrimination argument, pointing out that the FCC has
26 found that the reciprocal compensation regime...is distinct from
27 the access charge regime...I agree with Centennial that because

⁶⁶ Page 5 of the 2005 Arbitration Order quotes PRTC as using the very same language as quoted above from page 26 of Mr. Blessing's testimony.

1 there are two legally distinct services being offered, there is no
2 discrimination in any legally cognizable sense.⁶⁷

3 Despite having the same argument rejected in 2002 and 2005, PRTC raises it
4 again here and provides no reason why the prior two decisions should be reversed.
5 The Board should not reverse course, as PRTC recommends.

6 **Q. PLEASE ADDRESS PRTC'S SECOND CONCERN ABOUT**
7 **COMPETITIVE NEUTRALITY.**

8 A. Mr. Blessing states that Centennial's proposal is not competitively neutral
9 because a non-cost based advantage accrues to Centennial due to the imputation
10 requirement that applies to PRTC.⁶⁸ In short, PRTC is saying that because PRTC
11 must satisfy imputation for intra-island toll service by imputing switched access
12 charges, PRTC must keep its intra-island toll rates higher than Centennial's (who
13 would pay and receive a lower reciprocal compensation rate). According to
14 PRTC, because Centennial is not subject to the imputation requirement,
15 Centennial would enjoy an uneconomic competitive advantage.⁶⁹ Again, PRTC is
16 attempting to use retail rate distinctions (and more specifically, PRTC's multiple
17 local calling areas) to dictate the intercarrier compensation between PRTC and
18 Centennial. If PRTC were to establish a single, island-wide local calling area, it
19 would have no intra-island toll service to which imputation would apply (all intra-
20 island calls for PRTC customers would be local). This exact issue was addressed
21 by the Board in the 2005 Arbitration and it was rejected.

⁶⁷ 2005 Arbitration Order, pp. 5-6. (footnotes omitted)

⁶⁸ Blessing Direct, pp. 27-29.

⁶⁹ Blessing Direct, p. 29 and p. 27, lines 8-9.

1 **Q. WHAT DID THE ARBITRATOR'S DECISION IN 2005 SAY ABOUT**
2 **PRTC'S CLAIMS REGARDING THE IMPUTATION REQUIREMENT?**

3 **A. The Arbitrator's Decision states:**

4 PRTC also raises an argument that it will be discriminated against
5 because it is required to impute tariff K-2 intra-island switched
6 charges for calls carried across PRTC local calling area
7 boundaries. I fail to see how this is legally cognizable
8 discrimination. The Board has imposed a special obligation upon
9 PRTC because it is the "sole or dominant supplier" of a critical
10 element of intra-island toll service. No other carrier, including
11 Centennial, fits that description. The Imputation Regulation has
12 been in place since at least 2001. PRTC has been exchanging
13 traffic with Centennial since 2002 with mis-matched local calling
14 areas. It is unlikely that PRTC has been suffering severe
15 discrimination in silence for these three years. Yet to my
16 knowledge, PRTC has never sought relief from the Board. It is
17 difficult to give serious weight to an argument that claims that
18 PRTC will be discriminated against for a matter of days, or weeks,
19 or even months, when PRTC has been suffering the same alleged
20 discrimination in silence for three years.

21 Finally, the solution to PRTC's problem, to the extent there is a
22 problem, lies with the Board, which can give PRTC relief from the
23 Imputation Regulation if the Board finds that its imposition is
24 unlawfully discriminatory. I certainly expect that, once island-wide
25 calling is established, there will be no need for the Imputation
26 Regulation. In the meantime, PRTC can address this matter to the
27 Board.⁷⁰

28 The fact that PRTC has not seen fit to bring its PRTC's discrimination claim
29 directly to the Board in the 3 years since the 2005 ICA was put in place (and since
30 2002 before that) seriously undercuts PRTC's claims. Like the Arbitrator found
31 in 2005, to the extent there is a problem, PRTC can seek relief from the Board,
32 and if PRTC chose to establish a single local calling area, any purported

⁷⁰ 2005 Arbitration Decision, pp. 6-7.

1 discrimination (even under PRTC's theory) would be eliminated. I would also
2 note that it appears that the federal court has rejected PRTC's claim that the
3 operation or existence of the Board's imputation regulation constitutes any sort of
4 "discrimination" in this context.⁷¹

5 Q. MR. BLESSING SAYS THAT THE AGREED-TO DEFINITION OF
6 "INTRASTATE TOLL TRAFFIC" COMPLEMENTS PRTC'S
7 DEFINITION OF GOVERNING LOCAL CALLING AREA.⁷² CAN THE
8 SAME BE SAID FOR CENTENNIAL'S DEFINITION OF GOVERNING
9 LOCAL CALLING AREA?

10 A. Yes. Though Mr. Blessing does not actually come out and say it,⁷³ he implies that
11 Centennial's definition of Governing Local Calling Area conflicts with the
12 agreement's definition of Intrastate Toll Traffic because the current result of
13 Centennial's proposal is that there is a single local calling area in Puerto Rico for
14 intercarrier compensation between PRTC and Centennial while the definition of
15 Intrastate Toll Traffic refers to more than one local calling area. To set the record
16 straight, it should be noted that Centennial's proposed definition of Governing
17 Local Calling Area is fully consistent with Intrastate Toll Traffic.

18 Q. PLEASE ELABORATE.

19 A. I have provided Centennial's proposed definition of Governing Local Calling
20 Area below:

⁷¹ See *PRTC v. Telecommunications Regulatory Board of Puerto Rico*, Opinion and Order, *supra* at pages 12-13.

⁷² Blessing Direct, p. 24, lines 7-16.

⁷³ See, e.g., Blessing Direct, p. 24, lines 7-16.

1 4.1.2 "Governing Local Calling Area" means the Puerto Rico local
2 calling area or areas as set forth in an Effective Price List that
3 applies the fewest number of local calling areas in Puerto Rico
4 without regard to the class or classes of Customers to be served
5 under the Effective Price List (e.g., business customers, residential
6 customers), subject to the provisions of Section 4.2 of this
7 Attachment.

8 Centennial's proposed definition of Governing Local Calling Area clearly
9 accounts for the possibility of more than one local calling area. And although the
10 current result of this definition is Centennial's single local calling area being used
11 as the Governing Local Calling Area, Centennial's proposed language accounts
12 for any changes that may occur that would result in more than one local calling
13 area for compensation purposes between the companies. To be sure, Centennial's
14 proposed section 4.2.4 acknowledges the current single local calling area and sets
15 forth procedures that Centennial would take to change from one to more than one
16 local calling area (*i.e.*, give PRTC advance notice and an opportunity to respond
17 and approval from the Board).

18 Perhaps the most convincing evidence that PRTC's insinuation of inconsistency is
19 misguided is that the 2005 ICA between the companies has the same definition of
20 Intrastate Toll Traffic verbatim and has the same definition of Governing Local
21 Calling Area as Centennial proposes here.

22 **Q. MR. BLESSING SAYS THAT THE "IMMEDIATE EFFECT OF**
23 **ADOPTING OF CENTENNIAL'S PROPOSED DEFINITION,**
24 **THEREFORE, WOULD BE TO RENDER ALL LANDLINE TRAFFIC**
25 **EXCHANGED BY PRTC AND CENTENNIAL UNDER THE NEW**

1 **AGREEMENT 'LOCAL' FOR THE PURPOSES OF INTERCARRIER**
2 **COMPENSATION..."⁷⁴ IS THIS A PROBLEM?**

3 A. No. In fact, Centennial makes this very point in its proposed Section 4.2.4 of the
4 Interconnection Attachment.⁷⁵ Moreover, Mr. Blessing's statement should be no
5 surprise to anyone given that what he describes is what the Board approved in
6 2005 and has been in the companies' ICA since that time. Therefore, contrary to
7 Mr. Blessing's insinuation that major changes would occur if Centennial's
8 proposal was adopted, the fact is that it would simply maintain the status quo.⁷⁶
9 The only relevant "change" here is that Centennial's proposed language clarifies
10 the matter to the point that PRTC would not have any remotely credible basis for
11 refusing to accept that calls that begin and end in the Governing Local Calling
12 Area are, in fact, to be rated as local for intercarrier compensation purposes.

13 **Issue #10: Clarification of treatment of VOIP traffic (#10).**

14 **Statement of Issue #10: Should the contract specify when to classify VOIP traffic as**
15 **"local" in order to avoid disputes?**

16 **ICA References: Interconnection Attachment § 4.1.4**

17
18 **Q. PRTC STATES THAT CENTENNIAL DOES NOT DEFINE VOIP**
19 **TRAFFIC IN THE AGREEMENT OR CLARIFY WHEN VOIP WILL BE**

⁷⁴ Blessing Direct, p. 25, lines 6-9. See also, Blessing Direct, p. 3-12.

⁷⁵ Centennial's proposed Section 4.2.4: "The Parties acknowledge and agree that, as of the Effective Date of this Agreement, Centennial has an Effective Price List that applies one local calling area in Puerto Rico (hereinafter referred to as the "Centennial Single Calling Area") and that, therefore, the entirety of Puerto Rico is, as of the Effective Date of this Agreement, the Governing Local Calling Area..."

⁷⁶ Centennial's proposal for the definition of Governing Local Calling Area is the same as what was approved in 2005 and has been in the companies' ICA since.

1 **SUBJECT TO ACCESS AND NOT TREATED AS LOCAL.⁷⁷ WOULD**

2 **YOU LIKE TO RESPOND?**

3 A. Yes. Mr. Correa's testimony makes these two observations in passing reference,⁷⁸
4 but he does not elaborate on the concerns he has, if any, related to these
5 observations. I do not see defining VoIP traffic in the companies' agreement to
6 be a wise course of action because any such definition may not be sufficiently
7 flexible to address VoIP technologies that are being deployed rapidly in new and
8 innovative ways in the telecommunications market. In the FCC's Notice of
9 Proposed Rulemaking in the IP-Enabled Services case,⁷⁹ the FCC declined to
10 adopt a formal definition of VoIP. The FCC states: "While we adopt no formal
11 definition of 'VoIP,' we use the term generally to include any IP-enabled services
12 offering real-time, multidirectional voice functionality, including, but not limited
13 to, services that mimic traditional telephony."⁸⁰ There is no indication that a lack
14 of a formal definition of VoIP traffic would cause any confusion between the
15 companies as it relates to the Agreement, and if there was an indication that
16 confusion would result from a lack of a formal definition, obviously the FCC
17 would have adopted a formal definition of VoIP in its IP-Enabled Services NPRM
18 when it sought comment on the proper treatment of VoIP traffic.

19 Q. **IS IT A FAILURE OF CENTENNIAL'S PROPOSAL THAT IT DOES NOT**
20 **SPECIFICALLY SPELL OUT WHEN VOIP TRAFFIC WOULD NOT BE**

⁷⁷ Correa Direct, p. 20.

⁷⁸ See, Correa Direct, p. 20, lines 11-20.

⁷⁹ WC Docket No. 04-36, released 3/10/04.

⁸⁰ IP-Enabled Services NPRM, ¶ 3, footnote 7.

1 **TREATED AS LOCAL AND ACCESS WOULD APPLY TO IT, AS PRTC**
2 **INSINUATES?**

3 A. No. Centennial's proposed section 4.1.4 of the Interconnection Attachment is
4 designed for clarity in the contract as to when VoIP traffic is to be treated as local
5 and reciprocal compensation applies (when the TDM-IP conversion occurs in the
6 same local calling area as the PSTN end of the call). As noted in my direct
7 testimony,⁸¹ non-local VoIP traffic will be treated as access.⁸² If PRTC had
8 wanted to add specific language to that effect in the ICA, it could have made such
9 a proposal during negotiations, but my understanding is that it did not do so.
10 Even so, it is my understanding that Centennial would not object to including
11 such language even now. The fact that PRTC has been aware of Centennial's
12 proposal for months, and not proposed language to clarify when PRTC can collect
13 access charges for VoIP traffic is not a failing of Centennial's proposal.

14 **Q. WHAT IS YOUR RESPONSE TO PRTC'S RECOMMENDATION FOR**
15 **THE BOARD TO AWAIT THE FCC'S DECISION ON VOIP TRAFFIC?**⁸³

16 A. I addressed this issue at pages 38-39 of my direct testimony and will not repeat
17 those arguments here. The Board should instead adopt Centennial's proposed
18 language for Section 4.1.4 of the Interconnection Attachment.

⁸¹ Gates Direct, p. 38, line 19 – p. 39, line 4.

⁸² For example, if traffic starts as VoIP on a SIP phone in Colorado and is converted to TDM in Miami before coming to Puerto Rico in TDM, that would be non-local VoIP traffic that is subject to access. If traffic starts as TDM in San Juan and is sent to New York, where it is converted to IP and delivered to a SIP phone in Los Angeles, that would be non-local VoIP traffic that is subject to access.

⁸³ Blessing Direct, p. 21, lines 18-20.

Issue #11: Treatment of toll-free traffic.

Statement of Issue #11:Should the agreement conform the intercarrier compensation arrangements for "8YY" traffic to the general rules applicable to traffic the parties exchange?

ICA Reference: Interconnection Attachment § 7

Q. BRIEFLY SUMMARIZE THE COMPANIES' POSITIONS ON ISSUE #11.

A. Issue #11 as it relates to 8YY traffic is an extension of the larger disagreement between Centennial and PRTC related to whether the geographic end points should determine the classification of traffic for intercarrier compensation purposes or whether the retail treatment of a call should determine the classification of traffic. Centennial, consistent with the Board's conclusion on the matter, believes that geographic end points should determine classification, while PRTC argues that retail treatment should prevail. Centennial's proposed language for Section 7 incorporates the Board's prior decision that the geographic end points should govern into 8YY traffic, while PRTC's proposal ignores this precedent.

Q. PRTC STATES THAT CENTENNIAL BUYS SWITCHED ACCESS SERVICES TO "VOLUNTARILY"⁸⁴ PROVIDE 8YY TRAFFIC AND IS ATTEMPTING TO AVOID THE TERMS AND CONDITIONS OF THE ACCESS TARIFF AND AVOID PAYING ACCESS CHARGES.⁸⁵ HAVE YOU ALREADY ADDRESSED THIS PRTC CLAIM?

A. Yes. I addressed this at pages 42 and 43 of my direct testimony. As I noted there, it is inappropriate for PRTC to suggest that because Centennial has agreed to pay

⁸⁴ Blessing Direct, p. 36, line 22.

⁸⁵ Blessing Direct, p. 35, lines 13-20.

1 the tariffed database query charge, that Centennial should pay all switched access
2 charges. Mr. Blessing makes this same error at pages 37-38 of his direct
3 testimony.

4 Q. SPEAKING OF MR. BLESSING'S DIRECT TESTIMONY AT PAGES 37-
5 38, HE FOCUSES ON CENTENNIAL'S PROPOSAL FOR SECTION 7.3.4
6 OF THE INTERCONNECTION ATTACHMENT AND CLAIMS THAT IT
7 SHOWS THAT CENTENNIAL IS ATTEMPTING TO AVOID PAYING
8 ACCESS CHARGES. IS THIS AN ACCURATE CHARACTERIZATION
9 OF 7.3.4?

10 A. No. Mr. Blessing's example instead shows that PRTC is being compensated
11 appropriately for all functions of 8YY traffic under Centennial's proposal. In Mr.
12 Blessing's scenario, an 8YY call "originates on Centennial's network, is handed
13 to PRTC for translation of the 8YY number, is returned to Centennial as the 8YY
14 carrier, and then is delivered by Centennial to PRTC for termination."⁸⁶ Under
15 this scenario, Centennial would pay PRTC the following: (1) local termination
16 rate [for termination]; (2) tariffed intrastate tandem switching rate [for returning
17 to Centennial based on translations]; and (3) the tariffed translation charge (i.e.,
18 database query) [for translation of the 8YY number]. When viewed in this light,
19 it is obvious that PRTC's real concern with Centennial's proposal is that
20 Centennial is proposing to pay the local termination rate instead of the terminating
21 access (see #1 above) rate.

⁸⁶ Blessing Direct, p. 37, lines 19-21.

1 This is where the companies' differing views on how traffic should be classified
2 for intercarrier compensation purposes comes into play. Under Centennial's
3 proposed 7.3.4, Centennial (*i.e.*, the first party in Mr. Blessing's scenario) would
4 deliver the traffic to PRTC at the companies' meet point interconnection – this
5 traffic would originate and terminate within the same governing local calling area
6 (*i.e.*, Centennial's local calling area). As such, the local termination rate should
7 apply. Centennial should not be required to pay terminating access charges for
8 this traffic simply because the call is a toll free call from the end user customer's
9 perspective, as PRTC's proposal would require.⁸⁷ Rather than attempting to avoid
10 paying access charges, Centennial's proposal maintains prior precedent as to how
11 intercarrier compensation between the companies is to be rated.

⁸⁷ Mr. Blessing testifies: "Under this scenario, the calls are routed to Centennial only because Centennial chose to serve as an 8YY service provider in Puerto Rico and, more importantly, affirmatively chose to acquire access services, including specifically the database query service, as set forth in PRTC's Tariff K-2." (Blessing Direct, p. 36, lines 5-8). The fact that Centennial is a toll free provider to retail customers should not be the determining factor of how these calls are compensated as between PRTC and Centennial, and to Mr. Blessing's point that Centennial chose to use PRTC's database query service from its access tariff, Centennial has agreed to pay PRTC's tariffed database query charge when PRTC provides this function.

1 Q. MR. BLESSING REFERENCES THE TERMS AND CONDITIONS OF
2 PRTC'S K-2 TARIFF AND SUGGESTS THAT THE TERMS AND
3 CONDITIONS OF THE ACCESS TARIFF SHOULD TRUMP THE
4 TERMS OF THE INTERCONNECTION AGREEMENT.⁵⁵ DOES MR.
5 BLESSING CLARIFY WHICH TERMS AND CONDITIONS TO WHICH
6 HE IS REFERRING?

7 A. No. Though Mr. Blessing refers to the "terms and conditions" of PRTC's K-2
8 tariff no fewer than four times at pages 36-37 of his direct, he does not provide a
9 cite to the specific terms and conditions in the K-2 tariff that should trump the
10 ICA and the Board's previous decision that the geographic end points should
11 serve to classify traffic. In fact, he is simply making the generic point that PRTC
12 has an access tariff and that in his view that access tariff should take precedence
13 over the Board's finding that intercarrier compensation between the parties is
14 based on geography. This is not a correct interpretation of the Board's role in
15 determining what intercarrier compensation applies. PRTC's position would
16 allow a party to essentially nullify the Board's orders based on the terms of a filed
17 tariff. Indeed, to the extent that PRTC is actually asserting that it can nullify
18 Board rulings by filing tariffs, the Board should clearly specify that its rulings, not
19 PRTC's tariffs, control.

⁵⁵ Blessing Direct, p. 36 ["Since this [sic] a service that is provided under only tariff and requires acceptance of the terms and conditions of the tariff, the definition of local traffic and the reciprocal compensation provisions of the interconnection agreement should have no bearing on Centennial's obligation to pay the access charges set forth in the tariff..."]

1 **Issue #12: Prevention of PRTC regulatory arbitrage in connection with transit traffic.**

2 **Statement of Issue #12:**Should the agreement make clear that PRTC may not
3 simultaneously (a) prevent Centennial from establishing an efficient direct
4 connection to a third-party carrier but then (b) charge Centennial for having to
5 reach that carrier through PRTC's tandem switch?

6 **ICA References:** Interconnection Attachment §§ 8.5.3 and 8.5.4
7

8 **Q. PLEASE BRIEFLY EXPLAIN THE DISAGREEMENT UNDER ISSUE**
9 **#12.**

10 **A.** Perhaps the best way to address this is to explain what this disagreement is *not*
11 about. Despite claims to the contrary by PRTC, this disagreement is *not* about
12 Centennial attempting to get transiting for free or trying to force a direct
13 connection between Centennial and PRTC's wireless division – Claro. This
14 disagreement *is* about PRTC exploiting its position as an incumbent local
15 exchange carrier and forcing Centennial to pay transiting rates by refusing to
16 allow Centennial to directly interconnect with a third party. On the one hand,
17 PRTC argues that it has no legal obligation to provide transiting,⁸⁹ and on the
18 other hand PRTC contends that Centennial should be forced to use PRTC as a
19 transit provider because of PRTC's unilateral decision to block direct connections
20 between Centennial and PRTC's wireless carrier. This disagreement is about
21 PRTC attempting to have it both ways, and extracting monopoly rents in the
22 process.

⁸⁹ Blessing Direct, p. 42, lines 13-15.

1 **Q. PRTC REPEATEDLY CLAIMS THAT CENTENNIAL WANTS TO GET**
2 **FREE TRANSITING SERVICE.⁹⁰ IS THIS AN ACCURATE**
3 **DESCRIPTION OF CENTENNIAL'S PROPOSAL?**

4 **A. No. The fact is that Centennial does not want to get transiting service from PRTC**
5 **at all. As explained in Centennial's direct testimony,⁹¹ it would prefer to establish**
6 **direct connections with third parties, including, in this instance, a direct**
7 **connection with Claro – PRTC's wireless division. However, PRTC is blocking**
8 **Centennial's efforts to establish that direct connection with Claro. PRTC should**
9 **not be financially rewarded for blocking direct connections between carriers,**
10 **which is precisely what would occur if Centennial's proposal is not adopted.**

11 **Q. PRTC REFERS TO THE ARBITRATOR'S DECISION IN THE**
12 **TLD/PRTC ARBITRATION AND CLAIMS THAT CENTENNIAL IS**
13 **"ATTEMPTING TO ACHIEVE THE SAME RESULT INDIRECTLY..."⁹²**
14 **IS THIS CORRECT?**

15 **A. No. Mr. Blessing notes that the arbitration decision "ruled squarely that PRTC's**
16 **commercial mobile radio service ("CMRS") operations are not treated as an ILEC**
17 **for the purposes of Section 251(c)(2), and that a direct connection between a**
18 **CLEC and that CMRS-provider is not required under the law."⁹³ As Centennial**
19 **has explained,⁹⁴ it is not pressing the claims that were not adopted in the**
20 **TLD/PRTC arbitration, as evidenced by the fact that Centennial is not seeking to**

⁹⁰ Blessing Direct, p. 38, lines 12-13; p. 39, line 20; and p. 41, line 11.

⁹¹ See, e.g., Angulo Direct, p. 10. Centennial has established direct connections to all wireless carriers in Puerto Rico except for Claro (due to PRTC's refusal).

⁹² Blessing Direct, pp. 40-41.

⁹³ Blessing Direct, p. 40, lines 3-6.

⁹⁴ See, e.g., Centennial Petition, p. 20.

1 have PRTC's CMRS operations to be treated as an ILEC or to force a direct
2 connection between Centennial and Claro. Issue #11 raises a different question:
3 should PRTC be able to demand monopoly rents when it decides to exploit its
4 position as an incumbent LEC? If the Board agrees that the answer to this
5 question is no, then Centennial's proposal should be adopted. Under Centennial's
6 proposal, PRTC's wireless carrier would not be treated as an ILEC and a forced
7 direct connection between Centennial and Claro would not be required, but at the
8 same time PRTC would not be allowed to collect monopoly rents based on its
9 position as the incumbent.⁹⁵

10 **Q. MR. BLESSING ALSO REFERS TO THE PETITION FOR**
11 **INTERCONNECTION WITH VERIZON WIRELESS THAT NEUTRAL**
12 **TANDEM FILED AT THE FCC RELATED TO DIRECT CONNECTIONS**
13 **BETWEEN NEUTRAL TANDEM AND VERIZON WIRELESS. PRTC**
14 **STATES "THAT PETITION HAS BEEN PENDING BEFORE THE FCC**
15 **SINCE AUGUST, 2006, AND THE FCC HAS NOT RULED ON THE**
16 **MATTER."**⁹⁶ **IS THERE A GOOD REASON WHY THE FCC HAS NOT**
17 **RULED ON THE MATTER?**

18 **A. Yes. On January 14, 2008, Neutral Tandem withdrew, without prejudice, its**
19 **Petition, indicating that Neutral Tandem and Verizon Wireless had entered into an**

⁹⁵ PRTC is engaging in costly rent-seeking which results in unnecessary and anti-competitive costs for Centennial. The Department of Justice provided an opinion on this type of activity in Pennsylvania last year. *See*, Comments of the United States Department of Justice, Docket no. M-00960799, dated March 27, 2007.

⁹⁶ Blessing Direct, p. 40.

1 agreement that provided for physical connection of their respective networks,⁹⁷ so
2 the idea that the FCC is busy pondering the question raised in Issue #12 is
3 incorrect. I would also note that, while it is true that the FCC did not expressly
4 require direct connections between Neutral Tandem and Verizon Wireless, that
5 decision was avoided because the companies came to agreement on direct
6 connections between the two – something that PRTC has refused to allow for its
7 wireless division Claro. Again, Centennial is not seeking under Issue #12 for the
8 Board to require direct connections between Centennial and Claro, rather
9 Centennial's proposal would provide for economic consequences for PRTC when
10 it blocks these direct connections and deprives Centennial of efficient connections
11 with a third party.

12 **Issue #15: Transiting rate.**

13 **Statement of Issue #15:**Should PRTC be required to impose only its tandem
14 **switching rate for handling transit traffic?**

15 **ICA Reference:** Pricing Attachment § VII.1
16

17 **Q. PLEASE SUMMARIZE THE DISAGREEMENT BETWEEN THE**
18 **COMPANIES UNDER ISSUE #15.**

19 **A.** This issue relates to the appropriate rate to apply for transiting. It is Centennial's
20 position that the transit rate should be equal to the tandem switching rate
21 contained in PRTC's Puerto Rico access tariff (\$0.001289 per minute). PRTC, on

⁹⁷ Letter from Russell M. Blau to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 06-159, dated 1/14/08.

1 the other hand, is proposing a Tandem Traffic Tandem Switching rate of
2 \$0.005236.⁹⁸

3 **Q. WHY DOES CENTENNIAL PROPOSE TO ELIMINATE THE TRANSIT**
4 **TRAFFIC TANDEM SWITCHING RATE PREVIOUSLY NEGOTIATED**
5 **IN 2005⁹⁹ IN FAVOR OF THE TANDEM SWITCHING RATE?**

6 **A.** The problems Centennial has with the previously negotiated rate from 2005 that
7 PRTC proposes here are addressed in my testimony at pages 53-55: PRTC has
8 provided no cost support for its proposed rate and it results in discrimination
9 against Centennial vis-à-vis PRTC and IXC's. PRTC provided no cost support for
10 its proposed transit rate in its direct testimony.

11 **Q. PRTC TAKES ISSUE WITH CENTENNIAL'S STATEMENT THAT**
12 **WHEN PRTC SENDS ITS OWN TRAFFIC TO THE NEW CARRIER VIA**
13 **PRTC'S OWN TANDEM IT DOES NOT INCUR COSTS OTHER THAN**
14 **THE TANDEM SWITCHING COSTS.¹⁰⁰ PLEASE RESPOND.**

15 **A.** Mr. Blessing claims that when PRTC sends its own traffic to a new carrier via
16 PRTC's tandem PRTC incurs costs related to: (1) transport from the central office
17 to the tandem, (2) terminating circuits, (3) equipment needed to bring traffic from
18 tandem termination to tandem port; (4) tandem switching, and (5) PRTC's side of

⁹⁸ Mr. Blessing states: "I understand that PRTC has no statutory legal obligation to transit traffic between Centennial and a third party carrier." (Blessing Direct, p. 42, lines 14-15). I addressed the policy framework related to transiting obligations at pages 50-52 of my direct testimony and explained that not all ILECs share PRTC's view in this regard.

⁹⁹ See, Blessing Direct, p. 42, lines 4-5.

¹⁰⁰ Blessing Direct, p. 44.

1 the POI with the other carrier.¹⁰¹ Mr. Angulo addresses the details, but at a high
2 level (1) Centennial would deliver to-be-transited traffic to a preexisting meet
3 point at PRTC's tandem; (2) circuits are already functioning on the meet points to
4 terminate such traffic; (3) equipment linking the meet point to the tandem is
5 already in place; (4) Centennial proposes to pay for tandem switching; and (5) the
6 only way that PRTC could act as a tandem provider to a third party carrier is if
7 connections between PRTC and that carrier were already in place.

8 I would also note that agreed language in the parties' interconnection agreement
9 already provides that Centennial is to establish direct connections with any third
10 party, and that PRTC's obligation to provide transiting service only extends for
11 180 days. *See* Interconnection Attachment § 8.5. It follows that the only costs
12 that should reasonably be counted in setting a transit rate are short-run costs, since
13 the agreement language assures that in the long run, there will be no transit costs.
14 It is widely acknowledged that the short-run incremental costs of adding a
15 relatively small amount of traffic to an existing interconnection are close to zero.
16 As a result, Centennial's proposal to pay the Board-established tandem switching
17 rate for this function is actually extremely generous.

18 **Q. MR. BLESSING STATES THAT "IF THE BOARD AND/OR THE**
19 **ARBITRATOR DESIRE TO MANDATE A COST-BASED RATE FOR**
20 **TRANSIT TRAFFIC TANDEM SWITCHING", THE INTERSTATE**

¹⁰¹ Blessing Direct, p. 44, lines 5-14.

1 TANDEM SWITCHING RATE (\$0.00739/MOU)¹⁰² WOULD BE A COST-
2 BASED RATE.¹⁰³ IS PRTC PROPOSING THE INTERSTATE TANDEM
3 SWITCHING RATE TO RESOLVE ISSUE #15?

4 A. No. First, as noted above, given the limitations on transit service in the parties'
5 agreement, only short-run costs are appropriately used in setting transit rates as
6 between these parties; by contrast, the FCC uses an embedded, fully distributed
7 cost methodology to set access rates for carriers such as PRTC that have
8 historically been rate-of-return regulated. Second, as Mr. Blessing states at page
9 43 of his direct testimony: "To resolve Issue 15, PRTC proposes to retain the
10 negotiated rates for the purposes of the forthcoming landline interconnection
11 agreement and the forthcoming wireless interconnection agreement."¹⁰⁴ This is
12 confirmed by PRTC's Proposed Pricing Attachment at Section VII(1).
13 Accordingly, the interstate access tariff filing information Mr. Blessing provides
14 as Exhibits DCB-1 and DCB-2 are irrelevant to the proper resolution of Issue #15
15 (as they do not relate to the proposed transit rates of either of the companies).
16 And despite providing cost development information for a rate that PRTC is not
17 proposing, PRTC has still not provided cost support for the rate it is proposing to
18 resolve this issue.¹⁰⁵

¹⁰² Blessing Direct, p. 45. Note: Mr. Blessing cites page 4 of Volume 5 provided in Exhibit DCB-1 as the summary for the interstate Tandem Switching Rate development. This shows the interstate rate to be \$0.007369 instead of the \$0.00739 rate cited by Mr. Blessing (see, Blessing Direct, p. 45, line 4 and p. 43, line 4).

¹⁰³ Blessing Direct, p. 45.

¹⁰⁴ Blessing Direct, p. 43, lines 4-7.

¹⁰⁵ See, Gates Direct, p. 53, lines 11-13.

1 Q. WOULD IT BE APPROPRIATE FOR THE ARBITRATOR OR THE
2 BOARD TO ADOPT PRTC'S INTERSTATE ACCESS TANDEM
3 SWITCHING RATE FOR TRANSITING IN THE CENTENNIAL/PRTC
4 ICA?

5 A. No. For starters, PRTC has not proposed the interstate access rate for transit in
6 this proceeding – rather, PRTC is proposing an entirely different rate for transit
7 altogether. Therefore, responding to PRTC's arguments regarding its interstate
8 access tandem switching rate is really irrelevant. It is worth noting, however, that
9 the appropriate pricing methodology that would apply to transit traffic is currently
10 under review in the FCC's *Intercarrier Compensation FNPRM*.¹⁰⁶ Generally
11 speaking, ILECs advocate market based prices or special access prices for
12 transit,¹⁰⁷ while CLECs and CMRS providers advocate Total Element Long-Run
13 Incremental Cost (TELRIC) based pricing for transit.¹⁰⁸ But as noted above even
14 the TELRIC methodology – a form of “long run” costing – would actually over-
15 compensate PRTC in this case, because the agreement itself ensures that there
16 will be no “long run” obligation to provide transiting service. But these different
17 proposals at the FCC highlight the reasonableness of Centennial's proposed
18 transit rate in this proceeding. As I mentioned in my direct testimony, Centennial
19 is not proposing a TELRIC-based rate for transit in this proceeding (even though
20 a credible claim for TELRIC pricing for transit can be made, and is being made
21 by the CLEC community in the FCC's FNPRM), and is not proposing a short-run

¹⁰⁶ *In the Matter of Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, Further Notice of Proposed Rulemaking (FCC Intercarrier Compensation FNPRM), ¶ 132, Released March 3, 2005.

¹⁰⁷ FCC Intercarrier Compensation FNPRM, ¶ 122.

¹⁰⁸ FCC Intercarrier Compensation FNPRM, ¶ 123.

1 incremental cost rate (even though that is what would be most appropriate based
2 on the restrictions on transit service included in the parties' agreement).
3 Centennial's proposal is more modest: seeking to apply the existing tandem
4 switching rate in PRTC's intrastate access tariff. Yet, despite the conservative
5 nature of Centennial's proposal, PRTC apparently believes that the *intrastate*
6 tandem switching rate is too low and contends that the *interstate* tandem
7 switching rate is better reflective of PRTC's costs to provide transit in Puerto
8 Rico. I find it difficult to believe that PRTC would propose a rate for transit in
9 this proceeding (\$0.005236/MOU for wireline) that is 41% lower than the rate
10 that PRTC contends is needed to recover the costs incurred by PRTC.¹⁰⁹

11 **Issue #16: Clarification of application of reverse toll billing.**

12 **Statement of Issue #16:** Should the agreement clarify that reverse toll billing charges
13 will not apply if the traffic carrying capacity of an end office meet point is adequate
14 to meet the blocking standard in the agreement?

15 **ICA Reference:** Wireless Interconnection Attachment § 4.3

16
17 **Q. PLEASE SUMMARIZE THE DISAGREEMENT BETWEEN THE**
18 **COMPANIES ON ISSUE #16.**

19 **A.** As explained in Centennial's direct testimony, reverse toll billing charges may
20 make policy sense when a wireless carrier is not directly connected with a
21 landline carrier at the end office and the landline carrier carries the traffic to a
22 tandem-based connection between the wireless and wireline carrier. In such a
23 case, the landline carrier would be in a position to assess toll charges on its end
24 user customers for making the connection from their serving end office to the

¹⁰⁹ Blessing Direct, p. 45, lines 5-7.

1 tandem-based interconnection with the wireless carrier. As the FCC and the
2 courts have recognized, in that case – where toll charges to end users could be
3 assessed – the wireless carrier can reasonably agree to accept reverse toll billing
4 charges, so that the landline carrier will waive charges to its end users. On the
5 other hand, if the landline carrier could not reasonably charge its end users toll
6 charges (such as where the wireless carrier picks up the traffic at the originating
7 end office), no toll charges could reasonably be assessed on the landline carrier's
8 end users, so there would be no such charges to waive. In such a case, reverse toll
9 billing is not appropriate. In that situation, a purported reverse toll billing charge
10 is really just a charge by the landline carrier for originating traffic to the
11 interconnected wireless carrier – a type of charge that the FCC's rules specifically
12 forbid. *See Mountain Communications, Inc. v. FCC*, 355 F.3d 644 (D.C. Cir.
13 2004), for a discussion of these regulatory points.

14 Consistent with these principles, and as emphasized in Centennial's direct
15 testimony,¹¹⁰ reverse toll billing charges do *not* make sense when a wireless
16 carrier is interconnected with the wireline carrier at or near the end office. Note
17 in this regard that the entire logic of reverse toll billing is that it uses the point of
18 interconnection between the two carriers as a surrogate for the location of the
19 wireless caller. This is an option that is expressly acknowledged by the FCC in
20 the *Local Competition Order*, at ¶ 1044, where the FCC observed that "LECs and
21 CMRS providers can use the point of interconnection between the two carriers at
22 the beginning of the call to determine the location of the mobile caller or called

¹¹⁰ Gates Direct, pp. 57-58.

1 party." If that point of interconnection is at a distant tandem, not part of the
2 originating caller's local calling area, then a toll charge could be applied to get the
3 call to that interconnection point. But if the point of interconnection is near the
4 originating caller's end office, then no toll charges would apply. As a result,
5 reverse toll billing simply makes no sense if there is a direct connection between
6 the wireline and wireless carriers at the end office and, therefore, the wireline
7 carrier does not need to carry the traffic to the distant tandem-based connection.
8 This is the case here, because Centennial has established fiber meet points at each
9 of PRTC's end offices. As a result, there is no need for PRTC to carry traffic
10 from a PRTC customer destined for a Centennial wireless customer to the tandem.
11 Accordingly, Centennial has proposed language stating if Centennial has
12 established a meet point at a PRTC end office that meets the capacity
13 requirements of the ICA, then no reverse toll billing charges apply, and if
14 Centennial has not established a meet point at a PRTC end office (though
15 Centennial currently has meet points at each PRTC end office), then reverse toll
16 billing charges would apply.

17 Note that Centennial's proposal is actually more generous to PRTC than a strict
18 application of the logic of reverse toll billing would suggest. Specifically, if
19 Centennial has a meet point at the end office, but traffic is routed to the tandem
20 nonetheless because of overflow traffic, Centennial has agreed to pay the tariffed
21 tandem switching rate. PRTC could never practically impose any toll charges on
22 its end users for the intermittent, random calls at the busy hour that might
23 overflow to the tandem, so in practical terms there are no potential end user toll

1 charges to waive via reverse toll billing. Even so, PRTC objects to Centennial's
2 language and instead proposes language stating that high reverse toll billing
3 charges will apply if PRTC carries a call from its customer destined for a
4 Centennial wireless customer across PRTC's local calling boundaries, as well as
5 indemnification language holding PRTC harmless in virtually every aspect of the
6 reverse toll billing arrangement.

7 **Q. WHAT PROBLEMS DOES PRTC RAISE ABOUT CENTENNIAL'S**
8 **PROPOSAL FOR ISSUE #16?**

9 **A.** PRTC raises three primary concerns, none of them valid. First, PRTC claims that
10 Centennial's proposal would preclude reverse toll billing charges whether or not
11 the Centennial POI is performing appropriately and if Centennial is the cause of a
12 performance problem.¹¹¹ Second, PRTC states that Centennial has not explained
13 why it should pay less for the same work during normal overflow.¹¹² Third,
14 PRTC claims that many determinations would need to be made under
15 Centennial's proposal, including whether the POI is configured in accordance
16 with 2.6.6, whether it is normal overflow traffic, or whether PRTC is at fault for a
17 performance problem,¹¹³ which according to PRTC would be "virtually
18 impossible" to make and would lead to further disputes before the Board.

¹¹¹ Correa Direct, pp. 25-26.

¹¹² Correa Direct, p. 26, lines 6-9.

¹¹³ Correa Direct, pp. 26-27.

1 **Q. PLEASE ADDRESS PRTC'S FIRST CONCERN – PRECLUDING**
2 **REVERSE TOLL BILLING CHARGES REGARDLESS IF THE POI IS**
3 **PERFORMING APPROPRIATELY.**

4 **A. Mr. Correa states: "Centennial's proposal would eliminate reverse toll billing**
5 **charges even if Centennial was the cause of some performance problem at the**
6 **POI causing the tandem overflow."¹¹⁴ I disagree. Centennial's language for**
7 **Sections 4.3.4.1 and 4.3.4.1.1, would require Centennial to pay reverse toll billing**
8 **charges to PRTC if Centennial establishes a meet point that does not meet the**
9 **technical specifications of Section 2.6.6. For example, if Centennial did not**
10 **install sufficient trunking on its side of the POI to provide the Grades of Service**
11 **required by Section 2.6.6, causing tandem-routed wireline-to-wireless traffic,**
12 **then, under Centennial's proposal, Centennial would pay the reverse toll billing**
13 **charge. Contrary to Mr. Correa's suggestion, Centennial's proposal is imminently**
14 **fair: (i) if the wireline to wireless traffic is exchanged at the end office meet point,**
15 **then reverse toll billing charges do not apply (this is fair because there is no need**
16 **for PRTC to carry the call to the tandem); (ii) if wireline to wireless traffic is**
17 **exchanged at the tandem because Centennial has not established an end office**
18 **POI that meets the technical specifications of Section 2.6.6, then reverse toll**
19 **billing charges do apply (this is fair because Centennial has not taken the steps**
20 **necessary to avoid tandem-routed traffic); (iii) if wireline to wireless traffic is**
21 **exchanged at the tandem because of a PRTC-caused problem at the POI, then**
22 **reverse toll billing charges do not apply (this is fair because Centennial should not**

¹¹⁴ Correa Direct, p. 26.

1 pay PRTC for PRTC's failure when Centennial has taken the steps (and made the
2 investment) necessary to avoid tandem-routed traffic).

3 Q. CAN YOU EXPLAIN WHY, AS PRTC PUTS IT, CENTENNIAL SHOULD
4 PAY LESS FOR THE SAME WORK (EXCHANGING TRAFFIC AT THE
5 TANDEM) DURING NORMAL OVERFLOW CONDITIONS (PRTC'S
6 SECOND CONCERN)?

7 A. Yes. Mr. Correa states: "with respect to the case where a call blocks at a POI due
8 to normal conditions (what Centennial apparently refers to as 'normal overflow'),
9 Centennial never once has explained why it should pay PRTC radically less for
10 doing the same work."¹¹⁵ The answer is straightforward: Centennial should not
11 be required to pay a premium rate to PRTC when Centennial has taken the steps
12 and made the investment necessary to establish end office meet points that meet
13 the technical specifications of the Agreement and are sound from an engineering
14 perspective. If there was not an exception for normal overflow traffic, then to
15 make sure that Centennial could avoid reverse toll billing charges in every
16 instance, both Centennial and PRTC would have to over-engineer its meet point
17 facilities, which would be unnecessarily costly and inefficient. Otherwise,
18 Centennial gets hit with a "double whammy" whereby Centennial makes the
19 investment to establish properly-sized end office meet points and then also gets
20 hit with a premium reverse toll billing charge. Centennial has agreed to
21 compensate PRTC for the normal overflow traffic at the tariffed tandem switching
22 rate – rather than the premium reverse toll billing charge.

¹¹⁵ Correa Direct, p. 26.

1 **Q. WAS THE TANDEM SWITCHING RATE CHOSEN BY CENTENNIAL**
2 **TO APPLY IN NORMAL OVERFLOW CONDITIONS "RANDOMLY-**
3 **CHOSEN",¹¹⁶ AS PRTC STATES?**

4 **A. No. The tariffed tandem switching rate for this traffic was chosen because the**
5 **overflow traffic would be exchanged at the tandem.**

6 **Q. DO YOU AGREE THAT IT WOULD BE "VIRTUALLY IMPOSSIBLE"**
7 **TO DETERMINE WHETHER THE POI MEETS REQUIREMENTS OF**
8 **SECTION 2.6.6, TO DEFINE OVERFLOW TRAFFIC, AND DETERMINE**
9 **WHETHER PRTC CAUSED A PROBLEM AT THE POI (PRTC'S THIRD**
10 **CONCERN)?¹¹⁷**

11 **A. No. Mr. Angulo addresses this issue in more detail, but on its face this seems to**
12 **be an unsupported statement. Section 2.6.6 states that the meet points will be**
13 **engineered to maintain an acceptably low probability of blocking at the busy**
14 **hour. This is standard in the telecommunications industry, and for PRTC to**
15 **suggest that the parties could not determine whether that standard was being met**
16 **is absurd.**

17 **Q. PRTC STATES THAT THE AMOUNT OF REVERSE TOLL BILLING IS**
18 **"RATHER SMALL," SO CENTENNIAL'S PROPOSAL IS "A SOLUTION**
19 **IN SEARCH OF PROBLEM."¹¹⁸ ARE YOU SURPRISED THAT PRTC**

¹¹⁶ Correa Direct, p. 25, line 12.

¹¹⁷ Correa Direct, pp. 26-27.

¹¹⁸ Correa Direct, p. 27, lines 9-11.

1 **WOULD NOT SEE THE PROBLEM CENTENNIAL'S PROPOSAL**
2 **ADDRESSES?**

3 A. Yes. This issue touches on the overarching issues in this arbitration: (1) PRTC's
4 reliance on its local calling areas for determining intercarrier compensation
5 between the companies and (2) the need for the contract to recognize the
6 extensive fiber meet point interconnections Centennial has established with PRTC
7 at each PRTC end office. PRTC's proposed language for this issue presumes that
8 reverse toll billing charges will apply based on PRTC's local calling areas (rather
9 than the local calling area defined by the Board for the past six years), and focuses
10 only on when reverse toll billing charges apply (and given that there are
11 Centennial/PRTC meet points at each PRTC end office, in most instances, reverse
12 toll billing charges would not apply). Therefore, the presumption in PRTC's
13 language is misplaced. Centennial's language, on the other hand, properly
14 recognizes when reverse toll billing charges should and should not apply, while at
15 the same time maintaining the Board's prior decisions on how intercarrier
16 compensation should be determined between the companies.

17 Q. **IN SUPPORT OF PRTC'S EXTENSIVE INDEMNIFICATION**
18 **LANGUAGE RELATED TO REVERSE TOLL BILLING, MR. CORREA**
19 **DESCRIBES A SITUATION WHERE REVERSE TOLL BILLING,**
20 **LOCAL NUMBER PORTABILITY AND NUMBER POOLING HAS PUT**
21 **PRTC IN A SITUATION WHERE IT CAN'T BE SURE THAT IT IS**

1 **RATING WIRELESS CALLS CORRECTLY.¹¹⁹ WOULD YOU LIKE TO**
2 **RESPOND?**

3 A. Yes. Mr. Correa states: "a call to a non-local telephone number that is a 'native
4 wireline' number, but that is now assigned to a wireless carrier, will continue to
5 be rated and routed as a wireline number and calls may be rated as toll calls for
6 which 'reverse toll billing' would not be applied."¹²⁰ In essence, what PRTC is
7 saying is that because PRTC may mistakenly charge toll charges to its landline
8 customers (in a reverse toll billing situation) when it calls a Centennial wireless
9 customer with a ported "native wireline" number, its indemnification provisions
10 are necessary. As far as I am aware, however, based on discussions with
11 Centennial employees, this situation has simply not arisen in practice to any
12 significant degree in the many years since intermodal number porting has been
13 implemented. If such problems had actually occurred with any frequency, it
14 would have been a simple matter for PRTC to so indicate in its testimony. The
15 fact that PRTC has made no such showing indicates that PRTC's concern about
16 this point is overstated.

¹¹⁹ Correa Direct, pp. 27-32.

¹²⁰ Correa Direct, p. 30.

1 **Issue #18: Application of Wholesale Discount to Exchange Access Facilities.**

2 **PRTC's Statement of Issue #18 (as indicated in PRTC's Response):** Should the
3 **Draft 2008 Landline Agreement** extend the wholesale discount developed under
4 **Section 251(c)(4) of the Communications Act** to special access circuits that PRTC
5 provides under access tariffs?

6 **ICA Reference:** Resale Attachment § 1.1
7

8 **Q. PLEASE SUMMARIZE THE COMPANIES' POSITIONS ON ISSUE #18.**

9 A. Centennial's position on this issue is straightforward: the companies should
10 continue to comply with the Board's decision in Case Number JRT-2003-Q-0070
11 regarding application of the wholesale discount to exchange access facilities.
12 PRTC's position on this issue, on the other hand, is confusing.

13 **Q. PLEASE ELABORATE.**

14 A. A close reading of PRTC's Response to Centennial's Arbitration Petition shows
15 that, even though PRTC is careful not to come right out and say it, PRTC's
16 recommendation is for the final sentence of Section 1.1 of the Resale
17 Arrangement (See, Exhibit TJG-2, p. 10, underlined sentence) to be eliminated
18 from the agreement – language that is in the existing ICA.¹²¹ Then, in PRTC's
19 direct testimony, PRTC changes its tune and recommends that “the Board...direct
20 Centennial to pay PRTC an amount that, at one point in this process, it did not
21 dispute was owed.”¹²²

22 **Q. DO EITHER OF THESE PRTC PROPOSALS MAKE SENSE?**

23 A. No. There is no reason for the Board to revisit its decision regarding resale
24 discounts on private lines (special access circuits) sold at retail, so PRTC's first

¹²¹ See, PRTC Response, pp. 41-43.

¹²² Correa Direct, p. 35, lines 7-9.

1 proposal – to eliminate the requirement that the parties comply with that decision
2 – is baseless. Second, there is no reason for the Board to fix in stone the
3 percentage of special access circuits to which the discount applies, based on one
4 study Centennial submitted several years ago. I have been informed that
5 Centennial has provided more recent data to PRTC and has also proposed an
6 alternative methodology for dealing with this issue going forward – to which
7 PRTC has not responded. It seems as though PRTC simply does not want to
8 either acknowledge the validity of the Board's original ruling on this point
9 (which, Centennial acknowledges, remains on appeal in federal court) or to work
10 with Centennial in good faith to implement that Board ruling in an orderly
11 fashion.

12 Centennial's Mr. Khoury addresses this issue in somewhat more detail.

13 **Q. TO THE EXTENT THAT PRTC IS STILL RECOMMENDING THAT**
14 **THE LAST SENTENCE OF SECTION 1.1 OF THE RESALE**
15 **ATTACHMENT BE DELETED, IS SUCH A RECOMMENDATION**
16 **REASONABLE?**

17 **A.** No. The language in question simply states: "The Parties shall comply with any
18 effective ruling of the Board in Case Number JRT-2003-Q-0070, without
19 prejudice to the right of either Party to seek reconsideration or review of such
20 ruling, and subject to the final resolution thereof." This language does nothing
21 more than state that the parties will abide by the Board's earlier decision on the

1 question of resale of retail private lines/special access circuits. There is no reason
2 for the Board to revisit that determination now.

3 **IV. CONCLUSION AND RECOMMENDATION**

4 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.**

5 **A.** I recommend that the Board adopt Centennial's proposed language for the
6 wireline and wireless interconnection agreements for Issues 1, 3, 5, 6, 9, 10, 11,
7 12, 15, 16, and 18.

8 **Q. DOES THIS CONCLUDE YOUR REPLY TESTIMONY?**

9 **A.** Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for arbitration of certain terms and conditions of an interconnection agreement with Verizon Florida, LLC by Bright House Networks Information Services (Florida), LLC.

Docket No. 090501-TP

BRIGHT HOUSE'S RESPONSES TO VERIZON FLORIDA LLC'S SECOND AND THIRD SETS OF INTERROGATORIES (NOS. 22-41) AND THIRD AND FOURTH REQUESTS FOR DOCUMENT PRODUCTION (NOS. 10 - 12)

Bright House Networks Information Services (Florida), LLC, ("Bright House") hereby submits its responses to the second and third sets of interrogatories (Nos. 22-41) and third and fourth requests for production of documents (Nos. 10 - 12) of Verizon Florida LLC ("Verizon") in the above-captioned proceeding, as follows this cover page. Service has been made in accordance with the attached Certificate of Service. Because in these interrogatories, Staff has sought a description of Bright House's legal positions and/or contentions in this proceeding, the responses have been prepared by counsel.

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Attachment A

RESPONSES TO INTERROGATORIES

22. Issue 24 asks: "Is Verizon obliged to provide facilities from Bright House's network to the point of interconnection at TELRIC rates?" In his Rebuttal Testimony on Issue 24, Mr. Gates indicates that the only facilities at issue between the parties are "the links between Bright House's collocation facilities at the Verizon end offices, running to the switch ports on Verizon's tandem switch." (Gates Rebuttal Testimony at 37.) Does Bright House consider these facilities to be facilities Verizon provides from Bright House's network to the point of interconnection ("POI")?

Yes. Verizon provides these facilities from Bright House's network to a POI. The underlying assumption of the question seems to be that there is only one "POI" for purposes of interconnection between Verizon and Bright House. That is obviously incorrect; today there are four POIs (the two end office collocations, the collocation at Verizon's tandem switch, and the switch ports on Verizon's tandem for the exchange of third-party exchange access traffic).

With regard to the exchange access traffic carried on the facilities in question, when the parties' initial interconnection arrangements were established, Verizon requested that the POI for purposes of interconnection for the transmission and routing of that traffic was Verizon's tandem. Bright House did not object to that request. The result is that the Verizon facilities in question connect Bright House's network (that is, its network equipment at the end office collocations) to the POI the parties originally established for purposes of exchanging third-party exchange access traffic. That does not mean, however, that there is a single POI for all aspects of the parties' interconnection arrangements.

23. **Where does Bright House consider the POI, pursuant to section 251(c)(2)(B), to be in its existing physical interconnection arrangements with Verizon?**

There are four such POIs today. FCC rules define "interconnection" as "the linking of two networks for the mutual exchange of traffic." 47 C.F.R. § 51.5. In the parties' present configuration, Bright House has extended its network, via its fiber optic facilities, into the collocation space it rents from Verizon at each of the three collocations now in place. Bright House's equipment in those spaces is, in each case, physically linked to Verizon's network equipment by means of cross-connects from that equipment to Verizon's IDF (intermediate distribution frame). At that point the linking of the two networks has occurred, and any traffic flowing from Bright House to Verizon has crossed the "link" onto Verizon's network. In addition, as noted above, Verizon requested that a POI for purposes of exchanging third-party exchange access traffic be established at the ports on Verizon's access tandem.

24. **As long as Bright House keeps its existing physical interconnection arrangements with Verizon under the new interconnection agreement, would the point of interconnection stay in the same place as it is now? If not, explain why it would not.**

Bright House is entitled under Section 251(c)(2) to determine the technically feasible point(s) at which it will interconnect with Verizon for the transmission and routing of telephone exchange service (local) traffic and exchange access (toll) traffic. Historically, Bright House acceded to Verizon's request that the POI for purposes of third-party exchange access traffic would be the ports on Verizon's tandem. Bright House has the right, under Section 251(c)(2), to determine that the POI for purposes of that traffic would be its end office collocations. In that event, the POI for this traffic would change even though Bright House's own physical network would not change. On the other hand, while under the parties' new agreement, Bright House would retain administrative responsibility for the *trunks* carrying the exchange access traffic between its end office collocations and Verizon's tandem, Bright House would no longer have control over the specific physical *facilities* used for that purpose, as it does today. Instead, Verizon would have control of the facilities, and would also be involved (under agreed terms of the new contract) in monitoring the usage on those trunks and could take steps to decrease their number if they were to become underutilized.

25. At page 34, lines 6 of his Rebuttal Testimony, Mr. Gates refers to unspecified "rules and rulings" of the FCC. Please provide complete citations to the "rules and rulings" to which Mr. Gates alludes.

The reference is to FCC Rule 51.501(b) and associated discussion of TELRIC pricing of facilities used for interconnection, including the *Triennial Review Remand Order*, 20 FCC Rcd 2533 (2005), the *Triennial Review Order*, 18 FCC Rcd 16978 (2004) and the *Local Competition Order*, 11 FCC Rcd 15499 (1996). See response to item No. 28, below.

26. Mr. Gates explains that the facilities for which Bright House seeks TELRIC (rather than tariffed special access) pricing are used by Bright House to send traffic to or receive traffic from long-distance carriers. (Gates RT at 40-41.) With respect to these facilities:

a. Does Bright House, in turn, charge these third-party long distance carriers for the use of these facilities that Bright House buys from Verizon?

Yes.

26. **Mr. Gates explains that the facilities for which Bright House seeks TELRIC (rather than tariffed special access) pricing are used by Bright House to send traffic to or receive traffic from long-distance carriers. (Gates RT at 40-41.) With respect to these facilities:**

b. **If the answer to subpart a is yes, how does Bright House set the prices it charges the long-distance carriers for the use of these facilities?**

Interstate CLEC access charges are contained in tariffs filed with the FCC, and are subject to what is essentially a price cap regime. With respect to intrastate access charges, CLECs file price lists with the Commission.

26. **Mr. Gates explains that the facilities for which Bright House seeks TELRIC (rather than tariffed special access) pricing are used by Bright House to send traffic to or receive traffic from long-distance carriers. (Gates RT at 40-41.) With respect to these facilities:**

c. **Are Bright House's prices for these facilities regulated by the Florida Public Service Commission or the FCC? If so, please describe the nature and source of such regulation.**

See response to Item No. 26(b)

26. Mr. Gates explains that the facilities for which Bright House seeks TELRIC (rather than tariffed special access) pricing are used by Bright House to send traffic to or receive traffic from long-distance carriers. (Gates RT at 40-41.) With respect to these facilities:

d. Do Bright House's prices associated with these facilities appear in Bright House's price list filed with the Commission? If not, where are the prices stated?

Yes.

26. **Mr. Gates explains that the facilities for which Bright House seeks TELRIC (rather than tariffed special access) pricing are used by Bright House to send traffic to or receive traffic from long-distance carriers. (Gates RT at 40-41.) With respect to these facilities:**

- e. **If the Commission orders Verizon to sell Bright House these facilities at TELRIC rates, rather than at existing tariffed rates, will Bright House reduce the rates it charges the third-party long-distance carriers for using these facilities? If not, why not?**

Not necessarily. As Bright House understands the applicable regulatory requirements, it may, but is not required, to lower access charges in response to cost savings. To the contrary, as noted above, its access charges (like Verizon's) are regulated under what amounts to a price cap regime. One benefit of price cap regulation is that it gives the carrier an incentive to improve the efficiency of its operations (including – as relevant here – obtaining the lowest reasonable rates from suppliers), and at the same time permits the carrier to exercise its business judgment regarding how to best make use of any resulting savings. One possible way to make use of such savings would be to lower certain prices on a permanent basis. But depending on competitive and other considerations, it may be more appropriate to invest in network expansion, offer short-term pricing incentives on some services, add features to (or otherwise improve the quality of) the services being offered, etc.

27. **Does Bright House directly connect with any long distance carriers or interexchange carriers without the use of any facilities provided by Verizon? If so, with how many such carriers has Bright House established direct connections?**

Yes. This topic was addressed in the deposition of Ms. Marva Johnson. We refer Verizon to that discussion.

28. At page 38, lines 17-20 of his Rebuttal Testimony, Mr. Gates states: "However, the FCC specifically stated that its ruling limiting the availability of TELRIC-priced facilities used to access UNEs does not affect its long-standing rule that TELRIC-priced facilities must be provided for purposes of interconnection to exchange traffic." Please provide a complete citation to the FCC's "long-standing rule" referenced by Mr. Gates.

The rule in question is 47 U.S.C. § 51.501(b). Rules 51.501 *et seq.* establish the TELRIC pricing regime. Although most of those rules speak in terms of the pricing of "elements," Rule 51.501(b) clearly applies to interconnection arrangements as well. This is true because Rule 51.501(b) states that "the term 'element' includes ... *interconnection, and methods of obtaining interconnection* ..." (emphasis added). Under this rule, therefore, TELRIC pricing applies to "methods of obtaining interconnection." This rule was established by the FCC in August 1996, as part of the very first rules the agency promulgated to implement the 1996 Act. *See Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15499 (1996) at Appendix B, page 29. It has not been changed in the last fourteen years. It is, therefore, "long-standing."

In a much later decision (the *Triennial Review Remand Order*, 20 FCC Rcd 2533 (2005)), the FCC ruled that entrance facilities would no longer be available as UNEs, or to access UNEs, was based on the "impairment" standard of 47 U.S.C. § 251(d)(2). *TRRO* at ¶¶ 136-41. That standard says that CLECs are only entitled to UNEs under 47 U.S.C. § 251(c)(3) if they would be "impaired" in their ability to offer service without the UNE. No "impairment" analysis applies to interconnection or methods of obtaining interconnection, which is governed by 47 U.S.C. § 251(c)(2). This led the FCC to specifically note that its non-impairment determination "does not alter the right of competitive LECs to obtain interconnection facilities pursuant to section 251(c)(2) for the transmission and routing of telephone exchange service and exchange access service." *TRRO* at ¶ 140 (footnote omitted). The citation to that statement refers to ¶ 366 of the *Triennial Review Order*, 18 FCC Rcd 16978 (2004). At ¶ 365 of the *TRO*, the FCC draws a clear distinction between UNEs under 47 U.S.C. § 251(c)(3) and interconnection facilities under 47 U.S.C. § 251(c)(2), stating that, "*Unlike* the facilities that incumbent LECs explicitly must make available for section 251(c)(2) interconnection, we find that the Act does not require incumbent LECs to unbundle transmission facilities connecting incumbent LEC networks to competitive LEC networks for the purpose of backhauling traffic." (Emphasis added, footnote omitted.) The only logical reading of this statement is that when "facilities ... for section 251(c)(2) interconnection" are at issue, the Act *does* "require incumbent LECs" to provide such facilities.

This conclusion is confirmed by the footnote to the quoted language (*TRO* at ¶ 365 n. 1113), which confirms that since the *Local Competition Order*, the FCC has understood the Act to require ILECs to provide CLERCs with facilities and equipment for interconnection:

Specifically, section 251(c)(2) requires access to "the facilities and equipment" used by competing carriers for "interconnection with the local exchange carrier's network . . . for the transmission and routing of telephone exchange service and exchange access . . ." The *Local Competition Order* discussed the relationship between sections 251(c)(2) and 251(c)(3) only to the extent that the obligation under section 251(c)(3) "allows unbundled elements to be used for a broader range of services than subsection (c)(2) allows for interconnection." *Local Competition Order*, 11 FCC Rcd at 15636-37, para. 270.

Finally, at ¶366 of the *TRO*, the FCC states that:

to the extent that requesting carriers need facilities in order to "interconnect[] with the [incumbent LEC's] network," section 251(c)(2) of the Act expressly provides for this and we do not alter the Commission's interpretation of this obligation.

The footnote to that sentence states: "Section 251(c)(2) requires access to 'the facilities and equipment' used by competing carriers for 'interconnection with the local exchange carrier's network . . . for the transmission and routing of telephone exchange service and exchange access.' 47 U.S.C. § 251(c)(2)." (Emphasis by FCC.)

In other words, the *TRRO* and the *TRO* both recognized that CLECs are entitled to obtain "facilities and equipment used by competing carriers for interconnection", under Section 251(c)(2), completely independent of whether such facilities are or are not UNEs, and completely independent of whether the "impairment" standard is or is not met with respect to them. Nothing in either of these orders in any way changed the long-standing obligation on ILECs to make such "facilities and equipment" available to CLECs at TELRIC rates. In this regard, the UNE "impairment" standard does not apply at all. The standard governing interconnection and access to interconnection is "technical feasibility," which does not include an "impairment" component. See 47 C.F.R. § 51.5 (defining "technically feasible").

29. **Has the FCC ruled that transport facilities a CLEC buys from an ILEC to carry third-party interexchange carriers' traffic to or from the CLEC's end users are interconnection facilities under section 251(c)(2)? If so, please provide a complete citation to the rule or order.**

Section 251(c)(2) states that a CLEC is entitled to technically feasible interconnection with an ILEC for the transmission and routing of "exchange access" traffic. Third-party IXC traffic is clearly "exchange access" traffic. Transport between a CLEC's network and a POI used to exchange such traffic are clearly "interconnection facilities" for that purpose. See Response to No. 28, above. Therefore 47 C.F.R. § 51.501(b) applies.

Bright House is not, at this time, aware of an FCC ruling addressing this specific facility arrangement. That is hardly surprising because the pricing of this type of facility arrangement will only be economically significant in the case of a CLEC that has a very substantial residential customer base that receives a great deal of inbound long distance calls from long distance carriers connected via the ILEC's tandem. Such CLECs (such as, for example, Bright House) are a relatively new phenomenon.

30. **Has the FCC ever defined or described entrance facilities to include transport facilities a CLEC obtains from an ILEC to carry third-party interexchange carriers' traffic to and from the CLECs' end users? If so, please provide a complete citation to the document(s) reflecting that definition or description.**

Not to Bright House's knowledge, but this has little, if anything, to do with Bright House's contention in this case. The transport facilities described in the question are clearly "methods of obtaining interconnection" within the meaning of 47 C.F.R. § 51.501(b) and related authorities (such as the definition of "technically feasible," the definition of "exchange access," etc.).

31. At page 44 of his Rebuttal Testimony, lines 3-20, Mr. Gates discusses an option under which Bright House would "designate the collocations at Verizon's end offices as the point of interconnection for purposes of exchanging access traffic." With respect to this option discussed by Mr. Gates:

- a. Would the "point of interconnection for purposes of exchanging access traffic" be different from the point of interconnection for purposes of exchanging other traffic under the interconnection agreement?

Not if Bright House exercised its option to designate the same POIs as applicable to telephone exchange service traffic. In this regard, *see* response to Item No. 23, above.

31. At page 44 of his Rebuttal Testimony, lines 3-20, Mr. Gates discusses an option under which Bright House would "designate the collocations at Verizon's end offices as the point of interconnection for purposes of exchanging access traffic." With respect to this option discussed by Mr. Gates:

b. If your answer to subpart b is yes, where would the point of interconnection be for purposes of exchanging the other (non-access) traffic?

Not applicable.

31. At page 44 of his Rebuttal Testimony, lines 3-20, Mr. Gates discusses an option under which Bright House would "designate the collocations at Verizon's end offices as the point of interconnection for purposes of exchanging access traffic." With respect to this option discussed by Mr. Gates:

- c. Would each collocation be a separate point of interconnection for purposes of exchanging access traffic?

Each collocation would be a separate POI for purposes of exchanging exchange access traffic, just as each collocation today is a separate POI for purposes of exchanging telephone exchange service traffic.

31. At page 44 of his Rebuttal Testimony, lines 3-20, Mr. Gates discusses an option under which Bright House would "designate the collocations at Verizon's end offices as the point of interconnection for purposes of exchanging access traffic." With respect to this option discussed by Mr. Gates:

- d. Could Bright House designate its existing end office collocations as the POI (or POIs) without changing its physical network interconnection arrangements with Verizon?

Yes, but going forward the management of the facilities connecting the end office collocations to the access tandem would be handled differently than today. See response to Item No. 24, above.

31. At page 44 of his Rebuttal Testimony, lines 3-20, Mr. Gates discusses an option under which Bright House would "designate the collocations at Verizon's end offices as the point of interconnection for purposes of exchanging access traffic." With respect to this option discussed by Mr. Gates:

- e. Does Bright House contend that, under this option, it would not have to pay Verizon anything for the Verizon facilities Bright House uses to transport third-party long-distance carriers' traffic?

This question mischaracterizes the situation that would then exist. Under this option Verizon would provide transport to the third-party IXC's from its access tandem to the end-office-POIs with Bright House, and Bright House would provide transport to those IXC's from the end-office-POIs back to Bright House's own switch. Under this option, Verizon would bill the IXC's for Verizon's portion of the transport provided, and Bright House would bill the IXC's for Bright House's portion of the transport provided. So it is simply inaccurate to say that under this option, "Bright House uses" the "Verizon facilities." The *third party IXC's* are the entities that would "use" – and be charged for the use of – those facilities.

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32. At page 128 of his Direct Testimony, lines 5-12, Mr. Gates states that because of the high volume of traffic exchanged by Bright House and Verizon, a requirement that interconnection occur at the DS1 level serves no purpose "other than to accommodate Verizon's (apparently) obsolete switching equipment." Does Bright House contend that it exchanges a sufficient volume of traffic with Verizon at any end office to warrant a DS3 circuit between Bright House's network and the end office?

Yes. While Bright House does not send a "full" DS3's worth (that is, 28 DS1s) of traffic to any specific Verizon end office, standard engineering practice in the telecommunications industry is to convert from multiple DS1s to a single DS3 at much lower levels than that. Based on Bright House's review of current trunking arrangements, between 15 and 20 Verizon end offices either already have enough DS1 trunks to justify conversion to DS3 arrangements, or are on the verge of reaching that traffic level (and, therefore, may well do so during the term of the new ICA).

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REVISED RESPONSE MAY 19, 2010

32. At page 128 of his Direct Testimony, lines 5-12, Mr. Gates states that because of the high volume of traffic exchanged by Bright House and Verizon, a requirement that interconnection occur at the DS1 level serves no purpose "other than to accommodate Verizon's (apparently) obsolete switching equipment." Does Bright House contend that it exchanges a sufficient volume of traffic with Verizon at any end office to warrant a DS3 circuit between Bright House's network and the end office?

- a. If your answer is "yes," please identify each end office where a DS3 circuit is warranted and state the volume of traffic being exchanged between Bright House's network and the end office.

Under standard engineering practice, a group of multiple DS1s would be converted to a DS3 when the number of DS1s on a route reaches 5 or 6. At present this level of traffic exists with respect to the following Verizon offices:

Verizon Switch	DS1s
BRNDFLXA68H2WL_IH	10
CLWRFLXA44H2WL_IH	6
LKLDLFLXA68H2WL_IH	6
NPRCFLXA84H2WL_IH	6
STGRFLXA78H2WL_IH	6
BRBAFLXA75H2WL_IH	5
BRTNFLXX74H2WL_IH	5
CNDSFLXA79H2WL_IH	5
CRWDFLXA96H2WL_IH	5
HGLDFLXA64H2WL_IH	5
LKLDLFLXN85H2WL_IH	5
LRGOFLXA58H2WL_IH	5
NGBHFLXA39H2WL_IH	5
SPBGFLXA89H2WL_IH	5
TAMPFLXEDS02WL_IH	5
TRSPFLXA93H2WL_IH	5
UNVRFLXA97H2WL_IH	5
WLCHFLXA97H2WL_IH	5
WNHNFLXC29H2WL_IH	5

As traffic volumes increase over time, other Verizon offices may well fall into this category during the term of the new ICA.

000261

32. At page 128 of his Direct Testimony, lines 5-12, Mr. Gates states that because of the high volume of traffic exchanged by Bright House and Verizon, a requirement that interconnection occur at the DS1 level serves no purpose "other than to accommodate Verizon's (apparently) obsolete switching equipment." Does Bright House contend that it exchanges a sufficient volume of traffic with Verizon at any end office to warrant a DS3 circuit between Bright House's network and the end office?

b. Does Bright House contend that any Verizon end office switch should have a DS3 interface to accommodate Bright House's traffic even though Bright House and Verizon do not exchange a sufficient volume of traffic to warrant a DS3 circuit between Bright House's network and the end office? If so, please explain the basis for your answer.

No. Bright House contends that it should be permitted to deliver its Verizon-bound traffic to Verizon, at the POIs, at the DS3 or higher level and that, if and to the extent that demultiplexing is required in order to accommodate the configuration of Verizon's network, Verizon perform that function at its own expense. This result is appropriate for two reasons. First, under the TELRIC standard DS1 interfaces would not be used for purposes of calculating the appropriate rate, as Mr. Gates explained in his testimony and deposition. Thus even if Verizon has such interfaces their TELRIC cost, and therefore the appropriate price, is zero. Second, Bright House and Verizon have agreed on an integrated "transport and termination" rate of \$0.0007 per minute for traffic they exchange. Under the FCC's rules (47 C.F.R. § 51.701(c)) the "transport" function begins at the POI, that is, the point at which the traffic is physically transferred from Bright House's network to Verizon's. That point occurs either at the cross-connect attached to Bright House's network equipment at its collocations, or, at the latest, at the Verizon IDF (intermediate distribution frame). Anything that occurs on Verizon's side of that point is part of the transport function and so cannot be charged for again, over and above the \$0.0007 rate.

33. At page 151 of his Direct Testimony, lines 14-17, Mr. Gates describes purposes for which businesses use "point-to-point data services." Please identify the types of services Bright House currently provides to its customers using "point-to-point data services" that Bright House buys out of Verizon's Florida intrastate access tariff.

Bright House does not presently buy any such services out of Verizon's tariffs. Part of the point of Issue No. 49 is to establish that Bright House may do so at an appropriately discounted rate.

34. **The parties' settlement agreement provides that the new interconnection agreement will include terms "such that, based on the current arrangement of network interconnection, and so long as those physical arrangements remain materially unchanged," Bright House will pay muxing charges as specified in the settlement agreement. Please state whether Bright House has current plans to change the parties' current arrangement of network interconnection. If so, please describe those plans and state when Bright House expects to implement them.**

Bright House is considering a number of possible changes to its network interconnection arrangements with Verizon. These include (a) reconfiguring its access tandem and end office collocations so that third-party IXC traffic is routed to the access tandem collocation (which would result in augmenting the equipment at the access tandem collocation and down-sizing the equipment at the end office collocations) and (b) decommissioning its collocations entirely and instead establishing a fiber meet arrangement with Verizon.

Whether and to what extent Bright House will pursue these plans in detail depends on a number of considerations, including (a) whether there will be any constraints or restrictions on the types of traffic that might flow over a fiber meet arrangement; (b) the rearrangement costs that Bright House would incur (e.g., costs of changing out equipment at its collocations or removing such equipment entirely); and (c) how much Verizon would charge Bright House, and for what functions, under each possible scenario. Until relatively recently the parties had not reached closure on Item (a) (traffic types over fiber meets). This issue has now been settled. Item (c) is actively being considered as part of Issue Nos. 24, 32, 36, and 37 in this proceeding. In the absence of a definitive ruling (or settlement with Verizon) with respect to those issues, Bright House cannot meaningfully compare different network reconfiguration alternatives. As a result, we plan to undertake such considerations following the resolution of the open issues in this proceeding.

35. Is Bright House certificated as an interexchange carrier and/or does it provide interexchange services in Florida?

As Bright House understands it, one does not become "certificated" as an IXC in Florida; one "registers" as an IXC. With that clarification, Bright House is registered as an IXC.

36. Does Bright House provide intrastate access service(s)?

Yes.

37. **With respect to Issue 37 in this arbitration, if the Commission determines that Bright House is not required to pay Verizon's tariffed intrastate switched access charges, would Bright House agree not to charge Verizon any intrastate switched access charges? If it would not agree, please explain why not.**

As explained in Mr. Gates's rebuttal testimony, Bright House's position with respect to this aspect of Issue #37 is that the payment of access charges should be determined by the smallest local calling zone within a LATA that the originating carrier offers to its end users. So, if Verizon established a minimum, mandatory LATA-wide local calling zone for its customers in the Tampa LATA, Bright House would certainly agree not to charge Verizon intrastate switched access charges for traffic its end users send directly to Bright House via the parties' interconnection facilities. If the question is broader, *i.e.*, if the question is whether Bright House would agree with Verizon to a rule under which they would not charge each other intrastate access charges irrespective of end user local calling areas, our understanding is that Verizon rejected consideration of such an option during the parties' negotiations. If Bright House has misunderstood Verizon's position on that possibility, please let us know so Bright House may consider it.

38. Does Bright House have section 251(c) interconnection agreements with any incumbent local exchange carriers ("ILECs") other than Verizon in Florida? If so,

Yes.

REVISED RESPONSE MAY 19, 2010

38. Does Bright House have section 251(c) interconnection agreements with any incumbent local exchange carriers ("ILECs") other than Verizon in Florida? If so,

a. What ILECs does Bright House interconnect with?

As discussed in the deposition of Ms. Johnson, Other than Verizon, Bright House also interconnects with AT&T, CenturyLink (Embarq), GTC/Fairpoint, Smart City, and Frontier.

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38. Does Bright House have section 251(c) interconnection agreements with any incumbent local exchange carriers ("ILECs") other than Verizon in Florida? If so,
- b. Do those ILECs assess their tariffed intrastate switched access charges on any traffic Bright House delivers to the ILEC(s)? If so, is the application of intrastate access charges determined by reference to the exchange areas of the ILEC(s)?

Under its current ICA with AT&T, Bright House has a "LATA-wide local" arrangement under which neither party charges the other intrastate switched access charges for traffic directly exchanged between them. Under its current ICA with Embarq, each party imposes access charges on the other based on Embarq's local calling zones.

38. Does Bright House have section 251(c) interconnection agreements with any incumbent local exchange carriers ("ILECs") other than Verizon in Florida? If so,

c. Does Bright House lease or otherwise obtain any tariffed special access facilities from the ILEC(s)? If so, please describe the facilities Bright House obtains from the ILEC(s) and the purpose(s) for which Bright House uses them.

No.

REVISED RESPONSE MAY 19, 2010

38. Does Bright House have section 251(c) interconnection agreements with any incumbent local exchange carriers ("ILECs") other than Verizon in Florida? If so,

c. Does Bright House lease or otherwise obtain any tariffed special access facilities from the ILEC(s)? If so, please describe the facilities Bright House obtains from the ILEC(s) and the purpose(s) for which Bright House uses them.

Yes. When Bright House initially configured its interconnection arrangements in Florida with Verizon and other ILECs, it generally pursued the same architecture, including the use of ILEC special access facilities in connection with the use of an ILEC tandem as the meet point for meet-point-billing of third party IXC's. At the time Bright House believed that this provided an appropriate mix of efficiency and redundancy. Bright House is in the process of considering alternative network configuration options with the ILECs with which it interconnects. In Verizon's case, because Bright House and Verizon are in the process of renegotiating and arbitrating their interconnection agreement, the issue of the proper rating of these facilities in different scenarios has come to the fore.

000272

39. **Is it Bright House's position that an ILEC's tariffed switched access charges would never apply as between the ILEC and an interconnecting CLEC unless the parties agree that such charges would apply? If that is not Bright House's position, please explain the situation(s) in which such access charges would apply to calls the ILEC delivers to the CLEC.**

Not quite. The parties could certainly agree that no switched access charges would apply in either direction, between them. That is the arrangement currently in place, for example, between Bright House and AT&T. But Bright House's position is that, in the absence of an agreement, the proper interpretation of the rules for application of reciprocal compensation (47 C.F.R. §§ 51.701 *et seq.*) is that reciprocal compensation (or, in this case, the FCC's transitional rate of \$0.0007/minute) applies to traffic that is not "exchange access." As discussed in response to Staff Interrogatory No. 27, that means that when an ILEC and CLEC are interconnected, neither one should pay access charges to the other with respect to traffic that is not "telephone toll service," so that if either one has a mandatory minimum local calling area that is LATA-wide or larger, reciprocal compensation applies to traffic that would be sent from one to the other. As discussed in Mr. Gates's testimony, this approach is also competitively neutral and will encourage all LECs to provide their customers with large "free" local calling areas.

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this date. - ac*

40. **Is it Bright House's position that an ILEC's tariffed special access charges would never apply as between the ILEC and an interconnecting CLEC unless the parties agree that such charges would apply? If that is not Bright House's position, please explain the situation(s) in which such access charges would apply.**

That is not Bright House's position. Bright House's position is that a CLEC may require an ILEC to provide technically feasible "special access" *facilities* to use as a method of obtaining interconnection for the transmission and routing of telephone exchange service and/or exchange access, and that in that application those facilities must be priced at TELRIC rates rather than tariffed rates. In addition, a CLEC may obtain any ILEC service offered at retail in order to resell that service to end users, at a discount off the normal tariffed rate for the service. Special access services are offered by the ILEC to business customers at retail and are therefore subject to the wholesale discount. The FCC's rules (47 C.F.R. § 51.605(b)) state that "exchange access services, as defined in section 3 of the Act" (that is, 47 U.S.C. § 153(16)) are not treated as being offered "at retail" by the ILEC. So, the wholesale discount would apply when the retail special access circuit is used, e.g., for data transport or local (not toll) voice or other communications. Special access used for toll services (such as a direct link between a large business customer and an IXC) *would* constitute "exchange access services, as defined in section 3 of the Act," so the discount would not apply.

In other words, other than (a) a CLEC's use of special access facilities as a method of obtaining interconnection, and (b) a CLEC's resale of retail special access circuits not used to carry toll traffic, full ILEC tariffed special access rates would apply to a CLEC's purchase and use of such ILEC facilities.

41. In response to request number 3 in Staff's First Set of Interrogatories, Bright House notes that the parties settled the issue related to the request, but Bright House nevertheless answers the request, taking the position that section 251(c)(2) of the Act does not require CLECs to interconnect on the ILEC's network, but within the ILEC's serving territory. Does Bright House rely on this contention for its position on any issue in this arbitration that has not settled? If so, which issue(s)?

That specific contention does not appear to Bright House to relate to any remaining issue in the arbitration. The broader question of where "interconnection" specifically occurs affects the proper resolution of Issue No. 24, Issue No. 32, Issue No. 36, and certain aspects of Issue No. 37. However, as the issues have evolved between the parties in light of their various settlements, the likely interconnection points between Bright House and Verizon will either be at some specific point within a Verizon central office building (end office or tandem), or at a fiber meet point.

Document Requests

10. Please produce the price list or other source of prices identified in response to Interrogatory No. 26(d).

Please see attached tariffs.

11. Please produce copies of (or provide a website reference to) all tariffs and price lists describing the interexchange service(s) Bright House provides in Florida.

Please see response to POD 10.

12. Please produce copies of (or provide a website reference to) all tariffs and price lists describing the access service(s) Bright House provides in Florida.

Please see response to POD 10.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served via Electronic Mail and hand delivery * to the persons listed below this 13th day of May, 2010:

Dulaney L. O'Roark, III, VP/General Counsel
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By:



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Tallahassee, Florida 32301

Christopher W. Savage
Danielle Frappier
Davis Wright Tremaine, LLP
1919 Pennsylvania Avenue, NW
Suite 200
Washington, D.C. 20006

EXHIBIT NO. 5

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Verizon Florida

DESCRIPTION: Composite of Responses to Bright House Networks' Interrogatories and Request for Production of Documents from Verizon Florida.

- a. Item Nos. 1-12 of Verizon's Responses to Bright House's First Set of Interrogatories and First Request for Production of Documents Item Nos. 1-4. Pages 1-12.
- b. Item Nos. 13-49 of Verizon's Responses to Bright House's Second Set of Interrogatories. Pages 13-36.

PROFFERING PARTY: Staff

I.D. # Stip-5

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 5

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS STIPULATED EXHIBIT - STIP -5

DATE 5/25/10

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and	)	Docket No. 090501-TP
conditions of an interconnection agreement with)	
Verizon Florida LLC by Bright House Networks)	
Information Services (Florida), LLC)	
_____)	

**VERIZON FLORIDA LLC'S OBJECTIONS AND RESPONSES TO
BRIGHT HOUSE NETWORKS INFORMATION SERVICES (FLORIDA), LLC'S
FIRST SET OF INTERROGATORIES (NOS. 1 - 12)**

Verizon Florida LLC ("Verizon") hereby objects and responds to the First Set of Interrogatories (Nos. 1-12) ("Discovery Requests") served by Bright House Networks Information Services (Florida), LLC ("Bright House").

General Objections

1. Verizon objects to the Discovery Requests and all Definitions associated with the Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures and the Rules of the Commission.

2. Verizon objects to the Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other applicable privileges or doctrines.

3. Verizon objects to the Discovery Requests to the extent that they are vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined.

4. Verizon objects to the Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. Verizon further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

5. Verizon objects to the Discovery Requests to the extent they seek documents or information equally available to Bright House as to Verizon through public sources or records or which are already in the possession, custody or control of Bright House.

6. To the extent Verizon responds to the Discovery Requests, Verizon reserves the right to amend, replace, supersede, or supplement its responses as may become appropriate in the future, but it undertakes no continuing or ongoing obligation to update its responses.

7. Verizon objects to the Discovery Requests to the extent that they seek to impose an obligation on Verizon to provide documents or information concerning its affiliates.

8. Verizon objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this proceeding.

9. Verizon objects to the Discovery Requests to the extent they seek information from Verizon affiliates. No Verizon affiliates are parties to this arbitration and information from or about any such affiliates is not relevant to any issue in this proceeding. Therefore, unless otherwise stated in these responses, Verizon will

respond on behalf of Verizon Florida LLC only, not any Verizon affiliate or "Verizon Entity," as defined in Bright House's Discovery Requests.

INTERROGATORIES

1. Please state the number of Verizon voice service customers at year end for 2007, 2008 and 2009.

RESPONSE: Verizon objects to Interrogatory No. 1 because it would be unreasonably burdensome for Verizon to determine precise customer counts as of those dates. Verizon does not maintain such customer counts in the normal course of its business and substantial information technology work would be required to attempt to obtain and compile that information. Subject to and without waiving this objection or the General Objections, Verizon has provided approximate customer counts in confidential Attachment A. These approximate customer counts were derived from Verizon's access line data.

2. Please state the number of Verizon voice service customers in BHN's franchised territory at year end for 2007, 2008 and 2009.

RESPONSE: Verizon objects to Interrogatory No. 2 because it would be unreasonably burdensome for Verizon to determine precise customer counts as of those dates. Verizon does not maintain such customer counts in the normal course of its business and substantial information technology work would be required to attempt to obtain and compile that information. Subject to and without waiving this objection or the General Objections, Verizon has provided approximate customer counts in confidential Attachment A. These approximate customer counts were derived from Verizon's access line data for wire centers that are entirely or predominantly within Bright House's service territory.

3. Does any Verizon Entity provide voice service using IP technology to connect to any of its customers? If so, please: (a) identify each such Verizon Entity, and (b) for each such Verizon Entity, provide the number of such customers as of year-end 2007, 2008 and 2009.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

4. Does any Verizon Entity provide connectivity to the public switched telephone network to any Interconnected VoIP Provider? If so, please identify (a) each such Verizon Entity, and (b) each Interconnected VoIP Provider to which a Verizon Entity provides such connectivity. For purposes of this question, to "provide connectivity" means to provide connections to the public switched telephone network that include the use by the Interconnected VoIP Provider, for

that entity's customers, of telephone numbers assigned to the Verizon Entity by industry numbering authorities.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

5. Does any Verizon Entity exchange traffic with any carrier or Interconnected VoIP Provider in IP format? If so, please (a) identify each such Verizon Entity, and (b) identify each such Interconnected VoIP Provider.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

6. Has Verizon or any Verizon Affiliate studied, considered or planned to modify Verizon's network in Florida to include the capability to receive, transmit, or deliver to third parties, traffic in IP format? If so, please describe, in reasonable detail, any such study, consideration, or plan, and identify the individuals involved in such study, consideration or plan.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

7. Please identify each local exchange carrier in Florida with which Verizon directly exchanges traffic. For purpose of this questions, do not include local exchange carriers (if any) that only resell Verizon's retail services, whether formally as a "reseller" or by means of a commercial agreement providing arrangements similar to so-called "UNE-P" arrangements. For purposes of this question, "directly exchanges traffic" means an arrangement in which there are trunks connecting one or more switches in Verizon's network to one or more switches in the other carrier's network.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

8. Please describe, in reasonable detail, Verizon's network configuration in Florida, including the type and location of each voice network device, including without limitation each application server, media server, voicemail server, ENUM, DNS, SIP Redirect server, softswitch, media gateway, firewall, session border controller, router switch and circuit switch.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

9. With respect to Verizon's contention that Bright House is not entitled to IP interconnection with Verizon:

- a. State the basis for Verizon's contention;
- b. State all facts supporting Verizon's Contention;
- c. Identify all witnesses supporting Verizon's contention; and
- d. Identify all documents supporting Verizon's contention.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 25, which has been resolved.

10. With respect to Bright House's proposal in General Term § 42 that Verizon "shall be solely responsible for the cost and activities associated with accommodating, in its own network," specified changes in the Company's network:

- a. State the basis for Verizon's opposition to that proposal;
- b. State all facts supporting such opposition;
- c. Identify all witnesses supporting Verizon's opposition; and
- d. Identify all documents supporting Verizon's opposition.

RESPONSE: Subject to and without waiving the General Objections, Verizon states that the basis for Verizon's opposition to Bright House's proposal is provided in the Direct Testimony of Paul Vasington, which is being filed today. Verizon has not yet identified documents it may use to support its position.

11. For each directory listing function stated below, please: (a) state the activities Verizon undertakes in fulfillment of each order type and whether these activities are performed manually or by means of mechanized processing; (b) state the price that Verizon proposes to charge Bright House; (c) state Verizon's per-listing cost of performing that function for Bright House; and (d) provide a reasonably detailed explanation of the basis for Verizon's stated cost and how it was determined.

- (i) Transferring "ownership" of an existing customer's listing from Verizon or a third party to Bright House, with no change in listing information (sometimes referred to as simple "port in").
- (ii) Establishing a new listing for a Bright House end user (that is, an end user obtaining VoIP service BHN) (sometimes referred to as "new native" listing).
- (iii) Establishing a new listing for Bright House end user (as described above) who wishes to have a Non-Published or Unlisted number in Verizon's directory/directory assistance systems.
- (iv) Changing the information in an existing listing for a Bright House end user (as described above).
- (v) Deleting the listing for a Bright House end user (as described above) for whom an existing listing already exists.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 23, which has been resolved.

12. Does Verizon provide subscriber list information that includes listings of Bright House end users (that is, an end user obtaining VoIP service from BHN) to any Verizon Affiliate or third party as contemplated by 47 U.S. C. § 222(e)? If so, please identify each such Verizon Affiliate or third party and provide reasonably detailed explanation of the terms and conditions on which such subscriber list information is provided to each such Verizon Affiliate or third party.

RESPONSE: Subject to and without the General Objections, Verizon states that this interrogatory relates to Issue 23, which has been resolved.

REDACTED

ATTACHMENT A

Approximate Customer Counts	2007	2008	2009
Total Verizon Customers			
Verizon Customers in BHN's Franchise Area			

VERIFICATION

STATE OF FLORIDA)
) ss.
COUNTY OF HILLSBOROUGH)

BEFORE ME, the undersigned authority, personally appeared Frank App who deposed and stated that the answers to the First Set of Interrogatories (Nos. 1-12) served on Verizon Florida LLC by Bright House Networks Information Services (Florida), LLC in Docket No. 090501-TP were prepared at his request and he is informed that the responses contained therein are true and correct to the best of his information and belief.

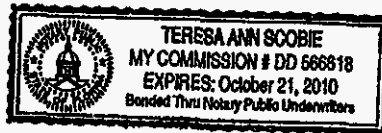
DATED at Tampa, Florida, this 26th day of March, 2010.


Frank App

Sworn to and subscribed before me this 26th day of March, 2010.


Notary Public
State of Florida

My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and	)	Docket No. 090501-TP
conditions of an interconnection agreement with)	
Verizon Florida LLC by Bright House Networks)	
Information Services (Florida), LLC)	
_____)	

**VERIZON FLORIDA LLC'S OBJECTIONS AND RESPONSES TO
BRIGHT HOUSE NETWORKS INFORMATION SERVICE (FLORIDA), LLC'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1 - 4)**

Verizon Florida LLC ("Verizon") hereby objects and responds to the First Request for Production of Documents (Nos. 1-4) (the "Discovery Requests") served by Bright House Networks Information Services (Florida), LLC.

General Objections

1. Verizon objects to the Discovery Requests and all Definitions associated with the Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures and the Rules of the Commission.

2. Verizon objects to the Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other applicable privileges or doctrines.

3. Verizon objects to the Discovery Requests to the extent that they are vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined.

4. Verizon objects to the Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. Verizon further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

5. Verizon objects to the Discovery Requests to the extent they seek documents or information equally available to Bright House as to Verizon through public sources or records or which are already in the possession, custody or control of Bright House.

6. To the extent Verizon responds to the Discovery Requests, Verizon reserves the right to amend, replace, supersede, or supplement its responses as may become appropriate in the future, but it undertakes no continuing or ongoing obligation to update its responses.

7. Verizon objects to the Discovery Requests to the extent that they seek to impose an obligation on Verizon to provide documents or information concerning its affiliates.

8. Verizon objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this proceeding.

9. Verizon objects to the Discovery Requests to the extent they seek information from Verizon affiliates. No Verizon affiliates are parties to this arbitration and information from or about any such affiliates is not relevant to any issue in this proceeding. Therefore, unless otherwise stated in these responses, Verizon will respond on behalf of Verizon Florida LLC only, not any Verizon affiliate or "Verizon Entity," as defined in Bright House's Discovery Requests.

DOCUMENT REQUESTS

1. Please produce all documents supporting or otherwise relating to your response to Bright House's Interrogatory No. 6.

RESPONSE: Subject to and without the General Objections, Verizon states that this document request relates to Issue 25, which has been resolved.

2. Please produce any graphical depictions or diagrams supporting or otherwise relating to your response to Bright Houses' Interrogatory No. 8.

RESPONSE: Subject to and without the General Objections, Verizon states that this document request relates to Issue 25, which has been resolved.

3. Please provide all documents supporting or otherwise relating to your response to Bright House's Interrogatory No. 11.

RESPONSE: Subject to and without the General Objections, Verizon states that this document request relates to Issue 23, which has been resolved.

4. Please produce all documents supporting or otherwise relating to your response to Bright House's Interrogatory No. 12.

RESPONSE: Subject to and without the General Objections, Verizon states that this document request relates to Issue 23, which has been resolved.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the foregoing were sent via electronic mail on March 26, 2010 to:

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Jamie L. Morrow, Staff Counsel
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s/ Dulaney L. O'Roark III

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of certain terms and
conditions of an interconnection agreement with
Verizon Florida LLC by Bright House Networks
Information Services (Florida), LLC

) Docket No. 090501-TP
)
)
)
)
)

**VERIZON FLORIDA LLC'S OBJECTIONS AND RESPONSES TO
BRIGHT HOUSE NETWORKS INFORMATION SERVICES (FLORIDA), LLC'S
SECOND SET OF INTERROGATORIES (NOS. 13-49)**

Verizon Florida LLC ("Verizon") hereby responds to the Second Set of Interrogatories (Nos. 13-49) ("Discovery Requests") served by Bright House Networks Information Services (Florida), LLC ("Bright House"), subject to the General Objections stated below.

General Objections

1. Verizon objects to the Discovery Requests and all Definitions associated with the Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures and the Rules of the Commission.

2. Verizon objects to the Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other applicable privileges or doctrines.

3. Verizon objects to the Discovery Requests to the extent that they are vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined.

4. Verizon objects to the Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. Verizon further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

5. Verizon objects to the Discovery Requests to the extent they seek documents or information equally available to Bright House as to Verizon through public sources or records or which are already in the possession, custody or control of Bright House.

6. To the extent Verizon responds to the Discovery Requests, Verizon reserves the right to amend, replace, supersede, or supplement its responses as may become appropriate in the future, but it undertakes no continuing or ongoing obligation to update its responses.

7. Verizon objects to the Discovery Requests to the extent that they seek to impose an obligation on Verizon to provide documents or information concerning its affiliates.

8. Verizon objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this proceeding.

9. Verizon objects to the Discovery Requests to the extent they seek information from Verizon affiliates. No Verizon affiliates are parties to this arbitration and information from or about any such affiliates is not relevant to any issue in this proceeding. Therefore, unless otherwise stated in these responses, Verizon will respond on behalf of Verizon Florida LLC only, not any Verizon affiliate or "Verizon Entity," as defined in Bright House's Discovery Requests.

INTERROGATORIES

13. Please refer to the direct testimony of Mr. D'Amico at page 1, lines 1-4. Please state whether Mr. D'Amico is employed by Verizon Florida, LLC. If so, please state whether Mr. D'Amico maintains an office in the state of Florida. If not, please state the entity that employs Mr. D'Amico.

RESPONSE: Mr. D'Amico is not employed by Verizon Florida LLC. He is employed by Verizon Services Corporation. In that capacity, he provides support to various Verizon Communications Inc. operating telephone company subsidiaries, including Verizon Florida LLC.

14. Please refer to the direct testimony of Mr. D'Amico at page 1, line 24 through page 2, line 3. Please provide a succinct description of the subject matter of Mr. D'Amico's testimony referred to there, in sufficient detail to reasonably ascertain whether any of his prior testimony is relevant to issues or subject matters at issue between the parties in this case.

RESPONSE: Verizon objects to Interrogatory No. 14 because it is overly broad and unduly burdensome in that Mr. D'Amico has testified in more than 50 proceedings in nineteen states dating back to 2000. Subject to those objections and the General Objections, Verizon states that to the best of its knowledge, Mr. D'Amico has not previously testified concerning matters addressed in Issue 32, which is the only unresolved issue that he addresses in this case. Subjects Mr. D'Amico has addressed in his prior testimony include the following:

- Geographically Related Interconnection Point ("GRIP")
- Virtual GRIP
- Transit traffic
- Verizon section 271 long-distance entry (interconnection requirements)
- Local interconnection two-way trunks
- Meet-point billing

- Operator-dialed traffic
- 800 traffic
- 976 traffic
- Tandem vs. end office application for CLEC switches
- Access toll connecting trunk ports
- Point of interconnection on Verizon's Network
- E911

15. Please refer to the direct testimony of Mr. D'Amico at page 3, lines 8-9. Please confirm that his reference to "interconnection" refers to "interconnection" as that term is defined by the FCC at 47 C.F.R. § 51.5. If Mr. D'Amico intends some other meaning of the term, please clearly state that other meaning.

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

16. Please refer to the direct testimony of Mr. D'Amico at page 3, lines 12-13. Please confirm that a fiber meet arrangement would entail the following facilities and equipment. If additional or different equipment would be involved, or if Verizon would normally combine the functions of different pieces of equipment identified below into a single device, please specify what such different or additional equipment would be needed and/or what that would be. For ease of reference the description below begins at the Verizon end of the fiber meet:
- a. A cross-connect or similar item linking a Verizon switch port with a multiplexing device
 - b. A multiplexing device.
 - c. A cross-connect or similar item linking the multiplexing device to a Digital Access Cross Connect System (DACCS).
 - d. The DACCS.
 - e. A cross-connect or similar item linking the DACCS to a fiber optic terminal (FOT).
 - f. The FOT.
 - g. Verizon's portion of the fiber used to establish the fiber meet.
 - h. The other carrier's portion of the fiber used to establish the fiber meet.
 - i. The other carrier's FOT.

- j. Facilities on the other carrier's side of its FOT needed to link the FOT to the other carrier's switching equipment.

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

17. Please refer to Mr. D'Amico's direct testimony at page 3, lines 14-16. With reference to your response to Question 16 above, please identify which portions of the two carriers' equipment and/or facilities must be "matching" and "compatible," and describe the ways in which they must be "matching" and "compatible."

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

18. Please refer to Mr. D'Amico's direct testimony at page 4, line 10, and at page 5, line 1. Please explain what it means for a point of interconnection to be "within" Verizon's network. Explain the basis for your answer.

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

19. Please refer to Mr. D'Amico's direct testimony at page 4, lines 13-16. Has Verizon constructed fiber facilities in order to connect with any other carrier, any customer, or any affiliate of Verizon? If so, for each such instance, please briefly describe the nature of those facilities. In your answer for each such fiber build, please specifically state whether (a) Verizon constructed more than 500 feet of fiber; and (b) whether the connection to the other carrier, customer, or Verizon affiliate occurred within three miles of a Verizon central office.

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

20. Please refer to Mr. D'Amico's direct testimony at page 5, lines 18-21. Does Mr. D'Amico agree that interconnection with pre-existing Verizon equipment located within the 28 square mile area to which he refers would constitute interconnection at a point "within" Verizon's network? If not, please explain in detail why not.

RESPONSE: This Interrogatory relates to Issue 27, which has been resolved, so no response is necessary.

21. Please refer to Mr. D'Amico's direct testimony at page 6, lines 1-11. Please confirm that there is no technical reason that would interfere with the use of a fiber meet for any switched traffic, irrespective of the regulatory classification of that traffic. By "technical reason," we mean some condition or situation that that

would prevent traffic from flowing over a fiber meet as a matter of engineering or physical arrangements. If you contend that such a technical reason would exist for any class of switched traffic, please explain in detail.

RESPONSE: This Interrogatory relates to Issue 28, which has been resolved, so no response is necessary.

22. Please refer to Mr. D'Amico's direct testimony at page 6, line 19 through page 7, line 11. Please confirm that there is no technical reason that would interfere with the use of a fiber meet to carry unswitched traffic between the two carriers' networks. Please specifically address a configuration in which an unswitched circuit from one carrier at the DS1 or DS3 level were multiplexed onto the fiber meet (via any needed multiplexing equipment, to the carrier's fiber optic terminal), carried over the fiber to the other carrier, transmitted through the fiber optic terminal, and then demultiplexed as required. Do you contend that there is any technical reason such a configuration could not be established? By "technical reason," we mean some condition or situation that would prevent traffic from flowing over a fiber meet as a matter of engineering or physical arrangements. If you contend that such a technical reason would exist for unswitched traffic, please explain in detail.

RESPONSE: This Interrogatory relates to Issue 28, which has been resolved, so no response is necessary.

23. Please refer to Mr. D'Amico's direct testimony at page 6, lines 18-21. Do you agree that local interconnection trunk groups today carry traffic subject to different billing rates? If not, please explain in detail. If so, please explain how Verizon is able to apply different billing rates to traffic it receives over a single trunk group.

RESPONSE: This Interrogatory relates to Issue 28, which has been resolved, so no response is necessary.

24. Please refer to Mr. D'Amico's direct testimony at page 10, line 17 through page 11, line 4. Please confirm that Verizon is technically capable of configuring its network to "screen incoming calls to determine where they came from in order to determine whether or not to route the call over" separate trunks. Does Verizon today provide such screening of calls incoming to any of its switches for any customer, any other carrier, or any affiliate of Verizon? If so, please briefly describe each such arrangement.

RESPONSE: This Interrogatory relates to Issue 29, which has been resolved, so no response is necessary.

25. Please refer to Mr. D'Amico's direct testimony at page 11, lines 6-8. Please explain why Mr. D'Amico assumes that the new trunk groups that might be established to handle transit traffic inbound from Verizon to Bright House "would be likely to operate at less than full capacity"? Please also explain in reasonable detail how and why trunk groups operating at "less than full capacity" would "introduce network inefficiency," and explain the nature of that "inefficiency."

RESPONSE: This Interrogatory relates to Issue 29, which has been resolved, so no response is necessary.

26. Please refer to Mr. D'Amico's direct testimony at page 12, lines 18-19, where he states that "Verizon's switches typically have lower-capacity, DS1 ports and cannot accommodate higher capacity trunks." With respect to that statement:

- a. Please provide a list of each end office and tandem switch in Verizon's network in the Tampa LATA, indicating whether it is an end office switch, a tandem switch, or some other type of switch (specify).

RESPONSE: Please see Attachment A.

- b. For each such switch, indicate when it was placed into service by Verizon or a Verizon predecessor or affiliate.

RESPONSE: Please see Attachment A.

- c. For each such switch, indicate the maximum transmission capacity that such switch can accommodate – DS1, DS3, OC3, or any other capacity that applies to the particular switch.

RESPONSE: Please see Attachment A.

27. Please refer to Mr. Vasington's direct testimony at page 1, lines 1-4. Please state whether Mr. Vasington is employed by Verizon Florida, LLC. If so, please state whether Mr. Vasington maintains an office in the state of Florida. If not, please state the entity that employs Mr. Vasington.

RESPONSE: Mr. Vasington is not employed by Verizon Florida LLC. He is employed by Verizon Corporate Resources Group LLC. In that capacity, he provides support to various Verizon Communications Inc. operating telephone company subsidiaries, including Verizon Florida LLC.

28. Please refer to Mr. Vasington's direct testimony, *passim*. It does not appear that Mr. Vasington notes or describes any prior testimony he may have provided to a regulatory body regarding issues arising under the 1996 Act. If Mr. Vasington has never provided any such testimony, please expressly so state. If he has, please identify the proceeding(s) in which it was given, and provide a succinct

description of the subject matter of such testimony, in sufficient detail to reasonably ascertain whether any of his prior testimony is relevant to issues or subject matters at issue between the parties in this case.

RESPONSE: Mr. Vasington has testified or provided an affidavit regarding issues arising under the 1996 Act in the two cases listed below. Mr. Vasington has not previously testified concerning matters addressed in Issues 16, 24 and 49, which are the only unresolved issues that he addresses in this case. In the first case listed below, Mr. Vasington filed testimony concerning jurisdictional and policy issues related to the provisioning of line sharing as an unbundled network element in Maine. In the second listed case, Mr. Vasington joined in an affidavit concerning the joint marketing restrictions placed on Bell Operating Companies and their affiliates.

- Maine Public Utilities Commission, on behalf of Verizon Maine, related to line sharing requirements, Docket No. 2004-809, filed February 9, 2005 and March 21, 2005.
- Federal Communications Commission (CC Docket No. 96-149), on behalf of SBC Corp., Affidavit with Dr. William E. Taylor concerning joint marketing restrictions. Filed November 15, 1996.

29. Please refer to Mr. Vasington's direct testimony at page 5, lines 1-2. Please explain in detail why and how Bright House's proposed language would "create contractual obligations running between Verizon and Bright House Cable." In your answer please reconcile Mr. Vasington's cited direct testimony with (a) the fact that Bright House's cable affiliate would not be a party to the new interconnection agreement and (b) the parties have agreed on the language of General Terms and Conditions, paragraph 44, disclaiming the establishment of any third-party beneficiaries under the contract. If you contend that these are legal questions that Mr. Vasington is not qualified to answer, please explain why he is qualified to make the referenced statement at all.

RESPONSE: This Interrogatory relates to Issue 4(a), which has been resolved, so no response is necessary.

30. Please refer to Mr. Vasington's direct testimony at page 5, lines 6-7. Please explain in detail why the manner in which a VoIP customer served by Bright House's cable affiliate is transferred to Verizon "does not concern" Bright House. In your answer, please specifically address the fact that the volume of Bright House's business with its wholesale customer is affected by the number of end users to whom its wholesale customer sells service.

RESPONSE: This Interrogatory relates to Issue 4(a), which has been resolved, so no response is necessary.

31. Please refer to Mr. Vasington's direct testimony at page 5, lines 16-18. Do you agree that "[Verizon] should not be able to obtain regulatory benefits for [Verizon's unregulated affiliates] while shielding [them] from regulatory obligations?" If your answer is anything other than an unqualified "yes," please explain your answer in detail, including a description of the "regulatory benefits" that Verizon "should ... be able to obtain" for its affiliates, "while shielding [them] from regulatory obligations."

RESPONSE: This Interrogatory relates to Issue 4(a), which has been resolved, so no response is necessary.

32. Please refer to Mr. Vasington's direct testimony at page 13, line 6 through page 14, line 11. Over the last five (5) years, has Verizon invoked the assurance of payment provisions in any interconnection agreement against any facilities-based CLEC (defined, for these purposes, as a CLEC that has interconnection arrangements with Verizon for the exchange of traffic, but that does not resell Verizon's services and does not use any exchange of traffic, but that does not resell Verizon's services and does not use any Verizon unbundled loops or switching)? If so, please briefly describe the situation surrounding each such invocation of such assurance of payment provisions.

RESPONSE: Verizon has interconnection agreements with nine active facilities-based CLECs (defined as a CLEC that has interconnection arrangements with Verizon for the exchange of traffic, but neither resells Verizon's services nor uses unbundled loops or switching) in Florida. According to Verizon's records, Verizon has not invoked the assurance of payment provisions in any interconnection agreement against such a CLEC in Florida. Verizon has, however, requested adequate assurance of payment from one of those nine facilities-based CLECs under Verizon's tariffs (intrastate, including Florida and other states, and federal). Verizon's request resulted from the CLEC's repeated failure to timely pay undisputed charges of approximately \$10 million throughout the Verizon ILECs' nationwide footprint.

33. Please refer to Mr. Vasington's direct testimony at page 16, line 20. Does Mr. Vasington agree that a CLEC "has the right to modify and upgrade its network"?

RESPONSE: This Interrogatory relates to Issues 20(a) and (b), which have been resolved, so no response is necessary.

34. Please refer to Mr. Vasington's direct testimony at page 16, lines 22-24 and note 6. Please explain in detail the basis for your statement that "Under the 1996 Act, CLECs are only entitled to interconnection with ILECs' existing networks." In your answer, please distinguish between (a) the scope and content of rules that the FCC is permitted to establish, under the 1996 Act, with respect to which unbundled network elements a CLEC may obtain; (b) the scope and content of rules that the FCC is permitted to establish, under the 1996 Act, with respect to

the nature and type of interconnection for purposes of traffic exchange that a CLEC may obtain; (c) any limitations on the scope of a state commission's authority to determine, in an arbitration proceeding, which unbundled network elements a CLEC may obtain; and (d) any limitations on the scope of a state commission's authority to determine, in an arbitration proceeding, the nature and type of interconnection for purposes of traffic exchange that a CLEC may obtain. Also, in your answer please state the specific language in the legal case cited that you contend stands for the proposition for which you cited it. If you contend that these are legal questions that Mr. Vasington is not qualified to answer, please explain why he is qualified to make the referenced statement at all.

RESPONSE: This Interrogatory relates to Issues 20(a) and (b), which have been resolved, so no response is necessary.

35. Please refer to Mr. Vasington's direct testimony at page 17, lines 14-15. Of the "about 150 interconnection agreements" referred to there, how many are with facilities-based CLECs (defined, for these purposes, as a CLEC that has interconnection arrangements with Verizon for the exchange of traffic, but that does not resell Verizon's services and does not use any Verizon unbundled loops or switching)? Please identify, by name, each such CLEC.

RESPONSE: This Interrogatory relates to Issues 20(a) and (b), which have been resolved, so no response is necessary.

36. Please refer to Mr. Vasington's direct testimony at page 22, lines 10-14 and note 9, and also to his testimony at page 22, line 16 through page 23, line 2. With respect to that testimony:

- a. Please state the specific language from the FCC order cited that you contend supports the referenced statements in Mr. Vasington's testimony, including in your answer the specific paragraph number(s) of the cited FCC order on which you rely. As an alternative, please provide a photocopy of the relevant page(s) of that FCC order, with the language in question highlighted.

RESPONSE: Order on Remand, *Unbundled Access to Network Elements; Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, 20 FCC Rcd 2533 ("TRRO"), ¶¶136-141 (2005).

- b. Do you contend that the question of whether a CLEC is or would be "impaired" without access to ILEC-provided transport facilities has any bearing whatsoever on whether those facilities must be made available by the ILEC for purposes of interconnecting a CLEC and ILEC network for the exchange of traffic (not access to network elements)? If so, please explain in detail the bearing that you think "impairment" has on that matter and the basis for your answer.

RESPONSE: To the extent that Bright House's argument depends upon the claim that the FCC, in ¶ 140 of the *TRRO*, held that ILECs must provide CLECs with entrance facilities at TELRIC rates pursuant to § 251(c)(2), the FCC's rulings in the surrounding paragraphs that CLECs are not impaired without TELRIC-priced access to entrance facilities under section 251(c)(3) of the Act undermines such a reading of ¶ 140. It makes no sense to contend that the FCC simultaneously ruled that CLECs may *not* obtain such facilities at TELRIC prices under section 251(c)(3) of the Act but may obtain the exact same facilities at TELRIC prices under section 251(c)(2) of the Act. Indeed, in ¶ 140, the FCC explained that it did "not alter" any pre-existing rights to obtain "interconnection facilities" — a term the FCC has told the federal courts it did not define — so that CLECs can "have access to these facilities . . . to the extent that they require them." The FCC's "no impairment" finding in the surrounding paragraphs is based on the FCC's conclusion that CLECs do *not* require entrance facilities from ILECs, because CLECs are self-deploying those facilities and because "wholesale alternatives to entrance facilities provided by incumbent LECs are widely available." *TRRO* ¶¶ 139, 141. Thus, it follows that the FCC, in ¶ 140, was not adopting a new finding that section 251(c)(2) requires ILECs to provide entrance facilities at TELRIC rates.

To place Bright House's question in the context of this case, Bright House contends that, even though CLECs are no longer entitled to entrance facilities as unbundled network elements, they can still receive those same entrance facilities as interconnection facilities at TELRIC prices. (See, e.g., Gates Direct Testimony at 79-82.) This contention, however, is not relevant to any issue in this case, because Bright House is not seeking to obtain any entrance facilities from Verizon, at TELRIC prices or otherwise. As Mr. Vasington explained in his Rebuttal Testimony (at 13-14), entrance facilities are transmission facilities connecting CLEC and ILEC networks. Bright House does not need and does not obtain any such facilities from Verizon because Bright House has built its own transport facilities to connect its network with Verizon's. What Bright House seeks at TELRIC rates in this case are not entrance facilities, but the access toll connecting trunks that carry calls from third-party interexchange carriers ("IXCs") to the end users of Bright House's cable company affiliate (and some 8YY toll-free calls from those end users to interexchange carriers). (See Gates Rebuttal Testimony n. 28.) Those trunks run from Bright House's collocations in Verizon's end offices to Verizon's tandem switch. (See diagram in Attachment B.) These trunks are not entrance facilities—they are not for exchanging traffic between Verizon's network and Bright House's network—and they were never unbundled network elements (UNEs) (like entrance facilities were) or otherwise priced at TELRIC. They have always been tariffed special access facilities, and Bright House charges IXCs, in turn, for their use of these facilities Bright House that obtains from Verizon. Moreover, as Mr. Gates admits, Bright House could entirely avoid any charges for the access toll connecting trunks at issue by simply receiving the interexchange carriers' traffic at Verizon's tandem, without any routing of this traffic through Bright House's collocations, and Bright House "may

indeed reconfigure its network, in the future, to do so." (Gates Rebuttal Testimony at 42-43.) Indeed, as shown on the diagram in Attachment B and as Mr. Gates admitted in his Rebuttal Testimony (at 43), Bright House *already* is collocated at Verizon's tandem and, therefore, already is able to receive the IXCs' traffic at the tandem without having to route it over the access toll connecting trunks at issue.

In short, the debate Bright House seeks to raise, about whether the FCC requires entrance facilities to be provided at TELRIC for interconnection under section 251(c)(2), has nothing to do with the access toll connecting trunks that Bright House has long purchased from Verizon's tariffs but now seeks to obtain at TELRIC rates. Bright House, like every other CLEC that buys access toll connecting trunks, must pay tariffed rates for these facilities.

- c. Do you contend that the question of whether a CLEC is or would be "impaired" without access to ILEC-provided transport facilities has any bearing whatsoever on the price that an ILEC is entitled to charge for those facilities when they are made available by the ILEC for purposes of interconnecting a CLEC and ILEC network for the exchange of traffic (not access to network elements)? If so, please explain in detail the bearing that you think "impairment" has on that question and the basis for your answer.

RESPONSE: See Verizon's response to subpart b of this request.

- d. If you contend that any aspect of the above are legal questions that Mr. Vasington is not qualified to answer, please explain why he is qualified to make the statements referenced in his testimony.

RESPONSE: The issue of whether Verizon must provide access toll connecting trunks at TELRIC prices is a legal issue. A number of issues in this case are legal or have legal aspects. As Mr. Vasington states in his testimony, he is not a lawyer and legal issues will be addressed comprehensively in Verizon's briefs. However, it is appropriate for Mr. Vasington to state Verizon's positions on issues and refer to the support for those positions, leaving detailed legal interpretation and analysis to the briefs.

37. Please refer to Mr. Vasington's direct testimony at page 25, line 14 through page 26, line 18. With respect to that testimony, please state (a) how many special access customers Verizon has in the Tampa LATA; (b) how many of those customers are carriers; (c) how many special access circuits Verizon currently sells in the Tampa LATA; and (d) how many of those circuits are sold to carriers.

RESPONSE: Verizon responds to the subparts of Interrogatory No. 37 as follows, but emphasizes that this response contains information that is highly confidential and should not be viewed by or otherwise disclosed to

any Bright House employee. Verizon understands that no such employees have signed the confidentiality agreement, so none will be provided access to this information. If that understanding is incorrect, Bright House counsel is asked to contact Verizon counsel as soon as possible and not to provide access to this confidential information to any Bright House employee:

- (a) In 2009, XX carrier customers purchased special access services in the Tampa LATA from Verizon's Florida intrastate access tariff. Retail account information is not readily available on a customer-specific basis.
- (b) See response to subpart (a).
- (c) The number of special access circuits Verizon sells is not readily available. In an effort to be responsive, Verizon states that its carrier customers had on average XXXXX special access channel terminations in service each month in 2009 that were purchased under Verizon's Florida intrastate access tariff. This figure includes channel terminations at the DS0, DS1 and DS3 levels. Comparable information for retail customers is not readily available. Verizon notes that in 2009 approximately XXX of its Florida intrastate special access revenue was from services purchased by carrier customers and XXX was from retail customers.
- (d) See response to subpart (d).

38. Please refer to Mr. Munsell's direct testimony at page 1, lines 1-3. Please state whether Mr. Munsell is employed by Verizon Florida, LLC. If so, please state whether Mr. Munsell maintains an office in the state of Florida. If not, please state the entity that employs Mr. Munsell.

RESPONSE: Mr. Munsell is not employed by Verizon Florida LLC. As stated in Mr. Munsell's Direct Testimony at page 1, lines 1-3, Mr. Munsell is employed by Verizon Services Corporation. In that capacity, he provides support to various Verizon Communications Inc. operating telephone company subsidiaries, including Verizon Florida LLC.

39. Please refer to Mr. Munsell's direct testimony at page 1, lines 16-25. It does not appear that Mr. Munsell notes or describes any prior testimony he may have provided to a regulatory body regarding issues arising under the 1996 Act. If Mr. Munsell has never provided any such testimony, please expressly so state. If he has, please identify the proceeding(s) in which it was given, and provide a succinct description of the subject matter of such testimony, in sufficient detail to reasonably ascertain whether any of his prior testimony is relevant to issues or subject matters at issue between the parties in this case.

RESPONSE: On page 2, lines 1-13 of Mr. Munsell's Direct Testimony, Mr. Munsell describes the scope of his experience with respect to interconnection agreements under the 1996 Act, including that he has "testified before state commissions on behalf of Verizon companies in approximately 40 proceedings on various issues concerning interconnection of networks." In the normal course of business, Mr. Munsell does not maintain a complete list of his prior testimony or the subject matter of his testimony in each proceeding. However, Mr. Munsell has testified in at least the following arbitrations regarding the establishment of terms and conditions for interconnection:

- California: Docket Nos. 96-08-041, 96-09-012, 03-01-027, 00-09-031, 02-06-024, 01-12-026.
- Texas: Docket Nos. 16355 (1997), 16355 (1997), 24306 (2004).
- Florida: Docket Nos. 960847-TP (1997), 960847-TP (1997), 010795-TP (2001), 011666-TP (2001).
- Illinois: Docket No. 02-0253 (2002).
- North Carolina: Docket Nos. P-140, Sub 51 (1997), P-141, Sub 30 (1997), P-1141 Sub 1 (2002).
- South Carolina: Docket No. 96-375-C (1997).
- Georgia: Docket No. 14529-U (2001).
- Pennsylvania: Docket No. A-310771F7000 (2003).
- Delaware: Docket No. 02-235 (2002).
- Massachusetts: Docket No. 02-45 (2002).
- Maine: Docket No. 2002-421 (2002).
- New Hampshire: Docket No. 02-107 (2002).
- New Jersey: Docket No. TO02060320 (2002).
- New York: Docket No. 02-C-0006 (2002).
- Ohio: 02-876-TP-ARB (2002).
- Rhode Island: Docket No. 3437 (2002).
- Vermont: Docket No. 6742 (2002).

Mr. Munsell also has testified in such arbitration proceedings in Georgia, South Carolina and Wisconsin, but lacks docket number information for those proceedings.

In addition, Mr. Munsell has testified in at least the following arbitrations regarding the performance of the terms and conditions of interconnection agreements. Primarily, this testimony concerned the meaning of the terms and conditions for interconnection, typically in the context of billing disputes.

- California: Docket No. 08-02-013 (2008).
- Illinois: Docket No. 03-42797-kjm (2007).
- Michigan: Docket Nos. 51 181 Y 00757 06 (2006), 06-C-03-165 JOH (2006).
- New Jersey: Docket No. TO00110893 (2003).

- Oregon: Docket No. 75 181 00113 03 JISI (2004).
- New York: Docket Nos. 03 CV 5073 (1997), 08-CIV-3829 (2009).
- Pennsylvania: Docket No. C-2009-2093336 (2009).

Mr. Munsell also has testified in such arbitration proceedings in Florida, Kentucky, North Carolina and Texas, but lacks docket number information for those proceedings.

40. Please refer to Mr. Munsell's direct testimony at page 2, lines 12-13. Do you have any factual basis that would reasonably lead you to question whether Bright House is a "facilities-based CLEC"? If so, please specify that factual basis in detail.

RESPONSE: No, in the sense that Bright House does not provide service using unbundled network elements or resale under sections 251(c)(3) and (4) of the Telecommunications Act of 1996.

41. Please refer to Mr. Munsell's direct testimony at page 3, lines 13-15. Do you agree that traffic sent from a third-party IXC to Verizon's access tandem, then handed off to Bright House for delivery to Bright House's wholesale customer, and then ultimately to an end user receiving VoIP service from bright House's wholesale customer, is "exchange access" traffic? If your answer is anything other than an unqualified "yes," please explain in detail the basis for your answer, and explain, in detail, what kind or class of traffic you contend such traffic to be.

RESPONSE: Verizon objects to this question on the ground that it is not a proper inquiry into any contention that Mr. Munsell made. The portion of Mr. Munsell's testimony that is the supposed basis for this question simply quotes the text of the statute. It makes no reference to traffic of any kind, let alone the specific call routing scenario raised in the question. Verizon objects further on the ground that the classification of the traffic as "exchange access" or otherwise is irrelevant to the question of the rate that applies to the access toll connecting trunks, which Bright House (like all other CLECs) currently purchases from Verizon's tariffs, but which Bright House now seeks to obtain at TELRIC rates under section 251(c)(2) of the Act. For the reasons explained in Verizon's response to request number 36, above, even assuming the traffic Bright House describes meets the statutory definition of "exchange access," Verizon would have no obligation under section 251(c)(2) to provide Bright House with TELRIC-priced facilities to carry that traffic.

42. Please refer to Mr. Munsell's direct testimony at page 3, line 25 through page 4, line 2. In your view, is that testimony consistent with the terms of 47 C.F.R. §51.100(b) and the FCC's statements at paragraph 995 of *Implementation of the Local competition Provisions of the Telecommunications Act of 1996*, Report and Order, 11 FCC Rcd 15499 (1996), where it states that: "We also conclude that telecommunications carriers that have interconnected or gained access under sections 251(a)(1) [or] 251 (c)(2) ... may offer information services through the

same arrangement, so long as they are offering telecommunications services through the same arrangement as well. Under a contrary conclusion, a competitor would be precluded from offering information services in competition with the incumbent LEC under the same arrangement, thus increasing the transaction cost for the competitor. We find this to be contrary to the pro-competitive spirit of the 1996 Act. By rejecting this outcome we provide competitors the opportunity to compete effectively with the incumbent by offering a full range of services to end users without having to provide some services inefficiently through distinct facilities or agreements."

RESPONSE: Verizon objects to Interrogatory No. 42 because it is ambiguous and not relevant to any issue to be resolved in this arbitration. Notwithstanding these objections and without waiving them, Verizon's response is yes.

43. Please refer to Mr. Munsell's direct testimony at page 6, lines 1-3. When Mr. Munsell wrote that testimony, was he aware that (a) Bright House and Verizon agreed, as part of the settlement of a dispute under their existing interconnection agreement, that they would negotiate a new one; (b) Verizon proposed a complete new draft agreement to Bright House; and (c) that complete new draft agreement changed "hundreds of provisions in the parties' existing ICA"? If he was aware of those facts, please state whether Verizon is now proposing to completely replace the parties' existing ICA.

RESPONSE: Verizon objects to this interrogatory to the extent it purports to state facts that are not in evidence and because it is irrelevant to any issue to be resolved in this arbitration. Subject to and without waiving those objections, Mr. Munsell was not and is not involved in the negotiations between Bright House and Verizon and therefore did not know at the time of his Direct Testimony all of the details surrounding those negotiations. Nevertheless, Mr. Munsell affirms his testimony that "Bright House seeks to profoundly alter" the parties' existing interconnection arrangements and that "Bright House would change hundreds of provisions in the parties' existing ICA."

44. Please refer to Mr. Munsell's direct testimony at page 8, line 9 through page 9, line 8. Are you aware of any other provision of the FCC's rules or other applicable law that is similar to the example given, under which Verizon's obligation to provide a service can or will be extinguished as a result of a change in factual circumstances? If so, please specify each such other provision.

RESPONSE: Verizon objects to this request as overly broad, unduly burdensome, and calling for speculation. Verizon cannot be expected to identify every possible scenario in which a change in factual circumstances might extinguish its obligation to provide a service under the parties' interconnection arrangements. Nevertheless, subject to and without waiving its objections, by way of example, Verizon states that, if a switch was converted to packet switching, Verizon no longer would be required to provide UNE loops off that

switch. Similarly, if Verizon no longer provided a service to retail customers, it no longer would be required to provide that same service on a resale basis.

45. Please refer to Mr. Munsell's direct testimony at page 12, line 18 through page 14, line 23. Within the last five (5) years, has Verizon (a) ever back-billed Bright House for services that were provided more than one year prior to the rendering of the back-bill? Or (b) ever protested a Bright House bill that had been rendered to Verizon more than one year prior to the protest? If so, please provide a succinct description of each such situation.

RESPONSE: Verizon responds to the subparts of Interrogatory no. 45 as follows:

(a) No.

(b) No.

46. Please refer to Mr. Munsell's direct testimony at page 15, line 21-22, and also to his testimony at page 10, line 18-19. If, as Mr. Munsell states at page 10, the ordering of services under the ICA does not necessarily mean that a change will apply, "how will the fact that Bright House may have "ordered a service" allow it to "know" that it will or should be "billed" for it?

RESPONSE: Bright House should know which services it orders are associated with charges and which are not. Indeed, those details are spelled out in the interconnection agreement. Therefore, if Bright House orders a service for which it is aware it should be charged, but has not yet received a bill, Bright House should know that it will or should receive a bill for that service at a later date.

47. Please refer to Mr. Munsell's direct testimony at page 20, lines 8-14. Please identify any language in Verizon's proposed contract that would prevent Verizon from imposing Limitations on the number of orders that Bright House is permitted to place via Verizon's OSS to a level that is well below Bright House's current ongoing daily or weekly rate of orders? If no such language exists, please so state.

RESPONSE: This interrogatory relates to Issue 22(b), which has been resolved, so no further response is necessary.

48. Please refer to Mr. Munsell's direct testimony at page 24, line 25 through page 25, line 17. With respect to that testimony:

- a. Please explain in detail that basis for the statement at page 25, lines 7-9, that "it could not work from a network routing perspective" for Bright House to provide tandem switching to a third party IXC with respect to inbound long distance traffic bound for a Verizon end user served by a Verizon end office. In your answer, please identify and summarize any industry

documents or Verizon tariffs that you contend explain or illustrate why "it could not work from a network routing perspective."

RESPONSE: In order to receive traffic from an IXC, the local exchange carrier serving the called party (in this case, Verizon) must identify the tandem it subtends, so that the IXC knows where to route the traffic destined for that customer. In particular, the appropriate tandem information must be entered into the industry traffic routing tables – *i.e.*, the Local Exchange Routing Guide ("LERG"). Verizon currently subtends its own access tandem and that information is entered into the LERG. So, when IXC traffic is destined for a Verizon end user, the LERG dictates that the traffic be sent through the Verizon tandem in order to reach that end user.

However, under Bright House's proposal, Verizon also would be required to subtend a Bright House tandem (at least in some instances). But the LERG will not allow a local exchange carrier to enter two different tandems. Accordingly, Bright House's proposal that Verizon be required to subtend both its own tandem and any Bright House tandem is not workable from a network routing perspective.

- b. Please explain in detail the basis for the statement at page 25, line 11 that "Verizon cannot work in the way Bright House proposes." In your answer, please identify and summarize any industry documents or Verizon tariffs that you contend explain or illustrate why "Verizon cannot work in the way Bright House proposes."

RESPONSE: The quoted language from page 25 of Mr. Munsell's Direct Testimony is just one line extracted from a much longer answer to a question appearing on page 23, lines 1-3. As explained in that answer, Verizon cannot send outbound calls destined for IXCs over local interconnection trunks because they would lack the necessary information (the carrier identification code ("CIC")) to route those calls properly – *i.e.*, to the IXC chosen by the calling party. Likewise, as addressed in the Response to No. 48.a, above, for inbound traffic from IXCs, Mr. Munsell explains that Bright House's proposal would not work from a network routing perspective.

49. Please refer to Mr. Munsell's direct testimony at page 33, line 3 through page 34, line 4. With respect to that testimony, please state whether Verizon bills any other carriers (including other LECs, IXCs, and wireless carriers) on the basis of "factors," such as "percent interstate use" factors, "percent local use" factors, or similar factors. If so, please identify the Verizon tariff provisions and/or interconnection agreement provisions that provides for such factor-based billing.

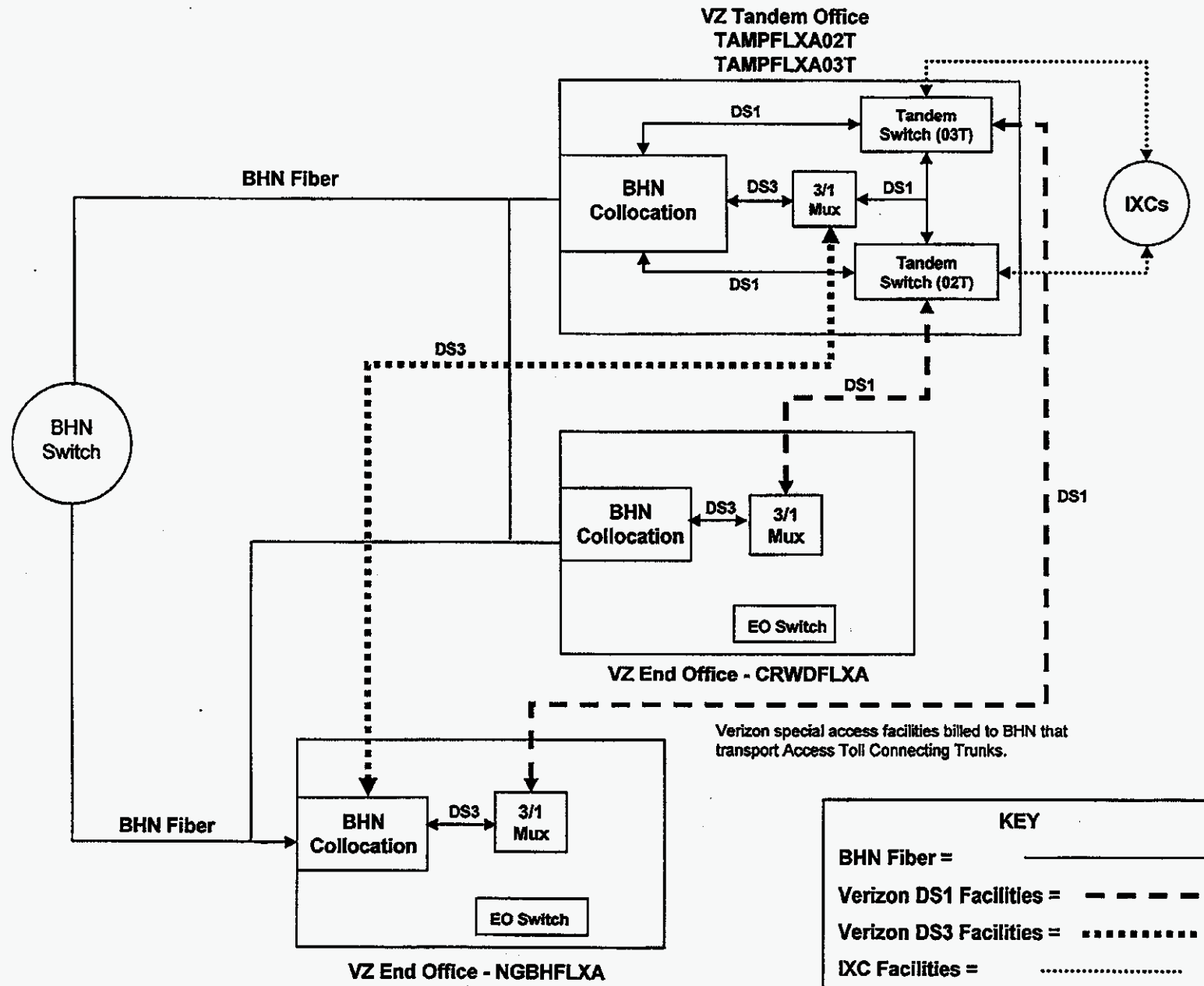
RESPONSE: Yes. Verizon's intrastate access tariff section 6.3.3 provides for percent interstate usage factors. Verizon's interconnection agreements also typically provide for the use of factors to the extent that the information on the calling/called number fields does not provide enough information to determine

the jurisdiction of the call. Verizon objects to identifying each interconnection agreement provision addressing factors because Verizon has approximately 150 such agreements that are publicly available. Reviewing each interconnection agreement for sections addressing factors would be unduly burdensome and would involve research into these publically filed documents that Bright House can perform itself. An account of such provisions would, in any event, be irrelevant to the approach Bright House asks the Commission to adopt here. In all instances where Verizon uses traffic factors for CLEC and interexchange carrier traffic, it is, as noted above, only to the extent that the jurisdiction of the call cannot be determined from the calling/called number fields. Bright House's proposal, however, would require Verizon to factor traffic for which its systems are today set up to record and identify the jurisdiction of the calls for which Bright House proposes to use factors. In other words, Bright House is proposing a giant step backward, from a system that can and does identify the jurisdiction of calls, to a system that uses factors because jurisdiction cannot be identified. That approach makes no sense—even aside from the technical problems Bright House's proposal would present, as discussed in Verizon's response to question 48, above, and in Mr. Munsell's pre-filed testimony. Verizon cannot simply turn on some feature in its recording and billing system that says that for (just) traffic from Bright House, ignore the jurisdiction that was set based on the calling/called telephone numbers. Therefore, Verizon would likely have to handle all traffic from Bright House on a manual exception basis, as a post-billing adjustment—which would obviously be unnecessarily burdensome for Verizon.

Switch Type	State	CLL/ Code	Office Name	Equipment Type	Service Date	DS1	DS3	OC3
Tandem	FL	TAMPFLXA02T	TAMPA TANDEM	DMS200	1998-05-22	x		x
End Office	FL	ALFAFLXA67H	ALAFIA	GTD5EAX	1987-10-30	x		
End Office	FL	BHPKFLXA28H	BEACH PARK	5ESS	1988-01-30	x		
End Office	FL	BRNDFLXA68H	BRANDON	5ESS	1991-04-30	x		
End Office	FL	CRWDFLXA96H	CARROLLWOOD	GTD5EAX	1984-09-30	x		
End Office	FL	HYPKFLXADS0	HYDE PARK	NTDMS100	1991-06-30	x		
End Office	FL	KYSTFLXA92H	KEYSTONE	GTD5EAX	1989-08-30	x		
End Office	FL	LNLKFLXA99H	LAND O' LAKES	5ESS	1991-10-30	x		
End Office	FL	LUTZFLXA94H	LUTZ	GTD5EAX	1989-09-30	x		
End Office	FL	OLDSFLXA85H	OLDSMAR	GTD5EAX	1988-01-30	x		
End Office	FL	PNCRFLXA73J	PINECREST	GTD5EAX	1989-10-30	x		
End Office	FL	PTCYFLXA75H	PLANT CITY	NTDMS100	1992-08-30	x		
End Office	FL	RSKNFLXA64H	RUSKIN	GTD5EAX	1987-07-30	x		
End Office	FL	SLSPFLXA93H	SULPHUR SPRINGS	GTD5EAX	1990-12-30	x		
End Office	FL	SMNLFLXA23H	SEMINOLE	5ESS	1994-09-24	x		
End Office	FL	SWTHFLXA88H	SWEETWATER-GTD5	GTD5EAX	1986-08-30	x		
End Office	FL	SWTHFLXADS0	SWEETWATER-5ESS	5ESS	1993-10-30	x		
End Office	FL	TAMPFLXEDS0	TAMPA EAST	5ESS	1993-09-30	x		
Softswitch	FL	TAMPFLXAPSA	TAMPA SOFT SWITCH	CS2K	2007-04-30			x
End Office	FL	TAMPFLXX22H	TAMPA MAIN-GTD5	GTD5EAX	1983-12-30	x		
End Office	FL	TAMPFLXX27H	TAMPA MAIN-5ESS	5ESS	1985-06-30	x		
End Office	FL	THNTFLXADS0	THONOTOSASSA	5ESS	1992-10-30	x		
End Office	FL	TMTRFLXADS0	TEMPLE TERRACE	5ESS	1991-12-30	x		
End Office	FL	UNVRFLXA97H	UNIVERSITY-5ESS	5ESS	1989-10-30	x		
End Office	FL	WIMMFLXA63H	WIMAUMA	GTD5EAX	1988-10-30	x		
End Office	FL	WLCHFLXA97H	WESLEY CHAPEL	GTD5EAX	1990-06-30	x	x	
End Office	FL	WLCRFLXA83H	WALLCRAFT	5ESS	1993-05-30	x		
End Office	FL	WSSDFLXA87H	WESTSIDE-GTD5	GTD5EAX	1984-06-30	x		
End Office	FL	WSSDFLXADS0	WESTSIDE-5ESS	5ESS	1993-12-30	x		
End Office	FL	YBCTFLXA24H	YBOR CITY	5ESS	1992-09-30	x		
End Office	FL	ZPHYFLXA78H	ZEPHYRHILLS	GTD5EAX	1986-07-30	x		

Switch Type	State	CLLI Code	Office Name	Equipment Type	Service Date	Equiped DS1	Equiped DS3	Equiped OC3
Packet Tandem	FL	TAMPFLXA03T	TAMPA VTOA TANDEM 2	VToA	2000-12-30			x
End Office	FL	ABDLFLXA96H	AUBURNDALE	GTD5EAX	1987-03-30	x		
End Office	FL	ANMRFLXA77H	ANNA MARIA	GTD5EAX	1988-01-30	x		
End Office	FL	BARTFLXA53H	BARTOW MAIN	GTD5EAX	1988-01-30	x		
End Office	FL	BAYUFLXA54H	BAYOU	GTD5EAX	1987-02-28	x		
End Office	FL	BRBAFLXA75H	BRADENTON BAY	GTD5EAX	1985-02-28	x		
End Office	FL	BRTNFLXX74H	BRADENTON MAIN	GTD5EAX	1990-12-30	x		
End Office	FL	CLWRFLXA44H	CLEARWATER MAIN	GTD5EAX	1985-03-30	x		
End Office	FL	CLWRFLXADS0	CLEARWATER MAIN 5ESS	5ESS	1993-06-30	x		
End Office	FL	CNSDFLXA79H	COUNTRYSIDE	GTD5EAX	1991-10-30	x	x	
End Office	FL	CYGRFLXA32H	CYPRESS GARDENS	GTD5EAX	1988-07-30	x		
End Office	FL	DNDNFLXA73H	DUNEDIN	GTD5EAX	1986-08-30	x		
End Office	FL	DUNDFLXA43H	DUNDEE	GTD5EAX	1991-09-30	x		
End Office	FL	ENWDFLXA47H	ENGLEWOOD	GTD5EAX	1988-11-30	x		
End Office	FL	FHSDFLXA57H	FEATHER SOUND	GTD5EAX	1988-10-30	x		
End Office	FL	FRSTFLXA63H	FROSTPROOF	GTD5EAX	1989-08-30	x		
End Office	FL	GNDYFLXA57H	GANDY	GTD5EAX	1987-10-30	x		
End Office	FL	HDSNFLXA86H	HUDSON MAIN	GTD5EAX	1985-07-30	x		
End Office	FL	HGLDFLXA64H	HIGHLANDS	GTD5EAX	1985-12-30	x	x	
End Office	FL	HNCYFLXA42H	HAINES CITY MAIN	GTD5EAX	1985-04-30	x	x	
End Office	FL	INRKFLXX59H	INDIAN ROCKS	GTD5EAX	1990-02-28	x		
End Office	FL	LGBKFLXA38H	LONGBOAT	GTD5EAX	1989-05-30	x		
End Office	FL	LKALFLXA95H	LAKE ALFRED	GTD5EAX	1989-09-30	x		
End Office	FL	LKLDFLXA68H	LAKELAND MAIN	GTD5EAX	1987-12-30	x		
End Office	FL	LKLDFLXE68H	LAKELAND EAST	5ESS	1994-12-10	x		
End Office	FL	LKLDFLXN85H	LAKELAND NORTH	GTD5EAX	1988-02-28	x		
End Office	FL	LKWFLXA67H	LAKE WALES MAIN	GTD5EAX	1988-08-30	x		
End Office	FL	LLMNFLXADS0	LEALMAN	5ESS	1994-10-22	x		
End Office	FL	LRGOFLLXA58H	LARGO	5ESS	1991-05-30	x		
End Office	FL	MNLKFLXA85H	MOON LAKE	GTD5EAX	1989-12-30	x		
End Office	FL	MYCYFLXA32H	MYAKKA CITY	GTD5EAX	1989-11-30	x		
End Office	FL	NGBHFLXA39H	NORTH GULF BEACH	GTD5EAX	1985-09-30	x		
End Office	FL	NPRCFLXA84H	NEW PORT RICHEY	GTD5EAX	1986-11-30	x		
End Office	FL	NRPTFLXA42H	NORTH PORT	GTD5EAX	1988-01-30	x		
End Office	FL	NRSDFLXA35H	NORTHSIDE	GTD5EAX	1987-06-30	x		
End Office	FL	OSPRFLXA96H	OSPREY	GTD5EAX	1989-07-30	x		
End Office	FL	PLMTFLXA72H	PALMETTO	GTD5EAX	1988-03-30	x		
End Office	FL	PLSLFLXA79H	PALMA SOLA	GTD5EAX	1988-06-30	x		
End Office	FL	PNLSFLXA53H	PINELLAS-GTD5	GTD5EAX	1986-05-30	x		

Switch Type	State	CLL Code	Office Name	Equipment Type	Service Date	Equiped DS1	Equiped DS3	Equiped OC3
End Office	FL	PNLSFLXADS0	PINELLAS-5ESS	5ESS	1993-11-30	x		
End Office	FL	PSDNFLXA34H	PASADENA	GTD5EAX	1990-06-30	x		
End Office	FL	SEKYFLXA34H	SIESTA KEY	GTD5EAX	1988-08-30	x		
End Office	FL	SGBEFLXA36H	SOUTH GULF BEACH	GTD5EAX	1987-09-30	x		
End Office	FL	SKWYFLXADS0	SKYWAY	5ESS	1994-12-03	x		
End Office	FL	SNSPFLXA37H	SEVEN SPRINGS	GTD5EAX	1983-10-30	x		
End Office	FL	SPBGFLXA89H	ST PETERSBURG MAIN	GTD5EAX	1984-12-30	x		
End Office	FL	SPBGFLXADS0	ST PETERSBURG MAIN-5ESS	5ESS	1995-06-24	x		
End Office	FL	SPBGFLXS86H	ST PETERSBURG SOUTH	GTD5EAX	1986-08-30	x		
End Office	FL	SPRGFLXA37H	SARASOTA SPRINGS	GTD5EAX	1990-03-30	x		
End Office	FL	SRSTFLXA95H	SARASOTA MAIN-GTD5	GTD5EAX	1985-08-30	x		
End Office	FL	SRSTFLXADS0	SARASOTA MAIN-5ESS	5ESS	1993-07-30	x		
End Office	FL	SSDSFLXA92H	SOUTHSIDE	GTD5EAX	1985-05-30	x		
End Office	FL	STGRFLXA78H	ST GEORGE	GTD5EAX	1984-06-30	x		
End Office	FL	TRSPFLXA93H	TARPON SPRINGS	GTD5EAX	1987-06-30	x		
End Office	FL	VENCFLXA48H	VENICE MAIN	GTD5EAX	1985-06-30	x	x	
End Office	FL	VENCFLXS0S0	VENICE SOUTH	5ESS	1994-08-27	x		
End Office	FL	WNHNFLXC29H	WINTER HAVEN MAIN	NTDMS100	1991-07-30	x		



VERIFICATION

STATE OF FLORIDA)
) ss.
COUNTY OF HILLSBOROUGH)

BEFORE ME, the undersigned authority, personally appeared Frank App who deposed and stated that the answers to the Second Set of Interrogatories (Nos. 13-49) served on Verizon Florida LLC by Bright House Networks Information Services (Florida), LLC in Docket No. 090501-TP were prepared at his request and he is informed that the responses contained therein are true and correct to the best of his information and belief.

DATED at Tampa, Florida, this 29th day of April, 2010.

Frank App
Frank App

Sworn to and subscribed before me this 29th day of April, 2010.

Teresa Ann Scobie
Notary Public
State of Florida

My Commission Expires:

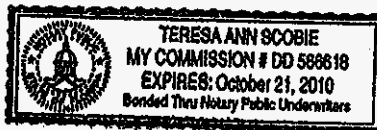


EXHIBIT NO. 6

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Bright House Networks

DESCRIPTION: Bright House Networks' Responses to Verizon Florida's First set of Interrogatories Nos. 1, 3, 5, 13, 14, and 15.

Proprietary Exhibit

PROFFERING PARTY: Staff

I.D. # Stip-6

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 6

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS STIPULATED EXHIBIT- STIP - 6

DATE 5/25/10

EXHIBIT NO. 7

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Verizon Florida

DESCRIPTION: Verizon Florida's response to Bright House Networks' First Set of Interrogatories, Attachment A.

Proprietary Exhibit

PROFFERING PARTY: Staff

I.D. # Stip-7

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 7

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS STIPULATED EXHIBIT- STIP - 7

DATE 5/25/10

EXHIBIT NO. 8

DOCKET NO.: 090501-TP

WITNESS: N/A

PARTY: Verizon Florida

DESCRIPTION: Verizon Florida's Responses to Bright House Networks' Second Set of Interrogatories, Nos. 37 (a) and 37 (c).

Proprietary Exhibit

PROFFERING PARTY: Staff

I.D. # Stip-8

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP

EXHIBIT 8

COMPANY FLORIDA PUBLIC SERVICE COMMISSION

WITNESS STIPULATED EXHIBIT - STIP - 8

DATE 5/25/10

EXHIBIT NO. 9

DOCKET NO.: 090501-TP

WITNESS: Timothy J. Gates.

PARTY: Bright House Networks

DESCRIPTION: Transcript, Exhibits and Errata (if any) from the May 5, 2010, Deposition of Bright House Networks' Witness Timothy J. Gates. Pages 1-122.

Exhibit 1 - Verizon Network Diagram. Page 123.

Exhibit 2 – Excerpt from Interconnection Agreement. Section 2.1-2.1.1.3. Page 124

PROFFERING PARTY: Staff

I.D. # Stip-9

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP EXHIBIT 9

COMPANY STIPULATED EXHIBIT-9

WITNESS TIMOTHY J. GATES - STIP- 9

DATE 5/25/10

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP

In re: Petition for arbitration
of certain terms and conditions
of an interconnection agreement
with Verizon Florida LLC by
Bright House Networks Information
Services (Florida), LLC.

 COPY

DEPOSITION OF: TIMOTHY J. GATES

TAKEN ON BEHALF OF: Verizon Florida LLC

DATE: May 5, 2010

TIME: Commenced at 9:49 a.m.
Concluded at 12:59 p.m.

LOCATION: 2540 Shumard Oak Boulevard
Tallahassee, Florida

REPORTED BY: MARY ALLEN NEEL, RPR, FPR
Notary Public, State
of Florida at Large

ACCURATE STENOGRAPHY REPORTERS, INC.
2894-A REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
850/878-2221

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PROCEEDINGS

The following deposition was taken on oral examination, pursuant to notice, for purposes of discovery, for use as evidence, and for such other uses and purposes as may be permitted by the applicable and governing rules. Reading and signing of the deposition transcript by the witness was not waived.

* * *

Thereupon,

TIMOTHY J. GATES

the witness herein, having been first duly sworn, was examined and testified as follows:

CROSS-EXAMINATION

BY MR. O'ROARK:

Q. Good morning, Mr. Gates. I'm De O'Roark. I represent Verizon in this case. We've met before.

A. Yes. Good morning.

Q. Mr. Gates, you've had your deposition taken before?

A. Yes.

Q. Many times?

A. Yes.

Q. About how many?

A. Perhaps a dozen or more.

Q. Then you know the general ground rules.

1 Please try to give an audible response to my questions
2 so that the court reporter can take the response down.
3 If I ask you anything that you don't understand or it's
4 unclear, don't hesitate to ask me to clarify my
5 question, and I'll do my best to do that. And if you
6 need a break at some point, please let me know, and I'll
7 be happy to accommodate that.

8 A. Thank you.

9 Q. Fair enough?

10 A. Yes.

11 Q. Let me ask you to start by looking at your
12 Exhibit TJG-1.

13 A. Is that my direct?

14 Q. It's in your direct, yes. It's your resumé.

15 A. Yes. Ironically, that's the one thing I
16 didn't bring just to save 38 pages.

17 Q. That's the one thing I didn't copy, but since
18 is it sort of your life, I think we can probably get
19 through it without you having the paper in front you.

20 After you -- or as you were completing your
21 education, it looks like your first position was with
22 Bonneville Power Administration, which I gather did not
23 concern telecommunications.

24 A. Yes. I actually did that as an internship
25 over a year, my last year of graduate school. It was

1 strictly energy issues.

2 Q. How about your time with the Oregon PUC in
3 1983 and '84? What were your responsibilities there?

4 A. My responsibilities were limited to the
5 telecommunications division, and I spent the vast
6 majority of my time, perhaps all of my time, looking at
7 Qwest cost studies for access charges and for local
8 service and doing a rate case.

9 Q. Then you moved on to the Texas PUC from '84 to
10 '85.

11 A. Yes.

12 Q. Were you doing the same kind of work there?

13 A. Yes. There I was in the engineering division,
14 but doing telecommunications, and focused primarily on
15 private line issues.

16 Q. When you say you were focused on private line
17 issues, does that mean reviewing tariffs, resolving
18 disputes? What kind of work?

19 A. Well, I wasn't there very long, less than a
20 year, actually, before I joined MCI. And the case that
21 was pending was an AT&T case, and my focus was on the
22 private line issues.

23 Q. So your work with the Texas PUC was mostly
24 having to do with one dispute?

25 A. Well, no. I guess I wasn't being very clear.

1 I did a lot of things, including doing process flows for
2 the Commission staff to help them understand how to
3 review cost studies, because in Texas they had never
4 used a forward-looking cost construct. It had always
5 been embedded historical costs. So when I got there,
6 them asked me to develop some sort of a training
7 mechanism to help the staff understand how to review
8 forward-looking cost studies. So I spent some time
9 working on that and developed an internal document for
10 use by the staff.

11 I also did the AT&T case, and my specific
12 focus was on the private line issues in that case. But
13 I also went out with the engineers to inspect outside
14 plant. I did a lot of work on tariffing issues,
15 reviewing various tariffs from various companies, and
16 actually traveled out to small rural telcos in Texas to
17 look at outside plant and provisioning issues and
18 technology issues. So I did more than just the private
19 line, but that was the one major case that I worked on
20 while I was there.

21 Q. Now, in '85 you were hired by MCI in the
22 Southwest Division as a financial analyst III and a
23 senior staff specialist. What did that role involve?

24 A. It was a regulatory and legal policy position,
25 basically focused on cost studies again, because recall

1 that at that point in time, the cost basis for rates was
2 something new, especially on a forward-looking basis.
3 So based on my experience in Oregon and my statistical
4 training with my master's degree, I was focused on
5 reviewing cost studies. So that initial job with MCI in
6 Texas, I focused on the SNFAs, if you remember those.

7 Q. It was a little before my time, but --

8 A. It was the shared network facilities
9 arrangements, and MCI was claiming that AT&T was
10 received multi-billion dollars in benefits from these
11 kind of secret deals. So I was looking at those and the
12 cost studies and the underlying support, financial and
13 accounting support for those issues.

14 Q. Then you moved out to the West Division of MCI
15 in '86 and were a manager of tariffs and economic
16 analysis. I gather from the title that your job had a
17 lot to do with reviewing and filing tariffs.

18 A. Yes. I was responsible for getting the MCI
19 tariffs in all of the MCI West states, which was
20 basically the Qwest region, so dealing with all the
21 Commission staffs to make sure that we had all the
22 appropriate language consistent with the Commission's
23 rules and that they met the business needs of the
24 company as well.

25 I also did, of course, other things, testified

1 on issues, primarily getting intraLATA, intrastate
2 authority for MCI around the country, but at that point
3 I was just focused on the Qwest region.

4 Q. So when you were with the MCI West Division
5 between 1986 and 1988, is that when you started doing
6 some work as a witness?

7 A. No. Actually, I testified for the Oregon
8 Commission in 1983 on two cases, Qwest cases on cost
9 studies and pricing issues. That was actually my first
10 soiree into testifying.

11 Q. How many cases have you been a witness in?

12 A. Oh, gosh, over 200, I think, since '83.

13 Q. Moving forward in the progression, you were a
14 -- this is a long heading, Economic Analysis and
15 Regulatory Policy and Legal, Regulatory and Legislative
16 Affairs Department for the Midwest Division of MCI, of
17 which you were a senior manager from 1988 to 1992. What
18 were your responsibilities in that role?

19 A. I was in Chicago and working in the Ameritech
20 region primarily, but my responsibilities were to review
21 the business arrangements between MCI and other
22 carriers, primarily Ameritech, to be involved in any
23 public policy cases that came up. So I was very
24 involved, for instance, in Wisconsin on their various
25 initiatives on how to jump-start competition with

1 intraLATA equal access. So I did a lot of cases, not
2 only in Ameritech, but around the country, on intraLATA
3 equal access in the late '80s and early '90s. As I
4 recall, the Florida case here was one of the major cases
5 in the U.S. on intraLATA equal access. It was
6 extensive.

7 Q. From there you moved on to the MCI regulatory
8 analysis department in Chicago. Were your
9 responsibilities fairly similar to the previous position
10 you just described?

11 A. They were similar. The focus changed a little
12 bit. My supervisor changed. As I recall, I was
13 reporting then to the world headquarters in D.C., so I
14 was doing more than just Ameritech. I was doing my work
15 on a national basis.

16 Q. So at that point, you were acting as a witness
17 in a number of jurisdictions around the country?

18 A. Yes.

19 Q. Then you became an executive staff member II
20 in Washington. Did that involve kind of a similar
21 witnessing role?

22 A. Similar, although I was in charge of
23 formulating public policy positions and working with
24 other experts and analysts within MCI to develop MCI's
25 position for litigation and regulatory activities around

1 the country.

2 Q. And then the last position you had with MCI
3 WorldCom from '96 to 2000 was senior executive staff
4 member with the National Public Policy Group in Denver.
5 Was that sort of a continuation of what you had been
6 doing, or did that involve something different?

7 A. No. And actually, I may have misspoke. The
8 '94 to '96 period, I was actually in D.C. That was when
9 we were developing the Telecom Act.

10 And as soon as that Act passed, I recognized
11 that all the activity then was really going to be in the
12 states as opposed to at the FCC. From '94 to '96 I was
13 also doing filings with the FCC on behalf of MCI. So in
14 '96 after the Act passed, I took the opportunity to go
15 to Denver and be involved in the states to help
16 implement the Telecommunications Act.

17 Q. And I gather then that you would have been a
18 witness in 271 cases and that sort of thing?

19 A. Yes. Many 271 cases, yes.

20 Q. In your direct on page 2, you say you were
21 employed by MCI and/or WorldCom, MWCOR, for 15 years in
22 various public policy divisions. Does that fairly
23 summarize at a very high level your work with MCI and
24 MCI WorldCom?

25 A. Yes, although it wasn't just public policy. I

1 did get very involved in the merger issues, specifically
2 with the synergies associated with the network. So I
3 would like to think that's a little more than public
4 policy, although I'm certainly not holding myself out as
5 an engineer.

6 Q. Since 2000 you've been with QSI?

7 A. Yes.

8 Q. Which is a consulting group?

9 A. Yes.

10 Q. Can you describe your major activities with
11 QSI? I assume being a witness, as in this case, would
12 be one of those activities?

13 A. Yes. When I was with MCI from '96 to 2000, I
14 also managed on a national basis the consulting firms
15 that we used, and there were about 25. One of those
16 firms was QSI Consulting, so I knew those folks very
17 well. And with the WorldCom takeover, things weren't
18 the same, as you know, so I took that opportunity to
19 leave and go to work for QSI.

20 Since I've been with QSI, I've done many, many
21 things. That's one of the nice things about consulting,
22 is the diversity of issues you get to address and the
23 diversity of clients. One of the things I do is to
24 provide testimony in proceedings such as this, but I
25 also a spend a lot of time working for our public

1 utility commission clients, various attorneys general,
2 consumer advocate groups, and a myriad of other types of
3 clients other than the CLEC or cable clients that we're
4 talking about today.

5 Q. What percentage of your time is spent being a
6 witness in cases like this?

7 A. Oh, probably 20 percent.

8 Q. And the rest of the time would sort of fall
9 into the category of consulting?

10 A. Yes, consulting, management consulting,
11 training. We do a lot of training. We're going to do
12 some training in June for both the Office of Consumer
13 Counsel in Colorado and for the New Mexico Public
14 Regulatory Commission. So I do a lot of training and do
15 a lot of issue analysis for those types of clients.

16 Q. Mr. Gates, do you have with you Bright House's
17 responses to staff's Interrogatories in this case?

18 A. I do not.

19 Q. I happen to have a copy handy.

20 MR. SAVAGE: I want to just for the record
21 make clear, I, for a variety of reasons, end up
22 with nothing other than my computer, so if we're
23 going to be marking exhibits and using things, it
24 would be helpful if there were copies. I can
25 probably find it on my computer, but if it's going

1 to be an exhibit, I would like a copy so I can make
2 notes and that sort of thing.

3 MR. O'ROARK: I was not planning to mark this
4 as an exhibit. I'm reasonably sure that the
5 response will be marked as a staff exhibit at the
6 hearing.

7 BY MR. O'ROARK:

8 A. I'll tell you what, Mr. Gates. Let me present
9 this to you. It's my copy, but I'll ask you to confirm
10 that this is Bright House's response to the PSC Staff's
11 First Set of Interrogatories, Numbers 1 to 30.

12 MR. SAVAGE: And what's the date of that
13 document?

14 MR. O'ROARK: It's dated February 26, 2010.

15 Please let your counsel take a look at it too,
16 Mr. Gates, just so everybody is comfortable that
17 that's the document we're looking at.

18 MR. SAVAGE: I have no concern that it's the
19 right document. I just want to make sure that if
20 we're going to be dealing with it extensively I do
21 have a copy I could note on, but we're fine for
22 now.

23 MR. O'ROARK: We're not going to be dealing
24 with it extensively, but I do want to use it as
25 kind of a jumping-off point for a few questions.

1 BY MR. O'ROARK:

2 Q. If I can, Mr. Gates, let me ask you to flip to
3 Bright House's response to Staff Interrogatory 16. Just
4 let me know when you're there, please. You'll see a
5 couple of things highlighted. I'm actually going to ask
6 you about the second highlighted piece. Take a moment
7 to look at the response, Mr. Gates, and let me know if
8 this information came from you or if you were involved
9 in preparing the response.

10 A. Yes, I'm familiar with this response, and I
11 was involved in preparing the answer.

12 Q. Okay. Thank you. Now, in response to
13 Interrogatory 16, Bright House says that the parties
14 routinely exchange more than 30 million minutes of local
15 traffic per month. Do you see that?

16 A. Yes.

17 Q. Is it your understanding that that would be
18 roughly 15 million minutes each way? Is that what that
19 means?

20 A. I don't know the percentage, you know,
21 originating, terminating, which way, but we could assume
22 for purposes of discussion that that's the fact. I
23 didn't look at the traffic data.

24 Q. Let me ask it a slightly different way. That
25 30 million minutes doesn't just refer to minutes that

1 Bright House is delivering to Verizon, does it?

2 A. No.

3 Q. It also would include minutes that Verizon is
4 sending to Bright House?

5 A. That's correct.

6 Q. The traffic is described as local. Is that
7 local as defined by our current interconnection
8 agreement, the local calling areas we currently use, or
9 do you know?

10 A. I don't know. I believe when we put this
11 together and we referred to local traffic, we were
12 referring to the jurisdictionality of the traffic based
13 on the Act, 251(b)(5) traffic for purposes of recip comp
14 and interconnection. So I don't know if it would be
15 defined in the same way in the current agreement.

16 Q. Do you know whether this traffic includes
17 intraLATA toll traffic?

18 A. I do not think so, no. This is local traffic.
19 I think if it's 350 million minutes of use if you
20 include all the other types of traffic, including toll
21 and meet-point billing traffic.

22 Q. And I want to get to those other types, but I
23 want to take it one step at a time.

24 A. Sure.

25 Q. You understand that at least for the intraLATA

1 traffic, the parties simply send the traffic to each
2 other without an intermediary, whether it's local or
3 intraLATA toll?

4 A. Well, yes. And also, just for purposes of
5 clarification, it's my understanding that Bright House
6 doesn't have any intraLATA toll, because the LATA is the
7 local calling area for Bright House.

8 Q. I'm not trying to make this difficult. I'm
9 just trying to understand what this 30 million minutes
10 represents. Does it represent all the traffic going
11 from Verizon customers or between Verizon customers and
12 Bright House customers in their Florida service
13 territories?

14 A. Probably not. I think what it includes is all
15 of the local traffic from Bright House's perspective.
16 It would include the local traffic from Verizon that is
17 local according to Verizon's tariffs and local calling
18 areas. It would not include, for instance, Verizon's
19 intraLATA toll traffic that might occur within the LATA.
20 That would be a local call for Bright House. So it
21 wouldn't include Verizon's intraLATA toll. Certainly
22 there is no Bright House intraLATA toll included in
23 this.

24 Q. As far as Bright House is concerned, its
25 customers have one local calling area, and they can call

1 anywhere within the Bright House Florida service
2 territory and it's considered a local call?

3 A. The Bright House Tampa area, the Tampa LATA?

4 Q. Yes.

5 A. Yes, that's correct. It's a value proposition
6 for Bright House customers.

7 Q. And I was just trying again to understand the
8 30 million.

9 Let's talk about the intraLATA toll that
10 Verizon sends to Bright House. Are you putting that in
11 the meet-point billing bucket or some other bucket?

12 A. I believe that would be in the meet-point
13 billing bucket. It might be in other buckets as well.
14 I'm just not sure, but it certainly is other. It's not
15 local.

16 Q. When Bright House sends an interLATA call --
17 strike that. Is Bright House's territory big enough to
18 where the LATA line bisects its territory in Florida?
19 Do you know?

20 A. I don't know.

21 Q. Let me ask you to flip to 22A, please, of the
22 Bright House response. Just let me know when you're
23 there.

24 A. I'm there.

25 Q. In response to 22A, Bright House says that the

1 parties exchange 69 million minutes of local and
2 meet-point billing traffic. Do you see that?

3 A. Yes.

4 Q. And if I'm reading that response correctly, if
5 we subtract out the 30 million local minutes, that's
6 going to give us 39 million minutes of what Bright House
7 is calling meet-point billing traffic; is that correct?

8 A. Yes.

9 MR. SAVAGE: Can I just -- as a clarification
10 point, you may know, but I want the record to be
11 clear. Answer number 22 was attested to by
12 Ms. Johnson, who will be deposed tomorrow, our
13 in-house witness, and so where 16 was Mr. Gates's
14 question, this is actually her question.

15 MR. O'ROARK: Thank you for that
16 clarification.

17 BY MR. O'ROARK:

18 Q. Let me then go back to the foundation for the
19 question. Were you involved in preparing the response
20 to 22, Mr. Gates?

21 A. I wasn't involved in preparing this response.
22 I was involved in modifying this response, because,
23 perhaps just like you, when I saw the draft, I saw 16,
24 which said 30 million minutes of use, and I got to 22,
25 and at that point it said 350 million minutes of use.

1 And I wrote back and said, "I'm confused. Here you said
2 30, and here you're saying 350. Is this an annual
3 number and this one is a monthly number?"

4 And in discussing this with the Bright House
5 folks, it was determined that this was a more expansive,
6 complete response. And I took it as such, but I wasn't
7 involved in developing this response.

8 Q. So you reviewed this response and were
9 satisfied that it was accurate, that the final response
10 was accurate?

11 MR. SAVAGE: I think that misstates his
12 testimony. Again, he's not --

13 MR. O'ROARK: That wasn't the question.

14 MR. SAVAGE: Oh, okay.

15 A. No, I didn't attest to the accuracy, because I
16 don't have the Bright House data upon which this was
17 developed. But I was satisfied in that now I understood
18 the difference between the two answers, because
19 obviously we have different amounts of traffic. I
20 appreciated the extra clarification. I assume it's
21 accurate.

22 Q. Fair enough. Then I'll ask you about your
23 understanding of the information based on your
24 involvement, understanding that Ms. Johnson is the
25 person that actually stands behind the data.

1 Your understanding is that the 39 million
2 minutes of what you call meet-point billing traffic is
3 separate from the 30 million minutes of what's described
4 as local traffic?

5 A. Well, that's what one would take from a
6 reading of this response. But I would defer to
7 Ms. Johnson on what is included in the meet-point
8 billing traffic, because other than a general
9 understanding of what that traffic is, I don't have the
10 specifics.

11 Q. The response to 22 also refers to 350 million
12 minutes, a figure you've already referred to. And I
13 gather this is also a figure that is attested to by
14 Ms. Johnson rather than you.

15 A. Yes.

16 Q. That said, do you have an understanding of
17 what the 350 million minutes includes?

18 A. No, not specifically.

19 Q. Do Bright House cable customers have a choice
20 in their interexchange carrier?

21 A. You mean a Bright House cable customer that is
22 just buying video?

23 Q. That is buying Bright House's telephone
24 service.

25 A. So a VoIP customer, would they have a choice

1 of their interexchange carrier?

2 Q. Yes.

3 A. I'm not sure. I'm a Verizon FiOS customer, so
4 I don't know how Bright House does that. I don't know.

5 MR. SAVAGE: And again, we went through this
6 when I was up with your witnesses last week.
7 That's an perfectly legitimate question, but I
8 think Ms. Johnson will be in a better position to
9 answer how that works than Mr. Gates would.

10 BY MR. O'ROARK:

11 Q. Okay. And, Mr. Gates, to the extent I ask you
12 questions and you don't know, "I don't know" is a
13 acceptable answer if true.

14 MR. SAVAGE: However rarely that may occur in
15 the case of Mr. Gates.

16 BY MR. O'ROARK:

17 Q. And if you want to tell me who does know, you
18 get Brownie points for that.

19 A. Well, the only person I'll be deferring to is
20 Ms. Johnson.

21 Q. That's good. Do you know if Bright House has
22 made any arrangements with an IXC to handle Bright House
23 originating traffic destined to an IXC?

24 A. I don't know.

25 Q. Do you know whether Bright House physically

1 interconnects with any IXC's?

2 A. Well, obviously they do. There is an exchange
3 of traffic. This is a connection. It may not be
4 direct, but I'm sure there is a physical connection that
5 allows the exchange of traffic, but I don't have the
6 specifics.

7 Q. Do you know if there's a direct
8 interconnection straight from Bright House to the IXC?

9 A. I'm not sure. I would expect that from their
10 switching center, but again, I don't know.

11 Q. Why do you say you would expect that from
12 their switching center?

13 A. I would think that if Bright House could
14 switch traffic directly to an IXC there, I think they
15 would. I don't think there would be anything that would
16 prevent them from doing that, but again, I don't know.
17 Ms. Johnston would probably know that.

18 Q. Do you know whether Bright House sends
19 originating toll traffic through Verizon's network or
20 straight to an IXC?

21 A. I don't know specifically. They may do both,
22 but the answer is I don't know.

23 Q. If I were to ask you about interconnection
24 arrangements that Bright House might have with ILECs,
25 CLECs, or wireless carriers, would your answers be the

1 same, that you don't know?

2 A. Generally, yes. I'm aware that they do have
3 direct connections to some carriers at an IP-to-IP level
4 where demuxing and protocol conversions are not
5 required. Some of those are very large carriers. But I
6 don't have the specifics on that.

7 Q. For example, you don't know what type of
8 carriers those are?

9 A. Generally, no. I mean, I think some are
10 wireless, and some are IP network type companies, but I
11 don't have the specifics.

12 Q. Do you know whether Bright House uses any
13 carrier other than Verizon to transit its traffic?

14 A. I don't know.

15 Actually, I think I may know. I think they do
16 use Neutral Tandem in some cases. I think I've seen
17 Bright House listed as one of their customers. But
18 again, I would confirm that with Ms. Johnson.

19 MR. SAVAGE: And just as a preview for
20 tomorrow, when I assume you might ask Ms. Johnson
21 these questions, I'm not objecting on any
22 confidentiality basis now because he doesn't know
23 the answers. If you do want to get into this in
24 detail and it's otherwise appropriate, I'll
25 probably wanted to have some of these detailed

1 answers be treated as confidential rather than just
2 on the public record.

3 MR. O'ROARK: And that, of course, would be
4 fine. Our confidentiality agreement provides for
5 that. If you'll let me know when it needs to be
6 confidential, I'll be happy to oblige.

7 MR. SAVAGE: On this line, as long as he says
8 "I don't know," that's not confidential.

9 BY MR. O'ROARK:

10 Q. I'm going to keep asking you these questions
11 just out of fear that tomorrow I will ask Ms. Johnson
12 something and she will tell me, "You really should have
13 asked Mr. Gates," even though my batting average may not
14 be very high.

15 A. Feel free to call me. I'll make myself
16 available telephonically if that occurs, if that's okay
17 with the lawyers.

18 MR. SAVAGE: Yes, sure. We're not trying to
19 prevent you from learning things.

20 MR. O'ROARK: I appreciate that. That's very
21 kind of you.

22 BY MR. O'ROARK:

23 Q. Does all traffic from Bright House Cable go
24 through the Bright House CLEC that is the party in this
25 case?

1 MR. SAVAGE: Can I clarify what you mean by
2 traffic in this case?

3 MR. O'ROARK: Telephone traffic. I'm not
4 talking about video traffic.

5 A. So VoIP telephone traffic from the cable
6 entity through the Bright House CLEC?

7 Q. Yes. Does it all go through the Bright House
8 CLEC?

9 A. I don't know.

10 Q. Bright House has collocations at two Verizon
11 end offices and at Verizon's tandem office in Tampa; is
12 that right?

13 A. Yes.

14 Q. Let's talk about the end office collos for a
15 second. In your rebuttal testimony at page 48, you say
16 that there is direct end office --

17 MR. SAVAGE: Give me a second to get there.
18 Rebuttal, page 48?

19 MR. O'ROARK: Yes.

20 MR. SAVAGE: And, De, for what it was worth,
21 when I was doing the depositions of your guys, I
22 actually marked their testimony as an exhibit and
23 their rebuttal as an exhibit so that if we had to
24 deal with the deposition transcript, it would be
25 right there. Were you intending to do that?

1 MR. O'ROARK: I was not intending to do that.
2 These are lengthy pieces of testimony, and we will
3 turn a 100-page transcript into a 500-page
4 transcript if we do that. I think if we're all
5 looking at it, it will be fine.

6 MR. SAVAGE: Okay. For now, that's fine. Are
7 we going to have an extended line of questioning
8 about his testimony?

9 MR. O'ROARK: I don't think so, but maybe we
10 can cross those bridges when we come to them. This
11 particular question is not.

12 BY MR. O'ROARK:

13 Q. Mr. Gates, I referred you to your rebuttal at
14 page 48, and I was looking at lines 15 to 19, really
15 just that sentence, where you say that the parties have
16 established direct trunks from those collocations out to
17 all or essentially all of Verizon's end offices within
18 the Tampa LATA. Do you see that?

19 A. Yes.

20 Q. And so that's actually from the two
21 collocations at the end offices and the one collocation
22 at the tandem office? That's what you're referring to
23 there?

24 A. Yes.

25 Q. And direct end office transport is sometimes

1 known in the telecom world by the acronym "DEOT"?

2 A. Yes. I always refer to them as direct end
3 office trunks, not transport. They provide that
4 function.

5 Q. If I use the term "DEOT," you'll know I'm
6 referring to direct end office trunks, then?

7 A. Yes.

8 Q. Are there DEOTs from more than one of the
9 collocations to essentially all the Verizon end offices?
10 What I'm trying to get at here is the level of
11 duplication. Let's just talk about the two end office
12 collocations. Does Bright House have DEOTS to virtually
13 all of the end offices from both of those end office
14 collocations? Do you know?

15 A. I believe they have DEOTs to all of those
16 Verizon end offices, and I think there may be 80 or so.

17 But recall that Bright House's facilities are
18 on a fiber ring, so literally, those circuits, that
19 traffic will travel around that fiber ring whether it's
20 to the two collos at the end offices or to the tandem.
21 But there are specific dedicated end office trunks to
22 each of the Verizon end offices available from each of
23 the collocations, those two end offices, and I believe
24 from the tandem.

25 Q. And to be clear, that fiber ring links the

1 three collocations with Bright House's network; right?

2 A. Yes.

3 Q. And the DEOTs are in Verizon's network?

4 They're not on the fiber ring; is that right?

5 A. That's correct. Yes, that's correct.

6 Q. Okay. And so I think you've told me that your
7 understanding is that Bright House has DEOTs from each
8 of the end office collocations to all or virtually all
9 of Verizon's 80 or so end offices.

10 A. Yes.

11 Q. Is that also true for the collocation at the
12 tandem office, that it has direct end office trunking to
13 all or virtually all of the Verizon end offices?

14 A. I believe that's the case, although I'm not
15 sure that would be necessary. My understand is that
16 there is significant diversity and redundancy in the
17 Bright House network, and that may very well be the
18 case.

19 That's my understanding. You might check with
20 Ms. Johnson to confirm that. But since all that traffic
21 from that tandem is going to those other end offices of
22 Bright House, it would certain be very redundant to have
23 them going from the tandem and from the end office
24 collos as well.

25 Q. So if understand the way Bright House was

1 structured its network, traffic could flow from End
2 Office Collo 1 over the DEOT, but if that DEOT is full,
3 it can go over the fiber ring to End Office Collo 2. If
4 that one is full, it can go to the tandem collocation,
5 go over that DEOT. And if all three of them are full,
6 then it can overflow to the Verizon tandem, be switched
7 to Verizon's network and be completed that way. Is that
8 the way Bright House's network works?

9 A. Yes, although I seriously doubt there would be
10 that much need for overflow. But, yes, that's
11 conceivable routing.

12 Q. Even if it might be a rare case where the
13 overflow to the tandem actually occurred, the way I
14 described Bright House's network is accurate as far as
15 you know?

16 A. From a high level, general perspective, yes.

17 Q. Can we agree that a DS1 is generally
18 considered to have a capacity of 200,000 minutes of use
19 per month?

20 A. Not exactly.

21 Q. How would you put it?

22 A. It's 24 DSOs. It's close to 200,000. I think
23 we've assumed that in other cases, but I don't think
24 that's the precise number.

25 Q. That certainly would not be the maximum

1 monthly minutes of use that could be put through a DS1?

2 A. No. I think that is about 80 percent or 70
3 percent of capacity, which is why I questioned the
4 200,000.

5 Q. Is it common in the industry to use the
6 200,000 figure as kind of a rule of thumb just for rough
7 purposes?

8 A. It has been used in several cases. Most
9 people just refer to a DS1's worth of traffic, whether
10 it's 200,000 minutes or something else. There has been
11 significant dispute over the 200,000 minutes.

12 Q. As far as you're concerned, is that a fair
13 approximation?

14 A. I would say a DS1's level of traffic. It
15 depends on how it's configured, how much management is
16 on the DS1, what kind of traffic it's carrying, the type
17 of switching equipment. I mean, there are lots of
18 things. But if you want to assume 200,000 minutes for a
19 DS1, I wouldn't argue strenuously against that.

20 Q. That's not a ridiculous proposition, is it?

21 A. No, it is not.

22 Q. Twenty-eight DS1s can ride a DS3?

23 A. Yes.

24 Q. Let's go back to the 30 million minutes of
25 local traffic that you've described. Using a ballpark

1 estimate of a DS1's worth being 200,000 minutes of use,
2 or MOUs, to throw out another industry acronym, does
3 that equate roughly to 150 DS1s?

4 A. Roughly.

5 MR. SAVAGE: I'm sorry. What's the
6 calculation you're asking him to do in his mind?

7 MR. O'ROARK: Thirty million minutes divided
8 by 200,000.

9 MR. SAVAGE: 30 million.

10 MR. O'ROARK: We'll go to the fact checker.

11 MR. SAVAGE: Well, I just --

12 MR. O'ROARK: That's fine. By all means.

13 THE WITNESS: And he's using an Excel
14 spreadsheet. That's impressive for a lawyer.

15 MR. SAVAGE: Yes. I will confirm that
16 according to Excel, 30 million divided by 200,000
17 equals 150. I will direct my witness to accept
18 that answer for purposes of this deposition.

19 MR. O'ROARK: Thank you, Counsel.

20 BY MR. O'ROARK:

21 Q. Now, you said before that Verizon has got
22 about 80 end offices. Why don't we just use that.
23 While we're using rough numbers, let's use that too. So
24 if the 30 million minutes roughly equates to 150 DS1s,
25 that's less than two DS1s per end office on average;

1 right?

2 A. Well, mathematically, arithmetically, you're
3 correct. But we don't want to forget that the two
4 companies are exchanging much more than just 30 million
5 minutes of local traffic. We're talking about 350
6 million minutes of total traffic, and a lot of that
7 traffic can go over those same trunks. There's no
8 reason -- I mean, recall that 251(c)(2) talks about
9 interconnection for both telephone exchange access and
10 exchange access, which is, for instance, toll.

11 Q. But I'm really asking you about the 30 million
12 minutes right now. That was the limit of my question.

13 A. Oh, okay. Well, mathematically, yes. The
14 answer is correct.

15 I mean, you're assuming, of course, a lot of
16 things that just are theoretical. You're assuming that
17 all of that traffic is distributed evenly across all of
18 those end offices, that the trucks are distributed
19 evenly between the various collos in the end offices,
20 which, of course, they are not.

21 But mathematically, theoretically, what you've
22 said is correct.

23 Q. And you've already described the redundancy in
24 Bright House's network, where you've got multiple DEOTs
25 going from Bright House's network to Verizon's end

1 office. Do you recall that testimony?

2 A. Yes.

3 Q. And those DEOTs are at the DS1 level, aren't
4 they?

5 A. I don't know.

6 Q. Given the way you've described the Bright
7 House network, wouldn't you agree that the vast majority
8 of that local traffic is going over the DEOTs?

9 A. I would assume it is, yes. I would commend
10 you to Ms. Johnson, though, for the specifics on that.

11 Q. So if I were to ask you how many millions of
12 those minutes went over the DEOTs and how many
13 overflowed to the tandem, I assume your answer would be,
14 "I don't know."

15 A. Yes. And not to disappoint you, but I'm
16 guessing that if you ask the question at that level of
17 detail to Ms. Johnson, she might not know either.

18 Q. I understand. Do you have an understanding
19 one way or another whether Bright House has enough
20 traffic to any single Verizon end office to warrant a
21 DS3 circuit?

22 A. I don't know. When you say single Verizon end
23 office, would that include Tampa Main?

24 Q. The Tampa Main end office? Yes.

25 A. My answer would still be that I don't know,

1 but I was just curious if you were --

2 Q. I meant to include every single one, from the
3 one with the highest volume to the lowest.

4 A. Okay.

5 MR. O'ROARK: Can we please mark this as Gates
6 Deposition Exhibit Number 1.

7 (Deposition Exhibit Number 1 was marked for
8 identification.)

9 BY MR. O'ROARK:

10 Q. Mr. Gates, I'm going to hand you what has been
11 marked as Gates Deposition Exhibit 1. Do you have that
12 in front of you?

13 A. Yes.

14 Q. This is a busy diagram, I'll represent. Let
15 me give you just a minute to actually let your eyes go
16 over it and let it sink in a bit, and then I'm going to
17 walk you through it. And incidentally, this is what we
18 produced in response to Bright House's discovery.

19 MR. SAVAGE: And which question was this in
20 answer to?

21 MR. O'ROARK: I don't recall.

22 MR. SAVAGE: Can you state for the record who
23 actually produced this?

24 MR. O'ROARK: Verizon produced it in response
25 to Bright House's second interrogatories. I don't

1 recall the number to which it was responsive. In
2 any event, I will represent to you that it is a
3 Verizon diagram, which I think is the key point.

4 MR. SAVAGE: Correct.

5 BY MR. O'ROARK:

6 Q. Mr. Gates, let me try to walk you through
7 this. Why don't we try moving from left to right, since
8 there's a little more empty space to the left.

9 Do you see the circle with "BHN Switch"?

10 A. Yes.

11 Q. And then you see fiber or lines representing
12 fiber that go to three Bright House collocations?

13 A. Yes.

14 Q. And would you understand that this represents
15 the Bright House fiber ring that you were describing
16 earlier?

17 A. Well, I -- go ahead.

18 MR. SAVAGE: I was going to object, in that
19 you're asking what his understanding is of your
20 document. If you want to ask him to assume what
21 this document is intended to reflect and then ask
22 him questions about that, that's fine. But I don't
23 think it's appropriate to have him testifying as to
24 what your document means.

25 BY MR. O'ROARK:

1 Q. Let's try it this way. Do you see lines on
2 this diagram stated to be BHN, in other words, Bright
3 House fiber, that run from the Bright House switch to
4 the three Bright House collocations depicted on the
5 diagram?

6 A. Yes.

7 Q. Let me ask you to move down to the sort of
8 bottom left, where you will see at the bottom there "VZ
9 End Office - NGBHFLXA." Do you see that?

10 A. Yes.

11 Q. And you understand, don't you, that Bright
12 House has a collocation at Verizon's North Gulf Beach
13 end office?

14 A. Yes.

15 Q. And is it correct that Bright House uses a
16 Verizon multiplexer at that end office?

17 A. I'm not sure that's correct, because I think
18 it's really Verizon using the multiplexer, because the
19 -- well, could you clarify what you're trying to get at
20 here?

21 Q. Let's talk about under the current
22 interconnection agreement.

23 A. I'm not sure I'm completely familiar with the
24 current one. I'm more focused on the proposals that we
25 have in our testimony.

1 Q. So you don't know whether Bright House is
2 paying for the use of a multiplexer at that end office
3 today?

4 A. Well, I know they're paying today, which they
5 shouldn't be under the circumstances, but I'm not sure
6 how that plays out in the current ICA.

7 Q. Let me go at it this way. The traffic runs
8 from Bright House's collocation to a multiplexer owned
9 by Verizon; is that correct?

10 A. Yes. That's what the diagram depicts here.

11 Q. And that's also consistent with your
12 understanding of the facts on the ground? Do you know
13 whether --

14 A. Well, I do, but I think, of course, this is
15 simplistic, because we wouldn't have all of the
16 specifics. But I do believe from the Bright House
17 collocation, there is a facility arrangement that goes
18 through to the IDF or the intermediate distribution
19 frame, and from that IDF goes to the muxing equipment.
20 I don't see the IDF depicted here. That was the only
21 reason that I --

22 Q. You're saying there would be an IDF between
23 the collo and the mux?

24 A. Yes.

25 Q. And is that a Verizon piece of equipment or a

1 Bright House piece of equipment?

2 A. Verizon piece of equipment.

3 Q. And what does IDF stand for?

4 A. Intermediate distribution frame.

5 Q. Is there any other equipment that you think is
6 there that's not represented in the diagram as between
7 the collocation and the mux?

8 A. I'm not sure. I mean, Verizon could put all
9 kinds of different cross-connect devices. After it
10 leaves the Bright House collocation, it's basically up
11 to Verizon to decide how its going to get that traffic
12 into its switch and onto its network. It's already on
13 the network once it leave the collo, so --

14 Q. That's Bright House's position in this case?

15 A. Well, I think it's just a fact. I mean, that
16 little collo, that 12-by-24-inch space -- I mean,
17 everything else in that end office is Verizon's. So
18 once it leaves the collo, then it's on Verizon's
19 network. The collo is within the network, but the
20 traffic is definitely on the Verizon network once it
21 leaves the collo. So it's up to Verizon as to how it
22 wants to route and mux or do whatever with that traffic,
23 as long as it's terminated correctly.

24 Q. But as you've said, today Bright House pays
25 for muxing at the end office; right?

1 A. Yes, unfortunately.

2 Q. Okay. This says "3/1 Mux." And as I
3 understand it, what a multiplexer does is, it takes
4 traffic from one level to another. In this case, it
5 could take traffic from the DS3 level to the DS1 level
6 or from the DS1 level to the DS3 level. Is that what a
7 3/1 multiplexer or mux does?

8 A. At a very high level, I think that's correct.

9 Q. Now, if I understand correctly from what you
10 told me before, let's say we're talking about local
11 traffic, and from this collocation, Bright House would
12 have DEOTs going out to most of Verizon's end offices.
13 I think that's what you told me before.

14 A. Yes.

15 Q. And if there's an overflow, then that traffic
16 is going to go around the fiber ring depicted in the
17 diagram and go to one of the other collocations and
18 another DEOT and so on, as we discussed?

19 A. Well, the overflow would be a function of the
20 Verizon facilities, but that is a routing opportunity.

21 Q. I want to understand what you mean by that.
22 If the DEOT is full from the North Gulf Beach end
23 office, then Bright House is going to route that local
24 traffic through another collocation or through Verizon's
25 tandem, if need be, on an overflow basis; isn't that

1 correct?

2 MR. SAVAGE: Can I ask a clarifying question?

3 MR. O'ROARK: Yes.

4 MR. SAVAGE: It may be my eyes glazing over,
5 but I can't find a DEOT shown on this diagram. I
6 may have missed it.

7 MR. O'ROARK: You did not. I'm sorry.

8 MR. SAVAGE: Okay. I was like, where is the
9 DEOT?

10 BY MR. O'ROARK:

11 Q. Counsel makes a fair point. I was trying to
12 tie in our previous discussion to the diagram. But
13 counsel is correct; the DEOTS are not shown. He's not
14 imagining things. But I'm trying to kind of tie this
15 into what we were talking about before, even though,
16 granted, the DEOTs are not actually shown here.

17 A. And to save you asking the question again,
18 you're correct. If the DEOT was full, it would overflow
19 and route in different ways.

20 Q. Now, you'll see that from the North Gulf Beach
21 end office depicted here, we've got a couple of
22 facilities shown in dotted lines, one that goes from the
23 collocation itself at the DS3 level, goes up to the
24 Tampa tandem office, to the 3/1 mux there. Do you see
25 that?

1 A. Yes.

2 Q. And then there's another one from the 3/1 mux
3 at the end office that kind of curls around the right
4 side of the diagram and goes straight into the tandem
5 switch. Do you see that dotted line?

6 A. Yes.

7 Q. And we've got a dispute between us concerning
8 traffic that's being routed to and from IXC's that goes
9 over trunks from the end offices to the Bright House
10 tandem. Is that right?

11 A. Yes. Could I ask a clarifying question --

12 Q. You may.

13 A. -- about something you just said? That DS3,
14 which is the Verizon DS3 facility that goes from the
15 Bright House collocation up and over to the 3/1 mux, you
16 have that leaving the Bright House collocation. Are you
17 suggesting that that DS3 which is owned by Verizon is
18 coming directly out of the Bright House collocation and
19 not out of the Verizon switch?

20 Q. Let me ask you. Do you have an understanding
21 as to how that facility is arranged?

22 A. I just can't imagine that Verizon would have a
23 DS3 facility in the Bright House collocation equipment
24 and then route it to the tandem. I mean, it seems to me
25 the traffic would go from that collo to Verizon through

1 that CFA, and then from there, Verizon might route it
2 over its facilities to the tandem.

3 But I kind of doubt -- I could be wrong. I'm
4 not the font of all knowledge in telecommunications, but
5 I just don't think Verizon would hook up a DS3 to the
6 Bright House collocation and route to the tandem.
7 Neither one of us evidently know, so --

8 Q. So you have a question about whether the
9 facility would emerge straight from the Bright House
10 collo and --

11 A. Yes.

12 Q. -- be routed to the 3/1 mux. Putting that
13 aside, just at a general level, you understand that we
14 have a dispute concerning trunking or trucks that are
15 going from the collos in the end offices to the tandem
16 that carry IXC traffic; is that right?

17 A. I think the dispute is over regulatory
18 treatment and compensation as opposed to the technical
19 issues, but, yes, there is a dispute.

20 Q. All right. And then you see in the middle
21 there is a box for the Verizon end office CRWDFLXA. Do
22 you see that?

23 A. Yes.

24 Q. That would be the Carrollwood end office?

25 A. Correct.

1 Q. And you understand that Bright House has its
2 other end office collocation at the Carrollwood end
3 office?

4 A. Yes.

5 Q. And the arrangements at the Carrollwood end
6 office are similar to what Bright House has at North
7 Gulf Beach?

8 A. I'm not sure if the equipment is the same.
9 This diagram appears to show a similar arrangement, but
10 I can't tell you specifically what the differences are
11 between those two collos.

12 Q. You don't know based on your own personal
13 knowledge, based on the facts on the ground?

14 A. Yes, that's correct.

15 Q. I will point out, again, not to be sneaky or
16 anything, the one difference I noted is that there is a
17 DS1 going from the 3/1 mux up to the tandem, and this
18 does not show a separate DS3 going from the collocation,
19 but just to point that out to you. You said you're not
20 really sure how the equipment is configured, and so you
21 couldn't really compare what we've got in the diagram to
22 knowledge of facts on the ground; is that right?

23 A. Yes. For instance, I've seen the Carrollwood
24 collo, but I haven't seen the North Gulf Beach collo.

25 Q. Oh, you have seen the Carrollwood collo?

1 A. Yes. So I know that -- well, just generally,
2 after seeing hundreds of collos, we know that they can
3 be very, very different, and the equipment will vary
4 from collo to collo, depending on space issues,
5 depending on traffic, et cetera.

6 Q. Based on your visit to the Carrollwood collo,
7 is there anything about this diagram with respect to
8 that end office that appears inaccurate to you?

9 A. Well, that is why I brought up the IDF,
10 because when you stand in front of the Bright House
11 collo in Carrollwood, you're looking at that rack of
12 equipment, and immediately behind it, three feet away,
13 less than the distance between me and you, is the IDF.
14 And those channel facility arrangements, the CFAs, go up
15 out of the collo and over and down onto that IDF, and
16 there is a specific channel bank there for the actual
17 cross-connect. And then from that IDF, then it goes to
18 the multiplexers somewhere down to the right where the
19 MDF is.

20 Q. And that would be the 3/1 mux shown on the
21 diagram?

22 A. Yes. That's what I was just referring to.

23 Q. And from that 3/1 mux, then the DS1 IXC
24 traffic would flow to the tandem, to your understanding?

25 A. That's what this diagram shows.

1 Q. Is that consistent with your understanding of
2 how it actually works?

3 A. Yes.

4 Q. All right. Then we go up to the top to the
5 Verizon tandem office, where we've got two tandem
6 switches. And I gather there's also an end office
7 switch in that building, although that's not depicted
8 here. You've also got a collocation at the tandem
9 office?

10 A. Bright House does, yes.

11 MR. SAVAGE: As a hobby, he buys collocation
12 space.

13 MR. O'ROARK: I appreciate the distinction.

14 BY MR. O'ROARK:

15 Q. Now, we've already said that local traffic
16 would flow from that collocation to DEOTs, and if all
17 the DEOTs are full, the local traffic would overflow at
18 the collocation to the Bright House tandem?

19 A. Yes.

20 MR. SAVAGE: I'm sorry. Did you say the
21 Bright House tandem?

22 MR. O'ROARK: The Verizon tandem testimony.
23 I'm sorry.

24 Let me just show you very quickly -- this is
25 Exhibit TJG-4.

1 MR. SAVAGE: Let the record reflect that
2 unlike the diagram they produced, our diagram is in
3 color.

4 MR. O'ROARK: But it should also reflect that
5 the lousy copy I got is in black and white.

6 BY MR. O'ROARK:

7 Q. Do you recall that exhibit attached to -- I
8 can't remember now whether it's your direct or your
9 rebuttal testimony.

10 A. Yes, I do.

11 Q. Would you agree that your exhibit is less
12 detailed than the Verizon exhibit that I presented to
13 you a moment ago?

14 A. Yes.

15 Q. Do you know how many muxes Bright House is
16 leasing from Verizon today?

17 MR. SAVAGE: Objection. I'm not sure leasing
18 is a proper description of what's going on.

19 BY MR. O'ROARK:

20 Q. Do you know how many Verizon-owned muxes
21 Bright House is using today at its collocations?

22 A. No, but if it's more than one, it's too many.
23 If it's more than zero, it's too many.

24 Q. Well, you did see one multiplexer at the
25 Carrollwood end office; right?

1 A. No.

2 Q. Does that mean it wasn't there or you just
3 didn't happen to see it?

4 A. I didn't see it. You know, generally when you
5 go to look at a collo, you go directly into the end
6 office, and you go directly to the collo, and you stay
7 there. You're not allowed to wander around in the end
8 office, in the environs.

9 There's a specific collo space where all the
10 collocations occur, and then there's the IDF, which kind
11 of separates that collo space from the rest of the
12 switch fabric and the MDF. So I was there at the collo,
13 and the IDF was immediately behind it. And the IDF was
14 labeled with respect to Bright House's trunks, so I knew
15 that was where those trunks came in. I did not get a
16 chance to go over and see any of the muxing equipment or
17 where that might be.

18 Q. Do you have any understanding as to whether
19 the Verizon-owned multiplexers that Bright House is
20 using are to an extent dedicated to Bright House's use?

21 A. I don't know.

22 Q. Do you know whether Bright House has bought
23 any of its own multiplexers that it uses in the
24 collocation cages?

25 A. I don't know. I do know that there was no

1 multiplexing equipment that I saw in the collo.

2 Q. Whatever multiplexing equipment is being used,
3 it would be used for the local traffic that we discussed
4 earlier in your deposition, wouldn't it, among other
5 types?

6 A. It would be used for all traffic. The only
7 reason it's necessary, of course, is because all of the
8 traffic that's coming in has to be dummied down for the
9 Verizon network.

10 Q. But it would be the local traffic, IXC
11 traffic, and whatever other transit traffic is going
12 through Verizon's network?

13 A. Yes, all lawful traffic that's appropriate for
14 an interconnection.

15 Q. Would you agree that switches with DS1 ports
16 are still being manufactured today?

17 A. Yes, I think they are, although as we know
18 from the discovery responses, even Verizon is putting in
19 soft switches and finally upgrading its network. It's
20 not the preferred, most efficient technology, but, yes,
21 they still manufacture that type of equipment.

22 Q. Do you contend that there's any Verizon end
23 office switch that must have a DS3 or higher interface
24 to accommodate Bright House traffic?

25 MR. SAVAGE: I object, because I think that

1 question is unclear as you actually phrased it. I
2 think you -- try again. The "must have," I didn't
3 know -- must as a legal requirement, must as a
4 technical requirement, must because Verizon insists
5 on it? It was not clear what you're getting at.

6 BY MR. O'ROARK:

7 Q. Do you contend there's any Verizon end office
8 that should have a DS3 or higher interface to
9 accommodate Bright House traffic?

10 A. Yes. I think they all should have. I'm not
11 suggesting that Bright House is telling Verizon how to
12 deploy its network, but certainly Bright House shouldn't
13 be penalized because Verizon chooses to use inefficient
14 technology. So, yes, I think they should all have at
15 least DS3 interfaces, and ideally, OC interfaces should
16 also be available.

17 Q. Didn't you say earlier that you didn't know
18 whether there was any Verizon end office where Bright
19 House was sending a DS3's worth of traffic?

20 A. I did say that I did not know. That does not
21 mean that the switches should not have that capability.
22 I mean, Bright House is not -- although Bright House is
23 big in the Tampa area, it's not the only carrier.
24 Traffic continues to grow, not just local voice traffic,
25 but video on demand, all sorts of traffic that a DS3

1 port or an OC level port would accommodate.

2 Q. Help me understand. Let's assume we got we've
3 got an end office where Bright House has a DS1's worth
4 of traffic and it's using a DEOT. Bright House is going
5 to have to get that traffic on a DS1 circuit so that it
6 can go to that end office, isn't it?

7 A. Sure. I'm not suggesting that Verizon go and
8 spent money to put in facilities that aren't needed.
9 But if there is a need for facilities, Bright House
10 should not penalized because Verizon chooses not to
11 deploy them.

12 In other words, why should they have to pay to
13 multiplex traffic that they could hand off without such
14 technology? It's like IP protocol. The only reason we
15 have media gateways is because carriers like Verizon in
16 many situations won't accept IP-to-IP traffic. That
17 would be by far --

18 Q. That's an issue that has been resolved in this
19 case; right?

20 A. Yes. I'm just giving you an example of the
21 way technology can make things more efficient.

22 Q. What I'm still trying to understand -- let's
23 just start from the collocation where the DEOT starts.
24 If you've only got a DS1's worth of traffic that you're
25 routing to that distant end office, Bright House doesn't

1 have any need for that end office to have more than a
2 DS1 switch port, does it?

3 A. Using that assumption, that would be correct.
4 But recall, I corrected your assumption saying that, you
5 know, arithematically, mathematically, you're correct.
6 But I think we know that certain end offices are more
7 important to carriers than others, Verizon included;
8 right? Some are much bigger. Some have much more
9 traffic because of growth in the market. So there are
10 situations that the -- the traffic is not evenly
11 dispersed, in other words. There are some unique
12 situations where a DS3 or an OC interconnection might be
13 more efficient than a DS1.

14 Q. But as you sit here today, you couldn't point
15 to a single end office where that was the case?

16 A. I don't have that information.

17 Q. Let's take a look your direct at page 129.
18 And I'll refer you to lines 6 to 10, Mr. Gates, if you
19 can read that to yourself, please.

20 MR. SAVAGE: Hold on a second.

21 MR. O'ROARK: It's 6 to 10.

22 MR. SAVAGE: Just give me a second to find it.

23 This is 1 --

24 MR. O'ROARK: Direct testimony, page 129,
25 lines 6 to 10.

1 MR. SAVAGE: Okay. There are some things
2 computers are more efficient for, and other things
3 it's better to just have paper.

4 The answer that starts, "Yes. Indeed," is
5 that what you're --

6 MR. O'ROARK: Correct.

7 MR. SAVAGE: All right. I'm there. I
8 apologize.

9 MR. O'ROARK: No problem.

10 THE WITNESS: I've read that.

11 BY MR. O'ROARK:

12 Q. Is it your testimony that muxing actually
13 slows down traffic?

14 A. You know, I'm not certain if it really slows
15 it down, but it does impose additional equipment,
16 additional cost to Bright House which could be avoided.
17 Whether the actual data stream is slowed by going
18 through that muxing equipment, I mean, theoretically I
19 would think it might be just a little bit, but nothing
20 significant. What I was focusing on was the additional
21 equipment required, the additional cost that Bright
22 House is currently paying for muxing, which shouldn't be
23 required.

24 Q. When you use the phrase "slow its
25 transmissions down," that might not literally be

1 accurate?

2 A. You're correct. I should have said something
3 more about the fact that it had to be muxed one way, up
4 or down.

5 Q. And it wouldn't be true either that DS1
6 traffic actually moves any slower than DS3 traffic,
7 would it?

8 A. No. It's really a capacity issue. But the
9 real point between the parties in this case is whether
10 that muxing equipment is required. And if it is -- I
11 mean, if Verizon wants to use DS1 ports for the next 20
12 years, as it has for the last 40, fine. But don't
13 impose costs on other carriers who are more efficient
14 for having to use outdated technology.

15 Q. Just so I'm clear, you said it's a capacity
16 issue, but traffic moving from Point A to Point B
17 doesn't get there any faster on a DS3 than it does on a
18 DS1, does it?

19 A. No, but -- maybe I can give you an example.
20 When you go to that collo at Carrollwood and you look at
21 that Bright House collo and that equipment in the rack,
22 there's a fiber terminal up at the top that has three or
23 four yellow fibers, small, eight-inch -- that includes
24 all the cladding. And then below that there's a DS3
25 bank that has the gray wires that are maybe 3/16 of an

1 inch for the DS3. And then you see this rat's nest of
2 wires for these DS1s, four of these little wires for
3 each DS1, and there's hundreds and hundreds and hundreds
4 of them.

5 What I'm saying is that if we had DS3
6 interconnection, we could avoid all of that. If we had
7 OC interconnection, you would just have those fiber
8 terminals feeding directly into the Verizon switch.

9 So I'm not saying that Verizon has to go out
10 and change out all of its equipment. If you want to
11 continue to keep that equipment in place, fine, but
12 don't charge Bright House or other competitors for that
13 multiplexing when the most efficient way to hand off
14 this traffic is DS3 to DS3 or OC to OC or IP to IP.
15 That's the most efficient way.

16 And the TELRIC standards and the FCC rules say
17 that we're allowed technically feasible interconnection,
18 and that certainly is technically feasible.

19 Q. You're aware that Verizon's tandems have OC-3
20 interfaces, or at least you've seen Verizon's discovery
21 responses to that effect?

22 A. I have, and I think the soft switch has OC-3
23 interfaces. But, for instance, the Bright House ring is
24 OC-48.

25 Q. Okay. But just coming back to the tandem

1 switches for a moment, you don't have any reason to
2 disagree that they have OC-3 interfaces, do you?

3 A. I don't know. I've seen the responses.

4 Q. Okay. Do you have any reason to disagree with
5 Verizon's engineering practice of distributing traffic
6 across OC-3 and DS1 tandem interfaces for network
7 management reasons?

8 A. No. I don't think this case is at all about
9 Verizon's network management practices. We're talking
10 about the specific physical interconnection of the two
11 networks and what is the most efficient, technically
12 feasible way to do that. If Verizon wants to send DS1s
13 out, you know, hundreds of DS1s instead of DS3, for
14 instance, to an end office, that is definitely Verizon's
15 prerogative with its network. But when it comes to
16 interconnection, according to the Act, CLECs are allowed
17 to have a technically feasible interconnection. And
18 what I'm suggesting is that a DS3 or higher would be
19 more efficient than a DS1.

20 Q. Now, just to be clear, we started the
21 deposition talking about your background. You're not an
22 engineer and don't have engineering expertise; is that
23 right?

24 A. I'm not an engineer.

25 Q. You've never worked in network operations or

1 managed a network?

2 A. No.

3 Q. Now, this muxing issue, Issue 32, has been
4 settled through the parties' current interconnection
5 arrangements. Is that what you understand?

6 MR. SAVAGE: This has to do with the language
7 of the settlement that I'm not even sure he has
8 focused on, so --

9 MR. O'ROARK: If he doesn't know --

10 BY MR. O'ROARK:

11 Q. Do you understand the terms of the parties'
12 settlement? Have you read it?

13 A. With respect to muxing?

14 Q. Yes.

15 A. Is this something that happened recently?

16 Q. No. This is something we did right before the
17 direct testimony. If you don't know, that's fine.

18 A. I'm just generally aware that Bright House
19 agreed to some payment with respect to muxing, but, no,
20 I'm not aware of the specifics. Whatever the parties
21 might agree to, however, wouldn't change my opinion as
22 to whether or not muxing causes inefficiencies.

23 Q. And I wasn't going to ask you about the
24 specifics of the settlement other than it applies as
25 long as the parties maintain their current

1 interconnection arrangements.

2 MR. SAVAGE: I'll stipulate, for the record,
3 what the settlement says. I don't think there's
4 any ambiguity about it. He wasn't involved in the
5 settlement.

6 My understanding of the settlement, which I
7 was involved in, is that we've agreed to a certain
8 charging relationship between us with respect to
9 muxing as long as there is no material change in
10 our physical interconnection. Now, what precisely
11 that means hopefully we'll never have to decide.
12 But that's what -- does that comport with your
13 understanding?

14 MR. O'ROARK: It does.

15 BY MR. O'ROARK:

16 Q. Mr. Gates, is that consistent with your
17 understanding?

18 A. Generally, yes. I understand it as I just
19 heard it.

20 Q. And Bright House has not made any specific
21 proposals to Verizon to do something different for the
22 future, has it?

23 A. No, although I think my testimony discusses
24 different ways that they might rearrange their network
25 to reduce their costs and also to -- for some reason,

1 they're not paying TELRIC rates for some of those
2 interconnection trunks, so they're paying too much for
3 those. Whether they actually do those things, I guess
4 that's a business decision Ms. Johnson and others will
5 make.

6 Q. To your knowledge, no specific proposal has
7 been made as of yet?

8 A. Correct.

9 MR. O'ROARK: Want to take five?

10 MR. SAVAGE: Five is good for me, maybe even
11 ten.

12 (Short recess.)

13 MR. O'ROARK: Back on the record. Please this
14 mark this as Gates Deposition Exhibit 2.

15 (Deposition Exhibit Number 2 was marked for
16 identification.)

17 BY MR. O'ROARK:

18 Q. Mr. Gates, you've been handed what has been
19 marked as Deposition Exhibit 2. You'll recall that
20 Bright House filed a Decision Point List or DPL with its
21 petition that included Section 2.1.1.3. Do you recall
22 that?

23 A. Yes.

24 Q. And I'll represent to you that what we've done
25 is, we have sort of cut and pasted from Bright House's

1 original language and pasted it here. So you can take a
2 look, but what I'm going to ask you to focus on is
3 2.1.1.3, which stated that Bright House would have the
4 option of obtaining facilities from Bright's House
5 network to the POI provided by Verizon at TELRIC rates.
6 Do you recall that section?

7 A. I do.

8 Q. That language was not in the draft contract
9 you submitted with your direct testimony or the latest
10 corrected contract you submitted on April 20th; is that
11 right?

12 A. That's correct. And I frankly just figured
13 that out last night. In going through the rebuttal of
14 Verizon and then going through my testimony and then
15 going to the actual language, as I was tabbing them, I
16 couldn't find 2.1.1.3. So that was my oversight, and I
17 apologize for that.

18 Q. Is Bright House still proposing 2.1.1.3 in
19 connection with Issue 24, to your knowledge?

20 A. Yes.

21 MR. SAVAGE: De, I'll represent to you that is
22 a scrivener's error. This was not intended in any
23 way to reflect -- the DPL didn't match the original
24 contract. That was the cause of that.

25 BY MR. O'ROARK:

1 Q. Mr. Gates, let me just focus on what you know
2 for a second. Do you have any independent knowledge of
3 why 2.1.1.3 was omitted from the draft contract
4 submitted with your testimony?

5 A. As I was going through the draft contract, as
6 we were putting those exhibits together, I think I was
7 so focused on writing all these pages on TELRIC and the
8 support for it, I just missed it. I assumed it was
9 there, and I missed it. I apologize.

10 Q. But were you the one who deleted it?

11 A. No.

12 Q. Do you know why it was deleted?

13 A. No.

14 Q. Let me ask you to return to your rebuttal
15 testimony on page 33. And I'll give Mr. Savage a moment
16 to call that up on his computer.

17 MR. SAVAGE: That's right, my efficient
18 monitor. Thirty-three?

19 MR. O'ROARK: Yes.

20 BY MR. O'ROARK:

21 Q. And I'm going to refer you to lines 9 to 21
22 when you get there.

23 MS. BROOKS: I'm sorry. Did you say direct or
24 rebuttal?

25 MR. O'ROARK: Rebuttal.

1 MR. SAVAGE: Rebuttal, page 33, lines 19 to
2 21.

3 MR. O'ROARK: Mr. Savage, please let me know
4 when you're there.

5 MR. SAVAGE: I think I'm there.

6 BY MR. O'ROARK:

7 Q. Mr. Gates, are you there?

8 A. I am at page 33.

9 Q. And you see your statement that it's necessary
10 to restate and clarify some of the points in your direct
11 testimony?

12 A. Yes.

13 Q. With respect to Issues 24 and 36?

14 A. Yes.

15 Q. What are the restated and clarified points?

16 A. Well, as you go through this rebuttal, I talk
17 about the arrangements, the network, the actual physical
18 interconnection of the two networks and the type of
19 traffic that can be carried over that network, and I
20 think that's the clarification that was needed. I think
21 Mr. Vasington, for instance, didn't really understand
22 the difference between 251(c)(2) interconnection versus
23 251(c)(3) unbundled network element issues, and the two
24 are very distinct. We have different legislative
25 mandates and different actual physical characteristics,

1 and that's what I tried to clarify.

2 Q. Let me direct you to page 34 of your rebuttal,
3 starting at line 12, where it starts, "It turns out that
4 the way that Bright House has configured its network."
5 Do you see that statement?

6 A. Yes.

7 Q. And that's when you described the facilities
8 actually at issue according to Bright House?

9 A. Well, I continue on there to line 18, and the
10 testimony says sells it says.

11 Q. And those facilities that you're describing
12 are the circuits between the end office collocations and
13 the tandem that carry IXC traffic?

14 A. Well, they carry more than IXC traffic, but
15 those are the circuits, yes, the facilities between the
16 collocations at the end offices and the tandem.

17 Q. You did not point out those facilities as
18 being at dispute in your direct, did you?

19 A. Oh, absolutely. My extensive discussion of
20 TELRIC principles with respect to interconnection were
21 directly pointed at this issue.

22 Q. That's not quite what I asked you.

23 A. Oh, I'm sorry.

24 Q. Did you identify these circuits as being at
25 issue anywhere in your direct testimony?

1 A. I thought I did, yes. Would you like me to
2 look?

3 Q. If you think you can put your finger on it
4 quickly and show me where that is, that would be
5 helpful.

6 A. Well, rather than spending time doing it, let
7 me tell you that that was certainly my intent. That's
8 why I spent all of this time discussing the difference
9 between transport and termination and 251(b)(5) traffic
10 as opposed to 251(c)(2) interconnection facilities, for
11 purposes of exchanging both telephone exchange services
12 and exchange access, which, of course, is what the IXC
13 traffic is, exchange access.

14 And then I went into great length discussing
15 entrance facilities and the FCC's rulings in the TRO and
16 the TRRO about those facilities, and the fact that that
17 does not negate the ability of Bright House, or any
18 CLEC, for that matter, to purchase interconnection --

19 MR. SAVAGE: We need to take a recess for an
20 issue we'll explain in a second. I apologize.

21 (Short recess.)

22 BY MR. O'ROARK:

23 Q. Let me try it this way, Mr. Gate. You start
24 at line 12 by saying, "It turns out that." Did you
25 learn something about Bright House's network between the

1 time you did your direct and the time you did your
2 rebuttal?

3 A. Well, absolutely. That doesn't change my
4 testimony, but, of course, I've learned more based on my
5 tour of facilities. But my testimony has been
6 consistent from the get-go that these are
7 interconnection facilities and should be priced at
8 TELRIC.

9 Q. As we sit here right now, without asking you
10 to go through every page of your direct, can you think
11 of a place where you actually referred to these specific
12 facilities in your direct?

13 A. Now, what do you mean by these specific
14 facilities?

15 Q. I mean the facilities going from the Bright
16 House end offices to the Verizon tandem that carry IXC
17 traffic.

18 A. Sure. I would point you back to my direct.
19 Let's just look at the conclusion at page 82 of my
20 direct, where I say, "For the reasons discussed above,
21 and as Bright House's lawyers will explain further, the
22 Commission should adopt Bright House's language and
23 require Verizon to provide entrance facilities in
24 support of interconnection and traffic exchange at
25 TELRIC rather than tariffed rates."

1 Q. You would agree that that language doesn't
2 refer specifically to the facilities I just described,
3 does it?

4 A. Well, I disagree. I know that the lawyers may
5 have a difference of opinion as to how you refer to
6 these facilities, but these are clearly interconnection
7 facilities running from the Bright House network to the
8 Verizon network which carry both local and exchange
9 access traffic. And based on that, the FCC's definition
10 of cost-based rates is TELRIC for interconnection.
11 There's no question about that.

12 Q. Does the term "end office" appear anywhere in
13 the language you just read?

14 A. Not in that one answer.

15 Q. Does the term "collocation" appear in what you
16 just read?

17 A. Not in that one answer, but I would again
18 commend you to look at my testimony from pages 67 to 82.
19 That testimony is aimed directly at these facilities and
20 this issue. Admittedly, I perhaps could have been a
21 little more brief, but I was trying to provide a little
22 background on the legislative definitions of
23 interconnection, transport, et cetera, for purposes of
24 the record.

25 Q. Do you refer to the end office collocations

1 anywhere that passage, to your knowledge?

2 A. Well, this whole issue refers to those
3 facilities between those end offices and the tandem. I
4 mean, that's what this issue is. Did I actually
5 specifically mention those other than the diagram I put
6 in my testimony? This is pretty general, most of it,
7 providing background on the statute, the FCC's rules,
8 history in the industry, and the difference between
9 251(c)(2) interconnection and 251(b)(5) and 251(c)(3).
10 That's critical, and that's what I think Mr. Vasington
11 and others at Verizon didn't appreciate or didn't
12 understand based on the Bright House proposal.

13 Q. Let me ask you to turn to page 37 of your
14 rebuttal, and I'll ask you to take a look at lines 9
15 through 12.

16 A. If I could, just to follow up, on page 77 of
17 my direct, I cite Section 51.701(c) of the FCC's rules.

18 Q. Which page was that?

19 A. Seventy-seven. And it talks about
20 interconnection between the end office switch of the two
21 carriers. And then again I talk about compensation for
22 that type of facility and the entrance facilities. I
23 mean, that's obviously very specific. I mean, we
24 wouldn't be talking about an entrance facility if we
25 weren't referring to the Bright House end offices to the

1 tandem.

2 Again, what page of my rebuttal?

3 Q. Well, since you said that, let me follow up.
4 I suppose you could have been talking about what Bright
5 House would call an entrance facility between its switch
6 and the Verizon tandem; right?

7 A. I suppose that's true, but --

8 Q. Did you --

9 A. -- whichever -- I'm sorry. I interrupted you.
10 Go ahead.

11 Q. Actually, I think I was doing the
12 interrupting.

13 A. I was just going to say, whatever facilities
14 are used to connect the Bright House facilities, whether
15 it's from the switch or from the collos to the tandem,
16 those are interconnection facilities, which have
17 historically been referred to as entrance facilities.
18 And the fact that an entrance facility is no longer a
19 UNE does not affect the CLEC's right to purchase an
20 entrance facility at TELRIC rates.

21 Q. Did you learn from Verizon's direct testimony
22 that Bright House in fact established its own facilities
23 between its switch and the collocation at the Verizon
24 tandem office?

25 A. Did I learn from Verizon's --

1 Q. Verizon's testimony.

2 A. -- testimony? No. I knew that.

3 Q. Now let me ask you to turn to page 37.

4 A. Of my rebuttal?

5 Q. Of your rebuttal, yes, sir.

6 A. Okay.

7 MR. O'ROARK: Mr. Savage, are you there?

8 MR. SAVAGE: I think I'm there.

9 BY MR. O'ROARK:

10 Q. Do you see where you say that the only
11 interconnection facilities that Bright House is
12 presently purchasing from Verizon are the links between
13 Bright House's collocation facilities at the Verizon end
14 offices running to the switch ports on Verizon's tandem
15 switch?

16 A. Yes, I see that.

17 Q. Verizon charges its tariffed special access
18 rates for these facilities today; is that right?

19 A. Yes, which is what prompted all of that
20 discussion beginning at page 67 of my direct.

21 Q. Doesn't Bright House in turn charge the IXC's
22 for their use of these facilities that Bright House
23 obtains from Verizon?

24 A. Yes, they do.

25 Q. Are those rates in Bright House's access price

1 list filed with this Commission?

2 A. I believe they are, yes.

3 Q. You state that Bright House has configured its
4 network interconnections in a conservative fashion; is
5 that right?

6 A. Can you tell me where I said that?

7 Q. Sure. Look at your rebuttal, page 36, lines 5
8 to 8.

9 A. Yes.

10 Q. Is it fair to say that Bright House uses a
11 "belt and suspenders" approach to ensure that its
12 network never goes down?

13 A. Yes, they do. But that doesn't mean they
14 can't -- I mean, yes, they do. They really overengineer
15 their network. But that doesn't mean they should pay
16 for services at excessive rates, and that was kind of
17 the point of my testimony.

18 Q. Let me refer you now to your rebuttal at page
19 45.

20 MR. SAVAGE: Hold on.

21 MR. O'ROARK: Sure. Raise your hand when
22 you've got it.

23 MR. SAVAGE: I'm there.

24 BY MR. O'ROARK:

25 Q. I'm referring to lines 5 to 7. You state

1 there that if Bright House picked up the IXC traffic at
2 its end office collocations, Verizon could charge IXCs
3 for the facilities.

4 A. Yes.

5 Q. Bright House would be the carrier ordering the
6 facilities, though; right?

7 A. The facilities from -- I don't know which
8 facilities you're referring to now.

9 Q. From the Verizon tandem to the Bright House
10 end office collocations.

11 MR. SAVAGE: Which line on page 45 are we
12 looking at?

13 MR. O'ROARK: We're not now. We've gone off
14 to another --

15 MR. SAVAGE: You went right by me.

16 MR. O'ROARK: Lines 5 to 7 was the jumping off
17 point for the line of questions.

18 A. Well, I may have to ask -- I know it's a
19 little unusual to ask a clarifying question, but are you
20 suggesting -- I think in this scenario that I'm
21 discussing in my testimony is where Bright House might
22 say, "Instead of picking up this IXC at the tandem where
23 we currently pick it up, we're now going to pick it up
24 at the collos or at the end offices." And I think what
25 you're -- so the POI, the point of interconnection for

1 purposes of that traffic would be at those end offices.

2 And did you just suggest that that means that
3 Bright House would order those facilities from their end
4 office to Verizon, even though the POI is established at
5 the end office?

6 Q. I had understood -- well, one of Bright
7 House's proposals has to do with meet-point billing,
8 does it not?

9 A. Yes.

10 Q. And as I understand your meet-point billing
11 proposal, the meet point would be at the end office
12 collocation --

13 A. Yes.

14 Q. And let me just ask you, if that were the
15 case, would it be Bright House that would be ordering
16 those facilities from the tandem to the end office
17 collocation for that traffic?

18 A. I see. That was my confusion. I assumed that
19 the parties would work together to establish those
20 meet-point facilities and establish some sharing of
21 those costs. So it wouldn't just be on Bright House.
22 It would be a sharing of costs for those meet-point
23 facilities.

24 MR. SAVAGE: I'm confused, but maybe the
25 confusion is built into the term "order." And the

1 only reason I ask that is -- and you may not even
2 be aware of this, but offline we've just worked out
3 some settlement language surrounding that.

4 MR. O'ROARK: Well, let me try my best with
5 the witness.

6 MR. SAVAGE: Sure. That's fine. I'm not
7 trying to get in the way. I just --

8 MR. O'ROARK: I understand.

9 MR. SAVAGE: You seemed to be stuck, and I --

10 MR. O'ROARK: Well, let's see if we're stuck.

11 MR. SAVAGE: Okay. I'm sorry.

12 BY MR. O'ROARK:

13 Q. Let's assume that Bright House has its way and
14 there's a meet point at the end office collocation. Do
15 you have an understanding as to how the trunks would get
16 ordered for the traffic?

17 A. I may not. Perhaps that's issue I should have
18 focused on. I was focused on the sharing of costs as
19 they discuss on page 46 there, where Verizon would then
20 be able to build the IXCs for that portion of the
21 transport that it actually provides.

22 But, no, I don't know who would order those
23 trunks. And I say that because it sounds as if ordering
24 the trunks might be associated with some responsibility
25 of which I'm not aware, but I thought the idea of

1 meet-point trucks was to establish them jointly and then
2 share the costs based on a proportion. So perhaps I
3 just don't know enough to answer your question.

4 Q. Well, let me understand a little bit about
5 what you just said. Are you saying that if the parties
6 did that jointly that Bright House might not get all of
7 its "belt and suspenders" network that it's got now,
8 that it might have to give something up in some type of
9 agreement?

10 A. I don't think the meet-point billing proposal
11 affects the "belt and suspenders" aspects of the
12 network. The trunks will still be in place. There will
13 just be a different arrangement, a correct arrangement.

14 Q. You say the trunks will still be in place.
15 Bright House so far has determined how many trunks there
16 are and where they're going to be; right?

17 A. Yes.

18 Q. And you see that as continuing going forward
19 under your meet-point proposal?

20 A. Yes. Bright House would be involved in those
21 decisions.

22 Q. All right. Now, let's go back to the point
23 that Verizon could recover from the IXC's. They would
24 have to do that based on MOUs, wouldn't they, since
25 you've got more than one IXC using the facilities for

1 its traffic, for their traffic?

2 A. I recall something specific in my testimony
3 regarding the MECAB and MECOD obligations. I think we
4 were going to use the multiple bill scenario. But there
5 would be an allocation, and I think what we suggested
6 was that the two parties would work that out.

7 Q. As you sit here now, you don't know whether
8 Verizon would recover from the IXC's on an MOU basis?

9 A. I would expect they would. I mean, when we're
10 talking about exchange access, switched access charges,
11 that's the way we recover those costs from IXC's. The
12 allocation, though, can be done on minutes of use or
13 investment or other allocation factors.

14 Q. But the number of MOUs doesn't vary based on
15 the number of redundant facilities Bright House has for
16 its network, does it?

17 A. No.

18 Q. And the MOUs stay the same regardless of how
19 far Verizon would have to transport the traffic; right?

20 A. Correct. There's no change in the distance of
21 this traffic. It is what it is.

22 Q. Let me direct you to page 108 of your direct.
23 When you get there, I'm focusing on lines 17 and 18.

24 A. Yes, I'm there.

25 Q. Bright House's proposal for resolving Issue 37

1 rests on tying the obligation to pay terminating access
2 charges to the actual receipt by the originating carrier
3 of toll charges; is that right?

4 A. Yes, although now that I'm reading this, it's
5 probably not tied to the actual receipt. It's more tied
6 to the ability to bill an additional charge for toll.
7 So it's really not based on whether or not you're
8 getting paid by those carriers for the toll calls. It's
9 the fact that it is a toll call to which another charge
10 applies.

11 Q. So if Company A charges its end user customer
12 a toll charge for a call made to Company B, then
13 Company A should pay access on that call to Company B?
14 Is that the idea?

15 A. It would be a toll call, so the IXC would pay
16 access charges for that call.

17 Q. Well, let's just take the scenario of a call
18 between Bright House and Verizon.

19 A. Okay. So a Verizon customer makes a toll call
20 based on the Verizon local calling area and terminates
21 to a Bright House customer. Bright House would charge
22 access charges for that call because it's a toll call,
23 and I assume -- yes.

24 Q. And then if Bright House has an "all you can
25 eat" plan, a calling plan where it doesn't charge

1 customers separate toll charges, then Bright House
2 wouldn't pay access based on the calls that its
3 customers make to Verizon customers; is that right?

4 A. If those are local calls that don't require
5 toll call handling, for instance, there's no toll
6 indicator digit, there's no kick code check, there's no
7 routing to an IXC, and it's truly a local call, of
8 course, access charges would not apply, and they
9 shouldn't, because the FCC's rules specifically say that
10 costs are supposed to be recovered in the manner that
11 they are incurred. Well, if there's no toll activity,
12 then we shouldn't be charging access charges for a local
13 call.

14 Q. Is it your understanding that Bright House
15 uses an any-distance calling plan today in Florida?

16 A. I think it's local calling throughout the LATA
17 for Bright House.

18 Q. So for calls made by Bright House customers to
19 Verizon customers, Bright House would not pay access?

20 A. Right, because they're local calls.

21 Q. And likewise, if Verizon had a similar plan it
22 applied at least to some of its customers, an
23 all-distance plan, then calls, at least from that subset
24 of customers to Bright House customers, would not be
25 subject to an access charge by Bright House?

1 A. Correct. As you know this, this is the trend
2 in the industry since the '80s with extended area
3 service and extended local calling areas. I mean, this
4 is the way you distinguish your service from others, is
5 by providing more value by expanding the local calling
6 area to avoid toll charges for the consumer. I think
7 ten years from now, long distance will be like a buggy
8 whip. I don't think you're going to have specific long
9 distance calls anymore.

10 Q. Hard to hear from a former MCI employee.

11 A. I know. It's hard to say. We all have to
12 move on.

13 Q. How do you define toll charge?

14 A. A toll charge would be an additional charge
15 for a call in addition to your local exchange rate. So,
16 for instance, if you're paying \$25 for local service and
17 you dial a 1+ number -- for instance, in Tampa where I
18 live, if I dial my son, I dial 1-813, and I'm in a 727,
19 that's a toll call for which I pay Verizon, I think, \$18
20 a month for unlimited toll. So there's an additional
21 charge for those calls.

22 Q. Let's say the interconnection agreement adopts
23 Bright House's proposal on this. Other CLECs could
24 adopt the interconnection agreement?

25 A. Absolutely.

1 Q. And CLECs adopting the agreement could all
2 have different retail local calling areas?

3 A. Yes.

4 Q. And individual retail end users might have
5 different local calling plans -- excuse me, different
6 local calling areas, depending on their retail plans?

7 A. Yes.

8 Q. Again, circling back to our initial
9 discussion, if I understood your description of your
10 career, you never worked in a telephone company billing
11 department, did you?

12 A. No, but I have observed, reported on, and
13 studied billing processes and observed those processes
14 for various ILECs over the years, for like time and
15 motion studies, determining what is efficient
16 technology, whether, for instance, local number
17 portability activities are consistent with the FCC's
18 rules. So in doing that, I'm familiar with the billing
19 systems and switch routing tables, billing tables
20 associated with not only call routing, but call rating.

21 Q. Have you ever been responsible for the
22 maintenance of a billing system or otherwise had
23 responsibility for a billing system?

24 A. No.

25 Q. Have you ever had responsibility for actually

1 implementing changes to a billing system?

2 A. Yes.

3 Q. Please tell me about that experience.

4 A. When I was with the Oregon Commission, in the
5 early '80s, we had an issue of disclosure to consumers
6 in Oregon. There was a new law on the books that said
7 everything had to be written to sixth grade level. As
8 an Oregonian, I'm a little offended by that, thinking
9 that the government had to impose such a mandate so that
10 consumers could understand things. But we decided that
11 in terms of full disclosure that the bills would include
12 all of this information for the consumers' use, and we
13 broke out everything from taxes and surcharges and
14 subsidies. It was like 20 different things.

15 So in doing that, in working with Qwest, I
16 specifically met with their billing managers and met
17 with their systems engineers, because it required some
18 re-engineering, even in the '80s, to do that. So I was
19 responsible for implementing that change, which
20 ultimately failed, by the way, because consumers
21 couldn't deal with all that information. Maybe that's
22 because of the educational level in Oregon. I don't
23 know.

24 So was I responsible for it? From the Oregon
25 Commission's perspective, I was responsible for

1 implementing those billing system changes with Qwest and
2 dealing with the aftermath.

3 Q. But you were not actually the engineer that
4 actually implemented the changes?

5 A. Oh, no. I worked with the engineers and they
6 were very kind and helpful in educating me on their
7 systems and what it takes to make these types of
8 changes.

9 Q. You've never worked for an ILEC, I gather?

10 A. I've worked for lots of ILECs. I've worked
11 for Bell Canada, Iowa Telecom, Bermuda Tel.

12 Q. Let me rephrase. Have you worked as an
13 employee for an ILEC?

14 A. Oh, no, just as a consultant.

15 Q. Other than the one experience that you
16 described with the Oregon Commission, do you have
17 hands-on experience with an ILEC's billing systems?

18 A. I've spent years dealing with ILEC billing
19 systems. As you may recall, Mr. O'Roark, at MCI, we had
20 a specific department of about 20 people, and their only
21 responsibility in life was to review CABS bills for
22 access charges. And during that process, it became a
23 huge profit center for MCI, because it generated 15 to
24 \$50 million a year in savings because of billing errors
25 and problems. So I was involved with that group.

1 I've been involved in numerous disputes over
2 the years over billing systems and billing issues and
3 the metrics associated with those billing systems. So
4 while I haven't managed a particular billing system,
5 I've been involved with billing issues since the '80s.
6 And by CABS, I meant carrier access billing system.

7 In fact, I should note, in full disclosure,
8 I'm representing the New Mexico Attorney General's
9 Office on a billing dispute issue in New Mexico where
10 the Attorney General filed a motion for a proceeding to
11 investigate Qwest billing systems and processes, and I'm
12 retained to help with that and have been involved in
13 that for over a year. So again, it's a little bit on
14 the outside, but it will definitely involve -- be a very
15 specific and intense and invasive review of Qwest
16 billing estimates.

17 Q. But if I understand what you're saying
18 correctly, you are not the person who has implemented
19 billing changes at a telephone company?

20 A. That's correct.

21 Q. All right. Let's talk about Issue 49. This
22 issue concerns point-to-point special access data
23 circuits that Bright House orders out of Verizon's
24 Florida access tariff; is that right?

25 A. Yes.

1 Q. And if I have it right, point-to-point special
2 access data circuits are non-switched circuits that go
3 from one point to another in Verizon's network.

4 A. Yes.

5 Q. And today, Bright House orders those special
6 access circuits out of Verizon's Florida access tariff;
7 is that right?

8 MR. SAVAGE: I think I'm going to object to
9 the -- you're assuming facts not in evidence, that
10 this is occurring today. If we wanted to buy them
11 today --

12 MR. O'ROARK: I'll ask it as a non-leading
13 question.

14 MR. SAVAGE: Oh, okay.

15 BY MR. O'ROARK:

16 Q. Do you know whether Bright House orders these
17 special access circuits out of Verizon's Florida tariff
18 today?

19 A. No. I know they want the opportunity to
20 specifically resell the retail special access offerings
21 that Verizon is providing. Whether they're doing it
22 today or not, I'm not certain. Again, Ms. Johnson might
23 know that tomorrow.

24 Q. Ms. Johnson's deposition is going to be a
25 little longer than I thought it was going to be.

1 A. And again, we're talking about the resale
2 services, not the wholesale special access that we all
3 talk about at length. We're talking about those few
4 situations -- well, not a few. There are significant
5 applications where Verizon provides point-to-point
6 services to, for instance, banks, insurance companies,
7 government agencies, or maybe college campuses or
8 hospitals on a retail basis. Those, according to the
9 statute and the rules, are available for a discount.

10 Q. Do you know how Bright House would use
11 Verizon's special access ~~service~~?

12 A. Just exactly as I said, perhaps serving a
13 large government contract or a campus or an individual
14 customer with specific needs, maybe one-way calling,
15 maybe a call center, for instance. They would resell
16 that service.

17 Q. Would reselling that service be done in
18 conjunction with Bright House switching?

19 A. It certainly could.

20 MR. O'ROARK: Why don't we take another five?
21 I may be done.

22 MR. SAVAGE: Okay. I've got some redirect.

23 (Short recess.)

24 MR. O'ROARK: I don't have any further
25 questions.

1 MS. BROOKS: Staff has a few questions.

2 CROSS-EXAMINATION

3 BY MS. BROOKS:

4 Q. Our first question is in reference to Issue
5 Number 32, but we're actually going to go to page 129 of
6 your direct testimony, lines 8 through 10. Let me know
7 when you've found it.

8 A. I'm there.

9 Q. Okay. It states there that it is not
10 reasonable for Bright House to pay to slow its
11 transmission down. My question is, does the
12 multiplexing from DS3 to DS1 have any effects on
13 transmission other than slowing down the process, as you
14 noted earlier?

15 A. I think Mr. O'Roark was correct when he
16 crossed me on this same area earlier. Technically, does
17 it slow down the traffic when you mux up and down? I'm
18 not sure it does. I mean, I think theoretically you
19 could argue that it does, but it would be imperceptible
20 to the consumer using the circuit.

21 What it does do is that it imposes additional
22 technology into the routing path, which is, of course,
23 subject to fail. It also adds additional costs to
24 Bright House, which is paying for that muxing today,
25 which wouldn't be required if the interconnection

1 occurred on a DS3 or an OC level.

2 So I apologize. This testimony, when I talked
3 about -- I think you can tell when you read it I was
4 maybe a little emotional about it, but I was incorrect
5 in talking about slowing down the speed. What I was
6 really saying is you're making the interconnection less
7 efficient by requiring additional equipment which can
8 fail and by requiring this muxing and demuxing which
9 wouldn't be required if you interconnected like Bright
10 House does with other carriers at a higher level. And
11 then also, the collo space would be much, much reduced
12 in terms of necessary equipment and wiring.

13 So it's just an inefficiency that results from
14 their decision to use this technology. I'm not
15 suggesting it isn't their right to use whatever
16 technology they want to use in their network, but
17 competitive carriers, especially using the FCC reasoning
18 with respect to efficient interconnection, shouldn't
19 have to pay for that inefficiency by paying for muxing.

20 Q. Okay. So to the best of your knowledge, the
21 effects that you've just gone over are for the most part
22 all of the effects that that has on transmission or
23 overall?

24 A. Yes. It's a cost issue and an equipment
25 issue.

1 Q. We're going to go -- and we're still on Issue
2 Number 32 -- to page 27 of your direct testimony, line
3 22, and on page 28, line 1. Of your rebuttal testimony.
4 I apologize.

5 A. Page 27?

6 Q. Uh-huh, line 22, and on page 28, line 1.

7 A. Yes.

8 Q. Okay. It states there that Verizon's network
9 is old and inefficient. Are DS1 ports inefficient, in
10 your opinion?

11 A. They're inefficient as compared to a DS3 port
12 or an OC level port, yes. Are they inefficient on
13 handling a DS1's worth of traffic? No. But as compared
14 to currently available technology, they're not the most
15 efficient way to exchange traffic.

16 Q. Okay. Does Bright House use any DS1 ports in
17 your network?

18 A. The only reason they would -- well, let me
19 defer that to Ms. Johnson tomorrow, but I will tell you
20 generally that Bright House's fiber ring is OC-48
21 minimum and that they exchange traffic with other
22 carriers at OC-48 and higher. The only reason they
23 would use a DS1 interface would be because it was
24 required to interconnect with a particular carrier. And
25 I think DS3 is their minimum capacity that they try to

1 engineer to.

2 In fact, I remember years ago at MCI, they
3 didn't put in anything that wasn't DS3 or higher in
4 terms of their circuits. There's a cost associated with
5 putting in technology. The marginal cost on a high
6 capacity circuit is pretty low on a per minute of use or
7 a per bit basis, so higher capacity circuits tend to be
8 more efficient in lots of different ways.

9 Q. And you base this conclusion on just your
10 knowledge of working with Bright House and other --
11 what's the basis of your conclusion?

12 A. The basis of my conclusion is the training
13 I've received over the years in network engineering.
14 I'm not an engineer, but I've obviously reviewed scores
15 of engineering studies and cost studies and engineering
16 operational studies on the way carriers interconnect
17 with different technologies, not just TDM technology,
18 but SIP-based technology and the various transport
19 protocols that are used to interconnect traffic.

20 So it's my knowledge based on what I learned
21 working at the commissions about various carriers. It's
22 my knowledge based on what I learned at MCI for 15
23 years, and certainly it's based on the last 10 years or
24 so that I've been with QSI, where I've worked with
25 dozens of different carriers, wireless, cable, wireline,

1 ILECs, CLECs, cable companies, et cetera, on how they
2 engineer their networks, and specifically going in like
3 I did recently with Bright House, actually physically
4 looking at the collo space, looking at all of that
5 equipment and those wires, looking at the IDF, looking
6 at the MDF, and actually seeing physically how this
7 stuff is routed and what the effect would be of actually
8 utilizing Bright House's proposal. And the effect would
9 be a more efficient interconnection between the two
10 carriers at a lower cost for Bright House.

11 Q. To the best of your knowledge -- and you
12 stated earlier in your last discussion about -- my last
13 question. I'm sorry. Do you believe that ILECs use DS1
14 ports in their networks, the ones that you work with?
15 Just to the best of your knowledge, what's your opinion
16 on that?

17 A. They do, yes.

18 Q. And what about CLECs?

19 A. CLECs do use DS1 ports. It depends on their
20 network. It depends on when they came into being. If
21 it's an old CLEC that has been around for 10 years, they
22 have some traditional DMS or maybe a 5ESS switch. And
23 those technologies require DS1 ports in some cases,
24 unless they have DS3 equipment loaded onto there.

25 Other CLECs, more recent ones, got into

1 business with soft switches, you know, switches that,
2 you know, Chris and I could pack around and stick in a
3 wall, you know, and those interfaces are DS3 and higher,
4 very efficient. So it really just depends. There are
5 DS1 ports in the industry, but everyone is moving,
6 including Verizon, moving away from those low capacity
7 interconnections to higher capacity interconnections.
8 They're just not moving fast enough for our needs.

9 Q. We're going to go back to your direct
10 testimony on page 129, lines 9 and 10. You've pretty
11 much answered this question, but if you could go into a
12 little bit more detail about it.

13 The testimony discusses slow transmission
14 rates and Verizon improving its network in order to
15 enhance competition and consumer welfare, which you
16 discussed a little bit a minute ago. Does slow
17 interconnection rates affect consumer welfare, in your
18 opinion?

19 A. Well, we've kind of already explained what I
20 really meant by this, so I won't burden the record by
21 repeating that. But does it burden the consumer
22 welfare? Absolutely, because whatever Verizon is
23 charging Bright House for that multiplexing, those are
24 moneys that should not be spent. An efficient network
25 would not have muxing. So whatever it is, that's money

1 Bright House could have used to expand its network, to
2 provide more discounts for its customers, to put in more
3 collocations or more switches. So whenever you
4 inappropriately impose costs on a dependent competitor,
5 that harms the public interest, and that harms consumers
6 directly and indirectly.

7 Q. Is requiring Verizon to improve their network
8 just and reasonable, in your opinion?

9 A. That's kind of a general, broad question.

10 Q. Right.

11 A. You know, we could define all those, what do
12 you mean by true, what do you mean by just and
13 reasonable. But I think there should be incentives in
14 place that would encourage Verizon to provide service in
15 the most efficient manner possible, and this is what I
16 mean by that again broad statement. If this Commission
17 allows Verizon to force these muxing costs on the
18 competitors like Bright House, then what is their
19 incentive to ever change out those DS1 ports to a DS3?
20 Why would they? If they can make money on muxing, leave
21 that equipment in there that's maybe already depreciated
22 out, that's just all money to the bottom line, you know,
23 they really don't have any incentive to improve their
24 network or their switches. So I think an order from
25 this Commission saying, "You can use DS1 ports, Verizon,

1 but if you do, you can't charge Bright House or other
2 CLECs, but in this case, Bright House, for the muxing."
3 I think that would give them a financial incentive to
4 make their network better and more efficient. And I do
5 think that is just and reasonable, because it benefits
6 the public interest.

7 Q. This next question is kind of what I would
8 call -- it's kind of general, but to the best of your
9 knowledge, again, give me some feedback for my question.

10 On page 131, lines 1 through 3 of your direct
11 testimony, it states that federal law expressly empowers
12 states to impose state-specific interconnection
13 requirements that go beyond what federal law requires.
14 Is there any rule, regulation, statute, or Public
15 Service Commission precedent regarding the
16 interconnection being supplied by an ILEC at a DS3 level
17 instead of a DS1 level?

18 A. Oh

19 Q. That you can just think of off the top of your
20 head.

21 A. I've been involved in many, many cases where
22 this has been an issue between the parties, but I'm not
23 sure the issue ever got to the point where the
24 Commission ruled on it. But again, I'm only referring
25 to the ones that I'm aware of, and I'm obviously not

1 involved in every case in the country, every arbitration
2 case. So I guess my answer is I don't know, but I think
3 it's a good idea. I don't think there's -- you know,
4 there's only an upside from requiring that. There's no
5 downside to it. But I'm not aware of anything
6 specifically, any cases in particular that I can point
7 you too.

8 Q. Okay.

9 A. But the Act, Section 261 does allow
10 commissions to do things like that, of course.

11 Q. We're now going to go to D'Amico's rebuttal
12 testimony. Do you have Verizon's?

13 A. I don't.

14 MS. BROOKS: Actually, here you are. Is it
15 okay for me to --

16 MR. O'ROARK: Sure.

17 MR. SAVAGE: I'm pretty sure that I do have a
18 copy of that.

19 MS. BROOKS: Do you have a copy of it? You
20 know, I've got everybody's except D'Amico's.

21 MR. SAVAGE: I can show him on my screen if
22 you don't have a copy.

23 MS. BROOKS: If that's okay with -- do you
24 have a copy?

25 MR. O'ROARK: I do. What do you need?

1 MS. BROOKS: We're just going to ask him to
2 refer to it to answer a question.

3 MR. O'ROARK: Direct or rebuttal?

4 MS. BROOKS: Rebuttal testimony, D'Amico's on
5 page 10.

6 MR. SAVAGE: The version I have is the public
7 version.

8 MR. O'ROARK: Me too.

9 MS. BROOKS: I don't think that this is --

10 MR. O'ROARK: His rebuttal on page 10 has some
11 stuff that he claims is --

12 MS. BROOKS: This is lines 7 through 10, so it
13 has not been redacted.

14 MR. SAVAGE: Okay. We're good.

15 BY MS. BROOKS:

16 Q. At this time -- first of all -- well, let me
17 go ahead and ask the question. At this time, does
18 Bright House have any material changes to the current
19 interconnection agreement between Bright House and
20 Verizon, the settlement, interconnection arrangement,
21 settlement?

22 A. Well, there are many material changes to the
23 ICA. This particular discussion I believe is specific
24 to the issue we've already been discussing, capacity,
25 DS3 versus DS1. And it says that Mr. Gates does not

1 state what material changes to the current arrangement
2 Bright House might suggest. That's really not correct
3 from my perspective. I think we have specifically said
4 Bright House wants the opportunity to connect at a
5 higher level, DS3 or higher. If you don't allow that
6 more efficient interconnection, then you cannot charge
7 for muxing. That's a material change in the current
8 ICA. As Mr. O'Roark pointed out this morning, Bright
9 House is currently paying for muxing, I believe. That's
10 what I took from that discussion. And we're suggesting
11 that if you don't provide a higher level, higher
12 capacity interconnection, then you may not charge for
13 muxing.

14 So I think Mr. D'Amico is not correct, in that
15 we're not suggesting -- what material changes we're
16 proposing, I think they're very specific and material.

17 Q. And I promise this is my last question.

18 A. That's okay.

19 Q. This one is again from D'Amico's rebuttal
20 testimony on page 12, lines 1 through 13. It's about
21 TELRIC. Let me know when you're there.

22 A. I'm there.

23 Q. The question is, has the FCC or any state
24 commission, to the best of your knowledge, used TELRIC
25 as a standard to dictate an ILEC's physical network

1 architecture or equipment, including hardware and/or
2 software?

3 A. Could you repeat that one more time?

4 Q. Has the FCC or any state commission used
5 TELRIC as a standard to dictate an ILEC's physical
6 network architecture or equipment, and that's including
7 hardware and/or software?

8 A. Other than -- when you mention physical,
9 that's kind of the distinguishing word in your question,
10 because TELRIC principles are theoretical. And recall
11 that when you've reviewed TELRIC studies here at this
12 Commission, the TELRIC guidelines say that you have to
13 assume the most efficient currently available technology
14 when you do your cost studies.

15 Now, that may -- assuming the switches are in
16 the same location. That may be very different from what
17 the ILEC has in place today. In fact, that has always
18 been the case.

19 So when we do these TELRIC studies, they do
20 not reflect the actual network of Verizon or AT&T or
21 Qwest or whomever. It reflects a theoretical construct
22 of what it would cost to build those networks using the
23 most efficient technology, most efficient fill factors,
24 most efficient investment, and a specific amount of
25 overhead that's allowed, which may be more or less than

1 what the ILECs have in place.

2 So, yes, the FCC and the states, using the
3 TELRIC guidelines, have specifically adjusted rates,
4 based on these TELRIC principles, which reflect a most
5 efficient currently available technology.

6 Q. And do you know any state commissions
7 specifically who used the TELRIC standard to dictate the
8 physical network architecture?

9 A. I'm sorry. When you say dictate the physical
10 network architecture, that's not what TELRIC is used
11 for.

12 Q. Right, the theories.

13 A. So you might do a TELRIC which might not
14 really reflect the physical architecture. What you use
15 it for is to come up with a price, a price that reflects
16 competitive conditions and most efficient technology,
17 and that's what the ILEC is allowed to recover under the
18 TELRIC principles. It doesn't mean they have to go out
19 and change their network to reflect that TELRIC study or
20 to change those fill factors on those trunks to match
21 the assumptions in the TELRIC study. They don't have to
22 do that. All it says is that if you're going to provide
23 service, you can't charge more than X amount based on
24 TELRIC.

25 What it does do in using these TELRIC

1 principles and setting those prices, it provides a
2 financial incentive for them to mimic those
3 efficiencies, to mimic those most currently available
4 efficient technologies in the study, because if the
5 prices, those TELRIC prices don't match their
6 technology, then their costs might be too high given the
7 prices. So it gives them an incentive to be more
8 efficient, to put in more efficient technology.

9 If you go through the discovery that we
10 provided, a lot of those switches are from the early
11 '90s that Verizon has in place. And even if you upgrade
12 them, that's still 20 years. I mean, some of those are
13 getting pretty old. And there's like one or two, I
14 think, soft switches in there, but -- is that
15 confidential?

16 MR. SAVAGE: I don't think you asked for
17 confidentiality.

18 MR. O'ROARK: We did not ask for
19 confidentiality.

20 MR. SAVAGE: We can treat it that way if you
21 want.

22 MR. O'ROARK: I'm told it's not confidential.

23 THE WITNESS: But my only point is that if we
24 use these TELRIC principles that I discuss in my
25 testimony for purposes of deciding how much to

1 charge Bright House or whether to charge them at
2 all for a particular function -- like the muxing.
3 Okay? Muxing wouldn't appear in an efficient
4 network interconnection, so under TELRIC, you
5 couldn't charge for it, because in a most efficient
6 network, you wouldn't have it.

7 So by not allowing them to charge for it -- I
8 mean, if they want to go ahead and mux it, they can
9 do it, but don't charge for it, because it's
10 inefficient. If you allow them to charge, then
11 you're paying them to be inefficient, and you're
12 not giving them any efficient -- excuse me, any
13 incentive to be more efficient.

14 I didn't say that very artfully, but in a
15 nutshell, if you don't allow them to charge for
16 these inefficient things, then maybe their network
17 will become more efficient, they'll put in more
18 soft switches, they'll put in more DS3 interfaces,
19 they'll be more like the other carriers in the
20 industry who do interconnect at higher levels and
21 at IP levels.

22 MS. BROOKS: That's it for staff.

23 REDIRECT EXAMINATION

24 BY MR. SAVAGE:

25 Q. Okay. I've got some redirect in a couple of

1 areas.

2 Let's focus on what we were just talking
3 about. I would like you to draw a distinction between
4 what you were just discussing, which is the TELRIC
5 pricing standard on the one hand, and then second, on
6 what actual physical interconnection arrangements are
7 put in place. Do you understand the distinction I'm
8 asking you to make?

9 A. I think so.

10 Q. Okay. As you understand it, do CLECs have a
11 right to physically -- technically feasible forms of
12 interconnection?

13 A. Yes, they do.

14 Q. And as you understand it, if a CLEC requests a
15 particular technically feasible form of interconnection
16 that an ILEC may not have physically in place right
17 then, can the CLEC require the ILEC to do that, to
18 actually provide that?

19 A. Yes. And, importantly, the economics
20 associated with that interconnection are not to be
21 considered, and the FCC specifically noted that. So
22 even though it might cost them something to provide what
23 the CLEC is asking for, that's not to be considered in a
24 technically feasible request for interconnection. If
25 it's technically feasible, it must be done.

1 Here you've heard the Verizon witnesses say,
2 you know, "They want us to replace our switches and put
3 in all these switch ports." Well, the point is, if it's
4 technically feasible, they should do it. They certainly
5 shouldn't rewarded by charging for it as well.

6 Q. Well, that's why I'm trying get to the TELRIC
7 pricing piece. There's the physical question of what
8 actually happens. That's one question. And then the
9 pricing piece is what you were just speaking with
10 Ms. Brooks about, that in fact -- isn't that what you
11 were just talking with her about, that whatever physical
12 connection might be there, it's priced according to
13 TELRIC?

14 MR. O'ROARK: Object to the form of the
15 question.

16 A. That's right. 252(d)(2) of the Act says that
17 interconnection is to be priced at this forward-looking
18 cost construct which the FCC has defined as TELRIC. And
19 I provide 15 pages or so of that in my direct.

20 Q. I'm not going there.

21 A. Okay.

22 Q. Okay. This is probably clear, but I would
23 like you to take a look at Gates Exhibit 1, which is a
24 chart that Verizon provided. Did Verizon consult with
25 you in any way in the preparation of this chart?

1 A. No.

2 Q. To the best of your knowledge, did Verizon
3 consult with Bright House in any way in the preparation
4 of this chart?

5 A. Not to my knowledge.

6 Q. Okay. Other than to the extent you may have
7 testified today, do you have any basis for knowing
8 whether the details on this chart are accurate?

9 A. No, other than the discussions we had earlier.
10 This is a very high level schematic.

11 Q. And as far as you know, could there be other
12 equipment involved in the Bright House-Verizon
13 interconnection that isn't shown on this chart?

14 A. Yes. In fact, we know that there is. We
15 discussed that at some length.

16 Q. And as far as you know, could there be trunks
17 and connectivity between Bright House and Verizon that
18 actually exist that are not shown on this chart?

19 A. Yes.

20 Q. So in the absence of specific testimony from
21 some Verizon witness about the details of this chart,
22 would you advise the Commission to rely on this
23 particular chart in reaching any decision in this case?

24 A. No. I mean, all it does is basically confirm
25 at a high level that there are collocations and the

1 number of collocations, and it talks about the fact that
2 they occur at Verizon facilities. Other than that,
3 there's nothing here that would be helpful in resolving
4 any issues in the case.

5 Q. Now, do you recall that Mr. O'Roark asked you
6 some questions about whether in your direct testimony
7 you had provided any testimony or discussion of
8 facilities linking Verizon's tandem and Bright House's
9 end office collocations?

10 A. Yes.

11 Q. And I guess what I would like to ask you to do
12 just for the moment is take a look at your direct
13 testimony starting on page 97 and going to about page
14 103, and then again starting on page 134 and going to
15 page 137. Just review that for a minute, and when
16 you're done, I'll have some questions for you.

17 A. Ninety-seven to 103?

18 Q. Roughly, if I've got the pages right.

19 A. (Examining document.) And then 134?

20 Q. 134 to 137.

21 A. Okay.

22 Q. Now, I don't want to ask you about this in any
23 detail, but is it -- does this testimony address the
24 question of the responsibility for, billing for, and
25 arrangements regarding the facilities that run between

1 end office collocations that Bright House has and the
2 access tandem for purposes of handling this third-party
3 IXC traffic?

4 A. Yes. And this in various incarnations in the
5 case is the meet-point billing issue.

6 Q. Okay. Let's focus on that for a second. When
7 we refer to meet-point billing, just to set this up --
8 and if you want to object, you can. We're talking about
9 a situation where you've got an IXC that's delivering
10 traffic to the end user of one LEC, but at least part of
11 the way it goes through the facilities of a different
12 LEC.

13 A. Yes.

14 Q. And in that kind of arrangement where it goes
15 IXC to LEC Number 1 to LEC Number 2, do you have an
16 understanding of what the meet point refers to in
17 meet-point billing?

18 A. I believe it refers to the point where that
19 traffic is exchanged and then the responsibility for
20 transporting that traffic between the two carriers.

21 Q. Okay. As you understand it today, as between
22 Verizon and Bright House for this third-party exchange
23 access traffic, where have the parties established that
24 meet point today?

25 A. Today it's at the tandem, the Verizon tandem.

1 Q. And do you understand that part of Bright
2 House's proposal in this case is that it should have an
3 option to have that meet point established at some other
4 location?

5 A. Yes, and specifically the end office
6 collocations, for instance.

7 Q. Now, as you understand the meet-point billing
8 rules, if that meet point were to be moved from the
9 access tandem back to the end office collocation, would
10 Bright House still have to pay Verizon for the
11 facilities between the access tandem and the newly
12 established meet point at the end office?

13 A. This was the point of confusion earlier. I
14 don't think so, because it's Verizon's responsibility to
15 get that traffic to that point of interconnection, which
16 is at the end office now.

17 Q. Okay.

18 A. But it's not like they're getting this -- it's
19 not like Bright House is getting it for free, because
20 now Verizon can charge the IXC for that transport to
21 Verizon -- or excuse me, to Bright House.

22 Q. And so -- you're anticipating where I'm going.

23 A. I'm sorry.

24 Q. That's okay. What you just testified is that
25 under -- the question would be, under that arrangement,

1 if the meet point were moved, would Verizon be entitled
2 to charge the IXC for its work in carrying the traffic
3 from the tandem to that new meet point?

4 A. Yes. And those would be additional revenues
5 that they didn't receive before.

6 Q. And would Bright House still be entitled to
7 charge the IXC for that same transport from the tandem
8 to the end office?

9 A. Yes, based on some agreed-upon -- oh, from --

10 Q. The transport to the end office.

11 A. No.

12 Q. And again, you're getting ahead of me. Would
13 Bright House be able to charge the IXC something for
14 transport?

15 A. Yes.

16 Q. And physically, what would the something that
17 Bright House would be able to charge represent?

18 A. The termination of the traffic from the end
19 office, which would be transport and termination to the
20 consumer.

21 Q. Okay. Now, if you've got traffic that is
22 coming in from an IXC, hits Verizon's tandem, goes over
23 some set of facilities, and gets to Bright House's
24 network, do you have an understanding of whether that
25 traffic is exchange access traffic as that term is used

1 in the industry?

2 A. Did you say it was toll traffic coming from an
3 IXC?

4 Q. Yes, toll traffic from an IXC, hits Verizon's
5 tandem, and then flows to these meet-point facilities.

6 A. Yes. That is the very definition of exchange
7 access.

8 Q. Does the fact that that traffic is exchange
9 access have any relevance in your mind, any bearing in
10 your mind, on whether Bright House has the right to
11 determine where the point of interconnection will be?

12 A. No. I think those are two separate concepts.
13 I think Bright House is able to select any technically
14 feasible point for the exchange of the traffic. And
15 then I guess the question is, can that traffic -- under
16 interconnection, does it include exchange access? And
17 the answer to that is, yes, under 251(c)(2), it includes
18 both telephone exchange and exchange access traffic.

19 Q. So your understanding would be that Bright
20 House's right to interconnect at any technically
21 feasible point under Section 251(c)(2) -- would that or
22 would that not apply to this traffic?

23 A. Oh, it absolutely does. I mean, it
24 specifically mentions exchange access in 251(c)(2).
25 251(c)(2)(A) says, "For the transmission and routing of

1 telephone exchange service and exchange access," and
2 then (B) says "at any technically feasible point within
3 the carrier's network."

4 Q. Now, in connection -- I'm totally shifting
5 topics now. In connection with your discussion with
6 Mr. O'Roark about Bright House's proposal to, if you
7 will, match up the payment of access charges with the
8 charging of a toll, is it your understanding that
9 Verizon asserts that it will be hard to bill that
10 accurately because of just a variety of reasons,
11 multiple calling areas, changing calling areas, that
12 sort of thing?

13 A. Yes. That's my understanding, and that's the
14 impression I received from Mr. O'Roark's cross this
15 morning, was that this would be very difficult because
16 of the number of CLECs and different calling areas,
17 et cetera.

18 MR. O'ROARK: I'm going to object. This is
19 getting outside the scope of my questioning. I'll
20 see where you're going, but . . .

21 MR. SAVAGE: Okay.

22 BY MR. SAVAGE:

23 Q. And you had extensive discussion with
24 Mr. O'Roark surrounding your experiences over the last
25 20 or 30 years in managing and understanding billing

1 issues. Do you remember that testimony?

2 A. Yes.

3 Q. Based on your experience in handling and
4 managing billing issues, is it necessary to properly
5 account for each individual minute of traffic in order
6 to bill properly?

7 A. No. I mean, for instance, if you have a
8 point-to-point circuit, you're just billing for the
9 facility. If you have switched traffic and you're using
10 Feature Group D, for instance, you've got all the call
11 detail, so you can measure and bill for each and every
12 call. That's again nice, but it's not required. Since
13 the '80s we've been using traffic studies to test the
14 traffic that flows over a particular trunk or facility
15 to see what percentage of it might be local, for
16 instance, versus toll, and those traffic studies then
17 are applied on a going-forward basis. Some are actually
18 used to true up traffic. But that allows the billing to
19 -- you know, instead of being on a call by call or
20 minute by minute, it's still an accurate way to bill.
21 It's just a different way to bill.

22 Q. Can you think of any reason why that approach
23 you just described would not work in the case of --
24 would not work to solve any billing difficulties --
25 strike all of that.

1 Can you think of any reason why that approach
2 that you just described could not be applied were the
3 Commission to adopt Bright House's proposal with respect
4 to the application of access charges as between Bright
5 House and Verizon?

6 A. I think that approach could be used, and I
7 think it would be accurate. I still think it's a second
8 best solution, because the best solution would be just
9 to augment Verizon's billing tables -- they do it every
10 day -- to account for the various local calling areas
11 for each CLEC and bill accordingly. But absolutely, we
12 can use traffic studies, or if there's a dispute over
13 the traffic that is exchanged between the two carriers,
14 then traffic studies are frequently used for that
15 purpose as well.

16 So I think the best solution would just be for
17 Verizon to go ahead and adjust their billing tables
18 using the NXX codes of the various CLECs, including
19 Bright House. And then if they wanted to, if they don't
20 want to do that, then they can use traffic studies. But
21 either way will result in accurate bills for both
22 parties.

23 Q. Okay. Now, going back a minute to the TELRIC
24 pricing and efficient facilities issue, in one of
25 Mr. O'Roark's questions, he asked you whether you knew

1 whether the muxing equipment that's involved in
2 processing Bright House's traffic was in fact dedicated
3 entirely to Bright House's use as compared to other
4 traffic. Do you recall that exchange?

5 A. I do.

6 Q. Assume for the moment that in fact Verizon has
7 put in some muxing equipment that is used entirely for
8 Bright House's traffic, given the volume of that
9 traffic.

10 A. Okay.

11 Q. Does that make any difference as to whether
12 Bright House should be charged for that muxing
13 equipment?

14 A. No.

15 Q. Why not?

16 A. Well, there just should be no muxing, so the
17 equipment shouldn't be there in the first place. In the
18 second place, if it is there, it's not Bright House's
19 responsibility, because Bright House is capable to hand
20 off that traffic at DS3 or higher. It's only there
21 because of Verizon's inability to accept that traffic at
22 a higher level. So it's basically a crutch that Verizon
23 is using to be able to receive that traffic and route it
24 through its network. It's only there because of that
25 problem that Verizon has, and those costs should not be

1 shifted to competitors who in fact are more efficient
2 than the incumbent in this case.

3 Q. All right. Just a very few. You had some
4 fairly extensive discussion with Mr. O'Roark about your
5 background and experience.

6 A. Yes.

7 Q. And I believe you testified that you are not
8 trained as an engineer.

9 A. Yes.

10 Q. Do you nonetheless have knowledge and
11 experience with regard to network engineering that goes
12 well beyond what sort of a lay person, someone on the
13 street would have?

14 A. Absolutely. For instance, during the
15 intraLATA equal access cases, we worked directly with
16 the switch manufacturers to come up with a new generic
17 to allow for the two PIC, the intraLATA PIC.

18 So not only did we talk with the manufacturers
19 themselves, the ones that would talk with us, but we
20 also reviewed the switch generic documentation, which,
21 of course, is huge. And by switch generic, I'm
22 referring to the software that actually runs the switch,
23 like Windows, for instance. We also have worked for
24 equipment manufacturers like Siemens directly on cases.

25 But, yes, I have much more knowledge than I

1 think the average person would have on
2 telecommunications networks. I'm also involved in
3 patent cases in various courts on telecommunications
4 technology, so I'm familiar with reviewing patents on
5 technology, which, of course, is very, very detailed.

6 Q. So is it fair to say that based on the
7 experience and training you've obtained over the last 20
8 or 30 years in the telecommunications business, you're
9 able to offer insight and understanding about network
10 engineering matters beyond what a layman might be able
11 to offer?

12 A. That's correct. And I also rely on our own
13 chief engineer, who was in the Bell system for 30 years,
14 and he has provided me extensive training over the years
15 as well, and other engineers that I work with. But the
16 answer is yes.

17 MR. SAVAGE: I have nothing further.

18 MR. O'ROARK: I have a little bit of recross.

19 RECROSS-EXAMINATION

20 BY MR. O'ROARK:

21 Q. Mr. Gates, I want to follow up on a couple of
22 points, particularly on billing. I think you said that
23 to implement the local calling plan approach that Bright
24 House would like, for Verizon, it would be a fairly
25 simple matter of updating its tables. Is that a fair

1 summary?

2 A. Yes. If I said fairly simple, you know, it
3 probably wouldn't be simple per se, but it can be done.
4 It's done every day.

5 Q. Do you know whether Verizon's switch tables
6 are set up to accommodate multiple local exchange
7 carriers?

8 A. I know you've got the GTD switches in your
9 network, some DMS, the soft switches. I would be
10 shocked if they were not, but --

11 Q. Do you know?

12 A. -- I don't have any personal knowledge.

13 Q. Your fallback plan would be to go to traffic
14 studies and establish factors?

15 A. If we did not get the traffic on a per minute
16 of use basis, sure.

17 Q. Generally factors are established for traffic
18 that you can't identify; isn't that right?

19 A. No, not at all.

20 Q. When you can't identify the jurisdiction of a
21 call -- you generally apply the jurisdictional test.
22 You apply the factor when you can't tell what the
23 jurisdiction is. Isn't that generally right?

24 A. You use it for that. But as you and I spoke
25 during the break, Verizon is very adept at doing traffic

1 studies when there's a dispute over jurisdictionality
2 and pulling all of that data out of their switch tables.
3 Yes, you use traffic studies for many reasons, one of
4 which is for the correct and accurate billing of traffic
5 that you know or you don't know.

6 Q. Just so the record is clear, I didn't say
7 anything about MCI being adept at traffic studies, did
8 I?

9 A. MCI?

10 Q. Yes.

11 A. No, I think I did.

12 Q. Just to be clear --

13 A. I was talking about Verizon.

14 MR. SAVAGE: We'll stipulate that you would
15 never admit that Verizon is good at traffic
16 studies.

17 MR. O'ROARK: Well, he referred to MCI.

18 MR. SAVAGE: Oh, well, that's a whole
19 different problem.

20 THE WITNESS: I did say Verizon, though. It
21 wasn't MCI in that case.

22 BY MR. O'ROARK:

23 Q. In any event, as we discussed before, other
24 CLECs could opt into an interconnection agreement
25 between Verizon and Bright House; correct?

1 A. Yes.

2 Q. And so if Verizon had to do a traffic study
3 for Bright House, it would also have to do a traffic
4 study for anybody else who opted in; right?

5 A. Only if it had concerns about the bills for
6 the traffic. If you recall, my first suggestion was to
7 simply adjust your billing tables. Recall, it's just a
8 comparison of NXX codes that the computer does
9 instantaneously to decide whether it's local or toll,
10 and then to apply the appropriate compensation.

11 Q. But my question focused on your sort of
12 Plan B, if I can call it that.

13 A. The second solution?

14 Q. Yes. Let's assume that Plan A doesn't work.
15 At that point, as many CLECs as have opted into the
16 interconnection agreement, Verizon would be required to
17 do traffic studies for each and every one, wouldn't it?

18 A. Sure. But recall, this is really just a query
19 to the traffic data system to pull the data out. It's
20 not like you're going to spend months working on a
21 traffic study. This is something you can do weekly or
22 monthly or quarterly.

23 Q. And that point is that not only -- you
24 wouldn't do this just one time for one CLEC. You would
25 have to update the traffic studies for every CLEC that

1 opted in, wouldn't you?

2 A. If you had concerns about the bills, yes.

3 MR. O'ROARK: That's all I have. Thank you.

4 MR. SAVAGE: I have a tiny bit of redirect.

5 FURTHER REDIRECT EXAMINATION

6 BY MR. SAVAGE:

7 Q. Do you have an understanding about the local
8 calling area that's been made available to Bright
9 House's end users?

10 A. Yes.

11 Q. And just to set this up, it would encompass --
12 Bright House's end users in Tampa could call any Verizon
13 end user in Tampa on a local basis?

14 A. Yes.

15 Q. As long as that retail calling plan remains in
16 effect, is there any ambiguity about whether Bright
17 House would ever be liable to Verizon for access
18 charges?

19 A. No. There's no doubt. It's pretty
20 straightforward.

21 Q. Would there need to be a study to examine the
22 traffic to see whether zero was still zero?

23 A. No. As long as it was a Bright House NXX, it
24 would be obvious, and no study would be required.

25 Q. So if there were any difficulties along the

1 lines that Mr. O'Roark's questioning was just
2 suggesting, they would arise in connection with CLECs
3 that have a different local calling arrangement than
4 Bright House does?

5 A. Perhaps. I mean, Bright House is the most
6 obvious and straightforward case, as you just discussed.
7 But it's still a simple matter to put in the other CLEC
8 NXXs and allow the computer to do the comparisons. It's
9 not a difficult thing.

10 MR. SAVAGE: Nothing further.

11 THE REPORTER: Do you want to read and sign?

12 THE WITNESS: Yes, please.

13 (Deposition concluded at 12:59 p.m.)
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CERTIFICATE OF ADMINISTERING OATH


STATE OF FLORIDA:

COUNTY OF LEON:

I, MARY ALLEN NEEL, Registered Professional
Reporter and Notary Public in and for the State of
Florida at Large:

DO HEREBY CERTIFY that on the date and place
indicated on the title page of this transcript, an oath
was duly administered by me to the designated witness
before testimony was taken.

DATED THIS 19th day of May, 2010.


MARY ALLEN NEEL, RPR, FPR
2894-A Remington Green Lane
Tallahassee, Florida 32308
(850) 878-2221



CERTIFICATE OF REPORTER


STATE OF FLORIDA:

COUNTY OF LEON:

I, MARY ALLEN NEEL, Registered Professional Reporter, do hereby certify that the foregoing proceedings were taken before me at the time and place therein designated; that a review of the transcript was requested; that my shorthand notes were thereafter translated under my supervision; and that the foregoing pages numbered 1 through 118 are a true and correct record of the aforesaid proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 19th day of May, 2010.


MARY ALLEN NEEL, RPR, FPR
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ACCURATE STENOGRAPHY REPORTERS, INC.
2894-A Remington Green Lane
Tallahassee, Florida 32308
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May 19, 2010

CHRISTOPHER W. SAVAGE, ESQUIRE
Davis, Wright, Tremaine, LLP
1919 Pennsylvania Ave., NW, Suite 200
Washington, D.C. 20006

Dear Mr. Savage:

Re: Docket No. Vs.

Enclosed is your copy of the deposition of TIMOTHY J. GATES taken in the above matter on May 5, 2010.

Since reading and signing was not waived, please make arrangements with the witness to read your copy of the transcript and make any corrections on the errata sheet on the following page.

Please forward the completed errata sheet to Dulany O'Roark for attachment to the original transcript and a copy to Timisha Books at FPSC. You should also attach a copy to your transcript.

Thank you for your cooperation in this matter.

Sincerely,


Mary A. Neel

cc: Dulaney O'Roark, Esq.
Timisha Books at FPSC


ACCURATE STENOGRAPHY REPORTERS, INC.

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ERRATA SHEET

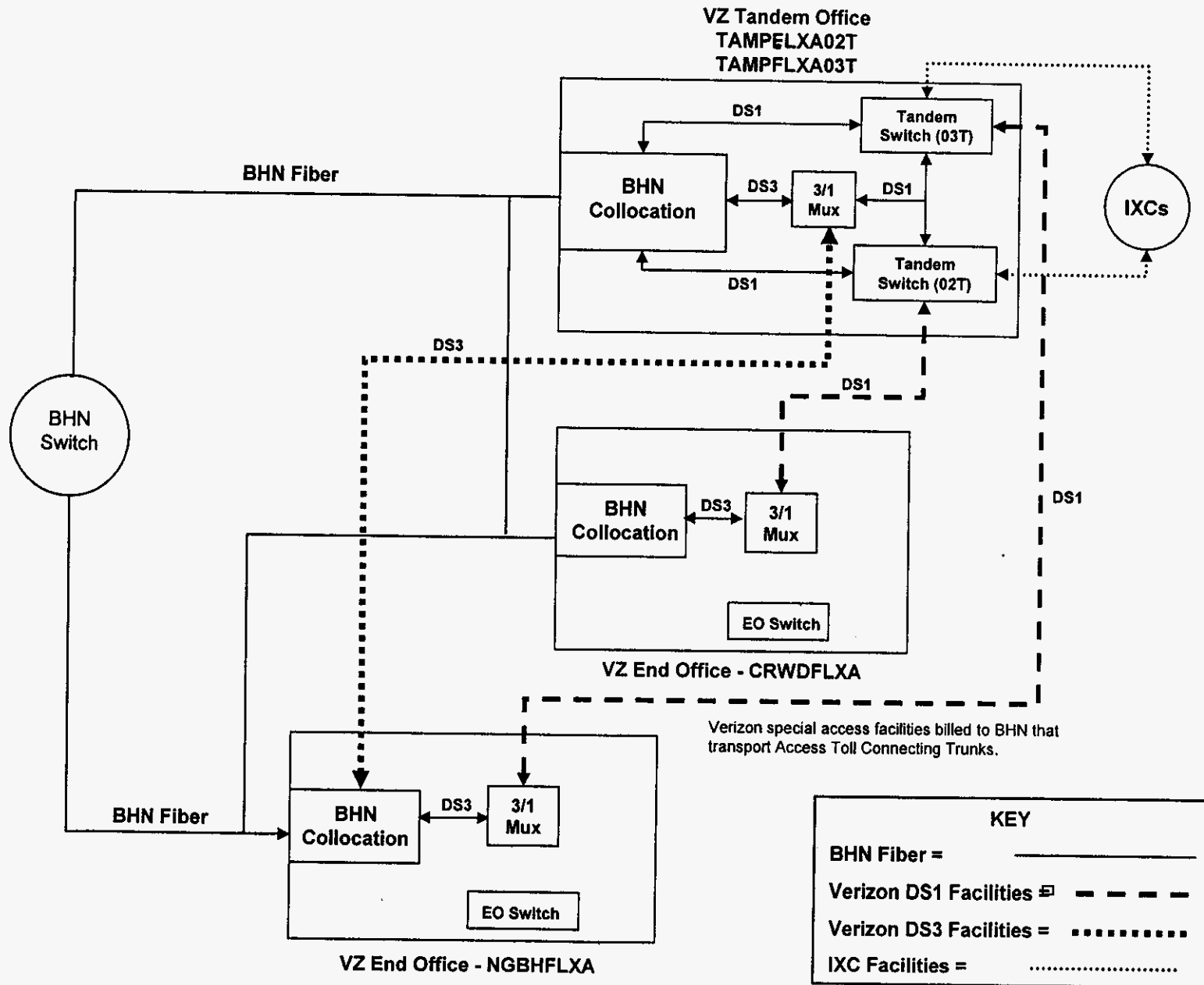
Under penalties of perjury, I have read the foregoing transcript of my deposition, pages 1 through 120, and hereby subscribe to same, including any corrections and/or amendments listed below.

5/24/10
DATE


TIMOTHY J. GATES

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
7/6	"them" → "they"	
29/22	"certain" → "certainly"	
33/18	"trucks" → "trunks"	
51/8	"spent" → "spend"	
54/23	"eight" → "eighth"	
63/10	"sells" → "what"	
74/1	"trucks" → "trunks"	
77/6	"Kick" → "CTC"	
82/16	"estimates" → "systems"	

Reporter: Mary A. Neel - Date of Deposition: 05/05/10
Verizon/Bright House - Docket No. 090501-TP



2.1 Point(s) of Interconnection and Interconnection Format

2.1.1 Each Party, at its own expense, shall provide transport facilities as required to deliver traffic originating on, or transiting through, its network to the technically feasible Point(s) of Interconnection on Verizon's network in a LATA selected by [CLEC] Bright House. To meet this obligation, a Party may:

2.1.1.1 provide its own facilities for delivery of traffic to the technically feasible Point(s) of Interconnection on Verizon's network in a LATA; and/or

2.1.1.2 obtain transport for delivery of traffic to the technically feasible Point(s) of Interconnection on Verizon's network in a LATA (a) from a third party, or, (b) if the other Party offers such transport pursuant to a Tariff, from the other Party under the terms of such Tariff; or

2.1.1.3 in the case of Bright House, obtain facilities from Bright House's network to the POI, provided by Verizon at TELRIC rates.

EXHIBIT NO. 10

DOCKET NO.: 090501-TP

WITNESS: Marva B. Johnson

PARTY: Bright House Networks

DESCRIPTION: Transcript, Exhibits and Errata (if any) from the May 6, 2010, Deposition of Bright House Networks' Witness Marva B. Johnson. **Redacted version.** Pages 1-62

Exhibit 1 – Approximate Monthly Minutes Exchanged Between Verizon and Bright House. Page 63.

PROFFERING PARTY: Staff

FLORIDA PUBLIC SERVICE COMMISSION

I.D. # Stip-10

DOCKET NO. 090501-TP **EXHIBIT** 10

COMPANY STIPULATED EXHIBIT-10

WITNESS MARVA B. JOHNSON - STIP - 10

DATE 5/25/10

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration) DOCKET NO: 090501-TP
certain terms and conditions) filed: April 26, 2010
of an interconnection agreement)
with Verizon Florida LLC)
by Bright House Networks)
Information Services)
(Florida), LLC)
_____)

 COPY

THE DEPOSITION OF: MARVA B. JOHNSON

AT THE INSTANCE OF: Verizon Florida LLC

DATE: May 6, 2010

TIME: Commenced at 9:40 a.m.
Terminated at 11:20 a.m.

PLACE: 2540 Shumard Oak Boulevard
Tallahassee, Florida

REPORTED BY: SARAH B. GILROY, RPR, CRR
Notary Public in and for
the State of Florida at
Large

ACCURATE STENOGRAPHY REPORTERS, INC.
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16 ALSO PRESENT:

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18 BRENDA HAWKINS
19 KEVIN BLOOM
20 LAURA KING
21 JULIE GOWEN
22 DAVID HAGA (via telephone)
23 DAVID CHRISTIAN (via telephone)

24

25

I N D E XWITNESS

PAGE NO.

MARVA B. JOHNSON

Cross Examination by Mr. O'Roark

4

Cross Examination by Ms. Brooks

50

Redirect Examination by Mr. Savage

51

Recross Examination by Mr. O'Roark

54

INDEX OF EXHIBITS
(Late-filed)

NUMBER DESCRIPTION

1 document describing breakout of
minutes into specific categories

CERTIFICATE OF OATH

59

CERTIFICATE OF REPORTER

60

ERRATA SHEET

61

READ AND SIGN LETTER

62

1 Thereupon,

2 MARVA B. JOHNSON

3 was called as a witness, having been first duly sworn,
4 was examined and testified as follows:

5 CROSS EXAMINATION

6 BY MR. O'ROARK:

7 Q Morning, Ms. Johnson.

8 A Hi.

9 Q I am D. O'Roark, representing Verizon.

10 Obviously we've met before. Have you been deposed
11 before?

12 A I have.

13 Q How many times?

14 A At least three.

15 Q In which cases?

16 A Recently in litigation brought by TECO against
17 Bright House, an arbitration proceeding between Bright
18 House and -- I'm sorry, in an arbitration proceeding
19 between KMC Telecom, my former employer, and
20 BellSouth, and I believe also in an arbitration
21 proceeding pending between -- I'm sorry, an
22 arbitration between Verizon and KMC. And that was a
23 triple A arbitration, not an interconnection agreement
24 arbitration.

25 Q Was this a directory listings matter?

1 A No. That was KMC, and it was --

2 Q I'm sorry?

3 A It was actually a dispute.

4 MR. O'ROARK: We just had someone join the
5 bridge. David Christian, is that you?

6 MR. CHRISTIAN: Yes, sir, it is.

7 BY MR. O'ROARK:

8 Q Ms. Johnson, I'm sure you're aware of the
9 general ground rules, then, of depositions. But just
10 to remind you, please do try to give an audible
11 response to my questions so that the court reporter,
12 who is here, can take down the responses. If I ask
13 you a question that is unclear to you for any reason,
14 don't hesitate to ask me to clarify it, and I will do
15 my best to do that.

16 And if you reach a point where you want to
17 take a break, just let me know, and I would be happy
18 to accommodate that.

19 A Thank you.

20 Q Let's start with a few questions about your
21 background. You are currently the vice-president of
22 technology, policy, and industry affairs with Bright
23 House Networks, LLC; is that correct?

24 A Yes.

25 Q Is that Bright House Cable company?

1 A That's Bright House, yes.

2 Q Is that an umbrella company that includes all
3 of the operating subsidiaries, or is that the company
4 that houses the cable operations?

5 A Bright House Networks, LLC is actually the
6 owner of Bright House Networks Information Services in
7 each of its durations. It is the operations for cable
8 service. The operations for our cable services also
9 are housed in that umbrella.

10 Q Which company houses the operations for the
11 cable company?

12 A Bright House Networks, LLC.

13 Q So if I refer to Bright House Networks, LLC as
14 Bright House Cable, will we be communicating?

15 A That's fair for the purposes of this
16 deposition.

17 Q What are your responsibilities with Bright
18 House Cable?

19 A In addition to owning the responsibilities
20 related to our interconnection agreement obligations
21 and contracts, I also support the business as it
22 relates to setting of policies for our subscribers,
23 and as well as it relates to understanding regulatory
24 and policy changes that might impact the way we
25 deliver our service to our subscribers.

1 Q When you say that you have responsibilities
2 for interconnection obligations, are those
3 interconnection arrangements between the cable company
4 and other carriers, or are those arrangements between
5 the Bright House CLEC and other carriers?

6 A Bright House CLEC and other carriers.

7 Q *So although you are employed by Bright House
8 Cable, you also have responsibilities with respect to
9 the CLEC subsidiary?

10 A Absolutely.

11 Q How much of your time is involved currently
12 with the interconnection piece?

13 A It's a bit exacerbated at this point because
14 of the Verizon arbitration. But generally I would say
15 it's probably 15 percent of my responsibilities.

16 Q And most of the rest of your responsibilities
17 are cable related?

18 A I would say they're related to Bright House's
19 business end to end and how we deliver our services
20 end to end. So they're related to our voice services,
21 to our data services, as well as to our video
22 services.

23 Q And if I understood your testimony correctly,
24 the part of your job that doesn't involve
25 interconnection is largely taken up with policy

1 concerns and -- I will just leave it at that. With
2 policy concerns?

3 A That's true.

4 Q Do the interconnection arrangements that
5 you're involved in include arrangements with ILECs,
6 CLECs, IXCs and wireless carriers?

7 A They do.

8 Q Any other types of carriers?

9 A None that I can recall.

10 Q And you're generally familiar with the
11 interconnection arrangements that the Bright House
12 CLEC has with those carriers?

13 A Yes.

14 Q Are you directly involved in the negotiations
15 of those arrangements?

16 A Typically.

17 Q Are you the lead negotiator on them typically?

18 A I was in my former role. As I have
19 transitioned into this new role, I support -- I
20 support the people who now run that network, who are
21 part of the CLEC.

22 Q Now, you started with Bright House Networks
23 Information Services Florida, LLC in October 2006?

24 A That is correct.

25 Q And if I refer to that company as either

1 Bright House or the Bright House CLEC, you will know
2 who I'm referring to, as opposed to Bright House
3 Cable?

4 A Yes.

5 Q That's the Bright House entity that's a party
6 to this case?

7 A Yes.

8 Q Now, you were the director of carrier
9 relations and vendor services?

10 A Correct.

11 Q What were your responsibilities in that role?

12 A In that role my responsibilities included
13 securing interconnection terms with our interconnected
14 partners, IXCs, CLECs, ILECs, ICOs, et cetera. I also
15 had responsibility for the finance team supporting
16 BHNIS. So I was responsible for receiving bills and
17 paying them, as well as for invoices that we rendered
18 to wholesale service -- recipients of our network.

19 And I was responsible for managing
20 interconnection escalations. I was the escalation
21 point for our team for any issues that we had related
22 to disputes arising out of interconnection obligations
23 or rights.

24 And finally I also was responsible for
25 managing our 911 network and our numbering

1 administration function.

2 Q Did you say your numbering function?

3 A Numbering administration, yes.

4 Q What does that mean?

5 A As it relates to securing telephone number
6 blocks through NAMPA and managing our utilization of
7 those telephone number blocks, as well as assignments
8 of those blocks.

9 Q Now, as I understand it, you had
10 responsibility for managing operations teams that
11 implemented the interconnection arrangements; is that
12 right?

13 A Yes. For the last about six months of my role
14 within Bright House Networks Information Services of
15 Florida, I was the acting vice-president. So each of
16 the operations teams reported in to me. So the
17 engineering function, as well as the former functions
18 that I just mentioned, and then our business
19 operations team that was responsible for service
20 delivery, and our program managers, they each reported
21 to me in that role.

22 Q And that was a role you had as an acting
23 vice-president for approximately six months?

24 A Correct.

25 Q I gather that's not a role that you continue

1 to have?

2 A No. I don't continue -- I didn't continue in
3 that role. I transitioned into the new role for the
4 company overall, the technology and policy role.

5 Q So they hired a vice-president to be not just
6 the acting, but the permanent vice-president?

7 A They hired a permanent vice-president. And
8 he's a fine, fine candidate (laughter).

9 Q Who is that, by the way?

10 A Craig Cowden. He came from Sprint.

11 Q And you had the CLEC responsibilities that you
12 describe through about March of 2009?

13 A Correct.

14 Q It sounds like when you moved into your new
15 role, you no longer had frontline responsibilities
16 that you described, but did have continuing management
17 responsibilities for what you had done in your CLEC
18 role? I didn't say that very artfully, but is that
19 about right?

20 A I continue to support them and their -- I
21 continue to support BHNIS as it relates to their
22 interconnection and rights in order to make sure we
23 have secure arrangements there.

24 Q You're generally familiar with the layout of
25 Bright House's network?

1 A Yes, generally.

2 Q And you're generally familiar with the types
3 of traffic that are being sent to Verizon's end
4 offices and tandems?

5 A Yes.

6 Q I ask you to take a quick look at Bright
7 House's responses to Verizon's first interrogatory
8 numbers 1 and 3. There is --

9 MR. SAVAGE: Okay.

10 BY MR. O'ROARK:

11 Q There is confidential information here. I'm
12 going to try to ask the questions in a way that may
13 not require confidential responses. But if you feel
14 that I am eliciting confidential information, heads
15 up, and just let me know, and we will designate it as
16 confidential.

17 MR. SAVAGE: Do you have a copy I can look at
18 so I can see what we're -- (examining document).

19 MR. O'ROARK: Just to set the stage, in
20 response to Verizon's first interrogatory numbers 1
21 and 3, Bright House stated the number of Bright
22 House cable voice customers at year end 2007, 2008,
23 and 2009. And for the response to one it covered
24 the state of Florida, and in response to three,
25 Bright House provided information for Verizon's

1 service territory in Florida.

2 BY MR. O'ROURK:

3 Q Do you see those interrogatories and
4 responses?

5 A Yes.

6 Q My question on them is limited. And I'm not
7 asking you to say the numbers out loud. Are the
8 numbers provided in response to one and three for
9 residential and business customers?

10 A They are for our home phone customers. So
11 that would be residential.

12 Q Does Bright House have additional business
13 customers that aren't reflected in the numbers
14 provided in response to one and three?

15 A I believe we do.

16 Q As you sit here today, do you know how many?

17 A I don't. If it helps, we launched business
18 services around 2008. So we have recently begun to
19 provide or focus really well in that space. So
20 generally those numbers aren't material to the overall
21 customer count at this point.

22 Q That's fair. Thank you for that response.

23 MR. O'ROARK: Those are all the questions I
24 have on one and three.

25 MR. SAVAGE: Great.

1 BY MR. O'ROARK:

2 Q Now I would move to another set of
3 interrogatories. And this leads into a number of
4 questions that Mr. Gates and I discussed yesterday.
5 He was kind enough to defer to you on a number of
6 these --

7 A He's sweet.

8 Q -- and in varying degrees. So I'm going to
9 have -- go back over some of the same ground to make
10 sure that we've got the most accurate information that
11 we can. I'm going to start by showing you Bright
12 House's response to staff's interrogatory number 16.
13 You will see I've highlighted a couple of sections.
14 I'm really focusing on the second highlighted piece
15 toward the bottom of the page.

16 You will see there -- and as I understand it,
17 by the way, this was a response Mr. Gates was
18 responsible for; is that right?

19 A Correct.

20 Q In response to staff interrogatory number 16,
21 Bright House says, the parties routinely exchange more
22 than 30 million minutes of local traffic per month.
23 Is that right?

24 A I believe it is.

25 Q Do you have an understanding of which traffic

1 was put in that 30 million minute of use bucket? It
2 says local. And --

3 A I believe it is simply the traffic defined as
4 local under our current interconnection agreement and
5 routed as local pursuant to our current arrangements.

6 Q And is your understanding that that's not just
7 30 million minutes going one way, but it's a
8 combination of the minutes that Bright House is
9 sending to Verizon and that Verizon is sending to
10 Bright House?

11 A That is my understanding.

12 Q And so if a Verizon customer picks up the
13 phone and makes what is under Verizon's retail calling
14 plan an intra-LATA toll call, that call would not be
15 included in the bucket of 30 million minutes?

16 A That's my understanding.

17 Q And on the other side, Bright House's local
18 calling plan would have those minutes from the same
19 LATA, would all be local minutes?

20 A They would all be local minutes to a Bright
21 House customer. But they would also not be included
22 in the 30 million.

23 Q What if the Bright House customer makes a call
24 to a Verizon customer, it's within the LATA; under
25 Verizon's plan it would be an intra-LATA toll call.

1 Under Bright House's call, is that an -- under Bright
2 House's calling plan, is that an intra-LATA toll call,
3 or is that a local call?

4 A When a Bright House customer originates a call
5 that terminates to a Verizon customer --

6 Q Yes.

7 A -- in a different LATA? That is treated --

8 MR. SAVAGE: Same LATA I believe was the
9 question.

10 A I'm sorry.

11 BY MR. O'ROARK:

12 Q It's the same LATA. The idea is that if the
13 call flow were reversed, Verizon customer calling
14 Bright House customer, Verizon considers the call
15 local toll or intra-LATA toll. Now I'm asking you
16 about the situation where the call flow is reversed.
17 Bright House customer calling same Verizon customer.

18 Does Bright House consider that a local call
19 or a toll call today?

20 A For the purposes of the interconnection
21 agreement, the interconnection agreement arrangement
22 as between Verizon and Bright House, that would be a
23 toll call as well. As between Bright House and its
24 end users, that would be a -- it's included in the
25 call scope for home phone customers within our plan.

1 Q So it would be flat-rated local for the Bright
2 House end user customer?

3 A Correct. It would be local for Bright House's
4 end user customer.

5 Q Which bucket did you put that minute in?

6 A This 30 million should be those calls that are
7 only local as between Verizon and Bright House, not as
8 between Bright House and its customers.

9 Q So the call we were just describing from the
10 Bright House customer to the Verizon customer would
11 not go in the local bucket that we've been talking
12 about that has 30 million minutes?

13 A Correct.

14 Q While we're on the subject, does Bright
15 House's territory include more than one LATA here in
16 Florida?

17 A Yes.

18 Q How do you handle the situation of an
19 interLATA call between a Bright House customer and a
20 Verizon customer? How is that classified?

21 MR. SAVAGE: Assumes facts not in evidence. I
22 don't know that you've established that there are
23 any interLATA calls in Florida between a Bright
24 House customer and a Verizon customer.

25 There may be; I just hadn't heard that happen

1 yet.

2 BY MR. O'ROARK:

3 Q Well just so we're clear, as I understand it,
4 Bright House's service territory goes, what, as far
5 out as about Orlando?

6 A Correct, at least.

7 Q And would a call from Orlando to Tampa be
8 interLATA, just in general terms?

9 A As between Bright House and its customers,
10 that call is also treated as -- is not assessed an
11 additional fee. As between Verizon and Bright House,
12 that call will be subject to interLATA switched access
13 charges.

14 Q And as far as how the traffic is actually
15 routed, does it simply go through the Bright House
16 switch and then to the Verizon tandem, or is an IXC
17 involved?

18 A On a Bright House originated phone call to a
19 Verizon subscriber in a different LATA, and in some
20 cases we are able to route that over our network to
21 terminate on facilities to Verizon. That would be
22 optimal. But we -- most of the time will just hand it
23 off to an IXC, and the IXC will route that call to
24 Verizon.

25 Q I'm just curious, why is that?

1 A We've got to make sure our inter-network
2 routing and ENAUM (phonetic) services are in place so
3 that we can route between our network. Sometimes, you
4 know, it's -- I won't say sometimes. At this point
5 the way we've got our switching logistics set up, it
6 was just easier and faster for us to hand it off to
7 the IXC, because they already had all the future D
8 network facilities in place, and it was a faster
9 solution.

10 Q So there are things about transporting
11 inter-LATA traffic that are different than
12 transporting intra-LATA traffic that requires that
13 solution?

14 A I'm thinking about that question. It's an
15 interesting question in the way that it's worded.

16 I would say that the -- I would say the way
17 that our network is currently configured, there are
18 things about routing intra-LATA traffic versus
19 inter-LATA traffic that might require different
20 solutions.

21 Q Is there some intra-LATA traffic where Bright
22 House needs to use the same solution of routing the
23 traffic through an IXC?

24 A We typically don't route intra-LATA traffic
25 through an IXC.

1 Q Let me ask you to turn to the response to 22A,
2 please.

3 A (Witness complies).

4 Q Ms. Johnson, if I understood correctly from
5 the deposition yesterday, you were responsible for the
6 response to interrogatory number 22?

7 A That's correct.

8 Q In 22A Bright House says that, the parties
9 have 69 million minutes of local and meet point
10 billing traffic. Is that right?

11 A That's correct.

12 Q And so if I understand correctly, to get the
13 number of meet point minutes, you would simply
14 subtract 30 million, and you would come up with 39
15 million minutes of meet point traffic?

16 A I'm sorry. It's 69 million minutes of traffic
17 exchanged between our subscribers, between Bright
18 House subscribers and Bright House. And total traffic
19 between traffic exchanged solely between our customers
20 and traffic exchanged between third parties, like IXC
21 customers, meet point billing traffic, it's another --
22 it's 350 million total.

23 So the total traffic exchanged between our
24 network is 350 million; exchanged between our
25 customers is only 69 million.

1 Q So the 69 million is the sum total of calls
2 flowing back and forth between Bright House customers
3 and Verizon customers?

4 A Correct.

5 Q You said that 30 million of those minutes are
6 local calls on a carrier basis?

7 A Correct.

8 Q And so the other 39 million minutes are calls
9 on which Bright House and Verizon are charging each
10 other access?

11 A If I recall correctly, yes. My expectation
12 would be that the remainder is intra-LATA or other
13 access calls between our networks.

14 Q So it would include the intra-LATA toll calls
15 that we discussed a few moments ago?

16 A Correct.

17 Q Would it include inter-LATA toll calls?

18 A If there were -- to the extent there were
19 inter-LATA calls between our networks directly, yes.

20 Q They would not be included to the extent that
21 an IXC was involved?

22 A It would not be included to the extent an IXC
23 were involved.

24 Q I think you described intra-LATA toll calls
25 and I think other traffic of some kind. What else --

1 put inter-LATA aside, since it sounds like most of
2 that goes through IXCs, perhaps a little bit going
3 through the party's networks.

4 Is there any other traffic that would be in
5 that 69 million minute bucket?

6 A No.

7 Q So in rough terms, 30 million minutes is
8 local, and most of the 39 million other minutes are
9 inter-LATA toll?

10 A Correct. And actually let me clarify one
11 point, though. Of the -- I mathematically agree with
12 you, that between our customers, we exchange about 69
13 million minutes of traffic, or at least that was my
14 response to your interrogatory request. Reducing that
15 by the 30 million as between our customers, you would
16 think the remaining is 39 million.

17 But I have to say that I don't recall whether
18 transit traffic was included in the 39 million
19 remainder, whether it's solely intra-LATA or whether
20 transit traffic for which we're assessed transit fees
21 is in there as well. I would have to double-check.

22 MR. SAVAGE: Let me say, I know that
23 technically you sent us a written interrogatory
24 today. There wasn't time to get it done. If it
25 matters to your presentation as we go forward to

1 have -- we didn't respond to these questions trying
2 to break down minutes into specific categories.

3 If that's information you would like, we would
4 be happy to put it together for you.

5 MR. O'ROARK: If I could request a late-filed
6 exhibit, either saying that there are transit
7 minutes that fit into the 69 million or that
8 they're not, that would be helpful.

9 MR. SAVAGE: What I think -- what I'm doing
10 sitting here is picturing the billing records that
11 I've looked at in the course of putting this
12 together. What I'm confident we could do for you
13 with a reasonable amount of work is say, okay, in
14 2009 or based on an annualized period, there were
15 so many million minutes that were direct between
16 our networks, so many minutes of transit, so many
17 million minutes of this meet point billing stuff,
18 the roughly 350, and just give you what those
19 numbers seem to be. You probably have it in your
20 own records.

21 The only reason I'm concerned is, these
22 answers weren't -- the answers we gave weren't in
23 response to questions that said, tell me minutes by
24 particular categories. So they're sort of -- as
25 you can see, they're kind of rough, round numbers.

1 If you need the real numbers, we can put them
2 together for you.

3 MR. O'ROARK: It's not so much a matter of
4 wanting real numbers; I just want to understand
5 what these numbers signify.

6 MR. SAVAGE: Okay. We will put a chart
7 together for you. But I mean for now, go ahead.
8 This is close enough, I suppose.

9 BY MR. O'ROARK:

10 Q Let's talk about the 350 million minutes,
11 subject to the understanding that I may need some
12 clarification. Again, sort of doing simple math, if I
13 subtract out 69 million minutes, I think that leaves
14 me with 281 million minutes.

15 Do you have a sense of, in general terms,
16 what's included within the 281 million minutes?

17 A Setting aside the issue of whether the transit
18 traffic is in this bucket or in the 69 million, it
19 would be switched access traffic that is originating
20 from a Bright House network -- 800-originated traffic
21 from a Bright House subscriber destined for
22 termination to an IXC, or inbound calls from an IXC
23 destined for termination to a Bright House subscriber
24 that are transited via Verizon's tandem.

25 Q What about calls to and from wireless

1 customers; do they fit in the 281 million bucket?

2 A They would be included in the transit minutes,
3 whichever bucket those minutes are in, presuming that
4 they're intra-MTA and not routed by an IXC.

5 Q So if a wireless minute is inter-MTA, then it
6 becomes an access minute and goes to an IXC?

7 A That's my presumption as to generally how the
8 wireless carriers route their traffic.

9 Q And I assume your answer is the same as to a
10 CLEC, that that also fits within -- I'm sorry, a call
11 between a Bright House customer and another CLEC
12 customer, that would be a transit minute and would fit
13 wherever transit minutes fit within this scheme?

14 A Correct.

15 Q Do Bright House cable customers have a choice
16 in their inter-exchange carrier? In other words, is
17 there a Bright House local calling plan or calling
18 plan that enables the customer to select the IXC of
19 his or her choice?

20 A The Bright House subscribers can select an
21 alternate IXC, but we don't have a calling plan that
22 does not include the full scope of -- the full scope
23 of services that we offer, including local,
24 intra-LATA, inter-LATA, and interstate calling.

25 Q So you describe the IXC traffic between Bright

1 House customers and an IXC that goes through a Verizon
2 tandem. And you said that, if I understood you
3 correctly, that it could include 800 traffic, and it
4 could include traffic to a Bright House caller. It
5 sounds like it also could include traffic from a
6 Bright House caller if the Bright House caller had
7 selected an alternative IXC.

8 A That's theoretically possible. But most
9 consumers find better value in selecting Bright
10 House's service and not picking an alternate provider,
11 so --.

12 Q What if a customer wants to make a 10 triple X
13 call, long-distance, dial-around call, can a Bright
14 House customer do that?

15 A I believe so.

16 Q And so that might be another example where, if
17 a customer really wanted to, they could make a call to
18 an IXC that would go through the Verizon tandems or on
19 the originating side?

20 A That's true.

21 Q Has Bright House made arrangements with a
22 particular IXC to handle the call -- IXC calls being
23 originated by Bright House callers?

24 A Not a particular IXC, but there is a monopoly
25 of IXCs that we partner with in that regard.

1 Q So there is not a single source for
2 originating IXC traffic; you use multiple IXCs?

3 A We do.

4 Q Does Bright House physically interact with
5 each of those IXCs?

6 A We do.

7 (Confidential portion of testimony bound under
8 separate cover).

9 BY MR. O'ROARK:

10 Q Let's try going off of confidentiality. If we
11 need to go back on, let me know. And we may.

12 Does Bright House have interconnection
13 agreements with ILECs other than Verizon?

14 A Yes.

15 Q I assume that would include Embarq?

16 A Yes.

17 Q Anybody else?

18 A AT&T.

19 Q You guys have just a sliver of AT&T territory?

20 A Actually it's fairly large.

21 Q In the Orlando area?

22 A In the Orlando area.

23 MR. SAVAGE: Just to be clear, I think she
24 took your answer as limited to the state of
25 Florida.

1 MR. O'ROARK: And that is how I intended it.

2 BY MR. O'ROARK:

3 Q But, you know what, since you mentioned it, I
4 did notice in your testimony that you at least at one
5 point, maybe currently, had responsibilities to states
6 other than Florida?

7 How many other states does Bright House
8 operate in?

9 A Five. And just to be clear, all of my
10 responses today have been as it relates to Bright
11 House Network Information Services of Florida. The
12 other entities are outside of the state of Florida.

13 Q By happy coincidence, all of my questions were
14 related to Florida. So you've done well (laughter).

15 All right. So other than Florida, where are
16 the states that Bright House operates?

17 A With Bright House Networks Information
18 Services of California, Indiana, Michigan, Alabama.
19 And Bright House Networks Information Services of
20 Alabama also offers service in Georgia. Then we have
21 Florida. So a total of six.

22 Q And you were referring to information
23 services. That's the CLEC?

24 A The CLEC.

25 Q Does Bright House Cable offer cable service in

1 any of those states?

2 A In all of those states, yes.

3 Q I gather that the Florida operation is the
4 biggest of the six?

5 A That's fair.

6 Q By far the biggest of the six?

7 A That's fair.

8 Q Going forward, my questions will just be
9 dealing with Florida.

10 A Okay.

11 Q Does Bright House have direct connections with
12 any CLECs or wireless carriers in Florida?

13 A Yes.

14 Q And if we're getting back into confidential
15 information, let me know. But I think we can just
16 talk in terms of numbers, which may be confidential;
17 maybe not.

18 How many direct connections does Bright House
19 have with CLECs in Florida?

20 A This is part of confidential.

21 MR. O'ROARK: Okay. Please designate this
22 portion of the transcript as confidential.

23 (Confidential portion of testimony bound under
24 separate cover).

25 BY MR. O'ROARK:

1 Q Let's try again going off confidentiality,
2 understanding that we can go right back on if we need
3 to.

4 And I believe you're going to check. But the
5 wireless minutes may be in that 281 million dollar
6 bucket, but you want to check on that?

7 MR. SAVAGE: I don't think we established a
8 281 million "dollar" bucket.

9 MR. O'ROARK: Did I say "dollar"? I meant
10 minutes.

11 BY MR. O'ROARK:

12 Q I meant 281 million minute bucket. You're
13 going to check to see whether wireless fits in that?

14 A We will.

15 Q Does Bright House use any carrier other than
16 Verizon to carry traffic to third-party inter-exchange
17 carriers?

18 A Do we use -- yes.

19 Q Now I'm not talking about whatever direct
20 connections Bright House might have directly with
21 IXCs. I'm talking now about traffic flowing to IXCs
22 where Bright House does not have a direct connection.
23 You understand the context of the question? And my
24 question is, for those calls, do they all go through
25 Verizon's tandem as opposed to some other company's

1 tandem?

2 A Other -- are you asking the question as it
3 relates to Verizon's footprint only? Because of
4 course in AT&T's footprint we would send traffic
5 through AT&T's tandem and Embarq's footprint.

6 Q That's a fair limitation, yes. I would like
7 to limit the question that way.

8 A Okay. Other than -- direct arrangements that
9 we have --

10 Q Correct.

11 A -- I believe that we use neutral tandem as
12 well. But I'm not sure how much IXC traffic we
13 traverse over that arrangement. So I would say the
14 material portion of the remaining traffic that's not
15 direct connected would route through Verizon's tandem.

16 Q For what purposes does Bright House use
17 neutral tandem services?

18 A For alternate tandem interconnection.

19 Q Is it fair to say that all calls going to or
20 from Bright House Cable customers go through the
21 Bright House CLEC's network?

22 A Yes.

23 Q Is it fair to say that the Bright House CLEC
24 only handles traffic going to or from Bright House
25 cable customers?

1 A Bright House phone customers or Bright
2 House --?

3 Q Phone customers, yes. Cable phone customers.

4 A At this point, yes.

5 Q Now, Bright House has two collocations at
6 Verizon end offices and one collocation at the Verizon
7 Tampa tandem office; is that right?

8 A That's my understanding, yes.

9 Q Now, is it right that, from each of those
10 collocations, there is direct end office trunking to
11 essentially all Verizon end offices?

12 A That's my understanding.

13 Q And I've always heard direct end office
14 trunking by the acronym DEOT; are you familiar with
15 that acronym?

16 A Yes.

17 Q So if we toss that around like old telephone
18 pros, will we know what we're talking about? Will we
19 understand each other, a better question.

20 A Yes.

21 Q So the way Bright House has arranged its
22 network, as I understand it, is that you can have
23 traffic that might be flowing through one collocation
24 over a DEOT. When that fills up, it can then overflow
25 to the next DEOT from another collocation, and then if

1 necessary, to the third collocation, and then finally,
2 to the Verizon tandem; is that roughly how it works?

3 A That's roughly how overflow routing works.

4 Q And the traffic that is flowing over those
5 DEOTs, subject to some confirmation, is the local
6 traffic in the 30 million minute bucket and the
7 intra-LATA toll traffic in the 69 million minute
8 bucket; is that your basic understanding?

9 A That's correct.

10 Q Or put slightly differently, 30 million
11 minutes local, 39 million minutes local toll or
12 intra-LATA toll?

13 A I was agreeing, yes, 69 in total for those two
14 types of traffic, setting aside clarifying whether
15 transit traffic is included.

16 Q Given the way Bright House has arranged its
17 network, isn't it true that the vast majority of that
18 traffic is flowing over the Bright House DEOTs?

19 A I actually haven't done an assessment to
20 figure out which portion of the traffic is on which
21 specific facilities.

22 Q Do you have a general understanding of whether
23 the majority of that traffic is flowing over the
24 DEOTs?

25 A I would say that it would be a reasonable

1 conclusion, since the purpose of the DEOTs would be to
2 carry that traffic, so --.

3 Q Fair to say that Bright House has arranged its
4 network to minimize the traffic that would flow to the
5 Verizon tandem?

6 A That's fair to say.

7 Q Bright House uses DS-1 circuits for the DEOTs;
8 is that right?

9 A That's -- they are DS-1 DEOTs, yes.

10 Q Are there any DS-3 DEOTs that Bright House is
11 using, to your knowledge?

12 A We would like to use DS-3 interconnection
13 facilities. But I think that our networks require
14 those.

15 Q Let me stop you there. Because I think you
16 shifted from DEOTs to interconnection facilities. I
17 want to focus on the DEOTs, the direct end office
18 trunking, going from the Bright House collocations to
19 Verizon's end offices.

20 Are you saying that there is any route from a
21 collocation to a Verizon end office that warrants a
22 DS-3 circuit?

23 A I haven't done a network optimization analysis
24 at your end office level. But -- so I cannot answer
25 that question at this time. So I will say that the

1 facility is provisioned for our mutual interconnection
2 arrangements at this point in time, including that
3 DEOT, is a DS-1. And my real point there, it's for
4 the mutual exchange of traffic; it's not just a Bright
5 House DEOT.

6 Q But you understand that my questions were
7 limited to the DEOTs that we've been discussing?

8 A I do.

9 Q One of the disputes that we have in this case
10 concerns multiplexing. If you could say yes, just
11 so --

12 A Oh, I'm sorry. I didn't realize that was a
13 question. Yes.

14 Q There was an implied question mark at the end
15 of my statement. Lawyers have a habit of doing that.
16 I'm just trying to make sure we're on the same page.

17 Today Bright House pays Verizon for certain
18 multiplexing; is that right?

19 A That is correct.

20 Q And in what increments does Bright House buy
21 multiplexing from Verizon?

22 A If I recall, we had both DS-1 and DS-3
23 multiplexing.

24 Q So it buys it per DS-1 or per DS-3?

25 A That's my understanding.

1 Q Do you know how many DS-1 MUXs or MUX ports
2 Bright House is buying from Verizon today?

3 A I don't recall.

4 Q Same answer for the DS-3s?

5 A Yeah, same answer.

6 Q Those ports are dedicated to Bright House's
7 use; aren't they?

8 MR. SAVAGE: Which ports are we talking about?

9 MR. O'ROARK: The DS-1 and DS-3 ports that
10 Bright House is buying from Verizon that we just
11 discussed.

12 MR. SAVAGE: The ones we're buying are
13 dedicated to our use?

14 MR. O'ROARK: Correct.

15 A All right. I may not be understanding you
16 very well, D. But are we talking about the MUXing
17 associated with the facilities, whether they be end
18 office, or otherwise as it relates to the traffic that
19 carries the traffic between our networks; right?

20 Q I tell you what, let me try to break it down.
21 I will come at it from another direction.

22 A Okay.

23 Q Where is Bright House buying multiplexing from
24 Verizon today, at what locations?

25 A It's at the -- when you say where, it's at the

1 point of interconnection. As I understand it, the --
2 there is MUXing and deMUXing. As it relates to
3 Verizon's delivery of MUXing -- of traffic to our
4 network, that traffic is MUXed up and handed off to
5 Bright House. As it relates to Bright House's
6 delivery of traffic to Verizon, that traffic is
7 deMUXed and delivered to Verizon.

8 Q Is Bright House buying multiplexing from
9 Verizon at each of the end offices where Bright House
10 is collocated? Let me say both of the end offices
11 where Bright House is collocated.

12 A I believe that's where the charge is being
13 assessed, at the collocations.

14 Q Well you've got three. So are you buying
15 multiplexing in each of those three collocations?

16 A I believe we're being charged for multiplexing
17 at each of those collocations, but I don't recall
18 specifically.

19 Q Does Bright House have any of its own
20 multiplexors that it uses at the collocations?

21 A The only reason that we're multiplexing the
22 traffic is because we were not allowed to deliver DS-3
23 interconnections or interfaces to Verizon's network.
24 So we don't -- we didn't -- we wouldn't have a need to
25 put that MUXing equipment in our network, except for

1 to hand it off to -- to MUX and deMUX for the exchange
2 of traffic with Verizon.

3 Q Didn't mean to interrupt you. Is the answer
4 to my question, then, no, Bright House has not bought
5 its own multiplexors?

6 A Not for the purposes of exchange of traffic
7 with Verizon, correct.

8 Q And just to be clear, does Bright House have
9 multiplexors for any reason in any of its three
10 collocations at the Verizon offices?

11 A No, because we actually, aside from handing
12 traffic to Verizon and receiving traffic from Verizon
13 would have no need to multiplex the traffic.

14 Q Does Bright House use multiplexors anywhere
15 within its network?

16 A Not that I'm aware of. We typically do IP
17 interconnections. So we -- typically MUXing is not
18 required in that technology path.

19 Q So Bright House would be using the
20 multiplexors for both the local and local toll traffic
21 that we talked about earlier?

22 A Right. We would be using the multiplexing for
23 the exchange of traffic between our networks.

24 Q Does it use multiplexors for the IXC traffic
25 that we discussed before?

1 A To the extent it's exchanged between our
2 networks, yes. My understanding is that all of the
3 traffic we hand off between our networks is MUXed.
4 But I am not the engineer.

5 Q The IXC traffic actually would be passing
6 through the Verizon tandem and going to the Bright
7 House network; right?

8 A At the collocations.

9 Q And I suppose that Bright House uses -- is
10 paying for Verizon multiplexing sort of -- strike
11 that.

12 Bright House's use of the multiplexors would
13 be in proportion to each traffic type; for example, if
14 10 percent of the traffic is local, then you're using
15 the MUXing for -- 10 percent of the MUXing you're
16 using is for local traffic; if 50 percent is IXC
17 traffic, then 50 percent of the MUXing you're using is
18 for IXC traffic; do I understand kind of how it works?

19 A I guess, yes, theoretically -- I just have a
20 hard time saying that it's Bright House's use when the
21 traffic is bidirectional. So I don't mean to
22 overexaggerate the point.

23 But since it's bidirectional traffic, it's our
24 use of the MUXing, because the MUXing -- you know, the
25 fact is that we're not interconnecting. Our networks

1 don't operate at the same transmission level.
2 Verizon's preference is a DS-1 transmission, and ours
3 is DS -- 3. If we both agreed on DS-3, there would be
4 no MUXing required. And since the traffic is
5 exchanged, the MUXing applies in both directions.

6 Q But sort of going back to my question,
7 notwithstanding your problem with the way the question
8 was phrased, Bright House today is using and paying
9 for Verizon MUXing; isn't it?

10 A Yes, for our mutual benefit, correct.

11 Q And I had it right on the proportionality idea
12 that, for example, if 50 percent of the traffic is IXC
13 traffic, then it's using the MUXing for -- 50 percent
14 of the MUXing is being used for the IXC traffic;
15 that's right, isn't it?

16 A Theoretically, that's correct.

17 Q Now, issue 32 has been settled, and I will
18 paraphrase here. The settlement obviously speaks for
19 itself.

20 MR. SAVAGE: I believe -- which was issue 32?
21 I just want to make sure.

22 MR. O'ROARK: MUXing. I'm sorry, the DS-1
23 versus DS-3 interfaces.

24 MR. SAVAGE: I think that's still open; isn't
25 it?

1 MR. O'ROARK: Let me describe the settlement.

2 MR. SAVAGE: Let's see which piece we're
3 talking about, yeah.

4 MR. O'ROARK: It's been settled for the
5 parties' current arrangements for network
6 interconnection, as long as those physical
7 arrangements remain materially unchanged.

8 Is that your basic understanding of how we
9 have, say partially settled that issue?

10 MR. SAVAGE: Right. The MUXing part of that
11 charge, if it remains unchanged, we're done.

12 MR. O'ROARK: Right.

13 MR. SAVAGE: Okay.

14 BY MR. O'ROARK:

15 Q You understand that settlement?

16 A Yes.

17 Q Bright House has not made any specific written
18 proposal to Verizon for a materially-changed
19 interconnection arrangement; has it?

20 A We are evaluating our options. We are unable
21 at this point to make a written proposal formally,
22 because we haven't resolved the pricing principles
23 that would underlie any of our options. So we are
24 hoping to get to some resolution on the pricing
25 principles that would underlie any network changes.

1 And until we get there, it's not possible for
2 us to know the impact of any network rearrangement.

3 Q So Bright House hasn't made such a proposal
4 yet?

5 A We're unable to, correct.

6 Q Let's talk about back billing for a minute.
7 Bright House has recommended a one-year period for
8 raising billing disputes; is that right?

9 A That is correct.

10 Q You're an attorney as I recall?

11 A I'm not counsel for Bright House. But I am
12 admitted to practice in Georgia.

13 Q Are you familiar with the Florida statute of
14 limitations with respect to legal or equitable actions
15 on contracts, obligations, or liabilities founded on a
16 written instrument?

17 A Would you refresh my recollection on that.

18 Q I would be happy to. Let me show you Florida
19 Statute 95.11. And you will see that there is a
20 category for statutes that are within five years. And
21 if you look under subpart B, you will see what I was
22 referring to.

23 A (Examining document).

24 MR. O'ROARK: It's the statute. I'm not going
25 to make it part of the record.

1 MR. SAVAGE: I will stipulate that the Florida
2 statute of limitations that would probably apply to
3 this contract would be the five years. We don't
4 need to fight about that.

5 THE WITNESS: Okay. Thank you.

6 BY MR. O'ROARK:

7 Q Do you agree with your lawyer on that one?

8 A I agree with my attorney on that one
9 especially.

10 MR. SAVAGE: You're supposed to say
11 everything. (Laughter).

12 (Discussion off the record).

13 BY MR. O'ROARK:

14 Q Ms. Johnson, do you believe that the Florida
15 five-year statute of limitations for bringing a claim
16 on a written contract is unreasonable and potentially
17 abusive?

18 A I believe, in this case, it doesn't meet our
19 mutual business interests, nor does it meet the
20 interests of Florida consumers.

21 Q Do you believe that the Florida statute of
22 limitations in this case is unreasonable and
23 potentially abusive?

24 A I believe that, in the context of this
25 agreement, it's not optimal.

1 Q Well let me refer you to your direct
2 testimony, page 24. Do you have that in front of you?

3 A (Shaking head negatively).

4 MR. SAVAGE: If you can show it to her, I can
5 find it. Which particular lines?

6 MR. O'ROARK: Start on page 23, line 16, and
7 then carry it over to page 24, line 2, just to give
8 you some context.

9 MR. SAVAGE: That's fine.

10 THE WITNESS: You said which line? I'm sorry.

11 MR. SAVAGE: Starting 16.

12 THE WITNESS: Okay.

13 BY MR. O'ROARK:

14 Q Have you had a chance to review your
15 testimony?

16 A I have.

17 Q So I will return to the question. Are you
18 saying that the application of the Florida statute of
19 limitations for written contracts in this case would
20 be unreasonable and potentially abusive?

21 A I do.

22 Q Aren't you saying that the legislature made a
23 bad judgment when it created the statute of
24 limitations for all written contracts?

25 A No. What I'm saying is it doesn't serve our

1 interests, our mutual interests, nor does it serve the
2 interests of the Florida consumers in this context.

3 In order for us to set rates, terms, and
4 conditions for service, we have to have certainty with
5 regard to cost. And without having a limitation on a
6 back billing provision, Verizon could decide at some
7 point that perhaps we've been -- not been charged for
8 some element they believe we should have been charged
9 for, apply additional charges to us, at some point,
10 two, three, four, five years in the contract.

11 And we've got no way to know that that's going
12 to happen to manage our service costs to our
13 consumers, expecting that. And it doesn't, in that
14 regard, give certainty.

15 I believe that one year is appropriate,
16 because it encourages both parties to be diligent and
17 to bill correctly the first time, so that we don't use
18 this five-year window as a backdrop, as a backstop,
19 and we do what's best for both our businesses and for
20 consumers. And we take diligent effort to produce
21 bills in a timely fashion.

22 I think that's very reasonable and very
23 beneficial to consumers in our state.

24 Q Do you have any understanding of how this
25 commission would be authorized to shorten the statute

1 of limitations provided for by the Florida
2 Legislature?

3 MR. SAVAGE: I'm going to -- that is -- that's
4 a pure legal question. And while I'm not actually
5 troubled that she could come up with a good answer,
6 I have to object, because that's --

7 MR. O'ROARK: Understand. I pose the
8 question.

9 MR. SAVAGE: In our briefs we will explain
10 exactly how the commission is authorized to do
11 that.

12 MR. O'ROARK: Are you directing the witness
13 not to answer?

14 MR. SAVAGE: She can go ahead.

15 BY MR. O'ROARK:

16 Q Please go ahead, Ms. Johnson, subject to the
17 objection.

18 A My understanding is that this commission has
19 the authority to do what is in the best interests of
20 consumers in this state and in the best interests of
21 implementation of the telecom act. And in that
22 regard, implementing a one-year back billing statute
23 of limitation fits within those two objectives and in
24 the scope of their authority.

25 Q Let's turn to issue 49, which deals with

1 special access.

2 MR. SAVAGE: I'm not sure she testified about
3 that; did she?

4 MR. O'ROARK: She did not.

5 BY MR. O'ROARK:

6 Q This is one where I asked Mr. Gates a couple
7 of questions, and he deferred to you on some details.
8 I realize that you did not offer testimony on this.

9 The issue concerns whether Bright House should
10 get the resale discount on point-to-point special
11 access data circuits that Bright House orders from
12 Verizon's Florida access tariff.

13 Do you just generally recall that issue, even
14 though you didn't offer testimony on it?

15 A I generally recall that.

16 Q And you understand that these special access
17 circuits are non-switched circuits on Verizon's
18 network that Bright House can order out of Verizon's
19 tariff?

20 A Correct.

21 Q Do you know if Bright House is buying those
22 circuits today?

23 A I don't believe that Bright House buys any of
24 those circuits today. But as I noted earlier, we are
25 just entering the business market. And in order for

1 us to be effectively competitive as it relates to
2 business services, the scope of a footprint needs to
3 be a bit broader than, you know, a regional player.

4 So those types of service arrangements may
5 serve us well in a business scenario.

6 Q Do you have an understanding as to how Bright
7 House would use those circuits? And if that's
8 confidential, you can tell me that.

9 A We have not come up with a business approach
10 that says, here is the product that we want to offer
11 to business customers leveraging these resale
12 facilities, no.

13 MR. O'ROARK: Ready for a five-minute break?

14 THE WITNESS: Sure.

15 (Short recess).

16 MR. O'ROARK: We're back on. Ms. Johnson,
17 thank you. I have no further questions. And
18 Mr. Savage, thank you for agreeing to do a
19 late-filed exhibit.

20 All I really want to know is, we've got the
21 350 million minutes -- the way I put it is the 281
22 million minutes, 39 million minutes, and the 30
23 million minutes. And all I want to know is what
24 goes into those categories. I think we have a
25 rough idea. I think you may want to check that to

1 make sure that your witnesses have --

2 MR. SAVAGE: While we're off the record -- I
3 can do it on the record.

4 MR. O'ROARK: I think we're on the record.

5 MR. SAVAGE: On the record, just to be clear,
6 what I alluded to is, if you look at the questions
7 that staff posed to us, in which we gave these
8 rough minute counts, those questions were not, tell
9 me how many minutes you have in each category. And
10 so we threw out the rough minute counts as an
11 illustration to the other thing.

12 And your questioning seemed to express an
13 interest in, well how many minutes really fall into
14 each category. And that's what I'm going to
15 propose. We will just lay it out, because these
16 are in excess of, on the order of.

17 If you look at the answers, they're not
18 intended to be precise. But I would like to give
19 you the precise data so that if you care about it
20 you have it, and the record isn't confused.

21 MR. O'ROARK: If you want to give me the
22 precise data, I am happy to receive it. If you
23 would just like to tell me, look, these are rough
24 numbers, but here is what fits into each of these
25 categories, I'm happy to accept it that way.

1 MR. SAVAGE: Since it's Ms. Johnson and her
2 organization that will do the work, I will leave
3 her to make that choice.

4 THE WITNESS: We will tell you what's in the
5 rough categories.

6 MR. SAVAGE: We will get you something. It's
7 Thursday. I can't say by tomorrow, but certainly
8 by next week.

9 MR. O'ROARK: We did not have an exhibit to
10 Ms. Johnson's deposition, so if we could make it
11 late-filed Johnson Deposition Exhibit 1 --

12 MR. SAVAGE: Perfect.

13 MR. O'ROARK: -- that would be great.

14 MR. SAVAGE: We will do that. With that I'm
15 finished.

16 CROSS EXAMINATION

17 BY MS. BROOKS:

18 Q I'm Timisha Brooks, staff counsel. I have one
19 question. We will be out of here fairly quickly.

20 To your knowledge is Bright House Networks
21 Information Services, LLC or its parent company
22 publicly traded?

23 A They are not. Neither is.

24 MS. BROOKS: That was it.

25 THE WITNESS: Thank you.

REDIRECT EXAMINATION

BY MR. SAVAGE:

Q I have a few things to clear up, or maybe confuse. We will see. You were having some conversation with Mr. O'Roark about the use of these multiplexors. And so first, does the traffic through those multiplexors flow both from Bright House to Verizon and from Verizon to Bright House?

A Yes.

Q Okay. Why is that?

A Because Bright House -- our network interfaces at a DS-3 level. And Verizon's network prefers, I guess, or Verizon prefers a DS-1 interface for their network. So the traffic has to be MUXed and deMUXed to actually be transported between the respective networks.

Q I was asking an even more basic question than that.

A Okay.

Q Bright House sends a lot of traffic to Verizon for delivery of Verizon's customers; right?

A Correct.

Q Does -- do Verizon customers also make a lot of calls to Bright House's customers?

1 A They do.

2 Q And we will sort out the specific numbers
3 later. But is the traffic going back and forth
4 between our networks roughly in balance?

5 A I think it's roughly in balance.

6 Q And based on your experience in the industry,
7 do you have any thoughts as to why it would be roughly
8 in balance, as compared to skewed one way or another
9 way?

10 A Probably because we both still have a large
11 number of residential customers. And it's not skewed
12 by any particular business or interest or business
13 services or wholesale relationships.

14 Q Now, you testified that Bright House is just
15 beginning to get into the business market?

16 A Correct.

17 Q Okay. And so your commentary about the rough
18 balance has to do with the fact that we have a lot of
19 residence customers, and Verizon does as well?

20 A That's correct.

21 Q I will do this in a nonconfidential way.
22 During the confidential discussion with Mr. O'Roark,
23 you indicated that there was a -- let's just say
24 relatively small number of other CLECs with whom we
25 have direct connections?

1 A Correct.

2 Q Okay. So when we send traffic to a CLEC with
3 whom we do not have a direct connection, one way we
4 can do that is by sending the traffic to Verizon's
5 tandem; is that right?

6 A That's correct.

7 Q Okay. Are there other means that we can use
8 to reach a CLEC that we are not directly connected
9 with?

10 A Alternative service providers.

11 Q Okay. And we do have connections with
12 alternative service providers within the Tampa area
13 to, among other things, reach third-party CLECs?

14 A We do.

15 Q Okay. Now, just a minor -- I hope it's a
16 minor point. In discussing the treatment of the
17 routing of some kinds of traffic, Mr. O'Roark
18 mentioned what I believe he called 10 triple X, or
19 dial-around traffic; do you recall that?

20 A I do.

21 Q Could you just describe what that is, what is
22 a 10 triple X or dial-around call, how would that
23 work?

24 A A subscriber who does not want to use the
25 long-distance provider they're picked to would pick up

1 their phone and dial one zero, whatever that
2 dial-around subscriber's three-digit designation is,
3 and then their long-distance number, so that it would
4 route around their long-distance pick, and instead
5 route to the alternate inter-exchange carrier that
6 they're trying to use.

7 Q So just in a practical example, if I'm at a
8 telephone, and it is automatically pre-subscribed to
9 go to MCI, but for some reason I don't want this
10 particular long-distance call to go to MCI, I can dial
11 I guess 10288, and it would go to AT&T instead?

12 A Correct.

13 Q In the real world today, does this kind of
14 traffic represent a material amount of traffic?

15 A No. 10 triple X traffic, as I understand it,
16 is negligible at best. Customers would -- who
17 actually wish to do that -- again, our pricing plans
18 are structured such that, you know, to do so would be
19 economically unreasonable, in most senses for the
20 customers. But if a customer wanted to do that,
21 perhaps an international call, they would more likely
22 use a calling card, not 10 triple X

23 MR. SAVAGE: I have nothing further.

24 RECROSS EXAMINATION

25 BY MR. O'ROARK:

1 Q I have just a little bit of recross. I want
2 to follow up on some of Mr. Savage's questions about
3 the rough balance of traffic. IXC traffic is not
4 traffic that's going between Verizon Florida customers
5 and Bright House Florida customers; is it?

6 A Not in a retail sense, but in a wholesale
7 since it is. We would both be providing meet point
8 billing services to the IXC.

9 Q But -- by the way, for purposes of this
10 question, let's put to the side the inter-LATA traffic
11 that you talked about. That actually might be
12 between -- might go to an IXC and might be between a
13 Verizon customer and Bright House customer, as I
14 understood your earlier testimony. Exclude that for
15 the purpose of this question.

16 Other IXC traffic is not going between Verizon
17 Florida customers and Bright House Florida customers;
18 is it?

19 A I cannot -- if perhaps it was an 800 service,
20 and Verizon owned a business customer that had -- that
21 was the user of that 800 service line, then
22 theoretically, yes.

23 Q So you can think of a few one-off cases where
24 IXC traffic actually might be between a Bright House
25 and a Verizon customer. Would you agree that the vast

1 majority of IXC traffic going through Verizon's
2 tandems is one-way to Bright House customers?

3 A I think a lot of is also originating to the
4 IXC. I think it's your typical meet point billing
5 arrangement where we're mutually providing service to
6 the IXC, because in the long-distance scenario, the
7 IXC is the one who owns the customer, quote unquote;
8 right?

9 Q But I don't think you're answering my
10 question. My question is, isn't it true that the vast
11 majority of IXC traffic going through the Verizon
12 tandem is going to Bright House end user customers?
13 It's flowing in that direction; it's not flowing in
14 the opposite direction?

15 MR. SAVAGE: You're not talking about the
16 majority of traffic through your tandem, but
17 through your tandem that then runs -- connects to
18 us? I mean I assume the majority of traffic
19 through your tandem goes to your customers.

20 BY MR. O'ROARK:

21 Q The universe of traffic that we're talking
22 about is traffic either going to or from Bright House
23 customers.

24 MR. SAVAGE: Okay.

25 A Uh-huh.

1 BY MR. O'ROARK:

2 Q And within that universe, the vast majority of
3 IXC traffic going through Verizon's tandem is going to
4 Bright House customers and is not being made by Bright
5 House customers; isn't that true?

6 A I would say if you exclude 800-originated
7 traffic, that would be true. But I would not use
8 "vast majority" if we're also talking about
9 800-originated traffic that is originating from Bright
10 House customers going to an IXC.

11 Q All right. Let's exclude 800 traffic, then,
12 and we will exclude the 10 triple X, which you said
13 was very small anyway. Excluding that, the universe,
14 again, is calls to and from Bright House customers.

15 The vast majority of IXC calls going through
16 the Verizon tandem are going to Bright House
17 customers; right?

18 A I would agree with that.

19 Q Do you have any sense of the proportion -- of
20 the ratio between 800 traffic and other IXC traffic?

21 A I don't have a sense. But I know that the 800
22 traffic is material. So I could not say vast majority
23 is inbound.

24 Q Would you go with majority, or do you know?

25 A I'm not certain.

1 MR. O'ROARK: Okay. Thank you.

2 MR. SAVAGE: Nothing more here.

3 MS. BROOKS: No. Thank you.

4 MR. SAVAGE: Actually a couple of things I
5 wanted to -- off the record.

6 (The deposition was concluded at 11:20 a.m.)

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3 CERTIFICATE OF OATH
45
6 STATE OF FLORIDA)
7 COUNTY OF LEON)
89
10 I, the undersigned authority, certify that said
11 designated witness personally appeared before me and was
12 duly sworn.
1314
15 WITNESS my hand and official seal this 20th day
16 of May, 2010.
1718
19 Sarah B. Gilroy
20 SARAH B. GILROY
21 1-800-934-9090
22 850-878-2221
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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, SARAH B. GILROY, Registered Professional Reporter,
certify that the foregoing proceedings were taken before
me at the time and place therein designated; that my
shorthand notes were thereafter translated under my
supervision; and the foregoing pages numbered 1 through
59 are a true and correct record of the aforesaid
proceedings.

I further certify that I am not a relative, employee,
attorney or counsel of any parties, nor am I a relative
or employee of any of the parties' attorney or counsel
connected with the action, nor am I financially
interested in the action.

DATED this 20th day of May, 2010.

Sarah B. Gilroy
SARAH B. GILROY, RPR, CRR
Notary Public
1-800-934-9090
850-878-2221

My Commission Expires: 02-02-10
My Commission Number: DD 075718

ERRATA SHEET

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May 20, 2010

CHRISTOPHER W. SAVAGE, ESQUIRE
Davis Wright Tremaine, LLP
1919 Pennsylvania Avenue NW, Suite 200
Washington, D.C. 20006

re: Deposition of Marva Johnson

Dear Mr. Savage:

Enclosed is your copy of the above deposition. As your witness did not waive reading and signing, please make the necessary arrangements for your witness to read your copy within 30 days, noting any corrections on the errata sheet, which I have attached as the last page of the deposition, and date and sign the errata sheet and return the sheet to Dulaney L. O'Roark, III.

If a signed errata sheet is not produced within 30 days, pursuant to the rules, the deposition may be used for any purpose allowed under the applicable rules.

Thank you for your assistance in this matter.

Sincerely yours,

Sarah B. Gilroy

SARAH B. GILROY, Court Reporter

cc: Dulaney L. O'Roark, III

Johnson Exhibit 1

(Late-Filed) Exhibit MBJ-1

Approximate Monthly Minutes Exchanged Between Verizon and Bright House	
Bright House to Verizon	
	Minutes/Month
Local Minutes (Subject to Reciprocal Compensation Under Current ICA)	34,100,000
Intrastate/IntraLATA Toll (Subject to Intrastate Access Under Current ICA)	2,600,000
Local Transit to 3rd Party Carriers (not IXC's)	3,800,000
Verizon to Bright House	
Local Minutes (Subject to Reciprocal Compensation Under Current ICA)	30,700,000
Intrastate/IntraLATA Toll (Subject to Intrastate Access Under Current ICA)	1,800,000
Meet Point Billing / 3rd Party IXC's	152,800,000
Local Transit to 3rd Party Carriers (not IXC's)	uncertain

EXHIBIT NO. 11

DOCKET NO.: 090501-TP

WITNESS: Marva B. Johnson

PARTY: Bright House Networks

DESCRIPTION: Confidential Portions of the May 6, 2010, Deposition of Bright House Networks' Witness Marva B. Johnson.

Proprietary Exhibit

PROFFERING PARTY: Staff

I.D. # Stip-11

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 11

COMPANY CONFIDENTIAL EXHIBIT #

WITNESS MARVA B. JOHNSON - STIP 11

DATE 5/25/10

EXHIBIT NO. 12

DOCKET NO.: 090501-TP

WITNESS: Vasington

PARTY: Verizon Florida

DESCRIPTION: Transcript, Exhibits and Errata (if any) from the April 30, 2010, Deposition of Verizon Witness Paul B. Vasington. Pages 1-96.

- a. Exhibit 1 - Direct Testimony of Verizon Witness Paul B. Vasington. (Copy not attached.)
- b. Exhibit 2 - Rebuttal Testimony of Verizon Witness Paul B. Vasington. (Copy not attached.)
- c. Exhibit 3 - Verizon Proposed Assurance of Payment Language. Pages 97-99.
- d. Exhibit 4 - Assurance of Payment Provisions. Pages 100-102.

PROFFERING PARTY: Staff

I.D. # Stip-12

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP EXHIBIT 12

COMPANY STIPULATED EXHIBIT-12

WITNESS PAUL B. VASINGTON - STIP - 12

DATE 5/25/10

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of)
certain terms and conditions of an)
interconnection agreement with Verizon) Docket No.
Florida, LLC, by Bright House Networks) 090501-TP
Information Services, (Florida), LLC)

* * * * *

COPY

The deposition of **PAUL VASINGTON** was taken
on Friday, April 30, 2010, commencing at 9:14 a.m.,
at the offices of Verizon, 1320 North Courthouse
Road, 9th Floor, Arlington, Virginia, before
Mario A. Rodriguez, CMRS, CCR No. 0315162, Notary
Public.

* * * * *

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A P P E A R A N C E S

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(Appearances continued on the next page.)

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22 (Appearances continued on the next page.)

1 APPEARANCES (continued):

2

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I N D E X

DEPOSITION OF PAUL VASINGTON

APRIL 30, 2010

EXAMINATION BY:	PAGE
Mr. Savage	6
Ms. Brooks	87
VASINGTON DEPOSITION EXHIBITS:	PAGE MARKED
Nos. 1 and 2	7
No. 3	58
No. 4	74

P R O C E E D I N G S

- - - - -

Whereupon --

PAUL VASINGTON,

a witness, called for examination, having been first
duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. SAVAGE:

Q. Good morning, Mr. Vasington. My name is
Chris Savage. I'm counsel for Bright House Networks
Information Services (Florida), LLC, the petitioner
in this case.

A. Good morning.

Q. Good morning. First, let me ask you if you
ever had your deposition taken before.

A. Yes.

Q. And have you ever appeared as a witness in
a court or regulatory proceeding?

A. Regulatory proceeding, yes.

Q. Well, you -- I expect you know the rules,
but I want to go over them briefly in the beginning
here.

1 I'll be asking you questions. You are
2 under oath. Your answers will be recorded by the
3 reporter.

4 If I ask you a question and you don't
5 understand it, just tell me you don't understand it
6 and I'll try to rephrase it.

7 If you do understand it but you don't know
8 the answer, it's perfectly acceptable to say, I
9 don't know. The fact that I ask you a question
10 doesn't imply that you should know the answer.

11 If you need a break for any reason, just,
12 you know, let us know and we'll accommodate that.
13 Do you understand how that process works?

14 A. Yes.

15 Q. Excellent. Okay.

16 I'd like to mark as Vasington 1 and
17 Vasington 2 the direct and rebuttal. And I did
18 bring copies for the reporter today.

19 (Vasington Deposition Exhibit Numbers 1 and
20 2 were marked for identification.)

21 BY MR. SAVAGE:

22 Q. Let's start, if we could, with page 1 of

1 your direct. I just want to ask you a little bit
2 about your background and so on.

3 First, you were commissioner and then
4 chairman of the Massachusetts DTE from March '98
5 through August of 2003?

6 A. Yes. That's correct.

7 Q. And I'll get more to that in a minute.

8 From 2003 to 2005 you were vice president
9 at something called The Analysis Group.

10 A. That's correct.

11 Q. What is The Analysis Group and what does a
12 vice president at it do?

13 A. The Analysis Group is an economic
14 consulting firm. A vice president can do a range of
15 things. You can do your own testimony or work.

16 The other thing that Analysis Group does is
17 support a number of academics in their own
18 consulting businesses.

19 So it can be a range of your own projects,
20 your own testimony, your own research, or providing
21 economic analysis, support for essentially
22 professors.

1 Q. Okay. And was that -- is that a fair
2 summary of what you, in fact, during that time at
3 The Analysis Group?

4 A. Yes.

5 Q. And I gather, although you don't, unless I
6 missed it -- prior to being at the DTE -- actually,
7 prior to being a commissioner at the DTE, you were
8 analyst at National Economic Research Associates
9 from which, I gather, you have expertise in the
10 economics?

11 A. I'm not an economist. I don't have a
12 graduate degree in economics. So I don't consider
13 myself to be an economist. I do have knowledge and
14 experience in the issues and basic principles of
15 economics.

16 Q. Okay. And I gather, from your background,
17 you're not a lawyer either?

18 A. That's correct.

19 Q. Okay. Now, I'm going to ask you some
20 questions about what you did in your role as a
21 commissioner and then chairman of the DTE.
22 Understand I'm not trying to ask about anything that

1 would properly be confidential. I'm just asking
2 general-level questions about what you did. And if
3 any question causes you a problem, I'm not trying to
4 go there.

5 A. Okay.

6 Q. But at a high level, while you were at the
7 DTE, is it fair to say that your job
8 responsibilities included being involved in the
9 arbitration and approval of interconnection
10 agreements under the 1996 act?

11 A. Yes, but just to clarify, I was at the DTE
12 on the staff up until '96, just until the act
13 passed. So as a staff person, that was not part of
14 my responsibilities. But as a commissioner and
15 chairman, certainly that was a part of what we did.

16 Q. I appreciate the clarification. I was
17 focusing on your role as the commissioner and
18 chairman.

19 And in the course of that responsibility,
20 were you called upon to review different parties'
21 proposals with respect to contract language and form
22 a judgment as to which one was more properly in

1 accord with the requirements of the act?

2 A. Yes.

3 Q. And here is a question which is slightly
4 facetious, but I actually mean the answer. How
5 could you possibly do that if you're not a lawyer?

6 The serious question is, were you able to
7 accomplish that function notwithstanding the fact
8 that you don't have a law degree?

9 A. Certainly. There is no requirement that a
10 utility commissioner be a lawyer even though it is
11 within the administrative law construct. These are
12 administrative agencies.

13 Every utility commission of which I'm
14 aware, including the one I was employed by, has a
15 number of lawyers on staff. And so the
16 commissioners are advised by attorneys in part of
17 doing their duties.

18 In fact, when I was a commissioner,
19 throughout the entire time, there was five
20 commissioners and only one was a lawyer.

21 Q. And so you would view yourself as entirely
22 competent to examine proposed contract language in a

1 proposed interconnection agreement, form your own
2 independent judgment, advised by lawyers of course,
3 as to that language, notwithstanding the fact that
4 you're not a lawyer?

5 A. As long as you included the words "advised
6 by lawyers" in there, yes, I am competent to do
7 that.

8 Q. That's fine. And the reason I'm laying
9 this foundation is I do want to ask you about some
10 contract language that's in dispute between the
11 parties. And I understand -- and in our other
12 depositions this has happened. If I ask you a
13 question that truly is calling for a legal judgment,
14 I'm sure your counsel will object, but whether he
15 does or not, if, when you hear a question, it sounds
16 like it's getting more into legal judgment than not,
17 feel free to tell me that.

18 But the operative assumption is that when I
19 ask you about contract language as you go forward,
20 I'm asking you to exercise the same kind of judgment
21 based on experience that you exercised as a
22 commissioner and chairman of the DTE.

1 A. That's fine, except that, as I just
2 mentioned, part and parcel -- an important part of
3 exercising that judgment was discussing and
4 obtaining the expert opinion of lawyers --

5 Q. Right.

6 A. -- who worked with me. So I don't have
7 independent judgment on things outside of review and
8 advice given by attorneys. And I did not when I was
9 a commissioner either.

10 Q. No, I understand. And I'm not trying to
11 put you on the spot or get you to say things you're
12 not qualified. I just want to make sure I
13 understand what you can and can't testify to.

14 A. Okay.

15 Q. Okay. Well, as a result of various
16 late-breaking settlements, there are only three
17 issues that you address in your testimony that
18 remain open. They are the issues of the dispute
19 about what to do about assurance of payment
20 language, the issue of the application of TELRIC
21 pricing to interconnection facilities -- let's call
22 them that -- and the issue of resale of special

1 access services.

2 MR. HAGA: And just for the record, those
3 are numbers --

4 MR. SAVAGE: 16 is assurance of payment, 24
5 is TELRIC pricing, and 49 is special access.

6 BY MR. SAVAGE:

7 Q. So let's start with the special access
8 issue. Could you just state what your understanding
9 is of the nature of the dispute between the parties.

10 A. Well, the issue as laid out -- the question
11 is, are special access circuits that Verizon sells
12 to end users at retail subject to resale at a
13 discounted rate? Bright House believes that those
14 circuits should be required to be made available at
15 an avoided cost discount. Verizon believes that the
16 law is clear that special access is not subject to
17 the act's resale requirements and the resale
18 discount.

19 Q. All right. And going to what may be the
20 heart of the issue that I recognize has a legal
21 overlay -- let me get my hands on it -- do you have
22 an understanding of what the FCC rule regarding

1 resale specifically says?

2 A. If you hadn't have said "specifically," I
3 probably would have said yes.

4 Q. What is your understanding of what that
5 rule says, however specific or general it may be?

6 A. Well, the FCC's rule, coming from the act's
7 requirements, generally speaking, is that services
8 that are made available -- that are retail services
9 have to be made available for resale at an avoided
10 costs discount.

11 Q. And in some sort of practical sense, do you
12 have an understanding of what it means for a service
13 to be made available at retail?

14 A. Well, it's a retail service that's mostly
15 sold to end user customers. It's a retail service.
16 Contrasted with wholesale services like switched and
17 special access, unbundled network elements, for
18 example.

19 Q. Okay. And just to be clear, I'll grant you
20 switched access and I'll grant you unbundled network
21 elements.

22 When you say "special access," what do you

1 mean by that? When you said those terms, what did
2 you have in mind? What physical things?

3 A. My general understanding is that special
4 access is high-capacity circuits that are primarily
5 used by and made available to carriers -- carrier
6 customers.

7 Q. Would you accept, subject to check, that
8 Verizon's special access tariff offers
9 point-to-point circuits ranging in capacity from a
10 DS0, which is a simple voice line, up to and
11 including OC level, very high-capacity circuits?

12 MR. HAGA: Just to be clear, are you asking
13 him to assume that's correct or are you asking him
14 if he knows whether that's --

15 MR. SAVAGE: I'm asking him to accept it
16 subject to check, because all it takes to check is
17 for him to look at your own tariffs.

18 BY MR. SAVAGE:

19 Q. But I will represent to you that, in fact,
20 it's true that, in Verizon's special access tariffs,
21 you can buy point-to-point circuits of a wide
22 variety of capacities, not merely high-capacity.

1 MR. SAVAGE: But I would like -- if the
2 witness disagrees with that or wants to reserve the
3 right to disagree with it, that's why I want him to
4 accept it subject to check so that, if he disagrees
5 with it, he needs to get back to me and tell me.

6 THE WITNESS: I'll accept subject to check.

7 BY MR. SAVAGE:

8 Q. Great. Okay.

9 Now, for the rest of the discussion, then,
10 let's just assume that that's true. And let's
11 assume, going back to your earlier statement, that
12 you're partly right and you're partly wrong, by
13 which I mean the following.

14 Suppose you are correct that the
15 overwhelming majority of very high-capacity special
16 access circuits that Verizon sells are sold to
17 wholesale customers, carriers or other similar
18 entities. But assume that a different category of
19 special access circuits -- say DS1s -- are sold in
20 very, very substantial numbers to retail customers,
21 to businesses, to, in some cases, even individuals.

22 Do you understand what I'm asking you to

1 assume there?

2 A. Yes.

3 Q. If I'm right about that and Verizon sells
4 very substantial numbers of DS1 circuits to
5 businesses and individuals at retail, can you think
6 of any policy reason not to make those services
7 subject to the wholesale discount?

8 A. Yes.

9 Q. And what would that be?

10 A. Special access, as a category of services,
11 is designed to be the wholesale analog to what is
12 usually known as private line services for retail
13 customers.

14 My understanding is that, functionally,
15 they are very, very similar. Special access is
16 usually found in a different tariff from private
17 line, or at least in a different tariff section, and
18 it's designed to be sold at wholesale to customers.

19 Whether there is a tariff restriction or
20 not on retail customers buying them doesn't change
21 the fact that the product itself is designed to be a
22 wholesale service. And whether or not one subset of

1 that product set is bought by retail customers or
2 wholesale customers doesn't change the general
3 notion that the product set as a whole is a
4 wholesale service and bought primarily at wholesale,
5 which is why I think the FCC and other regulators
6 that I'm aware of have always not made this service
7 available at a resale discount.

8 Q. Well, suppose Verizon were to say, you
9 know, we sell these things called business lines to
10 business customers, but now that I think about it, I
11 want to take all of those tariff terms and
12 conditions and move them over into FCC tariff 14,
13 whatever section has to do with special access.

14 And instead of calling them retail business
15 lines, I'm going to call them voice grade special
16 access circuits for the transmission of customer
17 information between premises and Verizon central
18 offices, or some similar thing.

19 Identical service to business line, but you
20 cancel the business line tariff and move it into the
21 special access tariff.

22 Surely you would agree with me that the

1 mere fact of moving that retail service from one
2 tariff to another wouldn't suddenly immunize that
3 service from the resale obligation, wouldn't you?

4 A. No, it may. But I think the intervening
5 question would be whether such a tariff would be
6 approved.

7 Retail business lines are subject to state
8 commission authority under tariffs, and every state
9 commission I'm aware of would have the ability to
10 review tariff changing.

11 I don't think it's a type of thing you can
12 do in the dark to say, we're suddenly taking our
13 retail business line business and turning it into an
14 interstate special access business.

15 Q. Well -- okay. Then put it in the
16 intrastate access tariff. I mean, the question I'm
17 asking is -- and I'm not suggesting anything by dark
18 of night. I mean, imagine a -- you know, a Verizon
19 tariff renovation and updating project, and as part
20 of that tariff renovation and updating project you
21 take literally the terms and conditions that are now
22 business line, intrastate business line, and say,

1 for convenience, ease of reference, blah, blah,
2 blah, we are taking all those terms and moving them
3 into the intrastate access tariff, and they belong
4 here. Because the line itself isn't switched, you
5 may send switched services over it, but you can --
6 you know, whatever perfectly logical reasoning;
7 you're simply taking the exact terms and conditions
8 that exist today for retail business line and
9 putting it into a tariff called access.

10 Do you understand what I'm asking you to
11 assume? No change in terms, no change in anything,
12 just moving it from one to the other.

13 A. Yeah. It was your reference to it as
14 perfectly logical -- because I think the premise
15 itself is illogical in that part of the reason why a
16 commission wouldn't approve such a tariff is because
17 it would exempt it from the resale -- resale
18 service.

19 So it's such an illogical and ridiculous
20 premise that I don't think it's even worth
21 evaluating it in the context of determining whether
22 or not special access services should be made

1 available at a resale discount.

2 Q. And the reason it is illogical and -- and
3 all that stuff is, in part, because of your belief
4 that if it were put into the special access tariff,
5 with all other things being equal, it would no
6 longer be available for resale. I believe you said
7 that as one of the reasons it would be illogical.

8 A. No, I did not say it was one of the reasons
9 why it would be illogical. It would be illogical on
10 its face to call this retail service now a wholesale
11 special access service.

12 What makes it -- I think what I said was
13 that one of the policy reasons why a commission
14 would not approve something like that would be
15 because of its -- what its effect could be on those
16 CLECs in the market who do resell business lines.

17 Q. Now, suppose with me, if you will, that,
18 for whatever reason, Verizon were to propose what I
19 suggested, which is simply taking their retail
20 business line terms and stick it in their intrastate
21 special access tariff, one. And, two, for whatever
22 reason the Florida commission says, sure, that makes

1 sense to me, and approves that proposal.

2 And so the only thing that has happened in
3 terms of the terms of the tariff that govern it is
4 that it has moved from something called local
5 exchange tariff and moved into something called
6 access tariff.

7 Do you understand what I'm asking you to
8 assume?

9 A. I think so.

10 Q. Okay. On that assumption, if that's all
11 that happened, you took those same terms and
12 conditions that today apply to business lines, move
13 them over into this other tariff, and that was an
14 approved thing, would that by itself immunize
15 business lines from the resale obligation in the
16 act?

17 A. Yes.

18 Q. Okay. And your basis for that statement is
19 what?

20 A. That the resale discount requirements does
21 not apply to special access.

22 Q. Okay. Now, take a look at your direct

1 testimony on page 26, lines 8 through 11. Tell me
2 when you're done looking at that.

3 A. Okay.

4 Q. Now, there you say, at lines 8 through 11,
5 "Point-to-point special access service for data
6 transmission may or may not involve exchange access,
7 but whether or not it does, such a special access
8 service is not eligible for the wholesale discount
9 for the same reasons that exchange access services
10 are not eligible."

11 Do you see that?

12 A. Um-hum.

13 Q. Now, suppose that when the FCC promulgated
14 its rules regarding resale and exemptions from
15 resale, suppose that they specifically exempted
16 facilities or services to the extent that they
17 involve the provision of exchange access as defined
18 in section 3 of the act, but do not exempt access
19 services generally, whether switched or special.

20 Do you understand what I'm asking you to
21 assume?

22 A. No.

1 Q. Okay. You would agree with me that back in
2 1996, or whenever it was, the FCC actually
3 promulgated formal rules implementing the resale
4 obligation. Do you agree with me that that's true?

5 A. Yes.

6 Q. Okay. Now, suppose with me -- I'm asking
7 you to assume that when they actually promulgated
8 their formal rules, they did not exempt special
9 access or switched access or access generally, but
10 instead exempted only exchange access as defined in
11 the act.

12 Do you understand what I'm asking you to
13 assume?

14 A. Let me try to ask some clarifying --

15 Q. Sure.

16 A. -- questions. We're assuming that they did
17 something the opposite of what they actually did.
18 They actually excluded special access from the
19 resale provision, but you're asking me to assume
20 that they hadn't, that they had done something
21 different.

22 Q. Actually, what I'm asking you to assume --

1 I'm trying to avoid getting into legal things, but
2 I'm confident that I will be able to demonstrate at
3 the hearing that what I am asking you to assume is
4 what they actually did.

5 But since you disagree with me about that,
6 I'm simply asking you to assume that I'm correct.

7 And, again, not to hide the ball --
8 although I can't seem to find the piece of paper --
9 the FCC in its order, in the parts that you quote in
10 footnote -- or cite in footnote 10 of the order, say
11 a bunch of stuff -- this is in the local competition
12 order. But in addition to issuing the local
13 competition order, they also promulgated formal
14 specific rules, part of the Code of Federal
15 Regulations, governing this.

16 And what I'm asking you about or what I'm
17 asking you to make assumptions about is what those
18 specific formal rules say you do not quote. For the
19 record, it's 51 CFR section 605(a), (b) and (c).

20 So what I'm asking you to assume is that
21 when they promulgated their formal rules to
22 implement their discussion in the order, they did

1 not exempt special access, they did not exempt
2 switched access, they did not exempt access services
3 generally, but instead they only exempted exchange
4 access as defined in section 3 of the act.

5 Now, I understand that you may not agree
6 that that's what they did, but I will represent to
7 you, A, it is what they did, but B, whatever, I'm
8 asking you to assume that's what they did.

9 A. In response to some staff discovery I
10 quoted from the TRRO which specifically said, "Thus,
11 the commission has explicitly excluded special
12 access services from the ambit of section
13 251(c)(4)."

14 Are you asking me to assume that the rules
15 they promulgated are inconsistent with this clear
16 statement?

17 Q. I am asking you to assume that because it
18 is true.

19 MR. HAGA: Well, let me object to the form
20 of the -- if you're asking him to make an
21 assumption --

22 BY MR. SAVAGE:

1 Q. I'm asking you to make the assumption that
2 the formal rules promulgated by the FCC are
3 different from the language you quoted in the TRRO.

4 A. So for purposes of this question, you're
5 asking me to assume that?

6 Q. Yes, that's correct.

7 A. Okay.

8 Q. And I understand it is my burden, as we go
9 forward in the case, to actually prove that that's
10 true, but I am not worried about my ability to do
11 that.

12 A. Okay.

13 Q. If my assumption is correct, then, would
14 you agree with me that your statement at lines 8
15 through 11 on page 26 of your direct isn't quite
16 accurate because, on that assumption, it would
17 matter what -- whether it did or did not involve
18 exchange access?

19 A. You know, I think you would be asking me to
20 go too deeply into --

21 Q. The legalities?

22 A. -- into the legalities.

1 Q. That's fine.

2 A. As I'm reading my sentence over, and the
3 way you've framed the question, I don't think I can
4 offer an informed opinion.

5 Q. That's fine. And I recognize some of this
6 involves factual issues, but some of it involves
7 interpreting what the law and the rules mean, and --
8 that's fine.

9 So let's get back to the facts for a
10 second. Early in your -- earlier today you
11 mentioned private lines. Now, to your knowledge,
12 does Verizon in Florida today have a retail private
13 line tariff?

14 A. I'm not as familiar with the Florida
15 tariffs as I am with some other states, but I
16 haven't come across a state tariff that doesn't have
17 a private line section. But if there is one, I can
18 be corrected, but I'm -- I'm not aware.

19 Q. Okay. Are you aware that -- let me see if
20 I can put it this way.

21 Would it surprise you to learn that after
22 the initiation of the access charge regime in 1984,

1 many, many LECs across the country in the -- call it
2 10 or 15 years following that actually canceled
3 their retail private line tariffs, or cut them down
4 to something that boils down to go buy stuff out of
5 our special access tariff, and, in fact, harmonized
6 private line and special access by directing
7 customers of private lines to the special access
8 tariff?

9 Is that something you were aware of?

10 A. You asked me two questions. First you
11 asked me if I would be surprised by that, and then
12 you asked me if I'm aware of it.

13 Q. Let's say -- are you shocked and amazed?

14 A. No.

15 Q. Okay.

16 A. I'm not aware of it. It hasn't -- as far
17 as I know, it hasn't happened in the states with
18 which I'm most familiar with the tariffing
19 provisions. But would I be surprised, shocked or
20 amazed by that? No.

21 Q. Okay. Suppose it's true that if I am a
22 business and I want to buy a point-to-point data

1 circuit from Verizon in Florida, and I go to your
2 retail tariff and I say, hey, where do I buy a
3 private line? And I discover there is no private
4 line tariff; instead, I have to go to your special
5 access tariff.

6 Would that affect your judgment as to
7 whether point-to-point data circuits offered out of
8 the special access tariff in Florida are retail
9 services, if there isn't a private line tariff I can
10 buy out of?

11 A. No, because there could be different ways
12 of buying the service, but it doesn't change the
13 fact that it's a retail service. There could be
14 contracting for it. I know some states have allowed
15 for contracting outside of the tariff through
16 individual case basis pricing or contract pricing
17 arrangements which in some places are tariffed, in
18 other places aren't tariffed.

19 So if it's a private line you're buying,
20 you're buying a retail service, you're buying a
21 retail private line. If you're buying -- if you're
22 buying special access, you're buying something

1 that's predominantly sold to carriers.

2 You know, it doesn't change the -- I don't
3 think it changes the requirements that have been
4 imposed.

5 Q. Well, let ask it this way, and I'm just
6 trying to understand where you draw the line.

7 Suppose that point-to-point DS1 circuits
8 are offered out of Verizon's special access tariff.

9 Are you with me so far?

10 A. Yeah.

11 Q. Okay. Suppose that, as a matter of fact --
12 and I'm just making this up at this point, but
13 hypothetically, suppose that 90 percent of the
14 point-to-point DS1 circuits that Verizon actually
15 sold in Florida were sold to private businesses for
16 the business' own use and not for any wholesale
17 purpose.

18 Now, if those two things were true, would
19 it still be your position that point-to-point DS1
20 circuits in Florida should not be available for
21 resale?

22 A. Yes. As I mentioned earlier, the category

1 of special access is not subject to the resale
2 discount.

3 Whether a large or small majority or
4 minority of circuits for one product that's a subset
5 of that category of special access is bought by
6 retail or wholesale I don't believe changes the fact
7 that the majority of special access circuits as an
8 entire category are bought by wholesale customers
9 and are designed to be bought by wholesale carrier
10 customers.

11 Q. Okay. Suppose it's a hundred percent.
12 Suppose that, whatever may have been true in the
13 past, literally no carrier anymore ever bothers to
14 buy a point-to-point DS1 circuit from Verizon. They
15 just don't need them. They use optical fiber,
16 whatever magic stuff they use. And the only people
17 left buying DS1 circuits point to point from Verizon
18 in Florida are retail businesses to connect their
19 data centers on whatever they use them for.

20 On that assumption, would it still be your
21 testimony that those DS1 point-to-point services are
22 not subject to resale?

1 A. Yes. As I just mentioned, the percentage
2 of services bought for one subset of the entire
3 special access product set does not -- they're not
4 determinative of whether or not special access
5 services, as a category of product, are available
6 for a resale discount.

7 Q. Okay. Let's move on to TELRIC pricing.
8 One of our favorite topics.

9 Just by way of background, do you have an
10 understanding of the way in which Bright House and
11 Verizon are -- the way that their networks are
12 physically arranged and interconnected with each
13 other today?

14 A. On a very general basis, yes.

15 Q. Could you state that general basis? I'm
16 not trying to grill you on it; I just want to make
17 sure we know what we're talking about as we go
18 forward.

19 A. I can't state it in a narrative format. I
20 have reviewed Mr. Gates' diagram.

21 Q. So, broadly speaking, the way we are
22 configured today, just for purposes of this

1 discussion, is we have our switching facility. We
2 have optical fiber that runs from there to three
3 different Verizon offices. We have collocations at
4 those offices. We exchange traffic at those
5 collocations. And then we also buy some circuits
6 running from Verizon's access tandem, where we do
7 have a collocation, down to a couple of end offices
8 where we have collocations. Is that a fair summary
9 of the diagram as you understand it?

10 A. Yeah, roughly speaking. And those -- last
11 category you're referring to the access connecting
12 trunks or special access facilities which bring IXC
13 traffic through from the tandem through the collos
14 to Bright House end users.

15 Q. Right. And just to be exceedingly
16 technical, would you agree with me that, under
17 today's configuration, Bright House buys special
18 access facilities from Verizon's access tandem to
19 those end office collocations and then, having
20 acquired those facilities, Verizon and Bright House
21 established access toll connecting trunks that ride
22 those facilities?

1 Are you familiar with that distinction I'm
2 drawing between the facilities that carry the trunks
3 and the trunks themselves?

4 A. Yes.

5 Q. Okay. Was my more detailed statement also
6 a fair description?

7 A. To the best of my knowledge and experience,
8 you know, with my general understanding, yes, that's
9 consistent with my general understanding.

10 Q. That's fine. And, again, I'm not trying to
11 get into too much detail. I just want to
12 understand.

13 Now, suppose, hypothetically, that Bright
14 House wanted to reconfigure its network by
15 establishing a new collocation at a Verizon end
16 office where it does not now have a collocation.

17 Do you understand what I'm asking you to
18 assume there?

19 A. I think so.

20 Q. Okay. And that once we got that
21 collocation, Bright House would somehow need to get
22 from its current network facilities, wherever they

1 may be, out to that new center office collocation.

2 That's just -- are you with me so far?

3 A. Yes.

4 Q. And, broadly speaking, we would have three
5 options to do that. One is we could build our own
6 fiber out to the central office or -- fiber or
7 whatever. Number two is we could contract with some
8 third party, you know, Joe's Telecom Facility, to
9 build a facility for us out there. Or, number
10 three, we could go to Verizon and say, Verizon, we'd
11 like you to construct a facility for us from our
12 current network locations out to this new central
13 office.

14 Do you agree that we have those three
15 options?

16 A. That's, again, consistent with my general
17 understanding, yes.

18 Q. Okay. Now, if we wanted to exercise
19 option three, which is to say have Verizon establish
20 that facility from our current network, wherever it
21 may be, out to that new central office collocation,
22 do you understand Bright House to be saying that

1 that facility, if we bought it from you, ought to be
2 priced at TELRIC.

3 A. It depends on what you are referring to as
4 "that facility." Because as I'm looking at the
5 network diagram chart, there are two different ways
6 of -- in the current configuration, Bright House
7 runs its own fiber from its switch to its
8 collocations. Bright House also buys special access
9 facilities in order to go from the Verizon tandem to
10 its collocations in the end office switches --

11 Q. Correct. But I'm --

12 A. -- for purposes of the access toll
13 connecting trunks.

14 So if you have another central office, are
15 you -- is your assumption that there are special
16 access facilities for access toll connecting trunks
17 the way they are currently done, and also Bright
18 House is not providing its own fiber to the -- to
19 the end office?

20 Q. With respect to -- well, the hypothetical
21 I'm talking about, in order to make sure we
22 understand where the dispute might lie, is suppose

1 we wanted to establish a new collocation at a new
2 Verizon end office where we don't presently have
3 one -- and I haven't even gotten to the question of
4 whether we would want to have access toll connecting
5 trunks go to that new collocation.

6 I'm asking the more basic question of,
7 getting from Bright House's current network --
8 establishing a connection between Bright House's
9 current network and the new Verizon end office where
10 we might want to have a new collocation -- are you
11 with me so far?

12 A. Okay.

13 Q. So we will -- I'm not forgetting the access
14 toll connecting trunks. I just haven't gotten there
15 yet. I'm talking about the basic connection between
16 our existing network and -- let me give you an
17 example --

18 A. What I was going to --

19 Q. If you look at the diagram, we've got the
20 Bright House network, the Bright House VHN switch
21 going over to a collocation, a Verizon switch. And
22 there's -- right now that's Bright House fiber.

1 A. Right.

2 Q. Okay. And what I'm asking you to assume
3 for this discussion is suppose we wanted to
4 establish a new collocation at some other switch and
5 that we didn't currently have any fiber out running
6 near that other switch. So we were confronted with
7 the choice of, how do we get to the other switch we
8 want to establish a collocation at? We could either
9 build our own fiber --

10 A. Right.

11 Q. -- since we don't have it. Or we could
12 some third party to build it out for us or we could
13 come to Verizon and say, Verizon, build me this
14 facility.

15 Do you see what I'm asking you to assume?
16 It's getting out to a new central office that I'm
17 talking about now.

18 A. Yes.

19 Q. Okay. So with that understanding, is it --
20 well, I'll just tell you to just make clear --
21 Bright House's contention is that if we wanted to do
22 that and we wanted to have Verizon construct or

1 provide the connection from our existing network out
2 to the new central office, our contention is that
3 Verizon should do that at TELRIC rates. And my
4 understanding is your contention is, no, no, no,
5 that's a tariffed entrance facility.

6 Are you with me so far? Or am --

7 A. No, because my understanding of issue 24,
8 which -- I think we finally got an accurate
9 understanding of it when Mr. Gates filed his
10 rebuttal testimony. My understanding is that what
11 it comes down to is whether or not Bright House
12 should be getting these special access facilities at
13 TELRIC rates, these special access facilities being
14 the facilities for providing the access toll
15 connecting trunks.

16 Q. And that is indeed one part of it. I'm not
17 denying that's part of it, but I'm trying to focus
18 your attention on this other part of it that you may
19 not have focused on. That's why I'm having this
20 conversation, to make sure we're --

21 A. All right.

22 Q. -- talking about the same thing.

1 A. But if that's the case, then the other -- I
2 don't really have an informed opinion on the other
3 aspect of it because it would come down to a legal
4 definition of whether these would be entrance
5 facilities, in which case they are no longer
6 required to be provided at TELRIC rates as a UNE --

7 Q. Right.

8 A. -- or whether they be something else.

9 Q. Okay.

10 A. So that really comes down to a legal
11 assessment of where they fall within the construct
12 of differing facilities and differing
13 requirements --

14 Q. Okay. Well --

15 A. -- for pricing.

16 Q. -- let's see if we can narrow it down,
17 then. And if we can literally narrow it down to a
18 simple legal dispute, then -- then you and I can be
19 done.

20 Your contention is -- let's back up for a
21 second.

22 An entrance facility, at a high level, is

1 something that Verizon would supply, in this context
2 to Bright House, that would run from some Bright
3 House-designated location probably to a Verizon
4 central office.

5 A. I described it as basically a wire used to
6 transport calls between a CLEC switch and an ILEC
7 switch.

8 Q. Okay. And -- you say a wire, but it could
9 be a spiffy fiber-optic thing with great capacity
10 and --

11 A. It's still wires.

12 Q. It's still wire, okay.

13 Okay. And your contention is that entrance
14 facilities, as you have described them, are not
15 available as UNEs and, therefore, not available at a
16 TELRIC rate?

17 A. That's what the FCC ruled, yes.

18 Q. Right. And just to be clear, we agree with
19 you that entrance facilities are not available as
20 UNEs, and we have no intention of using them as a
21 UNE. But if I understood your answer earlier, you
22 recognize that if they are not UNEs, they may

1 nonetheless be available under some other regime.
2 They may not, but that's a legal question as to
3 whether they were available under some other regime.

4 A. That's my understanding of Bright House's
5 position.

6 Q. Right. Do you think it's true?

7 And in your testimony, which I see you're
8 flipping through, I mean, what you commented in the
9 rebuttal is when the FCC, in the TRRO, said the fact
10 that we are removing entrance facilities as a UNE
11 doesn't change a CLEC's right to obtain
12 interconnection facilities at cost-based rates
13 which, in context, I think we agree means TELRIC
14 rates.

15 Do you agree with that?

16 A. Yeah, I mean, what I said in the
17 testimony -- and I think this is where we are going
18 to narrow it down to a legal dispute -- is that it
19 doesn't make sense to interpret the FCC's ruling as
20 saying that certain facilities that are not
21 available as UNEs and, therefore, not available at
22 TELRIC rates nevertheless are available at TELRIC

1 rates if you call them something else at their
2 different facilities. And that I explained in my
3 rebuttal testimony.

4 If you want to -- I understand your
5 position is different, that you have a different
6 opinion on that, but that's where I think we do
7 narrow it down to a legal difference that it would
8 be very difficult for me to get into a deeper
9 conversation other than stating Verizon's position.

10 Q. Okay. And on that, again -- and I don't
11 want to belabor it; I just want to make sure we're
12 clear -- if that language you quoted and discuss in
13 your rebuttal testimony, and that Mr. Gates also
14 discusses, where the FCC says the fact that we're
15 declaring this not to be a UNE doesn't affect
16 interconnection, Verizon's contention -- Verizon's
17 contention -- rather, Bright House's contention is,
18 right, but if it's used for interconnection, it's
19 still available at TELRIC rates; and Verizon's
20 contention is, no, this thing just isn't available
21 at TELRIC rates anymore no matter what you're using
22 it for.

1 Is that a fair summary of the difference?

2 A. You know, I honestly doesn't know if it's a
3 fair summary or not. I think it's pretty clearly
4 laid out in testimony what the difference is, and to
5 try to put different words on it and to summarize
6 it -- I really don't think I can say whether or not
7 that's a fair summary.

8 Q. Okay. Well, let me try --

9 A. And I don't know what the value in saying
10 whether it is or not is.

11 Q. The value, which you may not appreciate, is
12 it limits my need to call you as an actual witness
13 at the hearing. So I'm not trying to motivate you
14 to come up with these answers, but --

15 A. I like Tallahassee --

16 Q. So do I.

17 A. -- so that's not a reason for me.

18 Q. Okay. Do you understand in any way
19 whatsoever what the FCC in the TRRO referred to as
20 the impairment analysis?

21 A. Do I understand what the FCC referred to as
22 the --

1 Q. Yeah. When the FCC talks, in the TRRO,
2 about an impairment analysis, do you know what they
3 were talking about in any level at all?

4 A. Yes. The act states that UNEs are
5 available if they are necessary and if CLECs are not
6 impaired without access to these.

7 And the FCC went through years and years
8 and much litigation --

9 Q. Of pain and anguish.

10 A. Right -- pain and anguish. Lots of trees
11 decide in support of figuring out what a legally
12 permissible impairment analysis is.

13 And, finally, in the TRRO, they came up
14 with one that passed the D.C. Circuit's --

15 Q. Right.

16 A. -- review.

17 Q. Do you have any understanding of whether an
18 impairment analysis applies in any way to facilities
19 for purposes of interconnection for the exchange of
20 traffic as compared to availability of a UNE?

21 It's okay if your answer is no, but I'm
22 asking, do you have any understanding of that?

1 A. No.

2 Q. Okay. Okay. Well, I think as everyone's
3 testimony recognizes, this is pretty much a legal
4 issue as to what is and isn't required of you by
5 251(c)(3) and (c)(2) and all that stuff, and I think
6 we can leave it at that point.

7 A. Okay.

8 Q. I can't guarantee I won't ask you about it
9 in Tallahassee --

10 A. Fair enough.

11 Q. All right. So now let's get down to the
12 really fun stuff, which is assurance of payment.

13 MR. HAGA: I'd like to toss one
14 housekeeping thing up --

15 MR. SAVAGE: Oh, certainly. Sure.

16 MR. HAGA: -- the record, that when you and
17 the witness were discussing before Mr. Gates' chart,
18 and you were referring to the exhibit, to Gates' --
19 I believe it was his rebuttal --

20 MR. SAVAGE: Yes, his rebuttal testimony.

21 MR. HAGA: -- testimony, and it is TJG-4.

22 MR. SAVAGE: Perfect.

1 BY MR. SAVAGE:

2 Q. Okay. Now, broadly speaking, the whole
3 issue of assurance of payment has to do with the
4 prospect that an entity might end up not being good
5 for its, you know, legitimate debts and the company
6 that expects to get paid wants some kind of, you
7 know, letter of credit or bond or something to make
8 sure that, if the company has trouble, the creditor
9 can still get paid.

10 Is that, at a high level, about right?

11 A. Yeah, generally. Except that -- the
12 understanding that the company, in this instance, is
13 a company that's obligated to provide
14 interconnection to anyone.

15 Q. We'll get there. We'll get there.

16 A. Okay.

17 Q. Okay. I'm going to read you a sentence --
18 or I'm going to say something to you, and ask you a
19 question about it. And what I'm saying is,
20 moreover, company A has added hundreds of thousands
21 of subscribers every year since 2007 while company B
22 has lost hundreds of thousands during the same

1 period. So company A has added hundreds of
2 thousands of subscribers; company B has lost
3 hundreds of thousands of subscribers.

4 If you knew nothing else about company A
5 and company B, which one of those two companies is
6 probably more likely to get into trouble in its
7 ability to pay its bills, the one that's adding
8 subscribers by the hundreds of thousands or the one
9 who's losing subscribers by the hundreds of
10 thousands?

11 A. You haven't given me enough information on
12 which to make a judgment.

13 Q. Okay. What additional information would
14 you need in order to make a judgment?

15 A. Adding customers or losing customers
16 generally affects the top line revenue.

17 Q. Okay.

18 A. In order to figure out whether or not there
19 is a bottom line impact, you would need to know what
20 these companies are doing in terms of expenses in
21 order to -- because it's a bottom line question.

22 Q. Okay.

1 A. Ultimately what you're asking me is a
2 bottom line question, and all you are giving me was
3 top line information.

4 Q. Okay. Then let me add another assumption.
5 Assume that both companies have very, very, very
6 high fixed costs and relatively low costs that vary
7 with the number of subscribers.

8 So you have two companies, both with very
9 high fixed costs, and variable costs don't vary much
10 with the number of subscribers. One of them is
11 gaining hundreds of thousands of subscribers a year;
12 the other is losing hundreds of thousands of
13 subscribers a year.

14 On those assumptions, which of those
15 companies is more likely to have trouble paying its
16 bills?

17 A. Under just those assumptions, holding all
18 else equal, assuming a single product, firm --

19 Q. All that stuff.

20 A. -- all of that, the company that is losing
21 customers in that instance, compared to the other
22 one, all else equal, would at a higher risk.

1 Q. Okay. Now, I know we'll revisit some of
2 those assumptions based on my next question, but are
3 you aware that one of the things that Bright House
4 proposed with respect to Verizon's assurance of
5 payment language was simply to make it neutral, that
6 each party would have parallel rights to require
7 assurance of payment of the other based on Verizon's
8 exact language?

9 A. Yeah, I think I even addressed that in my
10 testimony and pointed out that we're not similarly
11 situated customers in this -- companies in this
12 instance because one company has an obligation to
13 interconnect and another company does not.

14 Q. Okay.

15 A. And so this agreement can be adopted by any
16 other CLEC in its entirety that wants to, and so
17 it's not really a Bright House-specific concern in
18 that context. Whereas, for Bright House, you're
19 only interconnecting with the ILEC; you're a CLEC
20 interconnecting with the ILECs, so you don't have
21 that comparable obligation or consideration to take
22 into account.

1 Q. Well, let me clear up one thing. Is it
2 your understanding that Bright House is only
3 interconnected with Verizon in the Tampa area?

4 A. I don't have any knowledge of that at all.
5 What I'm saying is that Verizon has an obligation as
6 an ILEC that is different from Bright House's
7 obligation as a CLEC.

8 What you actually do as a business practice
9 is not material to that central distinction of where
10 the two companies are not comparable.

11 Q. Okay. But just to be clear, your earlier
12 testimony wasn't meaning to imply any statement
13 about how many companies Bright House is actually
14 interconnected with in Florida?

15 A. That's right.

16 Q. Okay. Good. All right. Then back to your
17 other point, how would Verizon be harmed -- granted
18 that every CLEC in the universe could adopt this
19 contract if they wanted to, how would Verizon be
20 harmed by having its actual proposed assurance of
21 payment language be made entirely mutual so that it
22 simply said either party may -- instead of Verizon

1 may, blah, blah, blah, either party may, you know,
2 upon whatever conditions Verizon imposed, be made
3 mutual? Why would that be a problem?

4 A. (No response.)

5 Q. Actually, just to --

6 A. I'd just like to read my -- I don't want to
7 move on to something else before --

8 Q. No, I'm not going to move on to
9 something --

10 A. -- I've had a moment --

11 Q. I'm trying to help you. What I want to do
12 is I want to hand you a document that we can mark as
13 3 which is your proposed language. You can look at
14 the actual Verizon assurance of payment language if
15 it would help.

16 A. I'd just like a moment in quiet to read my
17 testimony, if you don't mind.

18 Q. That's fine.

19 A. Thank you.

20 Q. Could you at least tell me which pages
21 you're reading so I can follow along?

22 A. Right now I'm in my rebuttal starting on

1 page 5.

2 Q. Okay.

3 A. And I will also look at my direct.

4 Q. Great.

5 A. And on my direct I'm on page 12.

6 Q. Okay.

7 A. Okay. I didn't address what harm to
8 Verizon there would be specifically, so it be would
9 pure speculation on my part. But one thing that's
10 coming to mind is just the transaction costs
11 associated with having to make this arrangement with
12 all of the CLECs that interconnect with us. As I
13 mentioned earlier, we have the obligation, as an
14 ILEC, that CLECs do not have, which is to
15 interconnect with all comers who can take the
16 provisions of any agreement that they want.

17 And so having this obligation be mutual
18 would -- or could force Verizon to incur the
19 transaction costs associated with complying with
20 that obligation with all the CLECs when it's really
21 not necessary.

22 Q. Well, let's drill down on that. And I

1 think your testimony, if I can summarize it, says,
2 in response to some of Verizon's concerns -- excuse
3 me, some of Bright House's concerns, essentially,
4 what's the big deal? As long as you pay your bills
5 on time, you won't incur any of this problem at all;
6 it will just sit there as an unused provision in the
7 contract.

8 Is that a fair summary?

9 A. Yes.

10 Q. Okay. Why isn't that identically true if
11 these same provisions apply mutually since, as long
12 as Verizon pays its bills, this would be just
13 sitting in the contract and there would be no
14 transaction costs at all?

15 A. As I just mentioned, it's because Verizon
16 would have to set up this relationship with every
17 single CLEC. And so it's not just a question of one
18 for us as it is for Bright House. For us, it would
19 be a question of all.

20 Q. But let me -- let's -- let us assume
21 that this new contract that comes out of this
22 arbitration is universally viewed by CLECs as the

1 best available contract. One.

2 Let us assume, two, that it include
3 Verizon's assurance of payment language except "made
4 mutual." So either party, under the terms, can
5 demand assurance of payment.

6 And let's assume, therefore, three, that
7 every other CLEC in Florida adopts this agreement as
8 it relates to Verizon.

9 Do you understand what I'm asking you to
10 assume?

11 A. Yes.

12 Q. Would you agree with me that if, in fact,
13 Verizon pays its bills to CLECs on time, as
14 contemplated by the contract, there would be no
15 transaction costs imposed on Verizon by virtue of
16 being subject to an assurance of payment requirement
17 since it pays its bills on time?

18 A. I don't know that, because I don't know
19 what predicate steps Verizon would have to take to
20 signing such a contract that would apply to all
21 these different parties. It may be that there is
22 something that we have to do before the terms are

1 triggered in any individual circumstance.

2 So that's why I say, for Verizon, it may be
3 a much bigger burden just because of the scale of
4 interconnecting with all the CLECs -- under your
5 scenario, every single CLEC we connect with adopts
6 this term.

7 Q. Okay. Well, let's -- now I'll mark as --
8 we only have 1 and 2 so far, right?

9 Let's mark as Number 3 what I'll represent
10 to you is the assurance of payment language that
11 Verizon proposed. And that's all I'll do now. I'll
12 get to 4 in a minute.

13 (Vasington Deposition Exhibit Number 3 was
14 marked for identification.)

15 BY MR. SAVAGE:

16 Q. So take a look at Number 3 which, again,
17 I'll represent to you is simply the assurance of
18 payment language that Verizon --

19 A. Number 3?

20 Q. It's Exhibit Number 3.

21 A. Oh, okay.

22 Q. And it is --

1 A. Oh, I'm sorry.

2 Q. -- section 6 of the contract. I just have
3 the two pages where that appears. And this is
4 Verizon's proposed assurance of payment language.

5 A. Okay.

6 Q. So what I would like you to do is
7 refamiliarize yourself with this, and then I'll ask
8 you some questions about it. So let me know when
9 you're there.

10 A. Okay.

11 Q. Okay. In our earlier conversation you were
12 concerned that, if this language were mutual and
13 every other CLEC in Florida adopted it, this
14 language might impose some transaction costs on
15 Verizon in terms of setting something up with the
16 CLEC and --

17 A. No, I didn't say setting something up with
18 the CLEC.

19 Q. Well, then I misunderstood. Okay.

20 A. Setting something up that would be
21 necessary in order to account for the fact that, at
22 some point, it could be operative.

1 Q. Okay. And what I'd like you to do is take
2 a look at this language and point out to me what in
3 this language would require Verizon to do anything,
4 assuming that Verizon simply paid all its bills on
5 time as, you know, a good contracting party should?

6 A. What I'm assuming is that there may be
7 steps that Verizon would have to take to put in
8 place the mechanisms that would then be executed
9 upon these terms coming into effect.

10 In other words, it wouldn't just be, these
11 terms come into effect, let's start from ground zero
12 and go, and write the letter of credit, make
13 arrangements that would fulfill the letter of
14 credit. That there would be steps that would be
15 taken beforehand, whether they be legal steps or
16 financial steps just for accounting purposes to say,
17 here is the form, here is the write-up, here are the
18 procedures you would need to adopt in the event that
19 this provision was triggered at some point.

20 Those are the types of things that I'm
21 speculating may be required if Verizon had to be
22 imposed on -- had this provision imposed on it in

1 every one of the contracts with CLECs that we sign
2 as an ILEC.

3 Q. Okay. But -- I mean, you did say, in the
4 answer you just gave, that you were speculating.
5 And just to be clear, you don't have any knowledge
6 that there would be any such requirements?

7 A. No, the very first answer I gave when we
8 started on this was that I was speculating.

9 Q. Okay. That's fine. But then let's, for
10 the moment, assume that they exist and that they are
11 not trivial. Okay.

12 Would you agree with me that by imposing
13 this on every CLEC, as Verizon's form contract does,
14 you are imposing, across the entire competitive
15 industry, many, many instances of those effects,
16 whatever they might be.

17 I mean, you're not suggesting that Verizon
18 would have some costs in getting ready to comply
19 with this that a CLEC wouldn't have.

20 A. No, but each CLEC only has it once.
21 Verizon would have it hundreds of times. When you
22 say "across the competitive industry," that's not a

1 monolith; that's made up of a bunch of different
2 companies, each of which would only have this
3 obligation once.

4 So in my scenario that I'm speculating
5 about, it's a question of scale in the sense that
6 Verizon has this obligation to do it with every
7 single one; each CLEC has the obligation only to do
8 it once with the ILEC.

9 Q. So let's state this a couple of ways. One
10 is your speculative assumption is that Verizon
11 couldn't take these preparatory steps one time, say,
12 go to its preferred back and say, you know, I may
13 have to issue a letter of credit, so set it all and
14 we'll write in the name of the appropriate CLEC when
15 it come to it. You're assuming that Verizon would
16 have to do that 50 times or 100 times instead of
17 just once.

18 That's the first thing you're assuming
19 because --

20 A. Right.

21 Q. -- if they did it once, then it's one time
22 for everybody.

1 A. That's correct.

2 Q. Okay. And, number two, looking at the
3 telecommunications market in Florida as a whole,
4 even if each CLEC only has to do it once, if there
5 are hundreds of CLECs, by Verizon imposing this
6 provision, you're imposing that cost a hundred times
7 on the industry as a whole -- maybe only once on a
8 CLEC, but looking at the industry as a whole, it's a
9 drag on costs; it imposes costs on the CLECs as a
10 whole if these speculative things exist at all.

11 A. There is no such thing as CLECs as a whole.
12 Each CLEC has it only once. Under my assumption,
13 Verizon would have it many times. That's like
14 saying if I eat one donut and you eat a hundred
15 donuts and a hundred people are eating one donut --
16 you're imposing these, you know --

17 Q. Donut costs.

18 A. -- donut costs on everybody as a whole. It
19 doesn't make sense to look at it that way.

20 Q. Spoken like a true native of the home of
21 Dunkin' Donuts.

22 A. Thank you. Got to carry the flag.

1 Q. Well, you know, down here, the war between
2 Dunkin' and Starbucks is very, very real.

3 Okay. Well, assume with me for the moment
4 that your speculative concerns turn out to be
5 speculative, and there is really no problem, and so,
6 in fact, Verizon ends up subject to this and it
7 becomes mutual.

8 Do you understand what I'm asking you to
9 assume?

10 A. Yes.

11 Q. So if this were in place and a CLEC were to
12 conclude, man, you know, Verizon is losing hundreds
13 of thousands of customers a year and they have a
14 high fixed cost and they are just shedding
15 subscribers -- you know, they are putting on a good
16 face to Wall Street, but I'm worried. Verizon, I
17 need assurance of payment from you.

18 Would that be a legitimate exercise of a
19 CLEC's right to demand an assurance of payment, as
20 you understand the operation of these provisions?

21 A. Is it my understanding that that scenario
22 would trigger assurance of payment under the

1 language that we've proposed?

2 Q. Yes. Under the language you proposed, if
3 it were mutual, if a CLEC were to say, well, I
4 understand Verizon is losing hundreds of thousands
5 of customers a year in Florida, they publicly
6 announced that, you know, that they are cutting back
7 on their FiOS deployments, their wireless business
8 is going great, but that doesn't help the company
9 I'm contracting with, which is Verizon - Florida,
10 LLC -- you know, it doesn't look too good to me.
11 I'm going to demand assurance of payment because I'm
12 getting worried.

13 Would that be a legitimate thing for a CLEC
14 to do, as you understand the operation of this?

15 A. You're asking me to offer my opinion on
16 whether or not section 6.2 would be triggered by the
17 language -- or by the conditions that you've just
18 described to me and --

19 Q. Well, actually, I was looking at
20 section 6.1. Right? Section 6.1 says, Upon request
21 by a party, the other party shall provide assurance
22 of payment.

1 A. Right.

2 Q. And then 6.2 says, Assurance of payment may
3 be requested.

4 But do you read that -- 6.2 as the only
5 time under which assurance of payment could be
6 requested is what it says in 6.2?

7 A. I don't know.

8 Q. Okay.

9 A. It's not a subpart of 6.1, so I don't know,
10 you know, legally how the provisions would --

11 Q. Well, assume --

12 A. -- work.

13 Q. But assume that it would have to meet 6.2.
14 The scenario I've described, losing customers,
15 high fixed cost business, publicly announced cutting
16 back on FiOS, I'm getting worried. Would that be a
17 legitimate reason to demand assurance of payment
18 under 6.2?

19 I'll direct you to (c).

20 A. Yeah, (c) is, Unable to demonstrate that it
21 is creditworthy. And I think, under your scenario,
22 Verizon Corporation's creditworthiness is a function

1 of the rating agencies and how they've rated us.
2 And that is, in effect, related to all of our
3 businesses.

4 So whether we're losing lines in the
5 copper -- the old copper world or not -- and we are
6 and have been for almost a decade now -- has not
7 affected our creditworthiness.

8 Q. Is it your understanding that the
9 contracting party on the other side of Bright House
10 is Verizon Corporation?

11 A. I don't believe that it is, but I don't --
12 and I know that it's different for different states,
13 but I think that the creditworthiness -- the
14 issuance of bonds, which is where creditworthiness
15 comes into effect, is -- it's done at the operating
16 level only in a very few circumstances.

17 Q. Would Verizon be willing, in this
18 agreement, to have Verizon Corporation guarantee all
19 the legitimate debts of Verizon - Florida, LLC, to
20 Bright House?

21 MR. HAGA: I'm going to object to that to
22 the extent that Mr. Vasington isn't here to

1 negotiate.

2 MR. SAVAGE: I understand. If he answers
3 he doesn't know, that's fine. If the answer is yes,
4 we may have a simple solution to this problem.

5 THE WITNESS: I don't know.

6 BY MR. SAVAGE:

7 Q. You don't know. Okay. Too bad. So we
8 don't have a simple solution yet. Okay.

9 Focusing on the language of (c) -- 6.2(c)
10 that we were talking about, it says, quote, In
11 Verizon's reasonable judgment, at the effective date
12 or at any time thereafter, the other company is
13 unable to demonstrate that it is creditworthy.

14 That's what (c) is about.

15 Now, is what you're saying that, if I am a
16 CLEC -- hypothetically, it's mutual. I'm a CLEC. I
17 see you losing lines. I don't have a guarantee from
18 Verizon Corporation to pay what's owed me. I'm just
19 dealing with Verizon - Florida, LLC. You know, my
20 reasonable judgment is, you know, you're not
21 creditworthy. You know, I don't care what the
22 rating agencies said. The rating agencies gave, you

1 know, AAA ratings to junk bonds about mortgages; you
2 know, I can't trust the rating agencies. The
3 economy collapsed because we believed the rating
4 agencies.

5 So my reasonable judgment is, you're losing
6 lines at a fast clip. I don't have a corporate
7 guarantee. I need assurance of payment. Would that
8 be reasonable?

9 A. You know, I honestly don't know.

10 Q. Okay. Suppose I said it was reasonable and
11 you said it wasn't, and I demanded assurance of
12 payment anyway under a mutual scenario. As you
13 understand the operation of this, would you have to
14 provide that assurance of payment? Even if I think
15 it's reasonable and you think it's not -- we have a
16 dispute about that -- but I demand it. As you
17 understand the way this works, what happens?

18 A. I don't know how this provision, as
19 drafted, relates to the dispute resolution
20 conditions in the contract that are generally found
21 in these contracts.

22 Q. Okay. Could you take a look at

1 section 6.8.

2 A. Okay.

3 Q. Okay. And would you agree with me that
4 what that says is if -- let's read it. If you make
5 a request for assurance of payment, that you have no
6 obligation to perform anything until the assurance
7 of payment has been provided.

8 Is that a fair reading of 6.8?

9 A. Yes.

10 Q. Okay. So if this were mutual and, let's
11 say, Bright House serves some schools and hospitals
12 and doctors and so on in Tampa, which I'm sure we
13 do, this would give us the authority to cut off
14 Verizon customers' access to calling schools,
15 hospitals, neighbors, et cetera, simply because we
16 demanded an assurance of payment that you didn't
17 provide. Even though we dispute about whether it's
18 reasonable or not, we've asked for it;
19 notwithstanding anything else, we can cut you off
20 and your customers can't call the doctor anymore.

21 Isn't that a fair reading of section 6.8?

22 MR. HAGA: Objection to form.

1 BY MR. SAVAGE:

2 Q. Can you identify anything in 6.8 that would
3 prevent that result from happening?

4 A. Verizon providing the assurance of payment
5 upon request.

6 Q. Right. If you didn't do that, even if you
7 felt that it was totally unreasonable to be
8 requested of that, if you didn't do it, your
9 customers could immediately be cut off from calling
10 the schools, hospitals, friends, neighbors who
11 happened to be served by Bright House.

12 That's what it says, doesn't it?

13 A. Yes, it does.

14 Q. Do you think that's fair?

15 A. This provision is in many contracts.

16 Q. That's not what I asked you.

17 A. I know, and I'm trying --

18 Q. Oh, okay. Go ahead. I'm sorry.

19 A. I would like a chance to finish --

20 Q. Please.

21 A. -- by putting my answer in context.

22 Q. Go ahead. Sorry.

1 A. In the context of the provision itself not
2 being a major burden on any one party that has it in
3 only one contract, then I think it is a fair request
4 because it's a very simple matter to cure.

5 Q. So what you're saying is it's fair to say
6 to Bright House that if we don't hop to and respond
7 immediately to a request for an assurance of payment
8 that we think is completely unjustified but you've
9 requested it nonetheless, that we have to do or else
10 our customers can't call the friends, neighbors,
11 doctors, schools, hospitals that Verizon happens to
12 serve.

13 But if Verizon doesn't pay us or whatever
14 reason -- we worry about their creditworthiness in
15 some legitimate way -- first of all, you don't want
16 us to have any right of demanding assurance at all
17 but, second of all, even if it was mutual, you
18 wouldn't want to have yourself subject to that.

19 MR. HAGA: Objection to form.

20 BY MR. SAVAGE:

21 Q. But you can answer.

22 A. Again, that whole notion of whether or not

1 it's fair for Verizon to ask for something that
2 CLECs don't also have a right to ask for is entirely
3 a function of the differing obligations of an ILEC
4 versus the differing obligations of a CLEC.

5 And the fairness of it in a sense, to me,
6 is also in the pudding of the fact that this
7 provision is in many agreements, and schools and
8 hospitals aren't being shut off in accordance with
9 this provision, and -- so, yeah, I do believe that
10 this is a fair provision for an ILEC that has
11 differing obligations than a CLEC to have in its --
12 in its suggested language. And it's in many
13 agreements and hasn't resulted in the extreme
14 scenarios that you're describing.

15 Q. To your knowledge, is it in Bright House's
16 current agreement with Verizon?

17 A. I don't know.

18 Q. I'll represent to you, and I'll ask you to
19 assume, that it's not.

20 On the assumption that it's not in our
21 current agreement and that it was proposed by
22 Verizon as something to put into our new agreement,

1 do you think it's reasonable for us to be concerned
2 about taking on this kind of an obligation that we
3 have never been subject to in the last five years of
4 our operations?

5 A. Yes, I do.

6 Q. Okay. Now, in your testimony -- it may be
7 in your reply too, but I'm looking at your direct on
8 page 14, footnote 4 -- and I'll hand out to you what
9 I have marked as 4.

10 (Vasington Deposition Exhibit Number 4 was
11 marked for identification.)

12 BY MR. SAVAGE:

13 Q. And what I'll represent to you is I
14 downloaded this this morning from the PSC's website.
15 And I'll represent to you what it is. It is the
16 assurance of payment provisions -- if you will, the
17 security provisions -- that were approved by the
18 commission in the case you cite in footnote 4.

19 Again, just so there's no mystery, I went
20 to that docket number on the commission's web site.
21 I scrolled through the docket until it got to the
22 point where the agreement itself was provided, and

1 then I pulled out this language from the agreement.

2 A. (Nodding head.)

3 Q. The interesting stuff starts on section 1.8
4 at the bottom of the first page of the exhibit,
5 which is deposit policies, and it runs through
6 1.8.10 at the bottom of the last page.

7 And I'd ask you to take a look at this.
8 I'm not going to ask you in detail about it, but I
9 would like you to look at it.

10 A. Okay. I've read it.

11 Q. Would you agree with me that the deposit
12 policy surety, assurance of payment provisions that
13 the commission -- the Florida commission approved in
14 the NuVox case that you relied on differ in
15 significant ways from the language that Verizon has
16 proposed for assurance of payment in its contract?

17 A. I described it in testimony as even more
18 stringent provisions.

19 Q. I take it, from that testimony, that
20 Verizon would then accept, in lieu of its proposal,
21 section 1.8, the NuVox provisions?

22 MR. HAGA: I'll object to that. If you're

1 asking him to negotiate, that's not what he's here
2 to do.

3 BY MR. SAVAGE:

4 Q. Would Verizon be better off, since those
5 provisions are more stringent, as you characterized
6 them, if those provisions and not Verizon's proposal
7 were the provisions that were imposed in this
8 regard?

9 MR. HAGA: I'll object to the form of that.

10 THE WITNESS: Yeah, I don't know.

11 BY MR. SAVAGE:

12 Q. Okay. Then what did you mean when you said
13 they were more stringent if you don't know the
14 answer to that question?

15 A. I meant that that makes our proposal in
16 this case more reasonable than something that the
17 commission has already approved in the context of an
18 objection from a CLEC.

19 Q. Okay. So would it surprise you if Bright
20 House or some other competitor were to say, no, you
21 know, I'd actually rather have the BellSouth/NuVox
22 conditions than what you're proposing.

1 Would that surprise you?

2 A. Only in the sense that it would represent
3 to me that I'm not -- that I didn't -- that there
4 was something about this -- the comparison that I
5 wasn't aware of that didn't strike me as being as
6 important as somebody else might have viewed it.

7 Q. Let me help you with that.

8 Do you recall our discussion about
9 section 6.8 of your proposal that basically says,
10 once you make a request for assurance of payment, if
11 we do not immediately comply, no matter what the
12 else the agreement says, you can immediately stop
13 providing service until we provide it?

14 A. Okay.

15 Q. Okay. Now take a look at section 1.8.6
16 which is on the third of three pages in the NuVox
17 document.

18 Could you read that into the record,
19 please.

20 A. "Subject to section 1.8.7 following, in the
21 event NuVox fails to remit to BellSouth any deposit
22 requested pursuant to this section within 30

1 calendar days of NuVox's receipt of such request and
2 does not dispute the deposit request, within such
3 30-day period, service NuVox may be terminated with
4 in accordance with the terms of section 1.7 and
5 subtending sections of this attachment, and any
6 security deposits will be applied to NuVox's account
7 or accounts."

8 Q. Now, at the beginning, it said, "Subject to
9 section 1.8.7," so could you also read section 1.8.7
10 right below it.

11 A. "The parties will work together to
12 determine the need for or amount of a reasonable
13 deposit. If the parties are unable to agree on a
14 requests for an additional amounts or a deposit
15 refund, either party may file a petition for
16 resolution of the dispute, and both parties shall
17 cooperatively seek expedited resolution of such
18 dispute.

19 "During the pendency of such a proceeding,
20 the commission may, with reasonable discretion,
21 require posting of a bond for 50 percent of the
22 disputed amount during the pendency of the

1 proceeding."

2 Q. Now, applying your practical judgment to
3 these sorts of things, can you see why a CLEC might
4 prefer a deposit or assurance of payment regime that
5 contains section 1.8.6 and 1.8.7 from the NuVox
6 order as compared to something that contains
7 section 6.8 from your proposal?

8 A. (No response.)

9 Q. If I am a CLEC -- you're looking like you
10 don't understand the question.

11 A. Well, no, I understand the question --

12 Q. Okay.

13 A. -- but, I mean, it's just weird -- you're
14 asking me whether I can see that a CLEC could make a
15 judgment that --

16 Q. That --

17 A. -- these provisions alone --

18 Q. -- are so much better than section 6.8.

19 A. I could understand a CLEC making its own
20 judgments as to the relative importance of various
21 aspects of these proposals.

22 Q. So let's be specific. Suppose, for

1 example, that you were a CLEC who believes that you
2 will pay your bills on time and that Verizon will
3 never reasonably invoke an assurance of payment
4 request.

5 Are you with me on that assumption?

6 A. Um-hum.

7 Q. Okay. Assume, further, that the CLEC
8 believe that its own exposure in the case of an
9 assurance of payment provision, is Verizon will
10 unreasonably invoke it and create hassles and
11 disputes since there will not be any problem about
12 actually paying the bills.

13 Are you with me on that assumption?

14 A. Um-hum.

15 Q. Okay. On those assumptions, would it not
16 be reasonable for a CLEC to prefer a provision that
17 gives them, first, 30 days to respond to any request
18 for an assurance of payment and, B, gives them a
19 right to work with the demanding party and bring a
20 dispute to the commission before any deposit is
21 actually required as compared to section 6.8 that
22 says, if you don't respond, you are going to be cut

1 off?

2 A. I don't know whether it would be reasonable
3 or unreasonable, but any CLEC could evaluate these
4 terms and come to their own judgment on whether or
5 not they think that a trade of something that's more
6 stringent in one provision is counterbalanced by
7 something that's less stringent in another
8 provision. That's, you know, the judgment of any
9 particular entity.

10 Q. Okay. And what is it -- now I'm going to
11 get specific. What is it about the provisions of
12 this NuVox thing that strike you as more stringent?

13 A. I had understood these provisions to
14 require CLECs to provide security deposits for two
15 months of charges, as I testified on page 14.

16 Q. Okay. And I'm wondering if, after having
17 read the NuVox provisions in section 1.8, you
18 actually still believe that.

19 A. Well, here we're going to get into areas
20 where I developed this opinion in concert with
21 counsel. And my understanding was that that was
22 what this provided.

1 Q. Okay. So not that I would ever imply that
2 your counsel may have erred in what they said to
3 you, but if, in fact, the security required under
4 the NuVox provisions is a maximum of two months and,
5 in addition, any security imposed under the NuVox
6 conditions would be negotiated between the parties
7 in accordance with section 1.8.7 of the NuVox
8 conditions, would you not agree with me that that is
9 a less stringent provision than simply having to
10 respond to a Verizon demand?

11 MR. HAGA: Objection to the form.

12 THE WITNESS: I don't know, because I don't
13 know how parties would value or compare a deposit
14 requirement to a letter of credit requirement.

15 BY MR. SAVAGE:

16 Q. Assume, for purposes of this discussion,
17 that they are absolutely equal to the party -- it
18 makes no difference to come up with the money or the
19 letter of credit?

20 A. Hypothetically, if it makes no difference
21 whatsoever, would the deposit requirement, as you
22 described it, be more stringent? It may not be.

1 Q. Okay. So I guess what you're saying is,
2 the increased stringency that you're referring to
3 refers to the fact that, in the NuVox provision,
4 what was required was a deposit whereas, in the
5 Verizon provision, what was required was a letter of
6 credit?

7 A. No, I described it specifically as the
8 deposits for two months of charges in AT&T
9 agreements.

10 Q. Okay.

11 A. You took me down a path of a hypothetical.

12 Q. Okay. All right.

13 Suppose, hypothetically, that the only --

14 MR. SAVAGE: Let's take ten minutes and
15 then we can wrap up.

16 (A recess was taken.)

17 BY MR. SAVAGE:

18 Q. Okay. Now, I was just about to wrap up on
19 this. In your discussion of the assurance of
20 payment language, as I mentioned, in both your
21 direct and rebuttal, you cite the BellSouth/NuVox
22 arbitration before the commission that produced the

1 language that I mentioned that's been marked on
2 Exhibit 4. And it's on page 7, footnote 1 of your
3 direct and somewhere in your rebuttal.

4 A. Other way around.

5 Q. I'm sorry.

6 A. Page 7, footnote 1 in rebuttal.

7 Q. Okay. But it's also mentioned somewhere in
8 your direct, I think. Maybe.

9 A. Yup.

10 Q. Okay.

11 A. Page 14. Footnote 4.

12 Q. Right. And you would agree with me that
13 this language, that I represent to you is pulled out
14 of that agreement, is the result of arbitration
15 before the commission about this issue?

16 A. That's my understanding.

17 Q. Okay. Unless I'm mistaken -- and correct
18 me if I'm wrong -- you didn't actually cite to any
19 Florida commission decision in which Verizon's
20 proposed assurance of payment language was actually
21 litigated as an issue between the parties and then
22 approved. If you did, point me to where.

1 A. I did not.

2 Q. Okay. Now, harkening back to your days on
3 the Massachusetts DTE, I'm going to ask you, if
4 presented with a choice, what you would recommend
5 the Florida commission do.

6 Suppose the Florida commission is given a
7 choice where Bright House says, we will take the
8 NuVox language that you arbitrated in that other
9 case, and Verizon says, we want this other language
10 that we have made up and that you have never
11 arbitrated before imposed on the parties.

12 Given those two choices, what would you
13 recommend the Florida commission do?

14 A. Evaluate the record and the arguments to
15 determine what the appropriate decision should be.

16 Q. Wise advice in every case.

17 And based on your understanding of the
18 arguments and the issues and the evidence, which do
19 you think the Florida commission do -- should do as
20 between the language they have already arbitrated
21 and approved in the NuVox case and Verizon's
22 proposal?

1 A. I believe that the commission should follow
2 the language that Verizon has already instituted in
3 its agreements. And if Verizon is able to
4 distinguish a reason why an earlier arbitrated
5 decision is not appropriate for its contracts, then
6 I think the commission should approve that.

7 Q. So as a general proposition, the fact that
8 the commission has decided a particular way in some
9 prior arbitration, if facts and circumstances are
10 different, they don't have to follow that?

11 MR. HAGA: Object to the form.

12 MR. SAVAGE: I'm just following up on his
13 question [sic].

14 THE WITNESS: If facts and circumstances
15 are different, then it's not necessarily
16 presidential. And it's also different companies.

17 As a commissioner, I only had one ILEC that
18 was subject to interconnection requirements. So
19 precedent was -- for one company was precedent for
20 that same company going forward. I never had to
21 deal with the situation of having two different
22 ILECs who had an interconnection obligation on that.

1 Q. I think we can stipulate that the Florida
2 commission has a much harder job to do than you ever
3 had in Massachusetts.

4 A. I won't go there.

5 MR. SAVAGE: Okay. I have nothing further.

6 MR. HAGA: Does staff have any questions of
7 the witness?

8 MS. BROOKS: I actually do have a few.

9 EXAMINATION

10 BY MS. BROOKS:

11 Q. Our first question is, is there a
12 difference between access service, exchange access
13 service and special access service? And if you
14 could explain to us the differences.

15 A. I'm thinking.

16 Q. Okay.

17 A. It's a thoughtful question. I want to give
18 you a thoughtful answer.

19 Q. Okay. We'll give you a few moments.

20 A. Special access is a form of access service,
21 access service, roughly speaking, being either
22 switched access or special access. Switched access

1 meaning just that, it goes through a switch.
2 Special access is a dedicated facility for providing
3 access from interexchange carriers to end user
4 customers.

5 Exchange access is a more complicated
6 question which really gets into legal definitions
7 because that's not a generic term. That's a
8 specific term in the Telecommunications Act. And I
9 think it's probably better left to the briefs to
10 define that.

11 MR. SAVAGE: And may I interrupt just
12 briefly. Tmisha, if it would help the staff, I'd be
13 willing to take on the task -- and I'm sure Verizon
14 would as well, that in our position statements that
15 we've got to file on Monday, I can, if it would
16 help, sort of point to different, you know, legal
17 precedents and rules and stuff to sort that out.
18 Would that be of use to you?

19 MS. BROOKS: That would be great.

20 MR. SAVAGE: Okay.

21 BY MS. BROOKS:

22 Q. Were you finished your answer? I'm sorry,

1 Mr. Vasington.

2 A. Yes, I was. Thank you.

3 Q. Okay. Our next question has to do with
4 issue 2. Are you familiar with that issue?

5 A. Very generally. I didn't offer any
6 testimony on it, so I didn't really prepare with a
7 lot of review for this deposition. So I may defer a
8 question, but if you want to try me, I can see what
9 I can do.

10 Q. We just needed a general answer of
11 Verizon's position on the issue since it has not
12 been addressed in any of the testimony. And you
13 were the only person that hinted to it being
14 resolved.

15 MR. HAGA: Mr. Savage is going to speak to
16 that, and then I can follow up on Verizon after
17 that, if necessary.

18 MR. SAVAGE: Yeah, and the reason I feel
19 competent to speak to it is that, before this --
20 there is a Verizon lawyer who is not in the room,
21 Mr. Carnell, who has been Verizon's lead negotiator
22 on this, and he and I were speaking about sort of

1 where we stand on various issues right before the
2 deposition began, and indeed, we were speaking about
3 issues 1 and 2.

4 And what I promised him was, as soon as the
5 deposition is over, I would go to his office and we
6 would see if we could put those to bed.

7 But at a high level where I believe we
8 stand -- and, of course, Verizon can clarify
9 things -- we have agreed -- we have either agreed on
10 the pricing for or agreed sort of on the specific
11 dispute we put to the commission about all the
12 prices for the material things that Bright House is
13 buying from Verizon.

14 And specifically what we did is we pulled
15 some recent invoices and just looked at everything
16 that was being charged, and our cutoff was \$500 in a
17 month which, given the size of our relationship, is
18 not a lot of money.

19 And everything for which we're being
20 charged \$500 a month or more, the pricing is no
21 longer ambiguous.

22 So we haven't actually -- and I say -- the

1 only dispute about that is the TELRIC rates versus
2 tariff rates for that set of stuff that we are
3 buying today that is in dispute -- and so we'll
4 know -- if we can't settle it, we'll know what the
5 answer is for that when the commission tells us.

6 But other than that, we have agreed on
7 either tariff pricing or fixed pricing in the
8 contract for everything that is not a small amount
9 of money.

10 So we haven't formally closed out issue 2,
11 because we haven't quite figured out how to embody
12 that properly in the contract. But the reason the
13 parties keep ignoring it is there is no longer
14 substantial money in dispute about that.

15 Is that fair, David?

16 MR. HAGA: Yeah, and on behalf of Verizon,
17 I think that is more or less right. I haven't been
18 directly involved in those conversations with our
19 negotiator and Bright House, so I'm cautious to
20 state, you know, a hundred percent conclusively on
21 the record, but that's generally in accordance with
22 my view. And I think Mr. Savage would agree that,

1 if for some reason, that's not resolved, we can
2 state our respective positions in the position
3 statements that are due --

4 MR. SAVAGE: Monday.

5 MR. HAGA: -- Monday.

6 MS. BROOKS: So to the best of your
7 knowledge, you guys working to resolve these issues?

8 MR. SAVAGE: Oh, yes. I would be very
9 surprised if -- as it sits right now, counting
10 issue 1 and issue 2 in the list, there are a total
11 of 12 issues that we haven't either just resolved or
12 really resolved in principle.

13 I would be very surprised if -- it wouldn't
14 shock me by the time we file Monday it was down
15 below 12. And I would be very surprised if it
16 didn't further decrease by the time we get to the
17 prehearing, and decrease even further by the time we
18 get to the hearing.

19 MS. BROOKS: Okay. Staff's only concern is
20 that, on issues 1 and 2, we have not gotten
21 Verizon's position, nor Bright House's position --

22 MR. SAVAGE: In any detail.

1 MS. BROOKS: -- in any detail at all to, of
2 course, assist us in resolving that issue, and to
3 not know where either one of you stand at this point
4 on the issue is -- is a little challenging.

5 MR. SAVAGE: Adds excitement to our lives.

6 MR. HAGA: Yeah, and it's a fair point, and
7 I think you're correct that we are working on
8 resolve those, and hopefully will, if we are unable
9 to get them resolved, we can address them in our
10 position statements that are due on Monday. If that
11 works for staff.

12 MS. BROOKS: Well, that's it for staff.
13 That concludes our questions.

14 MR. HAGA: Okay. Nothing from Verizon.

15 MR. SAVAGE: Okay. So that's a wrap.

16 (Reading and signature not waived.)

17 (Whereupon, the proceedings at 11:12 a.m.
18 were concluded.)
19
20
21
22

1 COMMONWEALTH OF VIRGINIA, to wit:

2 I, Mario A. Rodriguez, CMRS, CCR, before
3 whom the foregoing deposition was taken, do hereby
4 certify that the within-named witness personally
5 appeared before me at the time and place herein set
6 out, and after having been duly sworn by me,
7 according to law, was examined by counsel.

8 I further certify that the examination was
9 recorded stenographically by me and this transcript
10 is a true record of the proceedings.

11 I further certify that I am not of counsel
12 to any party, nor an employee of counsel, nor
13 related to any party, nor in any way interested in
14 the outcome of this action.

15 As witness my hand and notarial seal this
16 _____ day of _____, 2010.

17

18

19

20

MARIO A. RODRIGUEZ, Notary Public

21

Certified Court Reporter No. 0315162

22

MY COMMISSION EXPIRES: 4/30/2010

CERTIFICATE OF DEPONENT

I hereby certify that I have read and examined the foregoing transcript, and the same is a true and accurate record of the testimony given by me.

Any additions or corrections that I feel are necessary, I will attach on a separate sheet of paper to the original transcript.

PAUL VASINGTON

I hereby certify that the individual representing himself/herself to be the above-named individual, appeared before me this _____ day of _____, 2010, and executed the above certificate in my presence.

NOTARY PUBLIC IN AND FOR

MY COMMISSION EXPIRES:

1 WITNESS: PAUL VASINGTON

2 DATE: APRIL 30, 2010

3 CASE: Petition for arbitration of certain terms and
 4 conditions of an interconnection agreement
 5 with Verizon Florida, LLC, by Bright House
 6 Networks Information Services, (Florida), LLC

7
 8 Please note any errors and the corrections thereof
 9 on this errata sheet. Do not write on the
 10 transcript. The Rules require a reason for any
 11 change or correction. It may be general, such as
 12 "To correct stenographic error," or "To clarify the
 13 record," or "To conform with the facts."

14 PAGE LINE CORRECTION REASON FOR CHANGE

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[AMENDED, EXTENDED AND RESTATED] AGREEMENT]

by and between

*****CLEC Full Name TE*****

and

*****VERIZON COMPANY FULL NAME 1 TXT*****

FOR THE STATE OF

[STATE]

Section 252 of the Act. In no event shall Verizon be required to provide any such Service in the absence of such a Verizon Tariff or amendment.

- 4.7 Notwithstanding anything in this Agreement to the contrary, if, as a result of any legislative, judicial, regulatory or other governmental decision, order, determination or action, or any change in Applicable Law, Verizon is not required by Applicable Law to provide any Service, payment or benefit, otherwise required to be provided to ***CLEC Acronym TE*** hereunder, then Verizon may discontinue the provision of any such Service, payment or benefit, and ***CLEC Acronym TE*** shall reimburse Verizon for any payment previously made by Verizon to ***CLEC Acronym TE*** that was not required by Applicable Law. Verizon will provide thirty (30) days prior written notice to ***CLEC Acronym TE*** of any such discontinuance of a Service, unless a different notice period or different conditions are specified in this Agreement (including, but not limited to, in the Networks Element Attachment or an applicable Tariff) or Applicable Law for termination of such Service in which event such specified period and/or conditions shall apply. For the avoidance of any doubt, this Section 4.7 is self-effectuating and no amendment to this Agreement shall be required to implement it.

5. Assignment

Neither Party may assign this Agreement or any right or interest under this Agreement, nor delegate any obligation under this Agreement, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Any attempted assignment or delegation in violation of this Section 5 shall be void and ineffective and constitute default of this Agreement.

6. Assurance of Payment

- 6.1 Upon request by Verizon, ***CLEC Acronym TE*** shall, at any time and from time to time, provide to Verizon adequate assurance of payment of amounts due (or to become due) to Verizon hereunder.
- 6.2 Assurance of payment of charges may be requested by Verizon if ***CLEC Acronym TE*** (a) prior to the Effective Date, has failed to timely pay a bill rendered to ***CLEC Acronym TE*** by Verizon or its Affiliates, (b) on or after the Effective Date, fails to timely pay a bill rendered to ***CLEC Acronym TE*** by Verizon or its Affiliates, (c) in Verizon's reasonable judgment, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, or (d) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding.
- 6.3 Unless otherwise agreed by the Parties, the assurance of payment shall consist of an unconditional, irrevocable standby letter of credit naming Verizon as the beneficiary thereof and otherwise in form and substance satisfactory to Verizon from a financial institution acceptable to Verizon. The letter of credit shall be in an amount equal to two (2) months anticipated charges (including, but not limited to, both recurring and non-recurring charges), as reasonably determined by Verizon, for the Services to be provided by Verizon to ***CLEC Acronym TE*** in connection with this Agreement. If ***CLEC Acronym TE*** meets the condition in subsection 6.2(d) above or has failed to timely pay two or more bills rendered

by Verizon or a Verizon Affiliate in any twelve (12)-month period, Verizon may, at its option, demand (and ***CLEC Acronym TE*** shall provide) additional assurance of payment, consisting of monthly advanced payments of estimated charges as reasonably determined by Verizon, with appropriate true-up against actual billed charges no more frequently than once per Calendar Quarter.

- 6.4 [Intentionally Left Blank].
- 6.5 [Intentionally Left Blank].
- 6.6 Verizon may (but is not obligated to) draw on the letter of credit upon notice to ***CLEC Acronym TE*** in respect of any amounts to be paid by ***CLEC Acronym TE*** hereunder that are not paid within thirty (30) days of the date that payment of such amounts is required by this Agreement.
- 6.7 If Verizon draws on the letter of credit, upon request by Verizon, ***CLEC Acronym TE*** shall provide a replacement or supplemental letter of credit conforming to the requirements of Section 6.3.
- 6.8 Notwithstanding anything else set forth in this Agreement, if Verizon makes a request for assurance of payment in accordance with the terms of this Section, then Verizon shall have no obligation thereafter to perform under this Agreement until such time as ***CLEC Acronym TE*** has provided Verizon with such assurance of payment.
- 6.9 The fact that a letter of credit is requested by Verizon hereunder shall in no way relieve ***CLEC Acronym TE*** from compliance with the requirements of this Agreement (including, but not limited to, any applicable Tariffs) as to advance payments and payment for Services, nor constitute a waiver or modification of the terms herein pertaining to the discontinuance of Services for nonpayment of any amounts payment of which is required by this Agreement.

7. Audits

- 7.1 Except as may be otherwise specifically provided in this Agreement, either Party ("Auditing Party") may audit the other Party's ("Audited Party") books, records, documents, facilities and systems for the purpose of evaluating the accuracy of the Audited Party's bills. Such audits may be performed once in each Calendar Year; provided, however, that audits may be conducted more frequently (but no more frequently than once in each Calendar Quarter) if the immediately preceding audit found previously uncorrected net inaccuracies in billing in favor of the Audited Party having an aggregate value of at least \$1,000,000.
- 7.2 The audit shall be performed by independent certified public accountants selected and paid by the Auditing Party. The accountants shall be reasonably acceptable to the Audited Party. Prior to commencing the audit, the accountants shall execute an agreement with the Audited Party in a form reasonably acceptable to the Audited Party that protects the confidentiality of the information disclosed by the Audited Party to the accountants. The audit shall take place at a time and place agreed upon by the Parties; provided, that the Auditing Party may require that the audit commence no later than sixty (60) days after the Auditing Party has given notice of the audit to the Audited Party.
- 7.3 Each Party shall cooperate fully in any such audit, providing reasonable access to any and all employees, books, records, documents, facilities and systems, reasonably necessary to assess the accuracy of the Audited Party's bills.

good faith to resolve any dispute over such allegations and/or the action to be taken. If the Parties are unable to resolve such dispute amicably, the issuing Party shall proceed, if at all, pursuant to the dispute resolution provisions set forth in the General Terms and Conditions.

- 1.7.2 BellSouth reserves the right to suspend or terminate service for nonpayment. If payment of amounts not subject to a billing dispute, as described in Section 2, is not received by the bill date in the month after the original bill date, BellSouth will provide written notice to NuVox that additional applications for service may be refused, that any pending orders for service may not be completed, and/or that access to ordering systems may be suspended if payment of such amounts, and all other amounts not in dispute that become past due subsequent to the issuance of the written notice ("Additional Amounts Owed"), is not received by the (15th) calendar day following the date of the notice. In addition, BellSouth may, at the same time, provide written notice that BellSouth may discontinue the provision of existing services to NuVox if payment of such amounts, and all other Additional Amounts Owed that become past due subsequent to the issuance of the written notice, is not received by the thirtieth (30th) calendar day following the date of the initial notice. Upon request, BellSouth will provide information to NuVox of the Additional Amounts Owed that must be paid prior to the time periods set forth in the written notice to avoid suspension of access to ordering systems or discontinuance of the provision of existing services as set forth in the initial written notice.
- 1.7.3 In the case of termination of services, all billed charges, as well as applicable termination charges, shall become due provided, however, if there are any disputed charges at the time of termination, the Parties will continue to pursue the resolution of the dispute. In the event that the Parties are unable to resolve the dispute, it will be resolved using the dispute resolution process.
- 1.7.4 The Parties will comply with the applicable FCC and Commission rules and orders relating to suspension, discontinuance and termination of service. Upon termination of service on the billed Party's account, such service to billed Party's customers will be denied. The billed Party is solely responsible for notifying the customers of the proposed disconnection of the service. The billing Party will reestablish service for the billed Party upon payment of all past due charges and the appropriate connection fee subject to the billing Party's normal application procedures.
- 1.7.5 Notices of suspension or termination of service will be delivered to the appropriate billing contact and/or address at the billed Party, as well as to the notice contacts specified in the General Terms and Conditions.
- 1.8 Deposit Policy. BellSouth reserves the right to secure the accounts of new CLECs (entities with no existing relationship with BellSouth for the purchase of wholesale services as of the Effective Date) and existing CLECs (entities with an existing relationship with BellSouth for the purchase of wholesale services as of the

Effective Date) with a suitable form of security pursuant to this Section. NuVox may satisfy the requirements of this Section through the presentation of a payment guarantee with terms acceptable to BellSouth executed by a company with a credit rating of greater than or equal to 5A1. Upon request, NuVox shall complete a credit profile and provide in the form attached hereto as Exhibit B.

- 1.8.1 With the exception of new CLECs with a D&B credit rating equal to 5A1, BellSouth may secure the accounts of all new CLECs consistent with the terms set forth in subsection 1.8.2. Further, if NuVox has filed for bankruptcy protection within twelve (12) months prior to the Effective Date of this Agreement, BellSouth may treat NuVox, for purposes of establishing security on its accounts, as a new CLEC as set forth in subsection 1.8.5.
- 1.8.2 The security required by BellSouth shall take the form of cash, an Irrevocable Letter of Credit (BellSouth Form or substantially similar in substantive parts to the BellSouth Form), Surety Bond (BellSouth Form or substantially similar in substantive parts to the BellSouth Form).
- 1.8.3 The maximum amount of the security shall not exceed two (2) month's estimated billing for new CLECs or two months' actual billing for existing CLECs (based on average monthly billings for the most recent six (6) month period). Interest shall accrue per the appropriate BellSouth tariff on cash deposits.
- 1.8.4 Any such security shall in no way release NuVox from its obligation to make complete and timely payments of its bills, subject to the bill dispute procedures set forth in Section 2.
- 1.8.5 BellSouth may secure the accounts of existing CLECs where an existing CLEC does not meet the following factors:
 - 1.8.5.1 NuVox must have a good payment history, based upon the preceding twelve (12) month period. A good payment history shall mean that less than ten percent (10%) of the non-disputed receivable balance is received over thirty (30) calendar days past the Due Date.
 - 1.8.5.2 The existing CLEC's liquidity status, based upon a review of EBITDA, is EBITDA positive for the prior four (4) quarters of financials (at least one of which must be an audited financial report) excluding any nonrecurring charges or special restructuring charges.
 - 1.8.5.3 If the existing CLEC has a current bond rating, such CLEC must have a bond rating of BBB or above or the existing CLEC has a current bond rating between CCC and BB and meets the following criteria for the last Fiscal Year End and for the prior four (4) quarters of reported financials:
 - 1.8.5.3.1 Free cash flow positive;

- 1.8.5.3.2 Positive tangible net worth; and
- 1.8.5.3.3 Debt/tangible net worth rating of 2.5 or better.
- 1.8.6 Subject to Section 1.8.7 following, in the event NuVox fails to remit to BellSouth any deposit requested pursuant to this Section within thirty (30) calendar days of NuVox's receipt of such request, and does not dispute the deposit request within such thirty (30) day period service to NuVox may be terminated in accordance with the terms of Section 1.7 and subtending sections of this Attachment, and any security deposits will be applied to NuVox's account(s).
- 1.8.7 The Parties will work together to determine the need for or amount of a reasonable deposit. If the Parties are unable to agree on a request for additional amounts or a deposit refund, either Party may file a petition for resolution of the dispute and both Parties shall cooperatively seek expedited resolution of such dispute. During the pendency of such a proceeding, the Commission may, with reasonable discretion, require posting of a bond for 50% of the disputed amount during the pendency of the proceeding.
- 1.8.8 At any such time as the provision of services to NuVox is terminated pursuant to Section 1.7, the amount of the deposit will be credited against NuVox's account(s) and any credit balance that may remain will be refunded immediately.
- 1.8.9 Subject to a standard of commercial reasonableness, if a material change in the circumstances of NuVox so warrants and/or gross monthly billing has increased more than 25% beyond the level most recently used to determine the level of security deposit, BellSouth reserves the right to request additional security subject to the criteria set forth herein this Section 1.8.
- 1.8.10 BellSouth shall refund, release or return any security, including all accrued interest, if any, within thirty (30) calendar days of its determination that such security is no longer required by the terms of this Section 1.8 or within thirty (30) calendar days of NuVox establishing that it satisfies the standards set forth in Section 1.8.5. NuVox may make the requisite showing in a letter directed to the Notices recipients set forth in the General Terms and Conditions of this Agreement. NuVox shall attach supporting financial reports to such letter and such documents shall be accorded confidential treatment, in accordance with Section 12 of the General Terms and Conditions, unless such documents are otherwise publicly available.
- 1.9 Notices. All bills and notices regarding billing matters, including notices relating to security deposits, suspension or termination of services, and rejection of additional orders shall be forwarded to the billing contacts and/or addresses designated by each Party in the establishment of its billing accounts.

EXHIBIT NO. 13

DOCKET NO.: 090501-TP

WITNESS: Peter J. D'Amico

PARTY: Verizon Florida

DESCRIPTION: Transcript, Exhibits and Errata (if any) from the April 27, 2010, Deposition of Verizon Witness Peter J. D'Amico. Pages 1-97.

- a. Exhibit 1 - Direct Testimony of Verizon Peter J. D'Amico. (Copy not attached.)
- b. Exhibit 2 - Rebuttal Testimony of Verizon Witness Peter J. D'Amico. (Copy not attached.)

PROFFERING PARTY: Staff

I.D. # Stip-13

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 13

COMPANY STIPULATED EXHIBIT- 13

WITNESS PETER J. D'AMICO - STIP-13

DATE 5/25/10

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2
3 In re: Petition for arbitration of)
4 certain terms and conditions of an)
5 interconnection agreement with Verizon) Docket No.
6 Florida, LLC, by Bright House Networks) 090501-TP
7 Information Services, (Florida), LLC)

8 * * * * *

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11 **COPY**
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14

15 The deposition of **PETER J. D'AMICO** was
16 taken on Tuesday, April 27, 2010, commencing at
17 10:06 a.m., at the offices of Verizon, 1320 North
18 Courthouse Road, 9th Floor, Arlington, Virginia,
19 before Mario A. Rodriguez, CMRS, CCR No. 0315162,
20 Notary Public.

21
22 * * * * *

A P P E A R A N C E S

ON BEHALF OF THE PETITIONER BRIGHT HOUSE NETWORKS
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(Appearances continued on the next page.)

1 APPEARANCES (continued):

2
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I N D E X
DEPOSITION OF PETER J. D'AMICO
APRIL 27, 2010

EXAMINATION BY:	PAGE
Mr. Savage	5
Ms. Brooks	81
Mr. Haga	87
D'AMICO DEPOSITION EXHIBITS:	PAGE MARKED
Nos. 1 and 2	5

1 P R O C E E D I N G S

2 - - - - -

3 (D'Amico Deposition Exhibit Numbers 1 and 2
4 were premarked for identification.)

5 Whereupon --

6 PETER J. D'AMICO,
7 a witness, called for examination, having been first
8 duly sworn, was examined and testified as follows:

9 EXAMINATION

10 BY MR. SAVAGE:

11 Q. Good morning, Mr. D'Amico. My name is
12 Chris Savage. I'm counsel for Bright House Networks
13 Information Services (Florida), LLC in this matter.
14 I will refer to my client as Bright House. And if
15 we need to be more specific about the entity, we can
16 do that at the time.

17 Just for the record, you've had your
18 deposition taken before, haven't you?

19 A. Yes.

20 Q. And you have appeared as a witness in
21 numerous proceedings before various commissions?

22 A. Yes.

1 Q. Okay. Just, then, to review the bidding
2 very quickly --

3 MR. SAVAGE: And, David, feel free to add
4 or correct if you think I say anything wrong here.

5 BY MR. SAVAGE:

6 Q. -- the way a deposition works, I'll be
7 asking you questions. You are under oath -- not
8 that you wouldn't tell the truth otherwise, but
9 you're expected to tell the truth. Everything you
10 say is being recorded by the court reporter and it
11 can become -- we can talk about whether it will
12 become -- but can become part of the record in the
13 case and can certainly be used if and when you
14 appear as a live witness in the hearing in this
15 case.

16 I will try to speak clearly and ask
17 questions clearly, but if for any reason, you don't
18 understand a question I've asked, just stop and say
19 you don't understand, and I'll try again.

20 Also, as you know, there are a lot of
21 issues in this case, although we've settled many of
22 them, and so I may ask you a question that you don't

1 know the answer to because it's not part of your
2 responsibility, or for any other reason. If you
3 don't know, just say you don't know and we'll move
4 on. I don't want there to be an expectation --
5 don't think that I have an expectation that you know
6 the answer to a question just because I ask it.

7 Do you understand all that?

8 A. Yes.

9 Q. Then, on a housekeeping note, obviously if
10 you need a break for any reason, you know, give us a
11 signal and we'll do that. I mentioned to David in
12 advance, unfortunately I've got a matter going on at
13 my house that makes it necessary for me to leave my
14 cell phone on. Hopefully, it will not interrupt the
15 proceedings, but if it does, I hope you will grant
16 me a little indulgence to deal with whatever is
17 burning down or falling down, as the case may be, in
18 my home.

19 So, with that, could you state for the
20 record your position and your employer.

21 A. My position is product manager with
22 Verizon.

1 Q. And which version of Verizon is your
2 employer? Are you employed by Verizon - Florida,
3 LLC, the respondent in this case, or some -- one of
4 its sister companies?

5 A. Well, the actual term is Verizon Services
6 Corp. So that, I guess, would be associated with
7 the telcom side of Verizon.

8 Q. Okay. Just to put this in context, if we
9 think of Verizon, the ultimate parent entity,
10 whatever that it is, it does a lot of different
11 businesses, including telecom?

12 A. Correct.

13 Q. Okay. And within the telecom side, there
14 are various operating subsidiaries, often on a
15 state-by-state basis, of which Verizon - Florida,
16 LLC, is one?

17 A. Correct.

18 Q. Okay. And then Verizon Services is some
19 sort of an umbrella organization that provides
20 support in various forms to the operating companies
21 and others within the telecom side who need it?

22 A. Correct. I don't work for, per se,

1 Verizon - Florida or Verizon - Pennsylvania, but I
2 handle issues associated with those jurisdiction.

3 Q. Okay. And so -- I mean, for example,
4 noting your testimony, your direct testimony --

5 MR. SAVAGE: And let me, as housekeeping,
6 what I have asked the reporter to do -- and I hope
7 is okay with you, David, is that we just mark as
8 D'Amico Deposition Exhibit 1 his direct testimony
9 and mark as D'Amico Deposition Exhibit 2 the
10 confidential version of his rebuttal testimony.
11 That's what I'm going to be focusing my questions
12 on.

13 MR. HAGA: That's fine. Those are the only
14 two exhibits we have so far?

15 MR. SAVAGE: That's -- that's all I'm
16 planning, although who knows.

17 BY MR. SAVAGE:

18 Q. Okay. Well, then, focusing on -- and you
19 have a copy of your testimony in front of you?

20 A. Yes.

21 Q. Great. Well, focusing on page 1 -- I mean,
22 I note that you have testified, as you say, in

1 Virginia, Delaware, D.C., Florida, Hawaii, Illinois,
2 a variety of places. That has occurred in your role
3 as an employee of Verizon Services in support of the
4 various operating companies?

5 A. Correct.

6 Q. Was Hawaii your favorite?

7 A. We no longer have to go to Hawaii, but that
8 was one of the more interesting trips.

9 Q. I'm sure you'll enjoy Tallahassee.

10 Okay. Now, just, again, to be clear as to
11 what's what, would your responsibilities have any
12 bearing on a service that we know here, and I think
13 is also known in Florida, as FiOS -- that's F-i-O-S?

14 A. No.

15 Q. No, okay. And would your responsibilities
16 have anything to do with Verizon's offering of video
17 services?

18 A. No.

19 Q. And how about Verizon's offering of
20 high-speed Internet service, which is sort of in
21 FiOS?

22 A. No.

1 Q. Okay. So your responsibilities are
2 entirely related, then, to Verizon's -- if we can
3 call them traditional telephone operations?

4 A. Mainly associated with voice products
5 interconnection.

6 Q. Okay. Okay. Great.

7 Well, then with that, I'm going to ask you
8 some questions. And just to be clear, I may ask you
9 questions about issues that the parties have
10 actually settled, or nearly settled. And the reason
11 I'm going to do that is because we haven't yet
12 reached any agreement as to whether the testimony
13 that was proffered about those issues is going to
14 simply be stricken or not, and if it's still in the
15 record, I feel like I may need to ask some questions
16 about it.

17 If we could stipulate, which would be fine,
18 that all the testimony about the settled issues will
19 be stricken, then I don't need to ask about them.
20 But I don't know if we're ready to do that yet. So
21 I just want to make sure you didn't -- addressing
22 David, that I wasn't surprising you about asking

1 about some of those things. That's why I would do
2 it.

3 MR. HAGA: Yeah, and I appreciate that.
4 And I think our view of this deposition is that the
5 settled issues are the settled issues, and we should
6 focus on the things that haven't been settled so
7 that the issues that we have already addressed are
8 off the table, and if we need to talk about striking
9 them from the record, or however we want to get
10 what's already in there out of the record, we can
11 talk about that or work that out.

12 But I think our view is what's settled is
13 settled, and we should just focus on the unresolved
14 issues, going forward.

15 MR. SAVAGE: Okay. Well, and then, with
16 that -- let's take it a question at a time. I'll
17 try -- if I key off of a piece of testimony relating
18 to a settled issue, I'll try to focus on testimony
19 that may relate to as yet unsettled issues.

20 MR. HAGA: I'm sorry. Can you run that
21 past me one more time?

22 MR. SAVAGE: Well, let me just get into it

1 and give you an example.

2 MR. HAGA: Okay.

3 BY MR. SAVAGE:

4 Q. One of the phrases that you use in your
5 testimony, I believe, with respect to fiber meets,
6 which we have mainly settled -- if you take a look
7 at page 4 of your direct, line 10, you're quoting an
8 FCC regulation and a statute saying that we have to
9 interconnect within the incumbent LEC's network.

10 And I wanted to ask what your understanding
11 of "within the incumbent LEC's network" means.

12 MR. SAVAGE: And the reason I ask that
13 question even though the testimony appears here,
14 David, for your benefit, is to the extent we're
15 talking about TELRIC rates, or the potential of
16 TELRIC rates for facilities between our network and
17 your network and to the extent that we're talking
18 about what functions are included within the
19 transport function, which are both issues that are
20 out there, both in terms of pricing and in terms of
21 the way we interconnect, that's an issue that I
22 think comes up in that context even though he

1 mentions it here in the context of the -- the fiber
2 meet.

3 MR. HAGA: Well, I --

4 MR. SAVAGE: He may also mention it back in
5 the back, but that's just the first part that I
6 found.

7 MR. HAGA: Yeah, I see this reference on
8 page 4 of the direct, which is Exhibit 1, and that
9 pertains to issue 27 which is --

10 MR. SAVAGE: Which we settled, right?

11 MR. HAGA: Which is one that the parties
12 have resolved.

13 To the extent you're talking about 27, as I
14 had said before --

15 MR. SAVAGE: 27 is done.

16 MR. HAGA: -- that one is off the table.
17 I'm not sure that this phrasing pertains to either
18 of the two issues that Mr. D'Amico does still have
19 live. So if it does show up later within those two
20 issues, by all means; otherwise, I would sort of
21 think this is an issue that's resolved.

22 MR. SAVAGE: Well, the way it would -- I

1 mean, here is why I'm doing it this way -- and,
2 again, I'm not trying to be difficult. Take a look,
3 for example, at page 12 where we're talking about
4 issue 32, which is alive and well. Okay? If you
5 look at lines 18 through 22, or 19 through 22,
6 Mr. D'Amico says, "If Bright House wants to transmit
7 and route interconnection traffic to Verizon's end
8 offices, it may do so, but it must arrange for
9 multiplexing." Right?

10 And at least as I understand the law, part
11 of that question essentially boils down to, well,
12 where is the point of interconnection? Because if
13 the point of interconnection within your network,
14 for example, is on the multiplexer, then it's
15 covered in transport. If the point of
16 interconnection within your network is instead the
17 port of the switch, then it's not covered in
18 transport.

19 So he doesn't here use the word "within the
20 network," but that's the underlying issue.

21 I mean, I -- so that's what I was going to
22 ask. I can get there another way, but -- again, I'm

1 not trying to hide any balls. I just want to make
2 sure you understand where I'm going.

3 MR. HAGA: Well, not surprisingly, you
4 know, Verizon has taken a different --

5 MR. SAVAGE: Of course.

6 MR. HAGA: -- position on that issue, of
7 course, so I --

8 (Cellular telephone interruption.)

9 MR. HAGA: Not surprisingly, Verizon has
10 taken a different position on that issue and so we
11 don't necessarily agree with that premise.

12 I'm not sure that Mr. D'Amico testifies at
13 any point about where the point of interconnection
14 is under issue 32 or otherwise, and I'm not sure
15 whether he can. That very much sounds like a legal
16 issue. But I --

17 MR. SAVAGE: Well, let's take it at a step
18 at a time.

19 MR. HAGA: Okay.

20 MR. SAVAGE: If you want to instruct him
21 not to answer, go ahead. But let's see where we go.

22 MR. HAGA: I think that's the right way to

1 do it.

2 MR. SAVAGE: Okay. Well, then, let's --
3 let me see if I can focus, then, on language where
4 we're not in disagreement.

5 BY MR. SAVAGE:

6 Q. So let's talk for a second about issue 28
7 which you address initially on pages 5 through 8 of
8 your direct and then again on pages 1 through 4 of
9 your rebuttal.

10 And just to set the stage, the question
11 underlying issue number 28 is, what types of
12 traffic -- assuming we were to establish a fiber
13 meet, what types of traffic would flow over that
14 fiber meet facility.

15 So are you generally familiar with that
16 issue?

17 A. Yes.

18 Q. Okay. And just, again, to set the stage,
19 could you give your -- a brief description in your
20 mind of what a fiber meet facility is.

21 A. It's fairly descriptive of what it's
22 called. The two parties agree on a point where

1 Verizon connects its fiber to Bright House's fiber,
2 and then they use that for interconnection purposes.

3 Q. Okay. And just to, again, flesh out the
4 picture of what this involves, at the point of -- at
5 the meet point, whatever that might be, the fiber is
6 linked together through some device or a splice or
7 whatever that would be, correct?

8 A. Correct.

9 Q. Okay. Now, at the ends of the fiber, at
10 both the Verizon end and the Bright House end, there
11 would be a device, wouldn't there, typically called
12 a fiber-optic terminal?

13 A. Yes, there would be equipment on both ends.

14 Q. Right. And the function of the equipment
15 literally on both ends of the fiber is, on the one
16 hand, to send the laser signals down the fiber for
17 traffic outbound from one to the other, and receive
18 the inbound signals from the other carrier on order
19 to, you know, watch the laser blink on and off and
20 decode that eventually into meaningful signals?

21 A. Correct. The two pieces of equipment have
22 to sync up with each other.

1 Q. Okay. And do you have any understanding
2 with respect to the data rates that are typically
3 used in sending traffic over a fiber meet
4 arrangement by those fiber-optic terminals on either
5 end?

6 A. Not specifically associated with the
7 equipment. I'm familiar with DS1s and DS3s and OC3s
8 as far as capacities, but as far as any technical
9 aspects of, you know, the bit rate or whatever --

10 Q. You wouldn't be in there programming these
11 devices?

12 A. Correct. I am not an engineer.

13 Q. Okay. And just for the record, a DS1
14 signal is -- can be characterized as either 1.544
15 megabits per second or roughly the equivalent of 24
16 simultaneous voice channels; is that your
17 understanding?

18 A. Correct. And oftentimes a voice channel is
19 also referred to as a DS0.

20 Q. Okay. And then a DS3, you would think
21 could be three DS1s, but it's not; it's actually the
22 equivalent of 28 DS1s; isn't that right?

1 A. Correct.

2 Q. Okay. And then a OC3 is equivalent to
3 three DS3?

4 A. Correct.

5 Q. Okay. And just for the -- again, for the
6 record, DS stands for digital service or digital
7 signal?

8 A. I believe that is correct. The other
9 things I would note is that's the capacity. For
10 example, on a DS3, there's 28 slots that can be
11 filled with DS1s, but they don't have to be. I
12 mean, you can order a DS3 at some point and then put
13 DS1s on them. So at full capacity, there would be
14 28 on that.

15 Q. Right. And although you're not a network
16 engineer, you would agree that it's generally good
17 practice not to literally fill up a DS3 to the
18 absolute maximum before you start growing your
19 interconnection network if you need to? You want to
20 leave a little spare so that you don't get clogged
21 up at the busy hour?

22 A. Correct. There's some forecasting and

1 engineering associated with it.

2 Q. And that's the kind of thing that the
3 network engineers do is figure out when it's time to
4 add capacity in order to accommodate traffic, or cut
5 back on capacity in order to accommodate a decline
6 in traffic?

7 A. Yes.

8 Q. Okay. And, again, for the record, OC
9 stands for optical carrier? You have an optical
10 carrier 3, optical carrier 12 --

11 A. Yes.

12 Q. -- and so on.

13 A. That sounds right.

14 Q. Okay. Now, as far as you know, the
15 fiber-optic terminals sending the traffic back and
16 forth across a fiber meet, as a technical matter,
17 those devices don't have any restriction on what
18 kind of traffic, from a regulatory perspective, is
19 represented by the laser blips, do they?

20 A. When you say "kind of traffic," you mean
21 voice traffic?

22 Q. Right. Well, I mean, could it be voice

1 traffic? Could it be toll traffic? Could it be,
2 you know, ISP-bound traffic, if we cared about that?
3 Could it be traffic bound for a third party?

4 As far as the fiber-optic terminals are
5 concerned, it's just laser blips and bleeps back and
6 forth, right?

7 A. Correct.

8 Q. Okay. Now, in your testimony -- and I
9 could find it, but I don't think we need to -- you
10 state that there would be some problem with using a
11 fiber meet for the purpose of a special access
12 arrangement; is that right?

13 A. Correct.

14 Q. And could you just describe briefly what
15 the problem would be for that purpose?

16 A. Well, the example that I cited was a
17 point-to-point special access which would connect
18 two locations, two end user locations, you know, but
19 it wouldn't go through an actual switch.

20 And the -- the problem with putting special
21 access on a fiber meet, one, there would be some
22 technical issues as far as having equipment on, say,

1 the pole that's traditionally associated with
2 Verizon special access services, as well as the
3 tariff doesn't really have a situation where a
4 point-to-point would be associated with termination
5 on a pole.

6 Q. And just to clarify, the way your tariff
7 works for special access traditionally is that
8 you're linking two locations -- and let's call them
9 an A and a Z location. Are you with me so far?

10 A. Yes.

11 Q. And at the A end there is something that is
12 referred to in your tariff as a channel termination
13 that essentially runs from the customer premises to
14 the serving wire center for that customer, the
15 nearest Verizon on this.

16 A. Correct.

17 Q. Okay. And then, at the Z end, wherever
18 that may be, there is another channel termination
19 running from the other customer location back to
20 whatever the nearest Verizon office is to that
21 second location.

22 A. Correct.

1 Q. And then in the middle, linking those two
2 Verizon offices, is something typically called
3 channel mileage?

4 A. If the two offices are separate. If they
5 are not, then there wouldn't be any channel mileage.

6 Q. Right. If it's two offices in the same --
7 there would just be two channel terms and then zero
8 mileage?

9 A. Correct.

10 Q. Okay. And when you say, then, that a fiber
11 meet can't be used for special access as a tariff
12 matter, you're envisioning a scenario that's like
13 the following, that the A end, the first customer,
14 is served by Verizon out of some Verizon central
15 office, the Z end hypothetically would be a customer
16 over off of Bright House's network, and so the
17 special access circuit, in theory, would have a
18 channel termination on the Verizon end, a channel
19 termination on the Bright House end, and then this
20 link would go between them, and what you're saying
21 is, as a tariffing matter, that doesn't work?

22 A. Correct. That's one example.

1 Q. Okay. And when you talked about equipment
2 associated with a special access service being
3 located on a pole, tell me if I'm wrong, but what I
4 understood you to mean is you were envisioning
5 provisioning the special access circuit as
6 essentially running from the customer location on
7 Verizon's network into the nearest Verizon central
8 office, and then terminating on that pole, and
9 that's not the way you would normally do things?

10 A. Correct.

11 Q. Because the equipment isn't designed to be
12 out on poles; it's designed to be in customer
13 premises and so on?

14 A. Correct.

15 Q. Okay. So when you say -- when you raise
16 your concern about using a fiber meet for special
17 access, it's driven by these concerns about the way
18 that Verizon normally tariffs the special access
19 service?

20 A. As well as the -- the equipment issue.

21 Q. Right. Okay.

22 So other than unswitched services -- and

1 let's say we've got special access and maybe some
2 other unswitched services, but if we put aside
3 unswitched services, do you have any objection or
4 problem with using the fiber meet facilities for any
5 switched service, whatever that might be?

6 A. Actually, we do, only to the extent that --
7 I'm not sure how to define what you're saying is
8 switched services.

9 The approach that we're taking is we're
10 listing all of the traffic that we know occurs today
11 and so, you know, we would view it as defining what
12 can go on the fiber meet as opposed to saying
13 anything could go on it.

14 Q. Okay. Well, let me just run some examples
15 by you and you can tell me if Verizon has any
16 objection to each one going over the fiber meet, and
17 I am going to start with ones where I think we're in
18 complete agreement and then maybe I will get to one
19 where we don't agree. And if not, maybe we settle
20 this issue too.

21 A basic -- let's call it a basic local call
22 that starts with one of the VoIP end users that are

1 indirectly served by Bright House, goes to our
2 network, goes across the fiber meet, goes to a
3 Verizon end office, you know, down the street, to a
4 Verizon local customer.

5 No problem with that, right?

6 A. That is addressed in our language, yes.

7 Q. Right. Okay.

8 Second call. Same way: Originates with a
9 Bright House customer, goes to the Bright House --
10 for purposes of this deposition -- I know that this
11 is an issue that's still in play -- I will refer to
12 a Bright House end user as a VoIP customer of Bright
13 House's cable affiliate that gets their connectivity
14 through us.

15 I understand we haven't quite worked out
16 all that language, but for purposes of this
17 deposition, that's what I mean when I say a Bright
18 House end user. Do you understand that, when I say
19 that?

20 A. Yes.

21 Q. Okay. So we got a call that starts with a
22 Bright House end user, goes to the Bright House

1 switch, goes across the fiber meet, makes its way to
2 a Verizon end office, but let's say that, when the
3 dust settles, that's is an intraLATA toll call
4 between Bright House and Verizon.

5 You don't have any problem with the fiber
6 meet being used for that traffic?

7 A. Correct. That is addressed in our language
8 as well.

9 Q. Right. Okay. Third scenario: Call starts
10 with a Bright House end user, goes across the fiber
11 meet, goes up to your tandem and goes off to some
12 third-party long distance carrier. I think of that
13 as meet point billing traffic where we start it, you
14 do the tandem switching, and off it goes to a
15 third-party long distance carrier.

16 You don't have any problem with that on the
17 fiber meet, do you?

18 A. The language also addresses that as well.
19 I believe it's called jointly provided switched
20 access.

21 Q. Switched access, correct.

22 And as far as Verizon is concerned, that is

1 acceptable traffic on the fiber meet?

2 A. Yes. I think the only caveat there is that
3 we have to both agree on it or -- if you request it
4 in writing, then --

5 Q. Right. And the issue there, I mean, just
6 so the record is clear, is when you -- and this may
7 be some other witness' area, and if it is, just --
8 you know, we can clarify it. But the way the
9 jointly provided access or meet point billing
10 traffic with long distance carriers normally works
11 is the two local exchange carriers involved have to
12 agree on the point at which one carrier's
13 responsibility for transport begins and the other
14 ends so that we can both know how much to bill the
15 long distance carrier.

16 Are you with me so far?

17 A. I don't know that I agree with that, and
18 that isn't really my issue.

19 MR. SAVAGE: And just so the record is
20 clear, if I'm not mistaken, Mr. Munsell addresses
21 the meet point billing issues in general?

22 MR. HAGA: In general. That's right.

1 MR. SAVAGE: Yeah.

2 BY MR. SAVAGE:

3 Q. And I'm happy not to ask you any more about
4 meet point billing in any detail on the
5 understanding, if we can say on the record, that the
6 details of meet point billing are not your
7 responsibility; is that true?

8 A. Correct.

9 Q. Okay. So I don't have to worry about it
10 again.

11 Okay. But putting aside the details of it,
12 assuming that the parties agree on where the meet
13 point is and the kind of technical arrangements and
14 billing arrangements for billing the long distance
15 carrier, from your perspective, nothing about
16 Verizon's language would prohibit the use of a fiber
17 meet arrangement for this jointly provided switched
18 access traffic.

19 A. Correct. That is my understanding.

20 Q. Okay. Then the next kind of traffic would
21 be what's called transit traffic where the call
22 originates with a Bright House end user, is bound

1 for the customer of some third-party carrier with
2 whom Bright House does not have a direct connection,
3 and so it would go from our network, across the
4 fiber meet, to Verizon's tandem, and then off to
5 this third-party carrier.

6 In that circumstance, you would agree we
7 would be buying transit service from you?

8 A. Correct.

9 Q. And am I correct that Verizon has no
10 objection to the use of the fiber meet point
11 facilities to handle that kind of traffic?

12 A. Yes, that is also addressed in our
13 language.

14 Q. Okay. And then just to be clear, it's also
15 okay with Verizon to use the fiber meet for all the
16 things I have just described, except in reverse: A
17 Verizon customer, local customer going to a Bright
18 House end user that's local, Verizon to Bright House
19 intraLATA toll, inbound traffic from a third-party
20 long distance carrier through your tandem, over our
21 network, and then inbound transit traffic third
22 party, through your tandem, to us.

1 All of those are okay as well?

2 A. Correct.

3 Q. Okay. So those are all okay.

4 From your perspective, the special access
5 is not okay.

6 Putting aside for a moment this sort of
7 philosophical question of do we have to list
8 everything or not, can you think of anything besides
9 unswitched traffic to which Verizon would object
10 going over a fiber meet arrangement?

11 A. I don't know what I don't know, so...

12 Q. Shade of Donald Rumsfeld, unknown unknowns.

13 A. I can answer or attempt to answer specific
14 types, but to say that, you know, there is something
15 that I haven't thought of or that I'm not aware of,
16 I don't know.

17 Q. Okay. Well, let me ask it differently.

18 Sitting here right now today, can you think
19 of anything else, other than unswitched traffic, to
20 which Verizon would object? I'm not saying there
21 isn't anything else, but can you think of anything
22 else, sitting here today?

1 A. I think somewhere in my testimony I may
2 have been mentioned cable television.

3 Q. Right. And I was making the assumption
4 that I guess I'll make explicit: Can you think of
5 any configuration where we would send cable
6 television signals over to a fiber meet to Verizon
7 where we would be expecting Verizon to switch them?

8 A. I don't know, but then again, you know,
9 technology changes. You know, a few years ago there
10 were a lot of things I never thought would have --
11 and I still doesn't understand some of the --
12 Twitter and everything else, so I -- I don't know.

13 Q. Okay. So essentially, to the extent that
14 cable television isn't already excluded by saying it
15 has to be switched traffic, you would put cable
16 television as something that wouldn't go over the
17 fiber meet?

18 A. Correct.

19 Q. Okay. Can you think of anything else,
20 sitting here today?

21 Again, I understand that new things may
22 happen, but just -- I'm asking, sitting here today,

1 what you can think of.

2 A. Maybe UNE traffic. It used to be called
3 UNE-P. I'm not sure how that would work, but that
4 could be a possibility.

5 Q. Well, actually, let me ask about that. I
6 don't think it affects our configuration, but just
7 to make sure I understand. Suppose, hypothetically,
8 that we were buying UNE -- and for the record that's
9 U-N-E; it stands for unbundled network elements.
10 Supposed we were buying UNE loops from you out of
11 some central office and that we had customers served
12 off of those UNE loops from your central office. Do
13 you understand the configuration I'm suggesting?

14 A. At a very high level.

15 Q. Yeah, that's all I'm -- at this point. So
16 if we needed to get traffic from our network over to
17 that central office of yours and then down out that
18 UNE loop, is it Verizon's position that a fiber meet
19 should not be used for that purpose?

20 A. I don't believe that's one of the
21 categories that we have as traffic that would go
22 over a fiber meet.

1 Q. Okay. And can you think of any reason -- I
2 mean, again, I'm just trying to understand the logic
3 of your position. Can you think of any reason why
4 that traffic wouldn't or shouldn't go over a fiber
5 meet?

6 A. Other than I'm not very familiar with the
7 aspects of those arrangements, traditionally I am
8 not aware of, you know, that type of arrangement
9 being on a mid-span fiber meet.

10 Q. Okay. To your knowledge, Bright House
11 doesn't purchase any UNE loops from Verizon, do
12 they?

13 A. I don't know one way or the other.

14 Q. Okay. That's fine.

15 Okay. Anything -- so we've got special
16 access traffic, cable television traffic, traffic
17 bound for a UNE loop. Can you think of anything
18 else to which Verizon would object being sent over
19 this fiber?

20 A. Back to my original response: I don't know
21 what I don't know.

22 Q. Right. And then back to my amended

1 question, sitting here today, you can't think of
2 anything else?

3 A. Sitting here today, I'm not trying to think
4 of anything else because, in order to do that, I
5 would have to probably have more information or do
6 more research or understand things better. So I
7 would say that I'm not prepared to think of what
8 else there could be.

9 Q. Okay. And I guess I'm asking you, based on
10 your current state of knowledge, to try to think.
11 Again, I understand what you're saying, and I accept
12 that, oh, my gosh, something may occur to you on,
13 you know, the plane back to Pittsburgh or whatever
14 that you forgot. I get that. But the question is,
15 sitting here today, nothing else comes to mind as
16 things that couldn't be on the fiber meet?

17 A. Sitting here today, reading the Verizon
18 proposed language, I can't think of anything that we
19 haven't already listed that wouldn't be covered
20 under a fiber meet arrangement and, in the future,
21 if something were to come up, I think we have
22 language that says that the parties would -- would

1 agree -- mutually agree on that traffic.

2 Q. Okay. And let me, then, ask a question
3 that isn't so much technical in nature as regulatory
4 in nature.

5 Suppose that the Florida commission or the
6 FCC were to conduct a proceeding, make some ruling
7 that says there is this kind of traffic that exists
8 today that the parties are exchanging today, and we
9 are going to deem it to be some random new
10 regulatory category -- special -- you know, extra
11 special super duper local traffic as compared to
12 plain old local traffic -- because it has certain
13 characteristics as to how it's done. And, indeed,
14 the FCC now announces there is this new category of
15 traffic subject to, you know, new compensation rules
16 or new something.

17 Would you agree with me that if the FCC
18 were to take such sort of regulatory action, that
19 would have no effect on the technical categories of
20 the fiber meet arrangement to continue carrying the
21 traffic it was carrying the day before the
22 announcement came out?

1 MR. HAGA: Object to the form of that
2 question.

3 Go ahead and answer.

4 MR. SAVAGE: I'd probably object to the
5 form of the question.

6 BY MR. SAVAGE:

7 Q. Do you understand what I'm asking?

8 A. I would agree with that to the extent that
9 the traffic was already being passed.

10 Q. Right. And as far as you're aware, would
11 Verizon take the position that if the regulatory
12 authorities were to reclassify existing traffic from
13 one category into some new category, that barring
14 agreement of the parties, that reclassification by
15 itself wouldn't affect the transfer of traffic over
16 a fiber meet?

17 MR. HAGA: Object to the form.

18 MR. SAVAGE: Because it's hypothetical?

19 MR. HAGA: I think you're asking him for a
20 legal conclusion to a certain extent.

21 MR. SAVAGE: Actually, what I am meaning to
22 ask him is essentially -- I mean, again, I'm not

1 trying to hide the ball. What I mean to ask him is
2 in the event that we get a change in law with
3 respect to certain traffic that we are now
4 exchanging, that what we would do under the
5 agreement is negotiate the change in law as it
6 affects our arrangement and that Verizon would not
7 simply cease carrying the traffic.

8 And you see why this comes up. If
9 Verizon's position is only the listed kinds of
10 traffic can go and then the FCC says we now have
11 this new special kind of traffic not on the list,
12 but we've been exchanging it, what do we do?
13 That's --

14 MR. HAGA: You're asking him, if there is
15 something new, does Verizon's language allow the
16 parties to get together and address the new --

17 MR. SAVAGE: Correct.

18 MR. HAGA: -- issue. Okay.

19 MR. SAVAGE: That's where I'm going. And,
20 again, not to hide the ball, there is an open issue
21 about what if there is a change in law that makes it
22 unnecessary for Verizon to continue providing a

1 service and blah, blah, blah, and we haven't gotten
2 rid of that --

3 MR. HAGA: Right. Which, by the way, is
4 not --

5 MR. SAVAGE: I know that's not his issue,
6 but you can see how it plays into the problem of
7 having an exact list rather than a list of
8 exclusions.

9 MR. HAGA: Well, if the question is if
10 there's something new, does Verizon's language allow
11 the parties to get together and address the new --

12 MR. SAVAGE: That's exactly what I'm trying
13 to get to.

14 MR. HAGA: Yeah.

15 MR. SAVAGE: Probably been too clever at
16 hiding that. That's all I'm trying to get to.

17 MR. HAGA: Okay.

18 THE WITNESS: I believe the language does
19 allow for not only the example that you stated, but
20 just some new form of traffic that hasn't really
21 been addressed in the regulatory arena.

22 BY MR. SAVAGE:

1 Q. Right. Okay. And it would certainly, you
2 would agree with me, be Verizon's intent, if there
3 is some, you know, unknown regulatory ruling that
4 designates a new kind of traffic out of the groups
5 of traffic we're already exchanging, not to
6 interfere with the free flow of traffic, but rather
7 to discuss with Bright House how to handle that in
8 light of whatever the new ruling happens to be?

9 A. It's -- it's a hypothetical question, but I
10 can't imagine that the parties wouldn't get together
11 and address it. I don't know that that situation is
12 restricted just to traffic over a mid-span fiber
13 meet.

14 Q. I don't think it is. I agree with you.
15 But since you're the mid-span fiber meet guy, that's
16 the context I'm asking you.

17 A. Okay.

18 Q. And, again, not to hide the ball -- I mean,
19 we're considering, you know, reconfiguring our
20 network -- we're not necessarily going to do it; we
21 are considering it. And obviously we want to
22 understand what Verizon's position would be if we

1 were to do that before we undertake the time and
2 expense of actually doing it. That's why I'm asking
3 you these questions. So -- okay.

4 So let me see if I can summarize what you
5 have said on this issue, and I'm going to ask you to
6 agree if I give a fair summary, just to make sure
7 that I've got my brain around it.

8 Point one is that Verizon believes that its
9 language that actually lists permissible types of
10 traffic is the better way to deal with it in the
11 contract. Is that fair?

12 A. Correct.

13 Q. Okay. Point number 2 is Verizon believes
14 that its list in its proposed language in the
15 contract encompasses all the kinds of traffic that
16 the parties are today exchanging.

17 A. Yes.

18 Q. Okay. And point 3, if some regulatory
19 ruling were to occur in the future that redesignated
20 some of the traffic we're exchanging today as some
21 new type of traffic, you would expect the parties to
22 be able to discuss how to handle that in an orderly

1 fashion rather than Verizon taking a position that,
2 well, since it's now not listed, you would cut off
3 the transmission of it.

4 A. Correct. I'm not aware of -- of situations
5 where Verizon wakes up in the morning and, because
6 of some action, that suddenly traffic is just
7 unilaterally stopped without some, you know, extreme
8 situations of, you know, litigation or whatever.

9 Q. No, and I appreciate that. And just,
10 again, to put context to the question, I'm not
11 meaning to imply that Verizon would do any of these
12 bad things I'm hypothesizing.

13 Unfortunately, since what we're debating
14 about in this proceeding is what the language of a
15 new contract will be, I need to at least consider
16 and ask you about, in my judgment, what Verizon
17 could do under the new language if all the current
18 Verizon management retired and, you know, nasty evil
19 people took over Verizon and wanted to do the worst
20 they could under the contract, I'm trying to see
21 what that "worst they could under the contract"
22 could be.

1 I'm not meaning to imply that current
2 Verizon management would do anything like that. Do
3 you understand?

4 A. Yes. Understood.

5 Q. Good. Okay. Okay. Let's look at the next
6 live issue which is -- oh, here is one where the
7 question arises on page 11 of your direct -- it
8 arises in your discussion of -- I think it's issue
9 number 29 about separate trunk groups, but it
10 relates to this access toll connecting trunk
11 question. It's the question that starts on line 10
12 of your direct on page 11. Do you have that in
13 front of you?

14 A. Direct, page 11, line 10.

15 Q. Yes?

16 A. Okay.

17 Q. Okay. I think this issue is no longer
18 live, but I wanted to clarify what it is to make
19 sure it's no longer live.

20 MR. HAGA: Issue 29 is no longer live, from
21 my perspective.

22 MR. SAVAGE: Issue 29 is no longer live,

1 but certain issues about access to all connecting
2 trunks and meet point billing is still live, but I
3 think this piece of it is no longer live.

4 And I just want to clarify that because my
5 understanding is, again -- I think it's Mr. Munsell
6 who deals with the meet point billing issues.

7 MR. HAGA: Yes.

8 MR. SAVAGE: And this ties into that. And
9 so it's not an issue 29 question; it's an issue --
10 whatever this question -- about meet point billing.

11 MR. HAGA: And my guess is we'll probably
12 say to ask Mr. Munsell, but --

13 MR. SAVAGE: That's -- that's fine.

14 MR. HAGA: -- go ahead and ask your
15 question and then we can see if that's the answer.

16 BY MR. SAVAGE:

17 Q. Okay. Yeah. First, just to be really
18 clear, your understanding, an access toll connecting
19 trunk, as Verizon uses that term, is, by definition,
20 a trunk that runs from a Verizon tandem out to
21 another carrier, like Bright House or some other
22 third party, for purposes of handling access

1 traffic. Is that your understanding of the term
2 "access toll connecting trunk"?

3 A. I don't know if it's semantics as far as
4 coming from a tandem out as opposed to another
5 carrier connecting to the Verizon access tandem.

6 Q. It's a -- those trunks are a link between a
7 Verizon tandem and a third-party carrier?

8 A. I guess I could agree with that at a high
9 level.

10 Q. Okay. And, again, in the Verizon lexicon
11 about this, the purpose of an access toll connecting
12 trunk between Verizon and a carrier like Bright
13 House is to carry traffic that either starts with
14 Bright House, goes through the tandem and goes out
15 to a third party long distance carrier or, in the
16 opposite direction, comes in from a third-party long
17 distance carrier, hits the Verizon tandem, and then
18 goes out to Bright House.

19 Is that your understanding of that term?

20 MR. HAGA: I think this is probably getting
21 into Munsell's testimony rather than Mr. D'Amico's
22 testimony.

1 MR. SAVAGE: That's fine. I'm happy to do
2 all this with Mr. Munsell --

3 MR. HAGA: Yeah, I think he's probably the
4 right guy for that.

5 MR. SAVAGE: Okay.

6 BY MR. SAVAGE:

7 Q. So then, for purposes of your testimony, to
8 the extent that you are making reference to access
9 toll connecting trunks and so on, your best answer
10 to me is, I should really talk about that with
11 Mr. Munsell; is that fair, Mr. D'Amico?

12 A. Yes.

13 Q. Okay. Great. That's fine. We can put
14 that aside, then. Okay.

15 A. You can tell him that --

16 Q. I will a make a point --

17 A. -- I said hello.

18 Q. I'll make a point of telling Mr. Munsell
19 that you said it was his problem.

20 Okay. Issue 32, accepting trunking at the
21 DS3 level or above. Do you agree with me that it is
22 technically feasible for Verizon to accept input

1 from Bright House at a DS3 or OC3 or even higher
2 level?

3 A. Into our tandem switches or end office
4 switches.

5 Q. That's not part of my question. Is
6 Verizon - Florida, LLC, the ILEC, capable of
7 receiving, through some combination of equipment, a
8 signal coming in from Bright House at a DS3 or OC3
9 level?

10 A. The way I would respond to that is there
11 are facilities that carry traffic at different
12 capacities --

13 Q. Right.

14 A. -- DS3, DS1, OC3, so I would agree that
15 that is available.

16 As far as the interface into Verizon's
17 switches, those are done at a DS1 level.

18 Q. Okay. And let's draw a mental picture, if
19 you will -- and for purposes of this set of
20 questions, let's not worry about cost, let's not
21 worry about who is responsible for paying for what.
22 These questions are entirely what can you actually

1 do as a technical matter, and then we'll talk about
2 cost later on.

3 Do you understand what I'm asking you to do
4 for this purpose?

5 A. I understand the first part. I don't know
6 that I'm willing to talk about costs later on.

7 Q. Okay. Some -- maybe we won't even get
8 there. Okay.

9 Suppose that Bright House has an optical
10 fiber with signals coming in outbound trying to get
11 to Verizon at an OC3 signal level of interface.

12 Do you understand what I'm asking? Do you
13 understand that idea, that we've got an OC3 signal
14 coming in that we're trying to get to?

15 A. Yes.

16 Q. Okay. You would agree with me, would you
17 not, that Verizon today owns equipment in its
18 various building that have OC3 -- I'll call them
19 ports that are capable of receiving an OC3 signal
20 input?

21 A. Well, that's where we're getting a little
22 bit mixed up, at least from my perspective.

1 Again, I would agree that when we're
2 talking -- as far as capacity to get from point A to
3 B --

4 Q. Right. That's all I'm taking about now.

5 A. -- that that is capable. But, to me, this
6 issue really goes kind of a layer deeper to say,
7 associated with the trunking, and the trunking that
8 would ride that facility ultimately ends up at a
9 Verizon switch.

10 Q. Right. And I'm -- I'm moving in that
11 direction. What I want to do -- to try to do is to
12 work through physically what would happen, and then
13 talk about the notion of what it means for
14 interconnection purposes.

15 So physically you agree with me that
16 Verizon has the equipment that could accept an OC3
17 signal, and assuming we're now marching to get that
18 OC3 signal to Verizon switches, at some point
19 between that OC3 input and the switch, there would
20 need to be a function that we call demultiplexing,
21 correct?

22 A. Correct.

1 Q. Okay. And so Verizon has equipment that
2 can take in a signal at OC3, right? I mean, Verizon
3 owns that gear?

4 A. Again, you're implying that -- that there
5 is this master hole into Verizon's switch that can
6 just take, you know, an OC3.

7 Q. I'm not implying that at all. Indeed, I am
8 taking you at your word, although I've got some
9 outstanding data requests, that -- for purposes of
10 this discussion that -- well, I'll just ask.

11 Is it your understanding that all of
12 Verizon's switches in the Tampa LATA, in the Tampa
13 area, only have DS1 ports on them?

14 A. They have an interface for a DS1 port. I
15 believe -- and that's the only way that we connect
16 both with CLECs and ILECs and wireless carriers.

17 I believe there's one of the tandems that
18 we replied to in one of the interrogatories that
19 talks about an OC3 arrangement, but ultimately the
20 way that it's designed, that that still requires a
21 DS1 port interface, if you will.

22 Q. Okay. So let's go back.

1 Assume for purposes of this question, this
2 line of questions, that I am not meaning to imply
3 with this line of questions -- I mean, our position
4 in the litigation is different, but I'm not trying
5 to imply in this line of questions that Verizon
6 should be required to change its switches in any
7 way. I really am just trying to, first, lay out
8 physically what would happen.

9 So let me try a multi-part summary, and
10 then you can tell me where it's wrong.

11 What would happen, as a matter of physical
12 signal transmission, with an inbound OC3 to Verizon
13 is the fiber carrying the OC3 would terminate on a
14 fiber-optic terminal in Verizon's office that
15 Verizon owns. Out of the other side of that
16 terminal -- the terminal itself may break an OC3
17 down into DS3s or DS1s. It may perform a
18 demultiplexing function; is that right, as you
19 understand it?

20 A. Yes.

21 Q. Okay. If it doesn't, if it steps it down
22 only, say, to a DS3, there might then be a separate

1 device that Verizon would own, which is a
2 multiplexer/demultiplexer, which would step down, if
3 you will, DS3s into DS1s. Right? I mean, Verizon
4 also has separate multiplexers?

5 A. The "Verizon owns" part is -- you know,
6 Verizon owns multiplexers, but it also provides them
7 to other carriers.

8 Q. Right. And are you implying there the
9 notion of a virtual collocation arrangement where
10 Verizon would provide the demultiplexing equipment
11 on some sort of a leased basis?

12 A. Yes, it wouldn't have to be just collo. It
13 could be, you know, just -- in the trunking world,
14 carriers lease DS3 mux -- multiplexers all the time.

15 Q. Right. Now, this may be an unduly legal
16 question, but I'm playing off of the answer you just
17 gave.

18 When you say that a carrier leases a DS3
19 mux -- and for the record, that's M-U-X -- short for
20 multiplexer.

21 When you say the carrier leases that, is it
22 fair to say what you mean by that, that the carrier

1 would pay Verizon a recurring monthly rate for the
2 multiplexing and demultiplexing service?

3 A. That could -- that could occur. I guess
4 the points I was trying to make was, as far as
5 infrastructure, the difference between, you know, a
6 multiplexer that is kind of embedded somewhere
7 between, you know, say a Verizon's tandem and its
8 end office as opposed to one that is dedicated to a
9 particular carrier.

10 Q. And is it your understanding that
11 multiplexing devices are sufficiently small, let's
12 say, that an entire multiplexing device would be
13 dedicated to the use of a particular carrier?

14 A. A -- a DS3-to-DS1 mux would typically be
15 devoted to a particular carrier.

16 Q. Okay. But when you say lease it -- again,
17 just to be clear, if you think about, you know,
18 leasing an apartment, right, you have control over
19 it, you clean it, you're responsible for maintenance
20 on it, et cetera, et cetera. That's not the
21 arrangement that exists when a carrier leases a DS3
22 mux from Verizon. If it breaks or stops working,

1 Verizon would simple undertake to replace it under
2 the normal arrangement; isn't that right?

3 A. That would be my understanding, yeah.

4 Q. And, again, I understand that it's common
5 in the industry for leasing a circuit or leasing or
6 so on -- but it's not a lease like you lease a house
7 or lease an apartment; it's simply making use of
8 that equipment; is that fair?

9 MR. HAGA: Object to the form to the extent
10 you're asking for a legal conclusion.

11 You can answer.

12 BY MR. SAVAGE:

13 Q. Okay. But you can answer.

14 A. I would say that it's not the same as
15 leasing a house, but I don't know the two analogies
16 fit each other.

17 Q. Let me ask some questions. I mean, the
18 muxing equipment that we're talking about physically
19 sits in a Verizon central office, correct?

20 MR. HAGA: Which muxing equipment are we
21 talking about?

22 BY MR. SAVAGE:

1 Q. The muxing equipment that is -- that a
2 carrier would lease to step down a DS3 to a DS1 or
3 even a higher signal to a DS1.

4 That's equipment that sits physically in
5 your central offices, right?

6 A. Most likely. I mean, some people call that
7 a wire center, a central office --

8 Q. I'm just referring to the buildings that
9 have "Verizon" on the side where you have switches
10 and fiber coming in and that sort of thing.

11 A. Yes.

12 Q. Okay. You know, we had a long talk about
13 the difference between a central office and a wire
14 center and a wire center area, but we don't need to
15 go there.

16 Okay. And, again, not to be too detailed,
17 but where it sits in the Verizon central office
18 Verizon decides, right? It's not like the carrier
19 gets to say, I want it on the third floor, not the
20 second floor. If I'm a carrier buying/leasing -- in
21 that term, leasing a mux from you, you decide where
22 it sits in that building, right?

1 A. I'm not sure about that. I don't know the
2 operational aspects of --

3 Q. Oh, you just don't know. Okay.

4 A. Yeah.

5 Q. All right. Does Verizon allow a carrier
6 obtaining this muxing service to specify the
7 manufacturer of the equipment that will be used to
8 do it?

9 A. I don't believe so, but you're getting kind
10 of out of my area there.

11 Q. Okay. All right. So, again, physically,
12 the traffic will come in -- in my hypothetical, come
13 in on an optical fiber, hit a Verizon-owned
14 fiber-optic terminal, and either that device itself
15 or a separate muxing device will take that OC3 and
16 break it down into some appropriate number of DS1s,
17 and then there will be some kind of physical wire
18 that connects the DS1 output of the mux into the
19 port of the appropriate switch?

20 A. Yes, that would be associated with the
21 trunking aspect of it.

22 Q. Right. Okay.

1 Now, now that we have covered that
2 physically, what -- am I correct that Verizon's
3 position about interconnection is that the
4 interconnection between Bright House and Verizon
5 occurs at the Verizon switch port at the DS1 level?
6 Is that your position?

7 A. That sounds like more of a legal aspect.

8 What I'm saying is that the trunking that
9 goes into the switch is at a DS1 level.

10 Q. Okay. Right.

11 Is it your understanding that, to the
12 extent that Bright House sends an OC3 signal into a
13 Verizon-owned fiber-optic terminal, that the way
14 it's supposed to work is Bright -- if Bright House
15 wants to get that demultiplexed down to DS1 signals
16 to go into your switches, that that is something
17 Bright House has to pay for?

18 A. Well, again, you're getting into the
19 resolved part, I believe, of this issue as far as
20 there was some type of settlement that occurred.

21 Q. Well -- yeah, and without getting into the
22 monetary details, which I think you appropriately

1 treated as confidential, briefly what that
2 settlement said is we agree that as long as we
3 maintain our existing configuration without material
4 change, or something like that, we had an agreement
5 with respect to how the charging would go.

6 And, again -- I mean, have you reviewed the
7 settlement document?

8 A. No, I have not.

9 Q. Okay. Well, accept, for purposes of this
10 discussion, then, that that's what the settlement
11 provides, that as long as we do not materially
12 change our configuration, we have agreed on how the
13 charging would work.

14 And so in that context -- again, the reason
15 for my questions, responding to your mentioning the
16 settlement, is we are considering ways in which we
17 might seek to reconfigure our interconnection with
18 Verizon, either for technical benefits we might be
19 able to achieve or economic benefits.

20 So understand we're not proposing to fail
21 to abide by the settlement, but the reason I'm
22 asking these questions is we do need to understand,

1 under the new contract, what the charging would be
2 were we to, in any material way, reconfigure because
3 if we don't know what the charging would be, how
4 would we know whether we're willing to try to do it?
5 So do you understand that context?

6 A. Yes.

7 Q. Okay. So, with that, if we were to
8 undertake a reconfiguration that nonetheless
9 resulted in our delivering an OC3 signal to you, so
10 the settlement wouldn't apply -- and I understand --
11 I'm not asking you to make any legal judgment. I'm
12 saying assume that the settlement would not apply.

13 If we were to deliver to you an OC3 signal,
14 is it your understanding that we should have to pay
15 you for the function of demultiplexing that OC3
16 signal down into the DS1s that are the capacity of
17 your switchboards?

18 MR. HAGA: And I'm going to object to that
19 question to the extent that you're asking him for a
20 legal conclusion on how this would apply, and also
21 to the extent that it's hypothetical.

22 MR. SAVAGE: Well, what I'm trying to

1 understand -- well, let me ask it another way, then.

2 BY MR. SAVAGE:

3 Q. Why shouldn't we be able to just deliver
4 you traffic at the DS3 or higher level and make you
5 responsible for any demultiplexing necessary to get
6 into your switches?

7 A. Again, I think that's getting into legal
8 aspects of it which I'm not sure the I'm the right
9 person to ask that.

10 I can address, you know, efficiencies as
11 far as DS3 interfaces into our switches versus DS1
12 interfaces, which I think that we've done. And I
13 think we have also shown that Mr. Gates'
14 characterization that everything should be a DS3 and
15 that Verizon's --

16 Q. Or higher.

17 A. -- or higher really doesn't make sense.

18 I mean, under his kind of theory, then,
19 every DEOT -- direct end office trunk --

20 Q. D-E-O-T.

21 A. D-E-O-T would be a DS3. And the volumes,
22 the traffic volumes, just don't warrant that.

1 I mean, he states that there's 30 million
2 minutes a month, which, you know, is a lot of
3 minutes, on one respect, but on the other hand, when
4 you break that down on a per switch level, it
5 doesn't warrant DS3 to the Verizon end offices. And
6 under the current arrangement, the DEOTs are all
7 DS1s.

8 So that's what my testimony was trying to
9 clear up, is that Verizon's network is efficient,
10 that multiplexers introduced into the network
11 actually make it more efficient than not having
12 them.

13 So this -- you know, DS3s all over the
14 place just doesn't make sense.

15 Q. Okay. Well -- that's fine. Obviously, we
16 have a different view about Mr. Gates, but your
17 lawyer is going to have an opportunity to talk to
18 him next week, so we can clear that up then.

19 I mean, just to be clear, and maybe your
20 testimony -- maybe you're not the guy to ask this
21 question to. That's fine. I just want to -- you
22 know, you're the first one out of the box, so it's

1 not surprising that I have questions that I have to
2 deal with other people on.

3 But suppose that -- for purpose of these
4 questions, assume that we are not asking Verizon to
5 actually change out its switches so that switches
6 can directly receive a DS3 input.

7 Suppose that we are simply asking that the
8 point of interconnection between Verizon and Bright
9 House be treated as the point at which the optical
10 fiber, at OC3 level, enters the Verizon fiber-optic
11 terminal.

12 Do you have any opinion on where that point
13 of interconnection should be deemed to be for
14 purposes of interconnecting our networks?

15 A. No. I don't think I'm the right guy for
16 that.

17 Again, I would reiterate that, you know,
18 from a trunking level, ultimately when you get down
19 to that level, a DS1 interface at the switches
20 are -- you know, are very efficient. It allows, you
21 know, capacity to not be stranded because, you know,
22 putting a DS3 into a switch port when it doesn't

1 warrant the traffic -- say you only needed two DS1s
2 worth of traffic into that end office, and you put a
3 DS3, you're stranding, you know, 26 slots. And when
4 you multiple that arrangement by other carriers, you
5 know, you -- you waste of a lot of switch
6 intelligence. And that has a finite, you know, cap
7 on it as far as the size of the switch.

8 Even carriers -- you know, the big IXC's,
9 the AT&Ts of the world, where they do have the
10 volumes of a DS3 to a particular end office, they --
11 you know, they mux that down to -- you know, to the
12 DS1 level to get into our switches.

13 Q. Okay. And, again, your testimony, if I may
14 summarize it, is, given Verizon's current switches
15 that are in place, as an engineering matter, it
16 makes sense to have the ports into those switches be
17 and remain DS1 ports in order to better manage the
18 traffic that's coming into the switch?

19 A. Yes.

20 Q. Okay. And your testimony doesn't address
21 the question of whether the point at which
22 interconnection with Verizon is deemed to occur, for

1 purposes of an interconnection agreement, should be
2 somewhere other than a DS1 port on a switch. Your
3 testimony just doesn't address that?

4 A. No, it does not.

5 Q. Okay.

6 A. I don't believe so.

7 Q. Okay. But we do agree that Verizon's --
8 the equipment that Verizon owns within its network
9 has the capability of performing what we are calling
10 the stepping-down function from OC3 to DS3 and DS3
11 down to DS1. There is no technical issue that
12 Verizon can do that.

13 A. Correct. It can be done.

14 Q. Right. Okay. So -- and this is helpful --
15 I mean, again, not trying to hide the ball because
16 Bright House, in a way, doesn't care, if it hands
17 you an OC3, whether that plugs into a fiber-optic
18 terminal, whether it plugs into a new gizmo that
19 you've got, or that it plugs into a switch. What we
20 care about is that we can hand it off to you at that
21 level, at which point it becomes your responsibility
22 which, as I understand your most recent answer,

1 that's not something you address, whose
2 responsibility starts and ends where?

3 A. Right. I don't see this issue addressing
4 that.

5 I was -- and, again, the way I read
6 Mr. Gates' testimony, as well as the way that the
7 issue was presented, was it was a combination of
8 everything should be a DS3 or higher into all of
9 Verizon's switches, and they should get on the ball,
10 or the Florida commission should order Verizon to
11 change all of its switches to be a DS3 interface or
12 higher. And that -- you know, that just can't be
13 further from the truth, or accurate or
14 misunderstanding.

15 The other part of this issue is --

16 Q. Priced out any soft switches lately? I
17 mean, there are some good deals.

18 A. The other issue was whether or not it rides
19 a fiber or copper and that issue of, well, we
20 wouldn't change it after it's in existence; we just
21 want to decide, on day one. And, again, Verizon has
22 an issue with that in, you know, whether or not

1 there is a fiber there versus copper. You know,
2 those are kind of engineering decisions that Verizon
3 would make within its operational aspect of it as
4 opposed to Bright House saying, I want it one way or
5 the other.

6 Not to say that, on an operational level,
7 that happens all the time, parties get together and
8 say, what do you have? We would like to do it this
9 way.

10 But when it comes down to it, if something
11 is not there, you know, fiber to the top of some
12 mountain where, you know, there's going to be a big
13 complex, then maybe it gets put in.

14 But if it's just for the -- you know, the
15 log cabin that the guy owns the entire valley, we
16 might not put fiber up there.

17 Q. I've got fiber in my house, right, I'm a
18 happy guy.

19 A. So...

20 Q. But let me ask you some questions about
21 that relating not to building out fiber to remote
22 locations, but Verizon's existing network in Tampa.

1 Does Verizon link its own switches within
2 the Tampa LATA by means of optical fiber?
3 Interoffice facilities between the end offices and
4 between the end offices and the tandem.

5 A. I don't know that I -- I could guess on
6 that. The -- the discussions that I have had with
7 our local engineers have really been focused on DS3s
8 versus DS1s, and I haven't really gotten into what's
9 the medium, if you will, other than it could be
10 fiber or it could be, you know, copper.

11 Q. Well, I guess I will follow up with a data
12 request, and you don't have to answer; you can send
13 it to the network guys, but based on your -- you've
14 been working for Verizon and predecessor companies
15 for what? 20-odd years now?

16 A. 26.

17 Q. You're an old-timer.

18 A. Old-timer.

19 Q. Based on your experience in the industry,
20 would you expect that the interoffice facilities
21 between Verizon's end offices in Tampa and between
22 those end offices and the tandem would be optical

1 fiber rather than copper?

2 A. I would think there would be fiber, but
3 I've also heard, you know, retirement of copper
4 is -- you know, it takes an effort or it takes money
5 to change things, so sometimes -- you know, it would
6 be a nice thing to kind of, you know, retire some
7 copper, but I've, you know, also heard that you
8 can't get everything done at once, and so I think
9 it's a combination.

10 I don't know the specifics of, say, you
11 know, the Tampa area, whether it's, you know, all
12 fiber or it's hard to get into under the ground --
13 you know, all those aspects of right-of-way and
14 conduit and, you know, all that stuff.

15 So -- I don't know. I would suspect that,
16 you know, in a perfect world, the more fiber would
17 be better, but that's just my...

18 Q. Well, you would agree with me, then, that
19 if, today, Verizon were putting in a new interoffice
20 connection between two end offices or an end office
21 and a tandem, if you were building something new
22 today, you would build fiber and not copper; is that

1 right?

2 A. I don't -- I've never been involved in
3 actually doing that, so I don't know. I mean, I
4 could say yes, but there could be other, you know,
5 situations where there is something already there --
6 again, I just have never done that or been involved
7 with it.

8 Q. Okay.

9 MR. SAVAGE: David, does Mr. Munsell or
10 Mr. Vasington -- would one of them be in a position
11 to answer the question about Verizon's position
12 about where the point of interconnection for
13 purposes of the contract is deemed to be?

14 MR. HAGA: I'm not sure if that's a fact
15 question for the fact witnesses. I mean, I haven't
16 thought particularly about that before you asked the
17 question. I mean, that sort of strikes me as the
18 ultimate legal issue that each party might take, and
19 I'm sure we would address that in a briefing.

20 MR. SAVAGE: Yeah. I mean, it may turn out
21 to be a legal issue, but just -- I mean, again, I'm
22 not trying to hide any balls here.

1 MR. HAGA: Yeah.

2 MR. SAVAGE: Take a look at their
3 testimony, and I will do the same because this is --
4 you know, it's obviously a significant issue to us
5 in terms of what we have to pay for and what we
6 don't.

7 MR. HAGA: Sure.

8 MR. SAVAGE: And if your position is it's
9 entirely legal, you know, then I won't ask your
10 witnesses about it, but --

11 MR. HAGA: I mean -- I mean, that's sort
12 of -- my gut reaction to that is that's kind of
13 getting to the bottom line, you know, legal position
14 of each party, but, you know, I will think about
15 that.

16 MR. SAVAGE: Okay. Well, let me take a
17 moment and look at a couple of things.

18 MR. HAGA: Do you want to go off the record
19 for a minute?

20 MR. SAVAGE: Yeah, why don't take, like, a
21 five-minute break off the record.

22 (A recess was taken.)

1 BY MR. SAVAGE:

2 Q. Take a look at your rebuttal testimony,
3 which is D'Amico Deposition Exhibit 2, at page 12 on
4 lines 8 through 11. And there you say, "As Verizon
5 has pointed out" -- and will again emphasize in its
6 legal briefs -- "Verizon is not required to modify
7 its network to suit interconnecting parties; they
8 take Verizon's network as it is."

9 Now, is it fair to say, given your
10 reference to the legal briefs, that you recognize
11 that this is a statement about Verizon's legal
12 obligations?

13 A. That's my high-level understanding prefaced
14 by I am not a lawyer and those that are will expand
15 upon it.

16 Q. Right. And I guess my purpose of asking
17 the question is, you don't have any independent
18 expertise that would lead you to this conclusion;
19 rather, this is what your understanding of Verizon's
20 legal position is; is that fair?

21 A. I would say that's fair, again, at a high
22 level because I would think that the briefs will

1 have more than a sentence or two on this.

2 Q. I suspect they will, and that's fine.

3 Those are good answers because now I don't have to,
4 like, ask you a whole bunch of questions about this.
5 Good.

6 Okay. Then looking down at the paragraph
7 below that, lines 15 through 21, you make reference
8 to an FCC ruling saying switch ports are not
9 TELRIC-priced unbundled network elements.

10 Do you see that?

11 A. Yes.

12 Q. Okay. Is it your understanding that Bright
13 House buys no unbundled network elements from
14 Verizon?

15 A. I don't know one way or the other.

16 Q. Okay.

17 A. The same deal with the -- I think the UNE-P
18 thing you asked earlier.

19 Q. Right. Assume that Bright House doesn't
20 buy any UNEs of any sort from Verizon and that what
21 we're talking about entirely is interconnection of
22 networks and not buying piece parts of your network.

1 Do you understand what I'm asking you to
2 assume?

3 A. Yes.

4 Q. Okay. If -- on that assumption, would you
5 agree with me that the FCC's determination that a
6 switch port isn't a UNE isn't directly -- doesn't
7 have any direct bearing on what Bright House is
8 trying to buy from Verizon?

9 A. I would say that the intent of this answer
10 was to counter or respond, rebut Mr. Gates' level of
11 testimony where he seemed to get into a lot of legal
12 issues. And not knowing whether those legal issues
13 were correct or not correct, this was my high-level
14 attempt to -- to state that his going down the
15 TELRIC road, if you will, as far as how a network
16 architecture -- how Verizon should design its
17 network or change it in the future, I didn't see
18 that to have any bearing on what we're doing today
19 or what we will do in the future.

20 Q. Okay. Well, let me ask a couple of
21 questions about that. If I get to the point where
22 it's just legal and is not your bailiwick, we can

1 stop.

2 First, for the record, do you understand
3 what the acronym TELRIC, T-E-L-R-I-C, stands for?

4 A. Yes.

5 Q. And what is that?

6 A. Total element long-run incremental cost, I
7 think.

8 Q. Good job.

9 And would you agree with me that TELRIC is
10 a costing -- a methodology for developing costs that
11 the FCC created in connection with implementing
12 the '96 act?

13 A. It's a costing methodology. I believe
14 there is a lot of history with it, so as far as how
15 it was created or, you know, where it came from, I
16 just know that it's a costing methodology, and it's
17 not really something that, in my mind, drives how
18 the operational folks design Verizon's network.

19 Q. Okay. And do you understand how the TELRIC
20 methodology works at any level, high level, low
21 level, detailed level?

22 A. Other than just reading some of Mr. Gates'

1 testimony -- I don't know if that is correct or not,
2 but, you know, I've heard forward-looking -- and,
3 again, costing is not my -- my strong suit or -- I'm
4 not the subject matter expert on costing.

5 Q. You're not a cost guy; you're not a TELRIC
6 expert?

7 A. No.

8 Q. Okay. Now, I'm doing this from -- roughly
9 from memory, but do you recall, in the testimony
10 that you're responding to, Mr. Gates' testimony, his
11 summary of the TELRIC methodology is saying that the
12 cost of an interconnection arrangement should be
13 based on a configuration that an efficient ILEC
14 would deploy using the best currently available
15 technology? Do you remember that notion?

16 A. I remember that, and I can't really say if
17 that's accurate or not accurate.

18 Q. Okay. Well, I will ask you to assume that
19 anything Mr. Gates about TELRIC is completely
20 accurate.

21 Obviously, you may challenge that in some
22 way, but assuming that what Mr. Gates says about

1 TELRIC is accurate, would you agree with me that the
2 TELRIC standard would determine costs not on the
3 basis of an ILEC's network as it exists, but on the
4 basis of the technology that an efficient ILEC would
5 deploy going forward?

6 MR. HAGA: And I'll object to the form of
7 that question, both to the assuming that Mr. Gates
8 is right about everything --

9 MR. SAVAGE: Well, he can challenge that
10 assumption later --

11 BY MR. SAVAGE:

12 Q. But assuming he's right, isn't that what
13 the TELRIC standard says?

14 MR. HAGA: And also to the extent that this
15 is getting beyond Mr. D'Amico's ability as a fact
16 witness to testify about TELRIC, given what he has
17 already said about his -- his limited understanding
18 of the order and how it applies.

19 MR. SAVAGE: Okay. So we can stipulate
20 that Mr. D'Amico is not a TELRIC costing expert and
21 has not applied the TELRIC standard in trying to
22 determine his testimony. Can we stipulate to that?

1 MR. HAGA: I think we can stipulate that he
2 is not a TELRIC expert. I think, as Mr. D'Amico
3 said, he had this one sentence in here based on sort
4 of his lay understanding of an FCC order that
5 Mr. Gates had cited saying I think this is talking
6 about two different things. But that's obviously
7 his lay understanding and, as he said, he's not a
8 cost guy.

9 MR. SAVAGE: Okay.

10 BY MR. SAVAGE:

11 Q. Do you have an understanding of what the
12 transport -- that when you have two networks who are
13 interconnected and exchanging traffic, do you
14 understand generally that, under the reciprocal
15 compensation regime, the parties are supposed to pay
16 each other for transport and termination of that
17 traffic?

18 A. I've seen that term, and I know that
19 Verizon pays Bright House and Bright House pays
20 Verizon for the exchange of local traffic.

21 Q. Okay. But you don't have any specific
22 understanding or expertise about precisely what

1 individual network functions are embraced within
2 transport and what individual network functions are
3 embraced within termination?

4 A. Again, that is probably more of an --
5 either a costing or, you know, a legal aspect. I
6 know there's different rates in different states,
7 and then there is -- you know, there is this 0007
8 situation with what is loosely referred to as rate
9 plan B. But, you know, as far as all the aspects of
10 the ISP order and all that, I wouldn't say that I'm
11 that well versed in it.

12 Q. And putting aside all that ISP order stuff
13 which, fortunately, Bright House has nothing to do
14 with, the specific question I asked -- I think I may
15 have heard an answer, but I'm not sure -- is, you
16 don't have any testimony or even expertise in the
17 question of what specific network functions are
18 covered by the notion of transport and what specific
19 network functions are covered by the notion of
20 termination?

21 A. Correct. The issue 32, again, was dealing,
22 in my mind, with, how I characterized it before, the

1 fiber versus copper and the interface into -- you
2 know, the port into the Verizon switches.

3 Q. Okay. And then the -- just picking up
4 briefly on that last point, the fiber versus copper,
5 is it fair to say that what Verizon's position is
6 with respect to that is that when a new physical
7 interconnection is being set up between Bright House
8 and Verizon, rather than have the contract
9 specifically give one party or the other control as
10 to the physical facilities, we should just basically
11 leave it to the network guys to work out by mutual
12 agreement?

13 A. I would say that's a fair summary of it.

14 Q. Okay. And as a general matter, to the
15 extent that Verizon, at some particular central
16 office, wire center, whatever, some building, has
17 the capability to accept a fiber interconnection by
18 virtue of having fiber there or having the
19 fiber-optic terminals there, Verizon doesn't have
20 any general objection to interconnecting using fiber
21 rather than copper, assuming you have the facilities
22 available?

1 A. That would be my high-level understanding
2 other than -- you know, keeping in mind that, you
3 know, the operations folks would be -- you know,
4 would look at all the aspects of it.

5 Q. Okay.

6 MR. SAVAGE: Okay. That's all I have.
7 Thank you.

8 I guess -- before you would do any
9 redirect -- Tmisha, does staff have any questions
10 for this witness?

11 MS. BROOKS: Yes. Staff has one question.

12 EXAMINATION

13 BY MS. BROOKS:

14 Q. Staff's question is, in your response,
15 Mr. D'Amico, to staff interrogatory 15(b), which is
16 on page 12 -- do you have that with you?

17 A. I do.

18 Q. Let me know when you have found it.

19 A. Okay. I'm there.

20 Q. Okay. You state that multiplexing is not a
21 part of the transport function, correct?

22 A. Just one second. I'm reading the entire

1 response here.

2 Q. Okay.

3 MR. SAVAGE: While he's reading, do you
4 have a copy of that handy? I didn't ask about it,
5 but I don't have a copy in front of me.

6 Is yours marked or --

7 MR. HAGA: No, I don't think it's --

8 MR. SAVAGE: I will only look at that page.
9 I just want to see precisely what the...

10 THE WITNESS: Okay. I've read it.

11 BY MS. BROOKS:

12 Q. My question was, you do state in that
13 response that multiplexing is not a part of the
14 transport function, correct?

15 A. Correct.

16 Q. Okay. Is it also the case that Verizon
17 does not consider demultiplexing part of the
18 transport function under the current interconnection
19 agreement?

20 A. I think this response is dealing with the
21 arrangement that Verizon and Bright House currently
22 has which -- part of that is that we've worked out,

1 through the settlement, the multiplexing issue, I
2 guess, as far as how that is compensated. And to
3 the extent that, you know, that were to change, as I
4 end [sic] it, as a yet unspecified interconnection
5 arrangement, I really wasn't able to determine at
6 this time.

7 But multiplexing -- you know, dedicated he
8 multiplexing, to me, is going from a DS3, or
9 whatever arrangement comes into Verizon, ultimately
10 needs to get multiplexed down, if you will, to a DS1
11 so that it can interconnect with Verizon switches.

12 So I'm not sure if I've answered your
13 question or if I need to -- if you need to kind of
14 ask it in a different way or...

15 Q. Well, I mean, generally we just wanted to
16 know if you thought that demultiplexing was a part
17 of the transport function.

18 MR. HAGA: This is David Haga. Just to
19 clarify, are you saying that the answer refers to
20 multiplexing and you're just asking if it's also
21 demultiplexing?

22 MS. BROOKS: Yes.

1 MR. HAGA: Okay.

2 THE WITNESS: Yeah, I would -- I kind of
3 use those, in my mind, terms interchangeably,
4 whether it's multiplexing up or down.

5 BY MS. BROOKS:

6 Q. Okay. And because multiplexing is not a
7 part of the transport function, you would say that
8 demultiplexing is also not a part of the transport
9 function?

10 A. Correct. I would consider them -- in
11 this -- in the way that I've responded to this
12 particular question, I would say multiplexing and
13 demultiplexing, in my mind, is a multiplexing
14 function, whether it's up or down.

15 Q. Okay. And do you consider them a part of
16 the transport function or you do not consider them a
17 part of the transport function?

18 A. I do not, in respect to the arrangement
19 between Verizon and Bright House.

20 Q. Okay. My next question -- I'm sorry. I
21 have two questions. Are multiplexing and
22 demultiplexing functions tariffed functions?

1 A. Well, the multiplexer is a tariffed -- is a
2 tariffed piece of equipment.

3 So, in other words, there is something
4 called a 3-to-1 multiplexer, and so it would come in
5 as a DS3, and then it would go out as 28 DS1s. So
6 that would be, in my mind, a multiplexer.

7 Now, whether it's multiplexing or
8 demultiplexing, I would just say it's multiplexing.

9 There could also be, you know, a lower
10 level of multiplexing from a DS1 to DS0s, but I
11 don't think that really applies for this particular
12 issue.

13 So, I mean, in our tariffs it's referred to
14 as a -- I believe a DS1 to -- I'm sorry, a
15 DS3-to-DS1 multiplexer.

16 Q. Okay. So to the best of your
17 understanding, multiplexing is a tariffed function?

18 A. Yes.

19 Q. Okay. And can you identify where in which
20 of Verizon's tariffs this function is listed?

21 A. Not offhand. I mean, again, it's -- it's
22 in Verizon's tariffs. Generically, multiplexing is

1 also a -- a function, if you will.

2 I mean, again, it's taking a DS3 and muxing
3 it down, multiplexing it down, into 28 DS1s.

4 MS. BROOKS: Can you have the witness,
5 David, get back to us about what tariff the
6 multiplexing or -- the demultiplexing, multiplexing
7 functions are listed?

8 MR. HAGA: Absolutely. We will get that to
9 you.

10 MS. BROOKS: Thanks. That's it for staff.

11 MR. SAVAGE: And if you could serve Bright
12 House as well, so we know where it is as well,
13 although I expect we already know.

14 MS. BROOKS: Are we going to identify that
15 as a late-filed deposition exhibit?

16 MR. HAGA: The tariff itself?

17 MS. BROOKS: Yes.

18 MR. HAGA: Yeah, we can do it that way.

19 MS. BROOKS: Okay. Thanks, David.

20 MR. HAGA: Sure.

21 MR. SAVAGE: I think the tariff in which it
22 is embodied is pretty massive document. And I'm

1 happy to -- I mean, we can either dump that into the
2 record or identify that parts of it.

3 MS. BROOKS: If you could just identify the
4 part and give us that section, that would be fine.

5 MR. HAGA: Okay. We will do that.

6 MS. BROOKS: Thanks, David.

7 MR. HAGA: And was that it for staff
8 questions?

9 MS. BROOKS: That's it.

10 EXAMINATION

11 BY MR. HAGA:

12 Q. I had just a couple of follow-up questions.
13 For this first one let's talk about
14 issue 28, Mr. D'Amico, and if you could pull out
15 your direct testimony, which is Deposition
16 Exhibit 1, and turn to page 6, if you could.

17 A. Okay.

18 Q. And do you see there the question, What
19 types of traffic does Verizon propose to exchange
20 over fiber meets? And then your answer is listed
21 there -- and this is from lines 1 to 11 on page 6.

22 A. Yes.

1 Q. And is it your understanding that these are
2 the types of traffic that Verizon has agreed to
3 allow over the fiber meet?

4 A. Yes.

5 Q. And in putting together this list of
6 different kinds of traffic, was Verizon attempting
7 to be inclusive or exclusive?

8 A. Inclusive.

9 Q. And what was -- well, let me ask it this
10 way. Was Verizon attempting to capture all of the
11 traffic that is currently exchanged today?

12 A. Yes.

13 Q. And are you aware of any kind of traffic
14 that Bright House currently proposes to exchange
15 over a fiber meet that is not included here?

16 A. No, I'm not.

17 Q. Okay. If we could turn to issue 32, then.
18 And, Mr. D'Amico, you will recall that this is the
19 issue about trunking at DS3 level or above, right?

20 A. Yes.

21 Q. There has been some discussion today and in
22 Mr. Gates' testimony about whether this is an

1 efficient network arrangement for Verizon to accept
2 traffic at the DS1 level.

3 Is there anything inefficient about
4 accepting traffic at the DS1 level?

5 A. Not that I'm aware of. I've tried to
6 outline, you know, why it's efficient and also tried
7 to respond to some of Mr. Gates' characterizations,
8 I guess, regarding why it's inefficient.

9 Q. Is transmission at the DS1 level slower
10 than transmission at the DS3 level?

11 A. No. It's really a capacity thing. And
12 that was another thing that just kind of confused
13 me.

14 In the way that I -- I look at that is if
15 you have four people, two Verizon end users and two
16 Bright House end users, and one happens to, you
17 know, call -- one set calls each other over a DS1
18 trunk and the other has it over a DS3, that phone --
19 both phones -- I mean, Mr. Gates implies that it's
20 kind of a race, and the one person is going to dial
21 the phone and pick up, and the other one is going
22 to -- da-da-da-da -- and eventually their phone is

1 going to ring, and then, when they are talking, he
2 even maybe implies that somehow that that will be
3 slower conversations or something.

4 So -- it just didn't make sense to me. So,
5 I mean, it's really a capacity thing; it's not a
6 speed thing.

7 Q. So those two phones calls would get there
8 at the same time, whether it's DS1 or DS3?

9 A. Right. All the specs would be the same
10 and -- you know.

11 Q. There has also been some reference to the
12 fact that DS1 was developed some number of years
13 ago, and I guess there's the implication that that
14 is an old technology.

15 Is equipment available at the DS1 level in
16 the marketplace today?

17 A. Yes.

18 Q. And is that what Verizon is using for
19 itself in Florida? In other words, is Verizon doing
20 things at the DS1 level today in Florida?

21 A. Yes.

22 Q. And is that what Verizon is doing for other

1 carriers? In other words, is Verizon doing things
2 at the DS1 level for other carriers in Florida
3 today?

4 A. Yes.

5 Q. Mr. Savage asked you about inbound traffic
6 coming from Bright House to Verizon and being
7 multiplexed or demultiplexed down to the DS1 level.
8 Do you recall that discussion?

9 A. Yes.

10 Q. And he referred to some equipment that that
11 traffic goes through. And I know there was some
12 discussion about owned or leased or whatever the
13 proper terminology was for that equipment there.
14 And I take it you're not terribly familiar with the
15 legal distinctions between owned and leased; is that
16 fair?

17 A. Correct.

18 Q. But that equipment there, this is the
19 equipment that would demultiplex a signal down to
20 the DS1 level; is that right?

21 A. Yes, but again, I don't know that I like
22 the term "demultiplexed." To me, I would just say

1 it is multiplexed to a DS3 to a DS1, you know,
2 because it's not a multiplexed and demultiplexed, in
3 my mind; it's multiplexing.

4 Q. That's fair. I appreciate that.

5 But that piece of equipment, why is it
6 there?

7 A. It's there -- it's a dedicated piece of
8 equipment that is there to -- you know, it's
9 dedicated to Bright House so that they can send or
10 terminate trunks into Verizon's switches at a DS1
11 level.

12 I guess I -- to the extent that Bright
13 House wanted to use their own multiplexer in, say, a
14 collocation arrangement, you know, they could do
15 that and they wouldn't need to -- to get something
16 from Verizon. But in, I guess, this example, it's
17 there because Bright House needs it in order to get
18 down to a DS1 level to get into our switches.

19 Q. And let me make sure I understand that. So
20 Verizon's switches accept the input, if you will, at
21 a DS1 level?

22 A. Yes.

1 Q. And so something has to happen for Bright
2 House's traffic that is not at a DS1 level to be
3 converted to a DS1 level so that it can be received
4 by Verizon's switches?

5 A. Correct.

6 Q. And that equipment is there in order to
7 accomplish that function?

8 A. Yes.

9 Q. And if Bright House delivered at a DS1
10 level, that equipment would not be provided by
11 Verizon?

12 A. Correct.

13 Q. Let me ask you more broadly about issue 32,
14 and Mr. Savage made reference to a settlement
15 agreement. Do you recall that?

16 A. Yes.

17 Q. And I understand that you're not
18 intricately versed in the details of the settlement
19 agreement, but do you have an understanding,
20 generally speaking, of what the settlement agreement
21 covers?

22 A. It covers the existing arrangements, both

1 currently as well as, it's my understanding that,
2 under the new agreement, that, you know, as long as
3 things stay materially the same, that it would also
4 cover it on a going-forward basis as well.

5 Q. Okay. And do you understand whether Bright
6 House has put forward any proposals to do something
7 different other than those current arrangements that
8 are covered by the settlement agreement?

9 A. I'm not aware of any proposals.

10 MR. HAGA: Okay. Thank you. I have
11 nothing further.

12 MR. SAVAGE: I have nothing further.

13 (Reading and signature not waived.)

14 (Whereupon, the proceedings at 12:04 p.m.
15 were concluded.)

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1 COMMONWEALTH OF VIRGINIA, to wit:

2 I, Mario A. Rodriguez, CMRS, CCR, before
3 whom the foregoing deposition was taken, do hereby
4 certify that the within-named witness personally
5 appeared before me at the time and place herein set
6 out, and after having been duly sworn by me,
7 according to law, was examined by counsel.

8 I further certify that the examination was
9 recorded stenographically by me and this transcript
10 is a true record of the proceedings.

11 I further certify that I am not of counsel
12 to any party, nor an employee of counsel, nor
13 related to any party, nor in any way interested in
14 the outcome of this action.

15 As witness my hand and notarial seal this
16 _____ day of _____, 2010.

17

18

19

20

MARIO A. RODRIGUEZ, Notary Public

21

Certified Court Reporter No. 0315162

22

MY COMMISSION EXPIRES: 4/30/2014

CERTIFICATE OF DEPONENT

I hereby certify that I have read and examined the foregoing transcript, and the same is a true and accurate record of the testimony given by me.

Any additions or corrections that I feel are necessary, I will attach on a separate sheet of paper to the original transcript.

PETER J. D'AMICO

I hereby certify that the individual representing himself/herself to be the above-named individual, appeared before me this _____ day of _____, 2010, and executed the above certificate in my presence.

NOTARY PUBLIC IN AND FOR

MY COMMISSION EXPIRES:

1 WITNESS: PETER J. D'AMICO

2 DATE: APRIL 27, 2010

3 CASE: Petition for arbitration of certain terms and
 4 conditions of an interconnection agreement
 5 with Verizon Florida, LLC, by Bright House
 6 Networks Information Services, (Florida), LLC

7
 8 Please note any errors and the corrections thereof
 9 on this errata sheet. Do not write on the
 10 transcript. The Rules require a reason for any
 11 change or correction. It may be general, such as
 12 "To correct stenographic error," or "To clarify the
 13 record," or "To conform with the facts."

14 PAGE LINE CORRECTION REASON FOR CHANGE

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EXHIBIT NO. 14

DOCKET NO.: 090501-TP

WITNESS: William Munsell

PARTY: Verizon Florida

DESCRIPTION: Transcript, Exhibits and Errata (if any) from the April 29, 2010, Deposition of Verizon Witness William Munsell. Pages 1 – 269.

- a. Exhibit 1 – Direct Testimony of Verizon Witness William Munsell. (Copy not attached.)
- b. Exhibit 2 – Rebuttal Testimony of Verizon Witness William Munsell. (Copy not attached.)
- c. Section 251(c)(2) from the Telecommunications Act. Page 270.
- d. Definitions from the Telecommunications Act. Page 271.
- e. Verizon's Proposed General Terms Section 50. Page 272.
- f. Excerpts from Memorandum Opinion and Order and Notice of Inquiry released March 25, 2005, FCC 05-78. Pages 273-275.
- g. Definitions from the FCC's Rules (47 C.F.R., Section 51.5) . Pages 276-277.
- h. MECAB Document. Pages 278-408.
- i. Excerpt from Memorandum Opinion and Order released July 17, 2002, DA02-1731. Pages 409-415.
- j. Excerpts from Verizon FCC Tariff No. 14 - TSS Terms. Pages 416-430.
- k. Excerpts from Verizon FCC Tariff No. 14 - Section 2.7. Pages 431-439.
- l. Excerpts from FCC's Local Competition Order, released August 8, 1996, FCC 96-325. Pages 440-448.
- m. Section 251(g) from the Telecommunications Act. Page 449.
- n. Excerpts from Order on remand and Report and Order and Further Notice of Proposed Rulemaking, released November 5, 2008, FCC 08-262. Pages 450-464.

PROFFERING PARTY: Staff

I.D. # Stip-14

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 14

COMPANY STIPULATED EXHIBIT-14

WITNESS WILLIAM MUNSELL - STIP - 14

DATE 5/25/10

A P P E A R A N C E S

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(Appearances continued on the next page.)

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22 (Appearances continued on the next page.)

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I N D E X

DEPOSITION OF WILLIAM MUNSELL

APRIL 29, 2010

EXAMINATION BY:

PAGE

Mr. Savage

7, 262

Ms. Brooks

246

Mr. Haga

247

MUNSELL DEPOSITION EXHIBITS:

PAGE MARKED

Nos. 1 and 2

9

No. 3

57

No. 4

69

No. 5

82

No. 6

111

No. 7

143

No. 8

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No. 9

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No. 10

202

No. 11

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(Exhibits continued on the next page.)

1	MUNSELL DEPOSITION EXHIBITS:	PAGE MARKED
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P R O C E E D I N G S

- - - - -

Whereupon --

WILLIAM MUNSELL,

a witness, called for examination, having been first
duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. SAVAGE:

Q. Good morning, Mr. Munsell.

A. Good morning.

Q. My name is Chris Savage. I represent
Bright House Networks Information Services
(Florida), LLC in this matter. We are the
petitioner.

I assume you have had your deposition taken
before.

A. I have.

Q. Just for the record, as you know, you are
under oath. I'll be asking you questions. You give
your answers. The reporter records them.

Ground rules. Obviously -- it's quite
possible that I will ask a question that is either

1 incoherent or ununderstandable for some reason. If
2 you don't understand the question that I ask, don't
3 answer it. Just tell me to try again.

4 A. I will.

5 Q. Also, because there are a lot of issues in
6 the case, and some have been settled and some
7 haven't, I may well ask you a question that you
8 understand but you don't know the answer to. If you
9 don't know, just say, I don't know, and we'll move
10 on to something else. Do you understand that?

11 A. I do understand that.

12 Q. Excellent. And, with that, I guess we can
13 just get started.

14 First, let me talk about your background.
15 There are two exhibits that we want to start with
16 that I don't know if I have a copy for the reporter
17 right now. But it would be your direct testimony
18 and your rebuttal testimony, and let's call those 1
19 and 2. Are you with me so far?

20 MR. SAVAGE: And, Mr. Reporter, do you have
21 copies of 1 and 2 now, or can we get those later?

22 THE REPORTER: We can get it later.

1 MR. SAVAGE: Okay.

2 (Munsell Deposition Exhibit Numbers 1 and 2
3 were marked for identification.)

4 BY MR. SAVAGE:

5 Q. All right. Well, taking a look at Number
6 1 --

7 MR. HAGA: And 1 is the direct?

8 MR. SAVAGE: 1 is the direct testimony,
9 sorry.

10 BY MR. SAVAGE:

11 Q. Your direct testimony filed March 26th. On
12 page 1 and 2 I want to talk about your background a
13 little bit and see what we are dealing with.

14 A. Very good.

15 Q. You started with GTE in 1982?

16 A. I did.

17 Q. You're an old-timer, like me.

18 A. Yeah.

19 Q. All right.

20 A. If I didn't have a 16-year-old, who would
21 know.

22 Q. That's right. Yeah, mine are 18.

1 But I want to ask you about a few
2 proceedings from the deep dark past and see if you
3 have any awareness of them, just to get a sense of
4 the depth and nature of your experience.

5 Are you familiar with a proceeding that was
6 known at the time as Computer Inquiry II or the
7 second computer inquiry? Did you have anything to
8 do with that?

9 A. I believe that predated my employment by,
10 oh, a year or two or three.

11 Q. But in the course of your employment you've
12 had an opportunity to understand a bit about what
13 the FCC did in Computer II? Or is that not even in
14 your --

15 A. Boy, that is outside my --

16 Q. Okay. That's fine. How about the creation
17 of access tariffs that mainly happened in 1983 going
18 into 1984?

19 A. I was involved to the extent that the
20 access tariffs required a forecast of units in order
21 to arrive at a price per unit of an access element.

22 Q. And so if I just get that -- if -- somebody

1 else might determine that the total cost of doing
2 something would be a million dollars. You would
3 then say, well, that total cost of a million dollars
4 is going to be spread over, we predict, a million
5 units, so we should price it at a dollar a unit?

6 A. Exactly.

7 Q. Okay. And then were you familiar at all
8 with what happened in, let's say, the '85/'86 time
9 frame surrounding the deregulation of inside wire?
10 Was that any part of your responsibility?

11 A. It was not.

12 Q. Okay. How about the institution of price
13 cap regulation for local exchange carriers in the
14 '89/'90/'91 time frame?

15 A. I was never involved in the institution of
16 price cap regulation. I understood a bit about how
17 it affected the ability to change prices of an
18 access element after it was instituted.

19 Q. So once it was in place, the mechanics of
20 it became part of your job, to figure out how to
21 change the rates or what could happen?

22 A. What could happen, not necessarily the

1 mechanics of it, which are always muddy.

2 Q. Arcane, yeah.

3 A. Yes.

4 Q. You don't remember the Z factor?

5 A. No.

6 Q. All right.

7 A. Other people did that.

8 Q. Okay. Well, that's good. You lucked out.

9 A. Yes.

10 Q. During -- let's just call it the pre-96 act
11 era, did you ever have an opportunity to testify in
12 what I would call a traditional rate case?

13 A. No.

14 Q. Okay. And in your -- you indicate on
15 page 2 that you've testified in approximately 40
16 proceedings. Does your vast experience
17 testifying -- have you ever testified actually in a
18 court case before a jury, or has it only been
19 regulatory proceedings?

20 A. Never before a jury, but I have testified
21 before a judge.

22 Q. Okay. And was that in relation to anything

1 having to do with your work for GTE or Verizon on
2 the telecom side, or was that just unrelated?

3 A. On the telecom side, my work for Verizon.

4 Q. Oh, okay. What was that case about, just
5 in a nutshell?

6 A. In a nutshell, it had to do with a
7 third party seeking payment from another
8 third party. Verizon was a switching provider and
9 was subpoenaed as a witness.

10 Q. Oh, okay.

11 A. Verizon was subpoenaed to provide a
12 witness, and they named me.

13 Q. Lucky you. So that wasn't a case in which
14 Verizon was particularly advancing any regulatory
15 position on any particular matter; you just needed
16 to provide evidence to the Court?

17 A. Correct.

18 Q. Okay. Now, with respect to these 40
19 proceedings -- I'm not meaning to put you on the
20 spot, and I don't necessarily want to go into
21 details, but would it be fair to say that in some of
22 those proceedings from time to time some commissions

1 have ruled against Verizon's positions on something?

2 A. Yes.

3 Q. Has a commission ever ruled against
4 Verizon's position on something where you had
5 presented Verizon's testimony?

6 A. Yes.

7 Q. Now, when that happens, is it your sense
8 that the commission got it right and you just needed
9 to understand things better, or is it your sense
10 that the commission has made a mistake?

11 A. Both.

12 Q. Sometimes, when a commission rules against
13 you, you or the company comes to recognize that
14 maybe you need to change your position, but
15 sometimes the commission just gets things wrong; is
16 that fair?

17 A. I would say, more precisely, that when the
18 commission would rule against us, there could be a
19 view that there are two possible correct answers;
20 they chose one that was different than ours.

21 Q. Well, picking up on that, I guess what
22 you're saying -- and I'll put sort of a -- maybe a

1 legal term that there are some issues out there
2 where the commission has a range of discretion as to
3 what it can do. It could do one thing, it could do
4 another thing, maybe even a third thing. Different
5 parties may want different answers, but none of them
6 a wrong; is that a fair way to put it?

7 A. Yeah, and I'll perhaps branch out and give
8 you an example of some of my testimony.

9 In '95, '96, '97 I testified to intraLATA
10 equal access, or introduction of that into the
11 network, and the cost recovery of that.

12 There was a dispute about what units we
13 ought to apply that cost recovery over. Was it just
14 intraLATA minutes or it would it be intrastate
15 minutes? Our position was that it should all be
16 intrastate. The IXC's position was that it should
17 be just intraLATA.

18 Some commissions went to the intraLATA;
19 some commissions went for the intrastate; some
20 commissions went to both. No, I shouldn't say both,
21 because that would be intrastate. But -- it's been
22 a few years.

1 Q. But that's an example of something where we
2 say reasonable minds could differ about the right
3 answer and --

4 A. Correct.

5 Q. Okay. All right. Well, looking again at
6 page 2, on lines 8 and 9, you say, "I am very
7 familiar with and fully understand the Verizon
8 Company's positions on matters that involve
9 interconnection with the networks at CLECs."

10 Do you see that testimony?

11 A. Yes.

12 Q. And that familiarity is based on surviving
13 40 proceedings and advising companies and all of
14 that stuff?

15 A. And doing primarily this type of stuff
16 since '96.

17 Q. I hope they pay you well.

18 A. Well, my job responsibilities today are
19 primarily working on and resolving billing disputes
20 under existing agreements with CLECs.

21 Q. Okay.

22 A. And I would say we are successful doing

1 that without litigation nine times out of ten, maybe
2 eight times out of ten. I mean, so that's -- my
3 normal day-to-day job is to do that.

4 Q. Okay. When you say you're very familiar
5 with and fully understand the Verizon Company's
6 positions, let me explore that just a little bit.

7 Would you agree with me that in order to
8 fully understand the Verizon Company's positions,
9 even though I recognize you're not a lawyer, and I'm
10 not suggesting you're trying to infringe on the
11 monopoly that David and I have on that -- is it fair
12 to say that in order to do your job, you have to
13 have a fairly good at least laymen's understanding
14 of what the Telecommunications Act requires of ILECs
15 and CLECs?

16 A. I certainly have reviewed those
17 requirements. To the extent that interpreting
18 and -- I shouldn't say to the extent. In
19 interpreting any of those requirements, I interface
20 quite frequently with Verizon attorneys.

21 Q. I'm sure they appreciate that. But I
22 guess --

1 A. Preserving their monopoly, yes.

2 Q. That's right. That's right. But I guess
3 my question to you is, in order for you to do your
4 job and articulate and defend Verizon's positions --
5 granted that you talk to Verizon attorneys -- you
6 would agree with me that you have to develop your
7 own understanding of, at least in practical terms,
8 what the law requires and what the regulations
9 require; isn't that right?

10 A. Well, I certainly have to listen to the
11 attorneys' understanding of those requirements and
12 do my best to make them my own. And as a
13 non-lawyer, sometimes using terms that have specific
14 legal meaning that, unless you are a part of the
15 monopoly, basically you're not going to get.

16 Q. So -- and the reason I'm asking -- just,
17 again, I'm not hiding the ball here. Both in your
18 direct and your rebuttal you make reference to
19 the '96 act and you quote the statute and you cite
20 FCC proceedings and all that.

21 And is it fair to say that, on the one
22 hand, if -- if the lawyers get into a spat about

1 what precisely those things mean, you would step
2 back and say, that's a legal question?

3 A. Correct.

4 Q. But by the same token, you have an
5 understanding in your own mind of what they mean,
6 and you rely on that understanding in your own mind
7 in presenting your testimony; is that fair?

8 A. I'm sorry. Can you ask me that again.

9 Q. Sure. In presenting your testimony that
10 includes references to and descriptions of the '96
11 act, FCC rulings, state commission rulings and
12 similar materials, by including that in your
13 testimony, is it fair to say that you are presenting
14 your own understanding of what those materials mean
15 with the caveat, of course, that the lawyers may
16 fight about it and tell you they mean something
17 different at some other time?

18 A. Clearly, Verizon attorneys have had a hand
19 in making sure my testimony is accurate legally.
20 And to the extent that I drafted anything that, in
21 their opinion, wasn't accurate legally, they
22 corrected me.

1 Q. Right. But the question I'm asking -- and
2 you may not realize it, but you are giving answers
3 that could make your life real easy today. But the
4 question that I'm essentially asking is, do you have
5 any independent knowledge, understanding or opinion
6 about what the 1996 act means or requires or what
7 FCC rulings mean or require of Verizon?

8 A. As a nonlawyer?

9 Q. Yes.

10 A. I do.

11 Q. Okay.

12 A. As a -- obviously as a -- from a legal
13 position, I don't.

14 Q. Okay. So with that understanding, as we go
15 forward today, I will be asking you questions about
16 your testimony as it relates to certain legal
17 matters and regulatory matters. And I may be
18 showing you things that are of a legal and
19 regulatory nature.

20 Understand that, in all of those instances,
21 I will be asking you for your lay understanding.
22 And we can just assume that if there is a special

1 secret legal meaning to it, you know, Mr. Haga and
2 Mr. O'Roark and I will sort all that out -- and
3 Ms. Brooks -- will sort all that out as time goes
4 on, and that's not your issue. But I will ask you
5 about your lay understanding of those things.

6 A. Very good.

7 Q. Okay. And then, last but not least, if I
8 start asking you questions about those kinds of
9 things and you feel like I've just pushed beyond
10 your lay understanding, please tell me. Just say,
11 look, you're getting beyond what I know; leave that
12 to the lawyers.

13 A. I will.

14 Q. Okay. You're with me so far. Great.

15 Okay. Well, let's take a stab at something
16 that I think is relatively straightforward, and that
17 is issue number 13, which appears in your direct
18 testimony starting on page 12 and appears in your
19 rebuttal testimony starting on page 11. And I may
20 jump back and forth between them.

21 And just for the record, issue number 13 is
22 the question of whether there should be -- let's

1 call it a contractual statute of limitations of one
2 year on back-billing and billing disputes. Do you
3 understand what that issue is about?

4 A. I believe so.

5 Q. Okay. What is your understanding, if you
6 can give us briefly, of Bright House's proposal with
7 respect to this issue?

8 A. I believe Bright House proposes that if the
9 dispute is not brought to the attention of the --
10 let's say if the billed party doesn't bring a
11 dispute to the billing party within, I believe, one
12 year of the issuance of the bill, then any rights to
13 dispute that bill have been waived.

14 Q. And do you understand that we have any
15 proposal -- we, Bright House, have any proposal with
16 respect to the right to back-bill?

17 A. Yes, there is a -- I think -- there's a
18 back-billing dispute here, too, isn't there?

19 Q. Right. Just to be clear, I mean, our
20 proposal is that the one-year cutoff applies both
21 ways; that you can't dispute a bill more than a year
22 after you received the bill. You also can't come

1 back more than a year after the service was rendered
2 and say, oh, by the way, a year and a half ago, I
3 did this; here's the bill.

4 A. That's right.

5 Q. Okay. And I take it from your testimony
6 you think that's a bad idea?

7 A. Yes.

8 Q. Why?

9 A. In my experience, in dealing with billing
10 disputes, as I've said I primarily do, it is not
11 uncommon to find back-bills. And at least in my
12 experience, I find that Verizon is back-billed for
13 longer periods of time than Verizon back-bills,
14 perhaps not with Bright House, but in my experience
15 with other CLECs.

16 So certainly the ability to back-bill cuts
17 both ways. And there are instances where services
18 that could have been billed timely aren't billed in
19 a timely manner, typically within a month of service
20 being rendered, because all of the facts about the
21 service aren't known.

22 Q. As you sit here today, are you aware of any

1 instance in the last five years in which Verizon has
2 back-billed Bright House for services rendered more
3 than a year prior to the rendering of the service?

4 A. No.

5 Q. And sitting here today, are you aware of
6 any situation in which either Verizon or Bright
7 House has raised a bill protest to the other one
8 more than a year after the bill was originally
9 rendered?

10 A. No.

11 Q. So it's fair to say that, based on the
12 parties' existing experience, just looking at these
13 two parties, imposing a one-year cutoff wouldn't
14 work any hardship on either party?

15 MR. HAGA: Objection to the form.

16 THE WITNESS: Looking at these two parties
17 and in our history that we -- both of us observed,
18 and not discounting the fact that even though, in
19 the last year, let's say, we haven't had a back-bill
20 for longer than a year, doesn't mean that something
21 could have been provided and not billed in that
22 period by either party and subject to back-billing

1 greater than a year under the previous agreement --
2 so not discounting that there isn't something there,
3 there has -- to my knowledge, there has been nothing
4 in our relationship greater than a year.

5 BY MR. SAVAGE:

6 Q. Okay. Now, to the best of your knowledge,
7 does Bright House buy any services from Verizon for
8 resale?

9 A. No.

10 Q. And to the best of your knowledge, does
11 Bright House buy any unbundled network elements from
12 Verizon?

13 A. I don't believe so.

14 Q. And would you agree with me that the main
15 billings that go back and forth between Verizon and
16 Bright House -- well, I'm going to give you a list
17 of things, and I would like you to tell me whether,
18 to your understanding, that list of things pretty
19 much encompasses the billings that go back and forth
20 between Verizon and Bright House.

21 Number 1, we send traffic to each other and
22 bill each other reciprocal compensation or access,

1 as the case may be.

2 Number 2, Verizon provides directory
3 listings for the ultimate residence folks who buy
4 the VoIP service that we supply the connectivity
5 for.

6 Number 3, we buy a bunch of facilities from
7 you in connection with providing access to
8 third-party long distance carriers.

9 Number 4, we pay you for collocation space
10 in three different locations.

11 Would you agree with me that those four
12 things combined represent the overwhelming majority
13 of the bills that go back and forth between our
14 companies?

15 A. I can't say I've ever looked at a
16 comprehensive list of invoices that Verizon issues
17 to Bright House, or Bright House issues to
18 Verizon --

19 Q. Okay.

20 A. -- to be able to form an opinion of whether
21 that's true or not.

22 Q. Okay. Now, take a look, if you could, on

1 page 13 of your direct. Do you have that in front
2 of you?

3 A. I do.

4 Q. Okay. Looking at lines 9 through 10, you
5 say, "Proper billing is one of the more difficult
6 challenges in telecommunications."

7 And since you spend your life dealing with
8 billing disputes, I expect you to be able to answer
9 my next question, which is, why? Why do you think
10 that's true?

11 A. Because it's very difficult today to
12 correctly -- and it depends on where the billing
13 records are created. I deal mainly with usage
14 disputes.

15 Q. Okay.

16 A. You know, the recip comp, the access -- and
17 it's very difficult to determine who to bill and
18 what jurisdiction to bill.

19 Q. And when you say what jurisdiction, by that
20 you mean whether the rate to apply to a particular
21 minute of use should be out of the interstate or the
22 intrastate tariff?

1 A. Or whether it's recip comp or whether
2 perhaps it's Voice over Internet Protocol.

3 Q. Is it Verizon's position that Voice over
4 Internet Protocol should be billed at some separate
5 rate other than access or recip comp, as the case
6 may be?

7 A. It's at least Verizon's knowledge that many
8 entities claim that Voice over Internet is subject
9 to some different rate regime than the jurisdiction
10 of the call as determined by the calling and called
11 number would lead the billing party to believe the
12 jurisdiction as -- that was a long answer, wasn't
13 it?

14 Q. Yeah. Let me unpack that.

15 Normally, when you get -- when Verizon gets
16 a call coming into one of its switches, would you
17 agree with me that the switch will typically
18 generate a record that at least in the old days we
19 called an AMA record, an automatic message
20 accounting record? Recording at the switch.

21 A. Depending on what trunk group it came in
22 on, yes.

1 Q. Okay. And those AMA records then go
2 through a magic process, which I think is called
3 mediation, the result of which is something called a
4 CDR, or call detail record; is that right?

5 A. Well, the AMA is a CDR, but the mediation
6 typically will create -- will standardize the AMA
7 record, perhaps into an EMI record.

8 Q. Okay. But this magic data includes, if
9 everything has gone correctly, a field that
10 indicates the number where the call originated and
11 then another field that indicates the number that is
12 being called; is that right?

13 A. To the extent that the calling number is
14 signaled, correct.

15 Q. Right. And so -- I mean, again, all these
16 things let's assume can go wrong in some case, but
17 in the normal case, the sort of basic case, you'll
18 have a calling number and a called number. And if I
19 understood your earlier answer correctly, those are
20 the two bits of data that the billing system uses to
21 decide how to bill that call?

22 A. What jurisdiction to assign to that call.

1 Q. Right. So that if a call has an
2 originating number of 703-351, which I think is the
3 exchange here in Arlington, Virginia, and a
4 terminating number of, you know, 206-757, which is
5 my firm's office in Seattle, the billing system will
6 look at that and say, 703 on the one end, 206 on the
7 other end, that's an interstate call?

8 A. Correct.

9 Q. Okay. On the other hand, if it goes from
10 703-351 here in Arlington, Virginia, to 202-973, my
11 office across the river in D.C., that will be
12 programmed well enough to know, you know, that's an
13 interstate call, but for these purposes, locally, it
14 will go across the state boundaries?

15 A. Correct.

16 Q. Okay. On the other hand, you may have a
17 call that starts at 703-351 here in Arlington and
18 goes to 703 somewhere way the heck out in Virginia,
19 and even though it's still in 703, it will look at
20 the 351 and the -- whatever the other exchange is
21 and say, that's an intraLATA toll call.

22 A. Correct.

1 Q. Okay. It takes a lot of work, I imagine,
2 to keep all these little tables straight to compare
3 one to the other.

4 A. No, it doesn't take much work at all
5 because that data is downloaded from a Telcordia
6 database.

7 Q. And which Telcordia database would that be?
8 What's it called?

9 A. I think it's called BRDS, B-R-D-S.

10 Q. Okay. And the theory on that is that as
11 carriers come along, a new carrier comes into being,
12 or opens a new exchange, or whatever it may be, that
13 gets published to the database and then everyone
14 downloads it and they know what to do with it?

15 A. Yeah, though I'm not aware of anybody
16 coming in and creating a new exchange. The
17 exchanges are pretty stable now. You may add an NXX
18 code to an exchange --

19 Q. That's what I meant.

20 A. But the exchange is stable.

21 Q. Right. The exchange is the area served by
22 a particular NXX code, more or less?

1 A. Or historically an exchange is the area
2 served by the incumbent LEC of an exchange, and now
3 you find multiple NXX codes and multiple carriers
4 serving those NXX codes for that exchange -- we'll
5 call that local competition.

6 Q. And I will spare you how complicated it
7 gets when a number has been ported and so, on the
8 one hand, it looks like it's being dialed to one and
9 goes actually to something called the local routing
10 number -- have you had to deal with those kind of
11 problems?

12 A. For this purpose, it doesn't change it
13 since local number portability is not geographic.

14 Q. Right. Okay.

15 A. However, to add on, local number
16 portability does complicate the issue of determining
17 who to bill.

18 Q. Yes. And is that handled -- how is that
19 handled? When someone dials a ported number or a
20 call comes in from a ported number -- I guess would
21 be your -- a call comes in from a ported number.
22 How do you decide who to bill?

1 A. It relies on a concept known as the first
2 point of switching. So the call comes in on a local
3 interconnection trunk group to our switch. We
4 create a record that identifies the entity on the
5 other side of that trunk group as the entity to be
6 billed.

7 Q. And then how do you decide whether to bill
8 that entity a reciprocal compensation rate or, let's
9 say, an intrastate, intraLATA access rate?

10 A. Again, that goes back to the BRDS data
11 which lists these NXX codes by exchange. And, for
12 Verizon, the local calling areas for the Verizon
13 retail products are in stable tables, because we use
14 the same tables for retail billing as wholesale for
15 that purpose.

16 Q. Okay. So if I understand you correctly,
17 given some of these complications, there are
18 circumstances where you decide who to bill not based
19 on information contained in the AMA or CDR or EMI or
20 whatever it is, but rather just on which trunk it
21 came in on; you know this is a trunk that's coming
22 from XYZ company?

1 A. Correct, as long as we are the first point
2 of switching.

3 Q. Right. When you say first point of
4 switching, I mean, if -- if -- if XYZ CLEC has a
5 customer, and that customer makes a call, the CLEC
6 will switch it in their switch before they hand it
7 over to you on a trunk, right?

8 A. Correct. First point of switching is
9 always one of those terms that has survived the
10 access regime as -- the first point of switching on
11 a terminating access call coming in from an IXC, for
12 example, is either the tandem the IXC drops the call
13 to, or the end office that the IXC drops the call
14 to.

15 An example of the second point of switching
16 in that would be the IXC drops a call to a tandem --
17 that would be the first point. The end office would
18 be the second point.

19 Q. Right. And let me unpack that again, just
20 so the record is clear. An IXC may send a call from
21 its network directly to your end office and then on
22 to the person being called.

1 And in that case, you would say the first
2 point of switching is your end office?

3 A. Correct.

4 Q. Right. And when you call it the first
5 point of switching, you're not meaning to imply that
6 the IXC didn't switch it all over the place before
7 it got to you?

8 A. Or that there was an originating end office
9 switch that switched it before it got to the IXC,
10 correct.

11 Q. Right. So just to be clear, when you say
12 the first point of switching, what you mean is the
13 first point of switching within Verizon's network?

14 A. I think it's typically called within the
15 LEC network.

16 Q. Okay. So there will be a trunk that comes
17 into the first point of switching from somebody.
18 And you use knowledge that it comes in on that trunk
19 group to know that that somebody is who you're
20 supposed to bill?

21 A. Correct.

22 Q. Okay. And so you have this pile of records

1 that came in on this trunk. You know that XYZ CLEC
2 is going to get the bill, and then you go through
3 this comparison of originating and terminating
4 numbers to figure out what's billed at access,
5 what's billed at recip comp, et cetera, et cetera?

6 A. Correct.

7 Q. Isn't there some parameter in the signaling
8 data that comes in with a call that would tell you
9 who the call is coming from?

10 A. Not on a terminating call.

11 Q. Okay.

12 A. There is no signaling of an originating
13 company number, or OCN, and there is no signaling of
14 a CIC, or carrier identification code, CIC.

15 (Discussion off the record.)

16 BY MR. SAVAGE:

17 Q. Okay. So with all of this going on on the
18 billing, how can it be that, to your knowledge,
19 Verizon and Bright House have never had to back-bill
20 each other for something more than a year old? Have
21 we just gotten it right all that time?

22 A. I can't say that we've gotten it right all

1 of the time. I would probably venture an estimate
2 that it's not that wrong.

3 Q. There is a --

4 A. The -- there is a tolerance.

5 Q. Right. If -- do you know what the run rate
6 of billing each other is for traffic we send each
7 other between Bright House and Verizon?

8 A. I remember looking at the traffic, at least
9 on the direct end office trunk groups, and the local
10 traffic as well as the intraLATA toll traffic being
11 relatively balanced on those trunk groups, the
12 direct end office. And there are quite a few direct
13 end office trunk groups.

14 I don't recall, really, whether it's
15 relatively balanced in total or not, including the
16 tandem trunks, but I would guess so, given the
17 balance on the end office.

18 Q. Okay. And, in fact, would you accept, or
19 do you know, whether it's true that roughly
20 95 percent of the traffic goes between our
21 networks -- local or intraLATA toll traffic goes by
22 a direct trunking and not the tandem?

1 A. I don't recall whether that was the
2 percentage or not, frankly. If that was your
3 question --

4 Q. Yeah, that was my question, yeah. And is
5 your -- if you don't recall the exact percentage,
6 would you agree with me that it's -- a very large
7 portion of our traffic is direct trunk rather than
8 through tandems?

9 A. I expect so, yes.

10 Q. Now, take a look at page 15 of your direct
11 testimony. Here you're talking about a reference to
12 the applicable statute of limitations in Florida.
13 And here is going to be our first foray into stuff
14 that I know at the far reaches of it we get into
15 legal stuff, but here it is in your testimony, so I
16 want to ask you about it.

17 Do you have an understanding of what a
18 statute of limitations is at a high level in
19 general?

20 A. At a high level, as a layperson, my
21 understanding would be that is a statute in state
22 law that establishes, in this case, a limitation on

1 a period of time that can evolve before something is
2 billed.

3 Q. And sort of saying that in practical
4 terms --

5 A. I thought that was.

6 Q. Well, I'll try again. Would you agree with
7 me that what a statute of limitation says in the
8 state law matter is, if you wait too long to bring
9 some claim, whether it's a billing claim or
10 whatever, you can't do it if you wait too long, and
11 the question is, how long is too long? Is that a
12 fair summary?

13 A. I suspect there are other caveats on that
14 "too long," though I can't say I know that.

15 Q. I'll spare you a discussion of laches
16 and --

17 A. Very good, yes. Those are the caveats. I
18 don't know --

19 Q. I'm not --

20 A. Very good.

21 Q. I'm really asking this for a high-level
22 discussion -- and, again, I'm not trying to trick

1 you up with legal stuff. That's David's job, to
2 keep you safe from that, but --

3 A. Then I would agree.

4 Q. Okay. Now, help me here for a minute and
5 go back to page 3 and 4 of your direct. And I'll
6 ask you some more questions about it later, but at a
7 high level here, it seems to me that you're saying
8 is the reason we're doing this and what this
9 contract is about is to implement this set of
10 federal legal requirements on you and, I guess, us.
11 Is that fair?

12 A. Certainly the legal requirements are on us
13 to enter into these agreements, yes.

14 Q. And these legal requirements -- you know,
15 again, doubtless with the supervision and assistance
16 of your lawyers, you're citing 47 USC section
17 whatever -- and just to be clear, that's title 47 of
18 the United States Code, and not the Florida code,
19 right?

20 A. Correct.

21 Q. Okay. And this may go beyond what you're
22 doing, but if we're doing this under federal law,

1 who cares what the statute of limitations in Florida
2 is?

3 MR. HAGA: Object to the form of the
4 question to the extent you're asking him for a legal
5 conclusion.

6 MR. SAVAGE: Well, let me ask him for his
7 lay understanding.

8 BY MR. SAVAGE:

9 Q. Given your understanding that we're
10 operating in order to deal with your federal
11 obligations, what does it matter, if you have any
12 idea -- since you mentioned state law, what does it
13 matter what state law says? Do you have any
14 understanding of why it would matter?

15 MR. HAGA: And I'll assert the same
16 objection.

17 BY MR. SAVAGE:

18 Q. But my question stands. Do you have any
19 understanding of why it would matter?

20 A. I do not.

21 Q. Okay. So if -- but this is in here, as
22 indicated earlier -- your lawyers approved this

1 inclusion in your testimony?

2 A. Correct.

3 Q. And so, from that, is it fair to gather
4 that Verizon's position is that the laws of a state
5 can indeed affect what ought to go into an
6 interconnection agreement?

7 MR. HAGA: Objection to the form of that
8 question.

9 BY MR. SAVAGE:

10 Q. Do you have any understanding of Verizon's
11 position with respect to whether state law matters
12 to what goes into an interconnection agreement?

13 A. I don't have an opinion.

14 Q. Okay. So to the extent your testimony
15 could be read to imply of you as to the relevance or
16 role of state law in what should go into this
17 agreement, that would be a mistake because you have
18 no view on it?

19 MR. HAGA: Objection to the form.

20 You can answer.

21 THE WITNESS: Can you ask me that again?

22 BY MR. SAVAGE:

1 Q. You testified a minute ago that you have no
2 view as to -- let's call it the role of state law in
3 forming what goes into one of these contracts; is
4 that right?

5 A. I don't have a view as to the interaction
6 of the federal act and the FCC regs and their
7 interplay with state law. I just don't have -- to
8 me, that's a legal conclusion or a legal opinion. I
9 don't know how those interact.

10 Q. Okay. So -- two possibilities.
11 Possibility number 1, it could be, as far as you
12 know, that state law has nothing to do with it.
13 Possibility number 2, it could be that these
14 agreements have to totally conform with everything
15 in state law as well as federal law. You just have
16 no idea which of those two is true, or whether it's
17 something else?

18 A. And for any particular subject, that would
19 be accurate.

20 Q. Okay. Well, then, putting aside the fact
21 that in this case back in 2003 that you cite here,
22 that the Florida commission said, we're going to

1 stick with the state's statute of limitations, can
2 you think of any practical reason that having a
3 one-year cutoff applicable both ways to both parties
4 would be a problem between Bright House and Verizon?

5 A. As between Bright House and Verizon and our
6 prior history to date that is known, no.

7 As to Verizon and any other CLEC that might
8 adopt the contract that comes out of this
9 arbitration, I have seen instances where there are
10 amounts that are back-billed for greater than a
11 12-month period.

12 Q. And just to be clear about what you just
13 referred to, adopting an agreement, what's your
14 understanding about how that works for CLECs,
15 adopting agreements?

16 A. Once an agreement becomes effective in
17 Florida between Verizon and another entity, a third
18 entity can request that they make that contract
19 their own.

20 Q. And to that topic, do you have any
21 understanding about how it is that Bright House got
22 into its current existing contract with Verizon?

1 A. I have looked at it in the past, but it was
2 the distant past and I can't remember if it's your
3 own contract or something you adopted.

4 Q. Okay. Well, I'll -- I'll represent to you
5 that it's something we adopted in the past, and I'll
6 get more to that in a minute.

7 Now, in all of your work for GTE, and then
8 Verizon, have you ever had to look at or come to any
9 understanding of the whole idea of a cost of capital
10 to be used in a business?

11 A. No.

12 Q. Okay. Okay. So -- well, let me ask you a
13 practical question: Would you agree with me that,
14 other things being equal, if a business can lower
15 its exposure to risk, that's a good thing, other
16 things being equal?

17 A. Yes.

18 Q. Okay. And would you agree with me that, as
19 long as it remains possible for Verizon to protest a
20 bill that Bright House sent it and that Verizon has
21 paid us, or alternatively, for Verizon to back-bill
22 Bright House for services that hadn't previously

1 been billed, that each of those two things
2 contributes to Bright House's risk?

3 A. I would.

4 Q. Okay. And, conversely, to the extent that
5 Bright House has a right to send a bill to Verizon
6 for services that it rendered in the past but has
7 never previously billed or, alternatively, to
8 protest and demand back money that it paid
9 previously, that that exposes Verizon to risk?

10 A. Correct.

11 Q. So whatever else it would do, would you
12 agree with me that having a one-year cutoff for back
13 billing and billing disputes would lower both of our
14 business risk as compared to having a three-year or
15 five-year or seven-year, or whatever the statute of
16 limitations cutoff might be?

17 A. Well, it certainly lower the risk of the
18 party being back-billed or protested, but it also,
19 I'd say, increases the risk of the party that could
20 be doing the billing or protesting because now their
21 ability to back-bill or to protest is limited.

22 So there is going to be -- there is a

1 decrease and an increase.

2 Q. So, basically, it's a wash?

3 A. I don't know if it's a wash or not, but
4 it's not all one way.

5 Q. Okay. And, essentially, whether it's a
6 wash or not for any given company depends on whether
7 you're more likely to be back-billing and griping
8 about bills you already paid, on the one hand, or
9 more likely instead to be on the receiving end of
10 those kind of things?

11 A. I would agree with that.

12 Q. Okay. Where do you think Verizon falls?
13 Are you more likely, in your experience, based on
14 all your work with billing disputes, to be on the
15 receiving end of protests and back-bills, or are you
16 more likely to be back-billing and raising protests
17 after the fact?

18 A. I've seen both, though I'd say it's more
19 prevalent that we're on the receiving end.

20 Q. On the receiving end of back-bills and
21 protests?

22 A. Yes.

1 Q. Okay. So in Verizon's case, it would lower
2 your risk to have a shorter cutoff?

3 A. In my experience on the disputes that I'm
4 involved with, I'd say that's a correct statement.

5 Q. And Bright House, of course, is proposing
6 the one-year cutoff, so we may be stupid, and it may
7 be that we are hurting ourselves, but we are
8 proposing to restrict our ability to impinge upon
9 you with protests and back-bills, right?

10 A. Correct.

11 Q. So, again, putting aside this adoption
12 problem, as between the two of us, a one-year cutoff
13 is probably a pretty good idea, right?

14 A. At least relative to the services that my
15 experience is on, which is usage -- and there is a
16 whole other major category of services that are
17 billed, and perhaps disputed, being facility
18 charges -- as between -- my experience of the usage
19 and Bright House and Verizon Florida, that's
20 accurate in the history that I know of.

21 Q. Okay. Now, shifting from the specific to
22 the general here, as a general proposition, does

1 Verizon, let's say, consider itself constrained to
2 take certain positions in negotiating with Bright
3 House not because of anything about Bright House,
4 but because of this concern that anything you agree
5 to might be adopted by somebody else?

6 MR. HAGA: Object to the form of that
7 question.

8 BY MR. SAVAGE:

9 Q. You can answer.

10 A. The adoption does make the ability in one
11 of these interconnection agreements to agree to
12 terms that are so specific between two parties that
13 make them problematic in the adoption process.

14 Q. Okay. Take a look at your rebuttal
15 testimony at page 13 on lines, let's say, 12 through
16 14. Do you have that?

17 A. I do.

18 Q. Okay. And there you say, "Under the ICA
19 language that the parties have been operating under
20 for years (that Bright House now seeks to
21 modify)" -- and focusing on that little
22 parenthetical, my question is, do you have any

1 understanding as to the circumstances that led
2 Bright House and Verizon to be negotiating a new
3 agreement?

4 A. I don't believe I do.

5 Q. Okay. Did you -- when you put this
6 testimony together, did you ask anybody, why are we
7 doing this? Or -- I mean, I think a fair reading of
8 some of your testimony is -- and tell me if I'm
9 wrong -- Bright House is doing pretty well under the
10 existing interconnection agreement, and yet here
11 they are making all these proposed changes to it.
12 Is that a fair characterization of some of your
13 testimony?

14 A. Well, at least a fair characterization is
15 that, clearly, Bright House has been doing well in
16 the Florida market under the existing
17 interconnection agreement, and to the extent that
18 Bright House is claiming that they need these
19 modifications in order to compete sort of pales when
20 you compare it to their marketplace experience.

21 Q. Well, to address that, let me use a
22 possibly -- possibly inflammatory example, but you

1 can see.

2 Suppose that I am running a dry cleaning
3 shop and I'm doing a pretty good business and, you
4 know, prospering as a small businessman. Do you
5 understand that basic concept?

6 A. I do.

7 Q. And suppose, hypothetically, you know, two
8 guys walk in, one small and wearing a nice suit, and
9 one very large and very mean-looking and carrying a
10 club, and they say, gosh, you've got a nice business
11 here; it would be a terrible thing if anything
12 happened to it, but we can offer you protection for
13 just a hundred dollars a week. We can guarantee
14 that your business won't, say, burn down tomorrow.

15 And the dry cleaning guy says, sounds like
16 a deal to me, and pays the hundred dollars a week.

17 Do you understand the scenario I've just
18 described?

19 A. Yes.

20 Q. Now, let's assume that our hypothetical
21 insurance agents have properly calculated the market
22 that they are selling into, and realize that they

1 can get a hundred dollars a week, and nobody will
2 complain about them. Are you with me so far?

3 A. I'm --

4 Q. I'm the dry cleaner and I say, you know,
5 for a hundred dollars a week, I'll pay it and avoid
6 the trouble. Do you understand that concept?

7 A. Yes, I got that part.

8 Q. Okay. Now, in this scenario, you would
9 agree with me that a hundred dollars a week that
10 that dry cleaner ought to have to reinvest in their
11 business or, you know, pay dividends to their
12 shareholders or whatever, are instead going to our
13 two insurance salesmen?

14 A. Correct.

15 Q. Okay. Now, under that scenario, you would
16 agree with me that the dry cleaner is doing worse
17 than they should do in the competitive market by
18 virtue of that hundred dollar a week insurance
19 payment, correct?

20 A. Unless his business burned down because he
21 didn't pay for the insurance and had no insurance.
22 Absent that, he's doing worse.

1 Q. Okay. So you would agree with me, in
2 principle, that a business can be thriving to all
3 appearances in the market and yet still have certain
4 financial drags on its operations that, by rights,
5 it shouldn't have?

6 A. I'm not sure I understood "by rights."

7 Q. Well, let's assume that the -- our
8 insurance salesmen, in my example, have not received
9 the proper authorization from the insurance
10 commissioner to be selling their insurance.

11 A. It's not State Farm?

12 Q. It's not State Farm, no. It's just, you
13 know, insurance.

14 But you would agree with me that a
15 business -- the dry cleaning business can appear to
16 be thriving and have lots of customers, and yet
17 still be having to pay that -- "having" in the sense
18 of being afraid not to -- having to pay that hundred
19 dollars that they shouldn't have to pay?

20 A. Yeah. I mean, since the example is
21 somewhat inflammatory, we've got a shake-down versus
22 State Farm --

1 Q. Right.

2 A. -- because we all -- normally all of us, we
3 do pay for insurance.

4 Q. Correct. Correct.

5 So -- but, in concept, suppose that,
6 hypothetically, back in 1997 when the
7 interconnection agreement under which Bright House
8 is presently operating was originally established --
9 suppose, hypothetically, some term or terms in that
10 agreement are not as favorable to Bright House as
11 current law would entitle Bright House to have.

12 Do you understand the idea that current
13 law, we can get a better deal?

14 A. I do.

15 Q. Okay. If --

16 MR. HAGA: Just to be clear, you're asking
17 him to assume these facts.

18 MR. SAVAGE: Correct. Yeah. You know, I'm
19 not saying that there is.

20 BY MR. SAVAGE:

21 Q. But if, hypothetically, that were true,
22 then wouldn't it be a perfectly legitimate thing for

1 Bright House to say, I would like to renegotiate the
2 agreement in light of current law?

3 A. Yes.

4 Q. Okay. Now, again, just to be clear and not
5 hide the ball, based on your earlier answers, I
6 assume that when you put together your testimony,
7 you were unaware that Verizon and Bright House had a
8 dispute about charges for directory listings back
9 and forth?

10 A. No, I was aware -- I have been aware of
11 that directly listings dispute. I, frankly, don't
12 know the time period for the dispute, though.

13 Q. Okay. Were you aware that that dispute was
14 settled roughly a year ago?

15 A. I know it was settled. I don't remember
16 the time frame, though.

17 Q. Were you aware that one of the terms of the
18 settlement was that the signing of the settlement
19 would constitute a request to negotiate a new
20 agreement?

21 A. No, I was not aware of that.

22 Q. Okay. Then I'll leave you alone on that.

1 If you will accept my representation that that's
2 true, we can demonstrate in the record if we need
3 to.

4 A. Very good.

5 Q. Okay. All right. Let's then move back to
6 your direct testimony starting on pages 3 and 4 and
7 5. And I have the confidential version in front of
8 me, as you may, but I don't think I'm going to ask
9 about any information that is marked as confidential
10 on page 5.

11 A. And I do not have the confidential --

12 MR. HAGA: He actually has the public
13 version in front of him.

14 MR. SAVAGE: That's great. That's fine.
15 If we need to get into the confidential, I'll let
16 you know.

17 BY MR. SAVAGE:

18 Q. But let me -- before we start this new
19 topic, when I went through my litany of the rules
20 for the deposition that I know you already know, if,
21 at any point, you feel like you need to take a
22 break, you know, health break, get a drink,

1 whatever, you know, let me know and we'll
2 accommodate that.

3 A. I will.

4 Q. Okay. Having passed that chance, let's
5 move on.

6 MR. SAVAGE: What I would like to do now is
7 hand out what we can mark as Number 3, Munsell
8 Exhibit 3, which I will represent to you is my best
9 effort to faithfully reproduce, through the wonders
10 of copying and pasting, section 251(c)(2) of the
11 federal act.

12 (Munsell Deposition Exhibit Number 3 was
13 marked for identification.)

14 BY MR. SAVAGE:

15 Q. Do you have that in front of you?

16 A. I do.

17 Q. And you see that on lines 12 and 13 on
18 page 3 of your direct, and then again on line 7 on
19 page 4 of your direct, you quote from parts of this
20 statute. Am I right about that?

21 A. Let's see. That was page 3, lines 12 and
22 13, and page 7 --

1 Q. Page 4, line 7.

2 A. Oh. Yes.

3 Q. Okay. So I'd like you to take a moment to
4 look at Exhibit 3, which again I'll represent to you
5 is a full and complete and accurate copy of
6 section (c)(2) of section 251 of the federal act.
7 And the first question is, after you've looked at
8 it, have you seen this before? Are you familiar
9 with this language?

10 A. And I have seen it before.

11 Q. Okay. And, you know, subject to all of our
12 earlier qualifications about not pushing you too far
13 into the realm of the law, on lines 14 -- let's go
14 to 13 to 15 -- you refer to the ILEC's obligation to
15 provide interconnection with other LECs for the
16 transmission and routing for telephone exchange
17 service and exchange access.

18 Do you see that?

19 A. I do.

20 Q. And then, to kind of underline the point,
21 on page 4, on lines 5 through 7, you refer to this
22 being for the purpose of facilitating "the

1 transmission and routing of telephone exchange
2 service and exchange access" not for any other
3 purpose.

4 Do you see that?

5 A. I do.

6 Q. Okay. Do you have an understanding of what
7 telephone exchange service is?

8 MR. HAGA: Are you asking him what it is
9 within the meaning of 47 USC 251(c)(2)?

10 MR. SAVAGE: At the moment, I'm asking him,
11 does he have any understanding at all of what it is?
12 And we'll narrow that down as we go forward. I
13 mean, it's the term in his testimony.

14 BY MR. SAVAGE:

15 Q. Do you have any understanding at all of
16 what telephone exchange service is?

17 A. And, clearly, my testimony is quoting from
18 the Code of Federal Regulations, if --

19 Q. Actually, it's the U.S. Code.

20 A. Okay. It's close.

21 Q. We'll leave the Code of Federal
22 Regulations --

1 A. Okay. That's why -- it's clearly out of my
2 realm.

3 As a layperson, my understanding of
4 telephone exchange service would be a local exchange
5 service that an ILEC, like Verizon, provides out of
6 its, typically, general exchange services tariff
7 that's typically regulated by the state public
8 service commission of the particular state it's
9 offered in.

10 Q. And in -- putting it in very practical
11 terms, telephone exchange service is when somebody
12 picks up the phone in their house, and calls their
13 neighbor a block or two away; is that a fair example
14 of telephone exchange service?

15 MR. HAGA: And let me just lodge an
16 objection here -- and maybe this can be a standing
17 objection for this line of questions.

18 To the extent you're asking him to
19 interpret specific terms within the act, that's
20 calling for a legal conclusion and I'll object to
21 that.

22 If you're asking him, you know, generally

1 speaking layperson parlance of -- of terms, you
2 know, as someone in the telecommunications industry,
3 that's something different. But I object to you
4 asking him what the meaning is of terms in the act.

5 MR. SAVAGE: Let's be very clear, just so
6 there is no dispute. I mean, A, I am -- unless I
7 specifically say otherwise, please assume that my
8 question is intended to get to Mr. Munsell's
9 understanding of a term as he used it in his
10 testimony.

11 Now, if you will stipulate to me that
12 Mr. Munsell has no competence whatsoever to have an
13 opinion about the legal meaning of the act or the
14 legal meaning of any FCC regulation or ruling, then
15 we're done, and then I'll just ask him about his lay
16 understanding.

17 If you won't stipulate that with me, that
18 he has no competence in that area, then I have a
19 right to ask him about it. So are we good? Do we
20 have a stipulation?

21 MR. HAGA: I understand what you're saying,
22 and I think -- and Mr. Munsell can correct me -- but

1 what I understood his testimony to be before, when
2 you were asking him generally to lay a foundation,
3 was that in his role working on interconnection
4 arrangements, he can't help but bump up against some
5 of the terms of the act and state law and so forth,
6 and that he -- in those instances, he has some
7 knowledge, but works with inside counsel or counsel
8 for Verizon to be able to implement those legal
9 terms.

10 So I think, if you're asking him about, you
11 know, in the course of his job, about facts relating
12 to those legal terms, I think that's certainly fair
13 game.

14 I think if you're asking him to get in and
15 parse words of the statute or how they might apply,
16 I think that is properly legal, and we can address
17 that in legal leave briefs.

18 MR. SAVAGE: Okay. What I intend to be
19 doing is, A, asking him about what he actually said
20 in his testimony, which you guys put together, not
21 me -- and, two, asking him about his lay and
22 practical understanding of what's in his testimony

1 to the extent it might arguably appear to be a legal
2 interpretation.

3 MR. HAGA: Right. And certainly if it's in
4 his testimony, you can ask him about it and ask him
5 if he knows anything beyond what's stated there, and
6 I suspect --

7 MR. SAVAGE: If the answer is no --

8 MR. HAGA: I suspect we both know what the
9 answer to that is. But, you know, if it's his
10 testimony, by all means, ask him about it.

11 You know, beyond that and asking him, you
12 know, legal questions beyond what's stated in his
13 testimony, you know, that will draw an objection.
14 But by all means, let's --

15 MR. SAVAGE: We'll sort it out.

16 MR. HAGA: -- see what we can do, yeah.

17 BY MR. SAVAGE:

18 Q. Okay. So the question that I asked was
19 something like, in practical terms, would you agree
20 that an example of telephone exchange service is
21 someone picking up the phone and calling a neighbor
22 a couple of blocks away?

1 A. Yes, I'd say it's even more basic than
2 that; it's having that phone service.

3 Q. Okay. Having the service that lets me do
4 that is telephone exchange service?

5 A. Correct.

6 Q. All right. And then the other thing --
7 there are two things that we can interconnect for,
8 and not for any other purpose, according to your
9 testimony: One is telephone exchange service and
10 the other is exchange access.

11 Now, what is your understanding of what
12 exchange access is subject to all of the same
13 caveats and limitations that we talked about?

14 MR. HAGA: And same objections.

15 MR. SAVAGE: Right.

16 THE WITNESS: In my experience, we're
17 dealing with traffic exchange between an
18 interexchange carrier who carries long distance
19 traffic with the local exchange market, whether that
20 be an ILEC or a CLEC, and that interexchange creates
21 switched access traffic between the LEC/CLEC network
22 and an IXC's network.

1 BY MR. SAVAGE:

2 Q. Okay. Let me give you a -- sort of a
3 simplified call scenario and see if we can just nail
4 this down.

5 Suppose that I am a residence customer
6 served by Verizon in Montgomery County, Maryland.
7 Suppose that my brother is a residence customer
8 served by Verizon in Los Angeles, California. With
9 me so far?

10 A. Except we doesn't serve Los Angeles. Yes.

11 Q. All right. Santa Barbara, California. You
12 do serve Santa Barbara, right?

13 A. I think so.

14 Q. Growing up, I was a GTE customer --

15 A. We've got a tandem in Santa Barbara, so --

16 Q. There you go. All right.

17 So my brother lives in Santa Barbara. So
18 I'm now calling my brother in Santa Barbara. And
19 the call would go from, let's say, Verizon that
20 serves me in Montgomery County, Maryland, to, let's
21 say, AT&T that would carry the call across the
22 country, get it to your tandem in Santa Barbara, and

1 then Verizon in Santa Barbara would get it to my
2 brother. Do you understand that basic call flow?

3 A. I do.

4 Q. Okay. Now in that scenario -- let's see if
5 we agree on the following.

6 I am making a call to my brother, so I am
7 buying a long distance call from AT&T?

8 A. Correct.

9 Q. In order to make that call go through, AT&T
10 has to do more than just carry it across the
11 country. They have to get it from my house to their
12 network and then they have to get it from their
13 network in Santa Barbara to my brother.

14 A. Correct.

15 Q. And in order to get it from my house to
16 their network in Montgomery County, they buy from
17 Verizon a service, typically called originating
18 switched access.

19 A. Unless they have a direct connection with
20 your house, that is what they would do.

21 Q. Right. I'm a happy FIOS company so, no,
22 AT&T does not have a direct connection to my house.

1 And then, with the same caveat at the far
2 end, AT&T buys what's typically called terminating
3 switched access from Verizon in Santa Barbara to get
4 to the house at the far end?

5 A. Correct.

6 Q. Okay. And your understanding -- correct me
7 if I'm wrong -- is that when we talk about exchange
8 access, in practical terms what we're talking about
9 is what it is AT&T is buying from Verizon in
10 Montgomery County to originate the call and then,
11 again, from Verizon in Santa Barbara, California, to
12 terminate the call?

13 A. Yes, in that hypothetical.

14 Q. Right. Now, other than that sort of, you
15 know, iconic case of exchange access, in your
16 understanding, are there other things that would
17 constitute exchange access within the meaning that
18 you use it in your testimony?

19 MR. HAGA: Subject to the same objection.

20 THE WITNESS: I really don't know where
21 special access facilities fall within the meaning of
22 exchange access. That might be in there or not.

1 Being a usage guy for 20-odd years, that's
2 what I focus on, and that's what my expertise is.
3 So within the usage side, certainly. I can't say --
4 I don't have an opinion on dedicated facilities and
5 where they fall.

6 BY MR. SAVAGE:

7 Q. Okay. Well, for --

8 A. So -- I just don't deal with it.

9 Q. Okay. Well, for purposes of this
10 deposition, let's just say -- let's just stipulate
11 that the answer with respect to special access is,
12 it depends.

13 A. Very good.

14 Q. Okay. Now, I'd like to hand out something
15 else to which we can call Number 4, which I'll
16 represent to you is my best effort to cut and paste
17 certain definitions from the definitions section.
18 And I would like you to first look at and then tell
19 me if you ever seen these terms and this language
20 before.

21 Have you ever had to review this stuff
22 before?

1 (Munsell Deposition Exhibit Number 4 was
2 marked for identification.)

3 BY MR. SAVAGE:

4 Q. Let me know when you've had a chance to
5 look it over.

6 A. I will.

7 I've looked at it.

8 Q. Okay. Now, let's take them one at a time.
9 The first item is headed subsection 16 -- because
10 that's in subsection 16 of this Florida law. It's a
11 definition of the term "exchange access" which I'll
12 represent to you is just cut and pasted from federal
13 law.

14 Have you ever seen this language before?

15 A. I have.

16 Q. Okay. Would you agree with me, then, that
17 the federal law defines exchange access as "the
18 offering of access to telephone exchange services or
19 facilities for the purpose of the origination or
20 termination of telephone toll services"?

21 A. That is what it says.

22 Q. Do you have any understanding of what that

1 language means?

2 MR. HAGA: Objection to the extent you are
3 asking him for a legal conclusion.

4 BY MR. SAVAGE:

5 Q. At this point, any understanding of what it
6 means. "No" is a perfectly acceptable answer, if
7 true.

8 A. In our hypothetical, it would appear to fit
9 what we determined or discuss as being originating
10 switched access and terminating switched access.

11 Q. Right. And with reference to that
12 hypothetical, what AT&T was selling me, since I was
13 making the call, was telephone toll service, and
14 they used the Verizon exchange services and
15 facilities on either end to originate and terminate
16 it and, therefore, that was exchange access?

17 A. In that hypothetical, I would say that
18 applies, yes.

19 Q. Right. And, again, we'll leave the "it
20 depends" out there for all the special access stuff.

21 A. Thank you.

22 Q. Okay. You may assume that "it depends" is

1 the answer for almost everything having to do with
2 special access, in my experience.

3 A. That is why I stay away from special
4 access.

5 Q. There you go. All right.

6 The second listed definition is 26, which
7 is the definition of a local exchange carrier. Now,
8 have you seen that language before I presented it to
9 you this morning?

10 A. I have.

11 Q. Okay. And I'm not going to read the last
12 sentence which has to do with wireless traffic which
13 is not, in my judgment, relevant here. The first
14 sentence is, "Local exchange carrier means 'any
15 person that is engaged in the provision of telephone
16 exchange service or exchange access.'"

17 Are you with me so far?

18 A. Yes.

19 Q. Okay. Now, I'm going to switch up here.

20 Go back to Number 3, which is the
21 definition -- this stuff from 251(c)(2).

22 A. Okay. Exhibit 3?

1 Q. Exhibit 3, yeah. Okay.

2 And Exhibit 3 states, as you quoted in your
3 testimony, that the point of interconnection is for
4 the transmission and routing of telephone exchange
5 service and exchange access. Do you see that?

6 A. In my testimony?

7 Q. It's in your testimony, and it's also in
8 Deposition Exhibit 3.

9 A. Right.

10 Q. You'll find it in your testimony on page --

11 A. Is that the page 4.

12 Q. Yeah -- it's close. Page 3 at lines 14
13 through 15, for the transmission and routing of
14 telephone exchange service and exchange access.

15 Do you see that?

16 A. Yes.

17 Q. So you would agree with me, I think, that
18 this definition of local exchange carrier, anybody
19 who is providing telephone exchange service and
20 exchange access, seems to relate to what
21 interconnection is for, either telephone exchange
22 service or exchange access; is that fair?

1 MR. HAGA: And I'll object to that question
2 to the extent you're asking him to parse statutes
3 and tie them back together. I think that's a legal
4 conclusion.

5 MR. SAVAGE: Okay.

6 THE WITNESS: And can you break that
7 question down a bit for me? I'm sorry.

8 BY MR. SAVAGE:

9 Q. Okay. If you look at -- your testimony is
10 easier because you've got it in front of you.

11 A. Right.

12 Q. Page 3, lines 14 through 15. You're
13 stating that the ILECs have an obligation to
14 interconnect with carriers for the transmission and
15 routing of telephone exchange service and exchange
16 access.

17 Do you see that?

18 A. I do.

19 Q. Okay. And then the definition of a local
20 exchange carrier in Exhibit 4 that I just handed
21 you, the one with all the definition --

22 A. Got it.

1 Q. -- says a local exchange carrier is any
2 person engaged in the provision of telephone
3 exchange service or exchange access.

4 A. I see that.

5 Q. Okay. So, in practical terms, would you
6 agree with me that what this means -- and, again,
7 this is in practical terms -- your obligation to
8 interconnect with us under the statute you're
9 quoting has to do with our provision of the things
10 that make us a local exchange carrier, either
11 telephone exchange service or exchange access?

12 MR. HAGA: Same objection as to asking for
13 a legal conclusion.

14 THE WITNESS: Yes, in your capacity as a
15 local exchange carrier.

16 BY MR. SAVAGE:

17 Q. Right. Okay. So -- that, then, brings me
18 to another question. Take a look -- if you look at
19 your direct testimony, page 2, line 19 through
20 page 3, line 2. Do you have that?

21 A. I do.

22 Q. And then, again, in your rebuttal testimony

1 on page 2 -- you have the same problem with the
2 numbering software that I do, but it's the
3 unnumbered stuff that's footnote 1.

4 A. Okay.

5 Q. Do you see that?

6 A. Yes.

7 Q. Now, what you say here is that -- if I can
8 summarize it -- is your testimony and everybody's
9 testimony in this case assumes that Bright House is
10 a local exchange carrier entitled to interconnect
11 under 251(c), but you reserve your right to gripe
12 about that prospect later.

13 A. Correct.

14 Q. Okay. I need to focus on this for little
15 bit.

16 Sitting here right now today, do you,
17 Mr. William Munsell, under oath and all of that good
18 stuff, have a view as to whether Bright House, the
19 company that's trying to get this contract, is or is
20 not a CLEC?

21 MR. HAGA: Same objection to the extent
22 you're asking for a legal conclusion.

1 MR. SAVAGE: Okay. I haven't asked for a
2 legal conclusion yet.

3 THE WITNESS: I do not.

4 BY MR. SAVAGE:

5 Q. You have no opinion?

6 A. That's correct.

7 Q. Okay. Let's broaden it slightly.

8 Do you, sitting here today, have any
9 understanding of whether Verizon has a view of
10 whether Bright House, the company seeking this
11 contract, is a CLEC?

12 A. I do not.

13 Q. You do not. Okay.

14 Is it your understanding that, by what
15 you're saying here and what Verizon said in its
16 response, that Verizon is reserving the right at any
17 time in the future that it chooses, to say, you
18 know, I think Bright House really isn't a CLEC? Do
19 you think Verizon is trying to reserve that right?

20 MR. HAGA: Objection to the form.

21 THE WITNESS: I do not know what right
22 Verizon is trying to preserve here.

1 BY MR. SAVAGE:

2 Q. Okay. Take a look, if you could, at your
3 rebuttal testimony on page 3, line 17 through
4 page 4, line 11. Take a look at that and then, when
5 you're done reviewing it, let me know you're ready
6 to talk about it.

7 A. Okay. I'll let you know.

8 Now I have read it.

9 Q. Okay. Now, there you, if I can summarize
10 it, make the following point, which is you're not
11 interconnecting with people because you want to
12 particularly. I mean, you may or may not. You're
13 interconnecting with people because you have to
14 under the law, right?

15 A. And we are interconnecting with those
16 people today, yes, under the law and under the
17 specific requirements of the law.

18 Q. Right. So if you don't know whether we're
19 a CLEC, why are you interconnecting with us? Why
20 are you entering into all this stuff and, you know,
21 using up the time and effort of your lawyers and all
22 of that?

1 A. It would appear that would call for a legal
2 conclusion of whether Verizon believes Bright House
3 is a CLEC or not.

4 Q. No, to the contrary. You have said you
5 don't know what Verizon thinks.

6 A. Right.

7 Q. And you have said that your only obligation
8 to interconnect is -- you've said -- is because the
9 act requires it. Your understanding is you're only
10 required to interconnect with CLECs.

11 So you're only required to interconnect
12 with CLECs. You don't know whether we are a CLEC or
13 not. So not as a legal matter -- as a practical
14 business matter, why are you doing this?

15 MR. HAGA: Objection. Misstates the
16 testimony.

17 MR. SAVAGE: Okay.

18 BY MR. SAVAGE:

19 Q. Do you agree with your counsel that I have
20 misstated the point of your testimony?

21 A. I say the point of the testimony is it sets
22 forth what our requirements are to interconnect with

1 the CLEC. It's clear that Bright House is both the
2 cable company, a CLEC -- frankly, I don't know if
3 you're also a long distance provider or not.

4 Q. It depends. It's like special access.

5 A. It's like special access. Very good.

6 And it's certainly not clear to me, sitting
7 here, just what entity of Bright House serves the
8 local customers of Bright House and whether that's
9 the same entity that's interconnecting with Verizon
10 or not. Frankly, I don't know.

11 Q. Okay. All that said -- let me just see if
12 I can make it -- do you understand that the party
13 seeking interconnection with Verizon in this
14 proceeding is a company called Bright House Networks
15 Information Services (Florida), LLC?

16 A. I do.

17 Q. Okay. Do you understand that that entity
18 is certificated as a CLEC by the Florida PSC?

19 A. I have no direct knowledge of that, but I
20 would trust that's true.

21 Q. All right. Do you understand that that
22 entity provides wholesale services -- and let's call

1 it -- let's leave it vague for the moment --
2 provides wholesale services to a different entity,
3 which is a cable television operator, that is its
4 affiliate?

5 A. That is my understanding.

6 Q. And putting aside any question about the
7 regulatory classification of VoIP, do you understand
8 that that -- among the other things that cable
9 operator affiliate provides is VoIP services to
10 end user customers?

11 A. Yes.

12 Q. Okay. Given that understanding, do you --
13 there's two steps: Do you, Mr. Munsell, sitting
14 here today under oath, have any personal opinion as
15 to whether Bright House Networks Information
16 Services (Florida), LLC is a CLEC?

17 A. Without going through the whole Bright
18 House --

19 Q. The wholesale entity that's seeking
20 interconnection, not the cable operator.

21 A. Is a certificated CLEC? I have no reason
22 to doubt that.

1 Q. Okay. Do you have any reason to doubt that
2 that entity is -- looking at page 2 of your direct,
3 line 21, do you have any reason to doubt that that
4 entity is, quote, entitled to section 251(c)
5 interconnection?

6 A. Sitting here today, I do not.

7 Q. Do you have any understanding of whether
8 Verizon at large has a view as to whether Bright
9 House, the CLEC, is, quote, entitled to section
10 251(c) interconnection, close quote?

11 A. If you're asking me whether I believe
12 Verizon, the entity has a doubt --

13 Q. Yes.

14 A. -- I expect they do.

15 Q. Okay. And is a fair summary of the parts
16 of your testimony I just referred to, the direct at
17 page 2 to 3, and the rebuttal at footnote 1, that
18 Verizon reserve its right at any time to say, wait a
19 minute, I don't think you're entitled to
20 interconnection?

21 A. At least to argue that point, I suspect if
22 the law becomes clearer on that point.

1 Q. Well, let's say there is no change in the
2 law whatsoever. Let's say that the law becomes
3 clearer in the sense that a clever Verizon lawyer
4 wakes up one day and says, I figured it out; they
5 are not a CLEC -- but no objective change, just
6 some, you know, brilliant, you know, brainstorm on
7 the part of a Verizon lawyer.

8 Is it your understanding that if such a
9 brilliant brainstorm on the part of a Verizon lawyer
10 occurs, Verizon is reserving the right to say, you
11 know, I've been assuming you're entitled to 251(c)
12 interconnection, but you know, now I think you're
13 not?

14 Is it your understanding Verizon is
15 reserving that right?

16 A. I would say that's probably true with any
17 entity that we interconnect with, so yes.

18 Q. Okay.

19 (Munsell Deposition Exhibit Number 5 was
20 marked for identification.)

21 BY MR. SAVAGE:

22 Q. Let me give you what I have marked as

1 Number 5, but it's, again, my best effort to cut and
2 paste your proposed section 50 of the contract. And
3 as a helpful reference, down at the bottom, I have
4 an excerpt from the glossary to the contract.

5 I'll represent to you that the parties have
6 not disputed the little glossary item at the bottom,
7 and as you, I'm sure, well know, we have proposed to
8 entirely delete your section 50.

9 A. I understand.

10 Q. Okay. Could you read into the record, just
11 so we know we're talking about the same thing, your
12 proposed language for section 50.1?

13 A. 50.1. "Notwithstanding anything contained
14 in this Agreement, except as otherwise required by
15 Applicable Law, Verizon may terminate its offering
16 and/or provision of any Service under this
17 Agreement, upon thirty (30) days prior written
18 notice to Bright House."

19 Q. Okay. Now, do you have an understanding of
20 how this provision is supposed to work if it were
21 actually included in our agreement?

22 And let me advise you, if you don't

1 remember, you've testified extensively about how
2 it's supposed to work, so I'm hoping the answer is
3 yes.

4 MR. HAGA: This is issue 7.

5 MR. SAVAGE: Yeah, of course. This is
6 issue number 7.

7 BY MR. SAVAGE:

8 Q. And just to be clear, 50.2 is long, it's a
9 little different. I'll ask you about that later. I
10 am not asking about it now. But if you -- I see you
11 reviewing it; that's fine --

12 A. No, I'm focused on 50.1.

13 Q. Oh, okay. All right. Great.

14 A. And the question is how it would operate.

15 Q. The first question is, do you have an
16 understanding as to how it would operate if it were
17 actually included in the agreement?

18 A. I have a layman's understanding. I think.
19 I hope.

20 Q. Okay. So let me ask you the following
21 question. Let's suppose that everything else about
22 the agreement has worked out one way or another --

1 either we agree or the commission tells us -- and
2 section 50.1 is in the agreement when the dust
3 settles.

4 Do you understand what I'm asking you to
5 understand?

6 A. Yes.

7 Q. Okay. Now, assume with me that two days
8 after we sign the new agreement, our hypothetical
9 Verizon lawyer brainstorm occurs and, you know,
10 Mr. Milch or Mr. Thorne or, you know, somebody way
11 high up in the company says, I've got it; Bright
12 House Networks Information Services (Florida), LLC
13 is not a CLEC; they are not entitled to 251(c)
14 interconnection.

15 Now, if that brainstorm were to occur,
16 would you agree with me that, under section 50.1,
17 Verizon can say, you know, we are not required by
18 applicable law to offer you any of this stuff;
19 therefore, we terminate the contract on 30 days'
20 notice?

21 A. I don't know, given that, from a state law
22 perspective, the Bright House entity that you've

1 just quoted would still be a certificated CLEC in
2 the eyes of the state.

3 Q. Assume that the brilliant brainstorm by
4 Mr. Thorne or Mr. Milch says, you know, this is a
5 federal law problem; it really doesn't matter what
6 the state says; they are not -- we are not required
7 by applicable law to provide interconnection. We
8 thought we were, but we're not.

9 Would anything in 50.1 prevent Verizon from
10 saying, you know, our understanding of applicable
11 law is a lot better than it was a week ago; we're
12 terminating this contract on 30 days' notice?

13 A. I don't know whether that 50.1 would allow
14 us to do that.

15 Q. Do you see, from your lay perspective,
16 anything in section 50.1 that would prevent you from
17 doing that?

18 A. No.

19 Q. Okay. Now, take a look at your --
20 (Cellular phone interruption.)

21 BY MR. SAVAGE:

22 Q. Take a look at your rebuttal testimony

1 on -- it's actually in a lot of places, but look at
2 page 8, line 12 -- I'm sorry. Your direct testimony
3 on page 8, line 12. And then, just to make sure
4 we're, you know, on the same area, take a look at
5 your rebuttal at page 3, lines 12 through 13.

6 A. Okay.

7 Q. And on page 8, line 12 of your direct where
8 you refer to a change in law -- right?

9 A. Um-hum.

10 Q. Your rebuttal, page 3, lines 12 through 13,
11 where you refer to a change in law. Do you see
12 that?

13 A. Yeah. I'm sort of marking the references.

14 Q. That's fine.

15 A. Then I'll go back and look at them.

16 Q. And then, in your rebuttal again on page 5,
17 line 5 through 6, where you refer to a change in
18 law. Do you see all those references?

19 A. Yes.

20 Q. Now, is it fair to say that all these
21 references to changes in law in your direct and your
22 rebuttal are a part of your effort in your testimony

1 to explain the purpose and operation of
2 section 50.1?

3 A. Yes.

4 Q. Can you point me to any language whatsoever
5 in section 50.1 that requires that applicable law
6 change in any way before Verizon could invoke
7 section 50.1?

8 A. Okay. Can you ask me that again?

9 Q. Can you point me to any language in
10 section 50.1 that would require applicable law to
11 change before you could invoke section 50.1?

12 A. No.

13 Q. So to the extent that your testimony
14 suggests or implies or could be read to say that
15 50.1 requires a change in law, that would be a
16 mistake to interpret your testimony that way?

17 MR. HAGA: Don to form.

18 THE WITNESS: Yeah, in looking at my direct
19 on page 8, I do say Verizon's duty to provide
20 service is eliminated because of a change in factual
21 circumstances or a change in law.

22 BY MR. SAVAGE:

1 Q. Right. We'll get to the factual
2 circumstances in a minute. Right now I'm focusing
3 on the law.

4 A. Okay.

5 Q. So despite your testimony, nothing in
6 section 50.1 that you can identify actually requires
7 there to be a change in law before you could invoke
8 that section?

9 A. Correct.

10 Q. And, in fact, if, indeed, our hypothetical
11 lawyer brainstorm were to occur the day after the
12 contract were signed, nothing in section 50.1 would
13 prevent Verizon from invoking that section to cancel
14 the contract on 30 days' notice?

15 A. Not that I can identify.

16 Q. Okay. Does that seem fair to you that
17 Verizon can change its mind about what applicable
18 law means and walk away from the contract on 30
19 days' notice?

20 A. I don't know about fair, but it is as
21 required by law, to the extent the factual
22 circumstances of the contracting parties change --

1 Q. Suppose there is no change. I'm not
2 talking about any change in facts. No change in
3 facts at all. Is it fair for Verizon to be able to
4 change its mind about what applicable law requires
5 and say, now I'm going to cancel the contract on 30
6 days' notice?

7 MR. HAGA: Object to form.

8 THE WITNESS: I still don't know.

9 BY MR. SAVAGE:

10 Q. You don't know whether that's fair or not?

11 A. I do not.

12 Q. Do you want to venture a guess?

13 A. No.

14 MR. HAGA: Don't speculate.

15 BY MR. SAVAGE:

16 Q. Okay. Didn't think so.

17 Okay. Now, this change in factual
18 circumstances thing, let's -- I now want to focus on
19 what my own personal suspicion is, what this is
20 designed to do.

21 In both your direct and your rebuttal
22 testimony you give the example of CLECs' rights at

1 UNES under certain circumstances.

2 A. Correct.

3 Q. And trying to summarize some stuff at a
4 high level, the FCC issued rules that says, if
5 certain conditions exist in the world, CLECs are
6 entitled to transport and other kinds of UNES, but
7 if those conditions in the world change, the
8 entitlement to those UNES goes away.

9 A. Correct.

10 Q. And one thing that section 50.1 is intended
11 to do, from your perspective, is if those
12 circumstances change, as contemplated by the FCC's
13 rulings, you can just stop providing those UNES?

14 A. Given the appropriate notice, yes.

15 Q. Right. And is it fair to say that a reason
16 that Verizon is concerned about this is that,
17 following the FCC's establishment of that new rule,
18 a large number of CLECs resisted mightily giving up
19 the UNES that they were buying even though the rule
20 didn't provide for them anymore?

21 A. I would say that is one concrete example of
22 a reason we would want that provision in the

1 contract.

2 Q. Okay. Other than the situation
3 surrounding -- correct me if I'm wrong, but I
4 believe -- it's the transport UNE that goes away if
5 there is -- these conditions change; is that fair?

6 A. That is fair.

7 Q. Okay. Other than the example of the
8 transport UNE whose -- where you're obligation to
9 offer it can change as the market changes, can you
10 think of any other example of anything you are
11 providing under this contract where your obligation
12 to offer it disappears if some factual condition
13 changes?

14 A. I don't know where the -- in the relative
15 scheme of things -- payment for reciprocal
16 compensation traffic is --

17 Q. I'll get -- that's 50.2. I'll get to that
18 in a second.

19 A. Sorry.

20 Q. 50.2 is the payment part. 50.1 is your
21 obligation --

22 A. Service.

1 Q. -- to provide a service.

2 A. Service part. Okay.

3 Q. Other than the transport UNE which you
4 describe in your testimony, can you think of any
5 other example that this falls into?

6 A. Not currently.

7 Q. Okay. Would it surprise you to learn that
8 Bright House has offered in negotiations to Verizon
9 and is perfectly willing to state, in the UNE
10 section, that if circumstances change so that
11 Verizon doesn't have to offer a UNE anymore, it can
12 stop on 30 days' notice?

13 A. It wouldn't surprise me that Bright House
14 has offered that.

15 Q. Right. Would it surprise you that Verizon
16 has not accepted that?

17 A. Given where we are today, it would not
18 surprise me.

19 Q. Okay. And then the question is, why
20 wouldn't it be good enough to protect Verizon's
21 interest to take this and put it into the UNE
22 section, given that this UNE problem is the only

1 thing you've been able to specifically identify as
2 being affected by it?

3 A. If there is one thing I've learned in 14
4 years of post-act negotiations and disputes, is that
5 my -- sitting here today, my myopic view of the
6 services provided isn't necessarily the universe of
7 what is out there, and I'm not alone.

8 Q. Well, to that end, I direct your attention
9 to the bottom part of Exhibit 5, the definition of
10 service. I mean, we can read that. It says,
11 "Service is defined as any interconnection
12 arrangement, network element, telecommunication
13 service, collocation arrangement, or other service,
14 facility or arrangement offered by a party under
15 this agreement."

16 Did I read that right?

17 A. You read that right.

18 Q. That's pretty broad, isn't it?

19 A. That is pretty inclusive.

20 Q. Okay. All right. Let's -- well, let me
21 ask you this. With respect to the termination of a
22 service -- and putting aside our, shall we say

1 existential concerns about the Verizon brainstorm
2 that we're not entitled to this at all -- with
3 respect to the termination of a service, would you
4 agree that there may be circumstances where a CLEC
5 that is buying some service arrangement from you
6 could reasonably use more than 30 days simply to
7 decommission whatever arrangements they had to buy
8 that service and make alternative arrangements?

9 A. I could see that being a concern of a CLEC
10 who is faced with changing the way they provide
11 service upon a 30-day notice.

12 Q. Okay. Suppose, hypothetically, that -- all
13 right. Two things. Let's take the first one.

14 Suppose that -- well, let's just take the
15 easy one. Suppose that the law changes. Right?
16 The FCC comes out with some new ruling that says,
17 hypothetically, Verizon no longer has to offer local
18 loops as an unbundled unit. Just flat out, we're
19 done with it. Okay?

20 You would agree with me that that is a
21 change in law, right?

22 A. As a layperson, that would appear to be a

1 change in law.

2 Q. Right. And I think you agreed in your
3 testimony somewhere -- I can find it if we need
4 to -- that there is a change in law provision in our
5 agreement that says, if the law changes in a way
6 that affects us, you know, significantly, we'll talk
7 and work out what to do about it?

8 A. Yes, I believe there is.

9 Q. Okay. Why wouldn't that be adequate
10 protection for Verizon in the event that a change in
11 law, as compared to a Verizon lawyer brainstorm,
12 leads to a situation where you're no longer legally
13 required to do something?

14 A. I really do not know the legal interplay of
15 the section dealing with change in law and
16 section 50.1, withdrawal of services.

17 Q. Okay. Now suppose -- well, you've been in
18 the telecommunications industry a long time.

19 A. I have.

20 Q. Okay. Would you agree with me that, from
21 time to time, the FCC issues orders that are not
22 entirely clear?

1 MR. HAGA: To a layperson?

2 THE WITNESS: I'd say, for a layperson,
3 every order the FCC has issued is not entirely
4 clear.

5 BY MR. SAVAGE:

6 Q. And would you agree with me that, from time
7 to time, even Verizon lawyers are a little bit
8 befuddled about what some FCC ruling might mean?

9 A. And I would say the FCC lawyers are in the
10 same shape as the Verizon lawyers.

11 Q. Indeed. So, under section 50.1, suppose
12 the FCC issues some ruling that, as we talked about
13 earlier, reasonable people might differ about what
14 the heck they mean. And Verizon looks at it and
15 says, this means I don't have to provide X anymore,
16 and you really believe it. And the CLEC looks at it
17 and says, this means I can still get X, just like I
18 used to, and the CLEC really believes it.

19 Do you understand that situation where they
20 just disagree about what this thing means?

21 A. I do.

22 Q. Okay. Assume that, in that scenario,

1 Verizon invokes section 50.1 and says, I'm not
2 required to provide it; I'm stopping in 30 days.

3 What's the CLEC supposed to do?

4 A. I do not know if there's any other
5 provisions in the agreement that I can readily think
6 of, or what recourse the CLEC would have at the
7 commission.

8 My experience in telecommunications in the
9 last 14 years indicates that, to the extent that the
10 two entities had that sort of a disagreement, the
11 CLEC's recourse, if not through the interconnection
12 agreement, would be through the commission.

13 Q. Would you agree with me that if we have an
14 FCC or other ruling as to which the parties disagree
15 as to what it means, that before either party takes
16 action that would affect the other party, they ought
17 to talk about it?

18 A. Can you ask me that again? I'm sorry.

19 Q. Suppose that something happens where the
20 parties disagree about what it means. Before either
21 party takes some action that will affect the
22 business of the other party, shouldn't they talk

1 about it, in your view, based on your years of
2 experience in the industry?

3 A. And in my view, sending such a notice as
4 contemplated by 50.1 is certainly the first round of
5 talking to the other party about it.

6 It normally would elicit a response.

7 Q. But does anything in section 50.1 oblige
8 Verizon to listen to that response?

9 A. No.

10 Q. Does anything in 50.1 oblige Verizon to
11 engage in a conversation about that response?

12 A. I do not believe so.

13 Q. Does anything in section 50.1 suspend
14 Verizon's right to terminate a service in light of
15 having received a response from a CLEC saying,
16 you're nuts; that's not what this law means?

17 A. Not in 50.1.

18 Q. Now, looking at the first six words of
19 section 50.1 -- can you read those.

20 A. "Notwithstanding anything contained in this
21 Agreement."

22 Q. Do you have a lay understanding of what

1 those six words mean?

2 A. No.

3 Q. Okay. Assume, for purposes of my next
4 question, that what those six words mean is it
5 doesn't matter what anything else in the agreement
6 says about anything; you can totally ignore
7 everything else in the agreement -- assume that
8 that's what those six words mean.

9 Do you understand what I'm asking you to
10 assume?

11 A. Yes.

12 Q. Okay. On that assumption, is there
13 anything in section 50.1 that prevents Verizon from
14 sending a notice saying, I'm cutting off this
15 service in 30 days, receiving phone calls, e-mails,
16 letters, care packages, ignoring them all and
17 turning off services in 30 days?

18 A. Not in 50.1.

19 Q. And if my assumption is correct that those
20 first six words mean you can ignore everything else
21 in the entire agreement, if that assumption is
22 correct, then that's what it means, period, right?

1 A. If that's what those first six words mean,
2 I would agree with you.

3 Q. Okay.

4 A. And when we get to breaking point, can we?

5 Q. Let's -- I was about to move on to 50.2.
6 It's conceptually a little different. Let's take a
7 break.

8 (A recess was taken.)

9 BY MR. SAVAGE:

10 Q. Let's talk about section 50.2 which is in
11 the contract. It's attached. You don't have -- we
12 don't have to read it out loud.

13 Is a fair summary of what section 50.2 is
14 trying to say is if, today, Verizon is required to
15 pay compensation for certain traffic that it sends
16 to us, and it develops that, under applicable law,
17 you don't have to make those payments anymore, you
18 can just stop -- is that a fair summary of what 50.2
19 is trying to accomplish?

20 A. So -- I haven't read 50.2 prior to your
21 question, so --

22 Q. Oh, okay. It's long and complicated.

1 A. It is. So please ask your question again.

2 Q. Just to try to summarize a lot of language,
3 the point of section 50.2 is if, today, you're
4 paying us compensation for a certain class of
5 traffic, and you come to realize that applicable law
6 does not require that compensation to be paid, you
7 can just stop subject to, we'll talk about whether
8 there should be some substitute, and blah, blah,
9 blah, but it's akin to 50.1 in that if you -- 50.1
10 has to do with services; 50.2 has to do payments
11 you're making to us?

12 A. Payments and, yeah, 30 days prior to
13 terminate it -- let's see.

14 If, within 30 days after Verizon's notice
15 of termination, the parties are unable to agree in
16 writing upon multiple acceptable substitute
17 provisions for compensation related to traffic,
18 either party may submit their disagreement to
19 dispute resolution in accordance with section 14 of
20 this agreement.

21 So it appears to be a little different than
22 50.1, but it is relative to Verizon's view that law

1 charges relative to our payments to Bright House for
2 traffic.

3 Q. Okay. And let's take this a step at a
4 time.

5 First, with respect to the law changes,
6 would you agree with me that the language of 50.1
7 and 50.2 is parallel in that nothing in 50.2
8 actually refers to a change in the law?

9 A. I do not see the word "change."

10 Q. Right. So as we discussed in connection
11 with 50.1, your compensation obligations are also
12 subject to the -- let's call it the Milch/Thorne
13 brainstorm. They wake up one day and say, wait, why
14 have we been paying this money? As we have come to
15 understand applicable law, we don't have to pay this
16 money, and so we'll stop.

17 That would be permissible under 50.2
18 because nothing in 50.2 requires there to be any
19 change?

20 A. And the stop being the 30 days' notice --

21 Q. Right. Right.

22 A. -- and then whatever recourse in the lower

1 part of that paragraph.

2 Q. Right. Exactly.

3 A. Yes.

4 Q. Okay. And you would agree with me that the
5 six words that begin section 50.2 are the same six
6 words that begin 50.1, notwithstanding anything
7 contained in this agreement?

8 A. They are the same six words.

9 Q. Okay. So even if, hypothetically, in the
10 interconnection attachment, Verizon has said, we
11 will pay compensation in thus and thus circumstance,
12 since 50.2 says, notwithstanding anything contained
13 in this agreement, whatever commitments Verizon has
14 made in the interconnection attachment to pay for
15 anything are subject to Verizon's opinion changing
16 about what applicable law required.

17 MR. HAGA: Objection to form.

18 BY MR. SAVAGE:

19 Q. You can still answer.

20 A. I understand. As long as I understand it,
21 I can still answer.

22 Q. If you don't understand it, I'll try again.

1 A. Thank you. Please.

2 Q. Okay. If, hypothetically, in the
3 interconnection attachment to this agreement,
4 Verizon has made a number of commitments as to what
5 it will pay for, would you agree with me that the
6 fact that 50.2 starts, "notwithstanding anything
7 contained in this agreement," if Verizon decides
8 applicable law doesn't call for those payments
9 anymore, it can stop subject to the 30 days' notice
10 under 50.2?

11 A. As a layperson, I don't know that that's
12 what 50.2 does to the interconnection attachment.
13 As a layperson, it would appear to, but clearly
14 these are legal provisions dealing with law.

15 Q. Well, I would welcome any Verizon lawyer on
16 the line to contradict your lay understanding if
17 they so choose, either now or in some brief, but
18 I --

19 A. I suspect it will be a brief.

20 Q. But from your lay perspective, can you
21 understand why Bright House might be concerned about
22 the way 50.1 and 50.2 are phrased?

1 A. Yes.

2 MR. SAVAGE: Just to be clear, do any of
3 the Verizon lawyers want to take this opportunity to
4 dispel that lay interpretation? I know you're under
5 no obligation to, but if you do, speak up now.

6 MR. HAGA: Well, that's the whole point of
7 the series of objections with Mr. Munsell about
8 offering legal conclusions is that that's what
9 briefing is for and --

10 MR. SAVAGE: And there you go.

11 MR. HAGA: -- that's what we will do.

12 MR. SAVAGE: Okay. That's fine.

13 BY MR. SAVAGE:

14 Q. Now let's talk about what I think 50.2 is
15 really directed to, at least my view, and let me
16 test it out with you.

17 Would you agree with me that it's fair to
18 say that for a number of years there was a great
19 deal of controversy in the industry about whether
20 and how much ILECs should have to pay CLECs for
21 calls going to dial-up ISPs?

22 A. Yes.

1 Q. And -- I'm trying to collapse a lot of
2 thrashing about by the industry into a few
3 sentences. At first. CLECs demanded and sometimes
4 got payment for calls to ISPs as though they were
5 normal local calls. And then the FCC issued a
6 ruling establishing lower -- we call them
7 transitional rates for that kind of traffic. But
8 even after the FCC established those lower rates,
9 many CLECs resisted being subject to them.

10 Is that a fair summary of what that
11 controversy was about?

12 A. The history of the payment for ISP traffic?

13 Q. Correct.

14 A. That's a fair characterization.

15 Q. Okay. And would you agree with me that,
16 along with other ILECs, Verizon was subject to
17 claims of payment, litigation, and general disputes
18 about how much they either did or didn't have to pay
19 for that kind of traffic?

20 A. Yes.

21 Q. And would you agree with me that focusing
22 for a moment only on that kind of traffic, if

1 section 50.2 had been in place when the FCC
2 established its new rules for compensation for
3 ISP-bound traffic back in 2001, Verizon could have
4 just started paying the lower rates and been done
5 with it?

6 A. Well, whatever the orders required relative
7 to -- whatever the orders required Verizon to do
8 prior to paying the lower rates, yes, I'd say that
9 50.2, it allowed Verizon, under the contract, to
10 abide by the terms of the -- whatever the order
11 required Verizon to do in order to receive the
12 ability to pay the lower rates under that specific
13 order.

14 Q. Right. Now, would it surprise you to learn
15 that, in Bright House's discussions with Verizon, we
16 have offered to take section 50.2 and essentially
17 move it to the interconnection agreement and apply
18 it to ISP-bound traffic?

19 A. And your question is whether it would
20 surprise me to learn you offered that?

21 Q. Yeah. Would it surprise you to learn we've
22 offered that?

1 A. No.

2 Q. And I also assume it also wouldn't surprise
3 you to learn that Verizon did not accept that offer?

4 A. That would not surprise me, yeah.

5 Q. Okay. To your knowledge, does Verizon send
6 to Bright House any material amount of ISP-bound
7 traffic?

8 A. Not to my knowledge.

9 Q. Okay. To your knowledge, does Bright House
10 send Verizon any material amount of ISP-bound
11 traffic?

12 A. Not to ISPs that are customers of Verizon.
13 I don't know whether Bright House originates any
14 traffic destined to ISPs that are customers to other
15 CLECs behind Verizon tandems.

16 Q. We might be transiting through you to some
17 other CLEC and you wouldn't know about that?

18 A. That's correct.

19 Q. Okay. All right. Let's move on to a
20 couple of things having to do with issue 41.

21 Broadly speaking, issue 41 is the question
22 of having this customer transfer attachment, but for

1 the moment I want to talk about a couple of specific
2 things.

3 Take a look at page 44 of your direct
4 testimony and, in particular, the paragraph that
5 starts on line 19 and then carries over to page 45.
6 Tell me when you're done focusing on that.

7 A. So it's 45 through line 6?

8 Q. Through page 45, line 6, right.

9 A. Okay. I've read that.

10 Q. Okay. And in that testimony I think
11 you're -- if I can summarize it, you're taking issue
12 with our proposal to say that, quote, the presence
13 of Verizon DSL or similar service on a line doesn't
14 convert a simple port into a complex port.

15 We propose that it should; you're saying,
16 well, wait a minute -- you don't want that in there.

17 A. And so -- ask me the question again, now,
18 please.

19 Q. I'm just trying to sort of set up the issue
20 here is that Bright House proposed including
21 language in the agreement that would expressly state
22 that the presence of Verizon DSL or similar service

1 on a line should not convert an otherwise simple
2 port into a complex port.

3 And the point of your testimony here that
4 we were just talking about is to say you don't like
5 that proposal?

6 A. Correct.

7 Q. Okay. Now --

8 (Munsell Deposition Exhibit Number 6 was
9 marked for identification.)

10 BY MR. SAVAGE:

11 Q. I'll hand out Number 6 which I'll represent
12 to you is some pages from an FCC ruling that they
13 issued in March of 2005. It's the memorandum,
14 opinion and order and notice of inquiry released
15 March 25, 2005, designated FCC 05-78 in WC docket
16 number 03-251.

17 And I have the cover page and then page 2,
18 but what I really want you to look at is the third
19 page of the exhibit, which is paragraph 36 of that
20 FCC order.

21 So if you could take a minute and read it,
22 and then tell me when you're done reading it and

1 I'll ask you some questions.

2 A. I've read it.

3 Q. Okay. Now, I'm going to read to you the
4 particular part of paragraph 36 I wanted to focus
5 on. It's the next to last sentence and it says,
6 "Because of these requirements, when an incumbent
7 LEC receives a request for number portability, it is
8 required to observe the same rules, including
9 porting intervals, as any other LEC and cannot avoid
10 its obligations by pleading nonporting-related
11 complications or requirements, such as the presence
12 of DSL service on a customer's line."

13 Did I read that sentence correctly?

14 A. Except one word.

15 Q. What did I miss?

16 A. You said "including porting intervals,"
17 where it reads "including provisioning intervals."

18 Q. Oh, I'm sorry. Okay.

19 Now, prior to sitting here today, were you
20 aware that the FCC had said this?

21 A. I have read this.

22 Q. You had seen it before?

1 A. I have read this.

2 Q. Excellent.

3 A. I've read a lot of FCC orders, and I've
4 read this.

5 Q. Okay. Now, on page 45, lines 3 through 4,
6 you say, "Verizon will comply with whatever FCC
7 rules are in place."

8 Do you see that?

9 A. I do.

10 Q. Now, putting aside entirely the legal
11 question of what exactly the FCC means by what it
12 said here, do you agree with me that, whatever the
13 FCC means by what it said here, Verizon will comply
14 with it?

15 A. That is my understanding.

16 Q. Okay. Now, looking at page 45, lines 4
17 through 5, after saying Verizon will comply with
18 whatever FCC rules are in place, you say, "but it
19 should not have to agree to any unique contractual
20 arrangements with Bright House that differ from the
21 standard definitions used by the rest of the
22 industry."

1 Right?

2 A. Correct.

3 Q. Now, we talked earlier about the process by
4 which a CLEC can adopt a contract that is entered
5 into by another CLEC?

6 A. Correct.

7 Q. So if, hypothetically, the commission in
8 this case were to require you to do something you
9 have never had to do before because Bright House
10 asked for it, in that case, once the contract was
11 final, any other CLEC could adopt that same
12 contract, right?

13 A. Correct.

14 Q. So once it's in an approved contract, it is
15 not uniquely available to Bright House; isn't that
16 right?

17 A. To the extent that other CLECs adopt that
18 contract, that is correct.

19 Q. Right. So since other CLECs have the
20 opportunity to adopt whatever ends up in our
21 contract, how can anything be a unique contractual
22 arrangement with Bright House?

1 A. I think the point there is, at least as to
2 when this agreement is finalized, it will be unique
3 as to Verizon and Bright House.

4 To the extent no other CLEC adopts that
5 contract, it will remain unique. To the extent
6 other CLECs do adopt the agreement, I would agree
7 with you it would cease to be unique.

8 Q. Okay. So what you're really objecting to
9 here is doing anything different than you have done
10 before; is that fair?

11 A. I would say doing anything different than
12 as we would view the standards to require us to do
13 for all CLECs.

14 Q. Right. And so if the commission in this
15 case were to conclude that the standards that you
16 should be applying to all CLECs actually are
17 properly represented by Bright House's proposed
18 language -- maybe you disagree with the commission's
19 conclusion on that point, but if that's what the law
20 is, you would be happy to comply with it for all
21 CLECs?

22 A. I will leave that to the lawyers.

1 Q. You personally would be happy.

2 A. I get paid today. I'm happy.

3 Q. That's right. Three squares a day.

4 Nothing more you need.

5 Okay. Take a look at page 46 and 47 of
6 your direct testimony, starting on line 10 and going
7 through line 7.

8 A. On page 46 starting where? 10?

9 Q. Yeah, 10 through 7. We're talking about
10 coordination.

11 A. I've reviewed it.

12 Q. Is coordination a term that Verizon uses in
13 its own access tariffs, to your knowledge?

14 A. I expect we could find that term, searching
15 the access tariffs. I'm not familiar enough with
16 the ordering sections of the access tariffs to point
17 my finger to a section.

18 Q. Okay. Do you have access in general -- I
19 mean, not here today, but do you have access to
20 Verizon's, you know, FCC-17?

21 A. They are public documents, yes.

22 Q. Right. And you can download them and look

1 at them?

2 A. Yes, you can.

3 Q. Would you accept, subject to check, that in
4 at least one, and probably more places, in Verizon's
5 FCC tariff number 17, Verizon offers a coordination
6 service with two other CLECs in connection with
7 cutting over one service arrangement to another?

8 A. Give me some background. FCC number 17 is
9 which tariff?

10 Q. You know, I'm saying 17. What I mean --
11 I'm sorry; I apologize -- 14. FCC-14 -- section 17
12 I was thinking of, but FCC-14 is your interstate
13 access tariff; isn't that right?

14 A. Very good, yeah.

15 Q. Okay. I apologize. You're a tariff --

16 A. That's okay.

17 Q. -- guy.

18 A. Well, I was --

19 Q. You were good --

20 A. 17.

21 Q. Okay. So FCC-14, which is your access
22 tariff, would you agree accepts [sic] a check that,

1 within that tariff, there are a number of situations
2 where Verizon will offer what it terms in the tariff
3 coordination to a customer with respect to various
4 services?

5 A. Yes, to an access customer. That's what --
6 I think, when you first asked me, it was between two
7 CLECs --

8 Q. Yeah.

9 A. -- which really got me confused.

10 Q. Sorry. Didn't mean to do that. Okay.

11 So based on your knowledge, your
12 understanding, your vast experience in the industry,
13 do you have an understanding of what coordination
14 means as used when two carriers are going to change
15 some arrangement?

16 A. I'm not too familiar with ordering
17 provisions and that side of the business. As a
18 layperson, I'd say it's when the entity providing
19 the service and the entity wanting the service need
20 to make sure that certain aspects of the
21 provisioning of that service happen at specific
22 points in time or at specific -- I think specific

1 points in time primarily.

2 Q. Okay. So coordination is something that
3 the two parties will engage in in order to make sure
4 that the service in question, the function in
5 question, actually gets done right at the time it's
6 supposed to get done?

7 A. I'm not so sure it's the aspect of getting
8 it done right as more as -- there are certain
9 services you can provide without the assistance of
10 the other party.

11 Q. Okay.

12 A. You just provide them. There are some
13 services where the other party says, I want to make
14 sure that this cutover, or whatever, happens at
15 5:00 p.m. on Monday. That probably requires some
16 coordination, but again, I'm not -- I'm not an
17 ordering subject matter expert.

18 Q. Okay. Now, take a look at page 46, line 13
19 of your testimony, your direct testimony. Do you
20 see that?

21 A. Line 13?

22 Q. Yeah.

1 A. Yes.

2 Q. And there you say -- actually starting on
3 line 12, but, "Verizon receives a request for
4 separate ancillary services, such as coordination or
5 expedites, it does, consistent with industry
6 practice, charge for those services."

7 Do you see that?

8 A. I do.

9 Q. Have you cited to anything in your
10 testimony where Bright House is proposing that it
11 should get expedited service, either at all or for
12 free?

13 A. It would appear through the -- as I
14 understand it, you're -- let's see. You're
15 proposing that paragraph 15.2 be modified to
16 eliminate any charges for services ancillary to LNP
17 provisioning, such as coordinated points -- ports.

18 Q. Does the term -- in your testimony, does
19 the term "ancillary" appear in quotes anywhere?

20 A. In my testimony?

21 Q. Yeah.

22 A. At least not on pages 45 and 46 that I can

1 see. If you want me to look further, I can.

2 Q. No, I think that's fine.

3 Would you accept, subject to check -- I'm
4 firing up my computer so I can check. But would you
5 accept, subject to check, that Bright House's
6 proposed modification with respect to coordination
7 of LNP in connection with large customers doesn't
8 refer to either ancillary services or expedites?

9 A. Can you ask me that again?

10 Q. Would you accept, subject to check, that
11 Bright House's proposed modification to the language
12 regarding porting large customers makes no reference
13 either to ancillary services or to expedites?

14 A. Subject to checking the proposed contract
15 language, I'd have -- subject to checking those
16 proposed provisions, no.

17 Q. Okay. Subject to checking those proposed
18 provisions, you would accept that the language is
19 not there?

20 A. Correct.

21 Q. Okay. By the way, have you read the
22 rebuttal testimony yet of Ms. Johnson and Mr. Gates?

1 A. Yesterday.

2 Q. Yesterday. Something to do on the plane?

3 A. No, it was yesterday afternoon.

4 Q. Okay. Do you recall that, in that rebuttal
5 testimony, Bright House made clear that it is not
6 seeking free expedited service?

7 A. I'd have to go back and check that
8 testimony. I did read it yesterday, but there is a
9 lot of it.

10 Q. Assume with me that, in fact, Bright House
11 is not seeking free expedited service.

12 Do you understand what I'm asking you to
13 assume?

14 A. Yes.

15 Q. On that assumption, what is the nature of
16 your objection to providing coordination when a
17 large business customer -- call it, you know, a
18 hospital or a bank with dozens or hundreds of
19 lines -- is transferring, that we talk to each other
20 to make sure it happens when it's supposed to
21 happen.

22 MR. HAGA: And, I'm sorry, I didn't follow

1 that. But just to clarify, you're saying expedites
2 are off the table --

3 MR. SAVAGE: Correct.

4 MR. HAGA: -- assume expedites are off the
5 table --

6 MR. SAVAGE: Assume expedites are off the
7 table.

8 MR. HAGA: Okay. So we're talking --

9 MR. SAVAGE: Normal provisioning
10 interval --

11 MR. HAGA: We're just talking about
12 coordination?

13 MR. SAVAGE: Correct.

14 BY MR. SAVAGE:

15 Q. We have agreed it's going to -- you know,
16 this, you know, 300-line hospital is going to have
17 its lines converted over at 2:00 in the morning
18 at -- you know, whatever.

19 Do you have any objection to providing
20 coordination in connection with that kind of a large
21 cutover?

22 A. I do not believe we do.

1 Q. Okay. Your objection -- the objection, in
2 your mind, is that you shouldn't have to do that at
3 no charge?

4 A. I believe so, yes.

5 Q. Okay. Do you understand that Bright
6 House's provision goes both ways, which is to say,
7 in the event that Verizon wins or wins back from
8 Bright House a large customer with multiple lines,
9 that we would provide coordination to you at no
10 charge?

11 A. I believe that I understand that --
12 remember that from the testimony.

13 Q. Okay. So what's your problem with our
14 proposal? It works both ways. It's --

15 A. It works both ways; however, I think the --
16 experience shows what way the customer movement has
17 been, which is what you would expect, I think, from
18 the incumbent LEC versus the competitive LEC.

19 Q. Why is that -- in your judgment, why is
20 that the expected movement?

21 A. Because of the market share, at least
22 starting off.

1 Q. Do you have an understanding of what market
2 share Verizon has of the sort of landline phone
3 market in --

4 MR. SAVAGE: I'm asking if he has an
5 understanding.

6 MR. HAGA: Okay. I just wanted to flag it
7 for --

8 MR. SAVAGE: Yeah, I know.

9 BY MR. SAVAGE:

10 Q. Do you have an understanding of Verizon's
11 market share of the landline -- let's call it voice
12 market in the Tampa area?

13 A. I could make an educated guess, I think.

14 Q. Okay. Is -- let me ask this again in a way
15 that I think will avoid any proprietary information.

16 In your judgment, is Verizon's market share
17 in the Tampa area still so large that it's
18 reasonable to assume that the flow of customers will
19 be away from Verizon and towards us?

20 A. As to any particular CLEC, yes, I think so.

21 Q. Okay. And given that that's true, your
22 objection to the free coordination is, it sounds

1 like it's bilateral, but in the real world, you'll
2 be providing all the free coordination and we'll be
3 getting all the benefit of it. Is that a fair
4 summary?

5 A. It's a fair summary, as well as we're
6 providing coordination, it's an expense to the
7 business, it's a benefit to the person ordering that
8 service or requesting that service. They should pay
9 for it.

10 Q. Isn't it also a benefit to the customer?

11 A. To make sure that the customer's service
12 gets cut over at the point in time?

13 Q. Yes.

14 A. Yes.

15 Q. In your judgment, does Verizon have any
16 responsibility to its customers, in those last few
17 moments when they are customers, to ensure that
18 their service is transferred properly?

19 A. I'd say we have a responsibility, and the
20 responsibility in that side of the service
21 provisioning probably is the same responsibility we
22 have on the initial side. And to the extent the

1 customer requests some special ordering or
2 coordination for the installation of that service, I
3 expect we bill them for that too.

4 Q. Bill them coming and going? You don't have
5 to respond to that.

6 Let's talk for a minute about the ten-digit
7 trigger and, to make this efficient, let me try to
8 summarize how it is supposed to work, and then you
9 can tell me if I'm wrong and, if I'm right, we can
10 then move on more quickly.

11 The idea of the ten-digit trigger is as
12 follows. Listen and tell me if I'm wrong. A
13 customer is shifting from Verizon to Bright House,
14 and let's say it's happening on a Friday. You may
15 have a situation where, at 9:00 on Friday morning,
16 Bright House has turned its service live and said --
17 told the NPAC, N-P-A-C, okay, this number is now
18 ported to me. We connect them, we're giving them
19 dial tone. That's great.

20 But at that moment Verizon hasn't yet
21 terminated the customer's service on its network.
22 So at that moment they are live on Bright House's

1 network and also live on Verizon's network.

2 And what the ten-digit trigger does is if
3 somebody calls that customer, your switch will use
4 that ten-digit trigger to know, you know, even
5 though they may still be live on my network, I'm
6 going to send it over to Bright House.

7 Is that a fair summary of what the
8 ten-digit trigger is supposed to do?

9 A. Frankly, I thought the ten-digit trigger
10 was for --

11 Q. I messed it up. Sorry. Go ahead.

12 A. I thought the ten-digit trigger, frankly,
13 was the service was supposed to be cut over at
14 9:00 a.m. on that Friday, but it didn't happen, and
15 the ten-digit trigger was, retain that number in the
16 Verizon switch until, in our example, midnight on
17 the day after, Saturday, so that calls coming into
18 that number will still route to that customer over
19 the facilities that yet were not cut.

20 I thought that was what ten-digit
21 trigger -- I might have it wrong, too.

22 Q. Okay. All right. Let's step back a

1 little, then.

2 Do you understand that the problem Bright
3 House is trying to address, however inartfully, with
4 its ten-digit trigger proposal is something like the
5 following, that the cutover is scheduled to occur on
6 a Friday. We go to the house to do the cutover.
7 The customer isn't there. We can't do it. And
8 somehow we get in touch with the customer and
9 reschedule it for a week later.

10 Is your understanding that what Bright
11 House is trying to deal with is to ensure that the
12 customer's service remains properly routed during
13 that period of rescheduling the transfer?

14 A. Properly routed through the Verizon
15 switch --

16 Q. Through the Verizon switch because we
17 haven't yet cut over to Bright House.

18 A. Yes.

19 Q. Okay. So you get what we're trying to do.
20 Your objection is the ten-digit trigger doesn't do
21 that?

22 A. My objection is that there are existing

1 processes and procedures that would allow what
2 you're requesting, or what you hope to accomplish
3 with the end user, to be accomplished.

4 Q. And, specifically, that would be filing
5 a -- submitting a supplemental LSR to reschedule the
6 cutover?

7 A. Correct.

8 Q. Okay. And your understanding is that,
9 irrespective of the ten-digit trigger, if we submit
10 a supplemental LSR that says, we were going to cut
11 over on, you know, whatever --

12 A. Friday.

13 Q. -- Thursday the -- we were going to cut
14 over on Friday the 30th, and instead we need to cut
15 over on Friday May 6th; that will just automatically
16 happen if we get that supplemental LSR?

17 A. That is my understanding.

18 Q. Okay. Okay. All right. So much for that.
19 Now, let's talk for a minute about
20 issue 36A. And issue 36A is the one -- and I'll
21 direct you to the testimony.

22 In your direct testimony, take a look at --

1 let's start on page 25 on line 19 and then, going
2 forward to -- through the end of page 28 in your
3 direct.

4 And then you also talk about it on page 34
5 and part of 35 of your rebuttal.

6 So you've got that testimony in front of
7 you?

8 A. Yes. 25 on my direct, starting on line 19.
9 And, on my rebuttal, page 34, starting on line 4?

10 Q. Right.

11 A. Very good.

12 Q. Excellent. Okay. So what we're talking
13 about here is Bright House is proposing to delete a
14 section 8.3 of the interconnection attachment. And
15 we've got a couple of things going on, and I want to
16 talk first about the situation described in your
17 testimony. So let me try to summarize it so we can
18 drill down.

19 Your testimony, at least in part here,
20 deals with the following situation.

21 Some third-party carrier -- let's call it a
22 third-party CLEC -- wants to send traffic to Verizon

1 using Bright House, in effect, as a transit
2 provider. So we're talking about traffic that
3 starts on, you know, Joe's CLEC, goes to Bright
4 House, and then would go to Verizon.

5 Are you with me?

6 A. I am.

7 Q. Okay. And what -- one of the things that
8 section 8.3 does, that we are proposing to delete,
9 is it says if we, Bright House, send you, Verizon,
10 any such traffic, two things are true: Thing
11 number 1 is you, Verizon, are going to bill us,
12 Bright House, for that traffic; and thing number 2
13 is, we've got to pay you whatever Joe CLEC would
14 have paid you had they interconnected directly.

15 Is that a fair summary of what 8.3 would
16 do?

17 A. Yes.

18 Q. Okay. And the reason for your concern,
19 without going into the details, although we can if
20 we need to, is you're concerned that Joe CLEC, on
21 the far side of Bright House in this scenario, could
22 basically end up -- you know, arbitraging,

1 bypassing, whatever you want to call it -- end up
2 paying you less than you are entitled to from them
3 by virtue of sending it through us?

4 A. That is a concern.

5 Q. Right. And to solve that concern, first of
6 all, you bill us and don't have to worry about Joe
7 CLEC and, second of all, under your language, we're
8 obliged to pay you whatever Joe CLEC would have had
9 to pay you?

10 A. Correct.

11 Q. Okay. Now, would I be correct to assume
12 that Verizon takes on identical obligations when it
13 sends traffic from some third-party CLEC through
14 Verizon to Bright House, that Verizon will pay us
15 for that traffic and they will pay us whatever it is
16 the third-party CLEC would pay us?

17 A. Can you break that question down perhaps
18 into two parts?

19 Q. Okay. Am I correct that if a third-party
20 CLEC sends traffic to Bright House through Verizon,
21 that Verizon will step up to the identical
22 obligations that it wants to impose on us in

1 section 8.3 which are, A, we, Bright House, can bill
2 Verizon and not worry about the third-party CLEC;
3 and, B, Verizon will pay us whatever that
4 third-party CLEC should have paid us?

5 A. No.

6 Q. How can that be fair that you will expect
7 us to do that when we're sending you traffic, but
8 you will not undertake the same obligations when you
9 are sending us traffic?

10 A. I'd say, as the incumbent LEC, we are under
11 a different obligation to provide that
12 interconnection to those third parties than you are.

13 Q. Well, let's be clear. Is it Verizon's
14 position that it has an obligation to provide
15 transit service between two CLECs using its tandem?

16 A. It is certainly Verizon's position that we
17 are required to interconnect with CLECs at any
18 technically feasible point on our network --

19 Q. Right.

20 A. -- which would include tandem switches.

21 Q. Right. But is it your -- I mean, we can go
22 back to the discussion at the beginning of your

1 testimony that the only purpose for that
2 interconnection is the provision of telephone
3 exchange service and exchange access.

4 Do you consider the provision of transit
5 service, getting from one CLEC to another CLEC, to
6 be either telephone exchange service or exchange
7 access so that you have to do that?

8 A. As a legal matter, I don't know the answer
9 to that.

10 Q. How about as a business matter?

11 If you're asked, does Verizon have to do
12 this as a practical matter, what's your answer?

13 A. I'd say as a practical matter, that is what
14 Verizon does. And to the extent that we attempted
15 to block that transit traffic, that the appropriate
16 public service commission would have a different
17 opinion.

18 Q. And so because -- and, in your mind, that's
19 the justification for Verizon not stepping up to the
20 obligations you're trying to impose on us in
21 section 8.3; you have to do it, but if we do it,
22 we're volunteers?

1 A. That is certainly a primary consideration.

2 Q. Okay. Would you agree with me that if
3 Verizon was not obliged to provide that transit
4 function to third-party CLECs, that there would be
5 no sound policy reason for treating transiting
6 differently in either direction?

7 A. No sound policy reason that I can think of.

8 Q. Okay. But the hearing is weeks away. Who
9 knows what will come up between now and then.

10 A. You never know.

11 Q. Okay. All right. Let's look at another
12 issue that may be part of issue 36 and may be part
13 of some other issue, but you address it, if you
14 will, at -- let's say starting on page 34. And I
15 believe --

16 MR. HAGA: Of the direct?

17 MR. SAVAGE: Of his direct.

18 BY MR. SAVAGE:

19 Q. Starting at line 6 and going on to page 36
20 at line 14. And I think this is arising under your
21 discussion maybe of issue 37, but --

22 A. And issue 37 is the local calling area

1 issue?

2 Q. That and related issues. And this is
3 actually -- I'm not getting into the local calling
4 area right now. We'll get there, but I want to talk
5 about the related issues first.

6 A. Okay.

7 Q. Okay. And if you take a look at that
8 testimony, if I can -- well, take a look at it.
9 When you're familiar with it, I'll ask you about it.

10 A. I'm right now trying to figure out -- what
11 section of the contract are we dealing with?

12 Q. Well, it's -- it's the section having to do
13 with the compensation -- what we have to pay for
14 when we send you local traffic.

15 A. Okay.

16 Q. And so it's buried there in the
17 interconnection agreement -- in the interconnection
18 attachment. And the question is, we agree -- and
19 just to set the stage, we agree that the permitted
20 rate, when we send each other local traffic, will be
21 0007.

22 A. I saw that.

1 Q. Right. What this dispute is about at a
2 high level, and I want to ask you about is, what
3 exactly, when we send you traffic and pay you the
4 0007, what functions have we bought for that and
5 what functions might you have the right to charge us
6 separately and in addition for?

7 That's what we're -- what does the 0007
8 cover here? Because, again, your testimony, if I
9 can just -- and a high-level summary is you are
10 accusing us of trying to get something for free.
11 And, at a high level, our counter-position is, no,
12 we're paying for that as part of the 0007, and
13 that's what I want to explore with you.

14 A. And I think that I summarized my answer to
15 that on direct testimony page 35, beginning line 23.
16 Shall I read it?

17 Q. Sure.

18 A. "But in any case, whether the handoff is
19 made at the tandem or at the end office, the
20 interconnecting carrier bears the facilities cost of
21 bringing its traffic to that point. Here, Bright
22 House appears to propose that it should avoid the

1 cost of facilities to the tandem or the end office,
2 as the case may be. Instead, Bright House has
3 proposed that Verizon should bear the cost of
4 transporting the traffic from Bright House switch to
5 the relevant Verizon switch."

6 Q. Okay. And I think -- well, let me ask the
7 following question: Are you familiar with how the
8 FCC -- I'll just show you, and then you tell me.

9 The question that I'm going to ask you is
10 if you're familiar with how the FCC has chosen to
11 define reciprocal compensation and what that covers.
12 And, of course, I have to find my paper that does
13 that.

14 MR. HAGA: While you're looking for that,
15 Chris, because I'm at least one step removed from
16 the negotiations, if not more, but how much of this
17 is live here? Because my understanding familiar --

18 MR. SAVAGE: This piece is live. There is
19 an awful lot that isn't live. Okay? The
20 question --

21 MR. HAGA: And just to flesh it out --

22 MR. SAVAGE: No, that's fine.

1 MR. HAGA: -- the reason I ask that is
2 because, under 37, we originally had a few different
3 issues, and I understood, from the testimony -- I
4 believe it was Gates' rebuttal -- that basically
5 what we were down to under 37 was the local calling
6 area. And you can tell me if I'm not right on that
7 or did I --

8 MR. SAVAGE: Well, the issue is sort of --
9 the issue is not quite. There is this one little
10 piece, which I'm now talking about, remains open.
11 And it -- it becomes relevant on the issue of both
12 what happens if we convert to a fiber meet and, even
13 if we don't, what happens with respect to muxing
14 charges.

15 MR. HAGA: Okay.

16 MR. SAVAGE: Right? It also plays into the
17 interconnection at a DS3 versus a DS1 level.

18 MR. HAGA: And that's exactly why I wanted
19 to raise it, because I -- I'm not sure how much --
20 the only reason I'm saying it is I'm not sure how
21 much this witness can get into those areas, because
22 those were issues --

1 MR. SAVAGE: Of course.

2 MR. HAGA: -- that Mr. D'Amico testified
3 about on Tuesday and that Mr. Vasington will be
4 deposed about tomorrow, and so I just wanted to
5 flag --

6 MR. SAVAGE: Yeah, that's fine. And,
7 again, I'm sort of feeling my way as to which
8 witness is doing what.

9 MR. HAGA: Right.

10 MR. SAVAGE: And, obviously, if we get to a
11 stage where, you know, Mr. Munsell says, not my
12 job --

13 MR. HAGA: Right.

14 MR. SAVAGE: -- that's fine.

15 MR. HAGA: Okay.

16 MR. SAVAGE: But -- and, again, just to be
17 clear, just to lay it out -- I'm not trying to hide
18 anything -- our contention is that the transport
19 function -- there is transport and termination. And
20 that the transport function begins at the point
21 where we physically hand traffic off to Verizon. So
22 that's contention 1.

1 Contention 2 is, whatever might be true in
2 the abstract, the FCC's transitional 0007 rate is
3 inclusive of 100 percent of the transport and
4 termination function.

5 And, obviously, reasonable minds may be
6 able to differ about both of those things, but if we
7 are correct that that's where transport starts, and
8 the transitional rate covers all of transport, then
9 our contention that we still haven't worked out
10 entirely is, once we hand you off the traffic, we're
11 not trying to get anything for free; we're paying
12 you, and that's what the 0007 pays.

13 Your contention, as I understand it, is,
14 no, either that isn't really transport, or the 0007
15 doesn't cover it, or something, and that's what I
16 want to try to explore. And, again, maybe you're
17 not the guy, but that's where I wanted to focus on.

18 And I focus on this testimony because,
19 here, he is accusing us of trying to get something
20 for free, and our counter is, no, no, no; we're
21 already paying for it. We just don't want to pay
22 twice for it. So that's why I'm asking him about

1 it.

2 MR. HAGA: Yeah, and I understand, and, you
3 know -- aside from whatever, you know, objections
4 that are calling for legal conclusions, to the
5 extent that does, I just wanted to highlight that
6 this may not be the right --

7 MR. SAVAGE: That's fine. That's fine.
8 We're doing our best.

9 MR. HAGA: Yup.

10 (Munsell Deposition Exhibit Number 7 was
11 marked for identification.)

12 BY MR. SAVAGE:

13 Q. This is a two-pager. The first page, which
14 we're not going to pay attention to at the moment,
15 is definitions from the FCC's rule section 51.5.
16 The second page is definitions from the FCC's rule
17 section 51.701.

18 So take a look at that second page. And,
19 again, this is me cutting and pasting from, you
20 know, what I understand to be the current version of
21 the rules.

22 Look this over. Let me know when you've

1 looked it over, and I'll ask you a question about
2 it.

3 A. I've read it.

4 Q. Okay. So my first question is, have you
5 ever seen this before? Or is this totally new to
6 you?

7 A. I have seen it before.

8 Q. In fact, you're -- I would -- have you been
9 called upon, in your role dealing with billing and
10 billing disputes, to consider what this might mean
11 in practical application in the past?

12 A. Certainly in settings such as this.

13 Q. Okay. Then do me a favor and read along
14 with me -- or I'll read and you can tell me if I've
15 got it right -- the definition of transport.

16 "For purposes of this subpart, transport is
17 the transmission and any necessary tandem switching
18 of telecommunications traffic subject to
19 section 251(b)(5) of the Act from the
20 interconnection point between the two carriers to
21 the terminating carrier's end office switch that
22 directly serves the called party, or the equivalent

1 facility provided by a carrier other than an
2 incumbent LEC."

3 Did I read that properly?

4 A. You did.

5 Q. Okay. Do you have an understanding of what
6 the "interconnection point between the two carriers"
7 refers to?

8 MR. HAGA: And I'll object to the extent
9 that calls for a legal conclusion.

10 MR. SAVAGE: We do not want Mr. Munsell to
11 offer legal conclusions. We can agree on that.

12 THE WITNESS: Very good.

13 It does not appear to be a defined term
14 within this -- at least that's my expectation since
15 it's not capitalized. So I believe it would be a
16 point on the -- it would be the point -- relative to
17 our interconnection, a point on Verizon's network.

18 BY MR. SAVAGE:

19 Q. Okay. Now, not meaning to hide the ball --
20 I may have, but I didn't mean to. Go back to the
21 first page. And I'll represent to you that this is
22 stuff I cut and paste from section 51.5.

1 Could you read the first definition that
2 appears on that page.

3 A. "Interconnection. Interconnection is the
4 linking of two networks for the mutual exchange of
5 traffic. This term does not include the transport
6 and termination of traffic."

7 Q. Okay. Had you seen that definition before?

8 A. I expect I have.

9 Q. It is not leaping to your mind at the
10 moment, however?

11 A. No.

12 Q. Okay. Now, as a practical matter, do you
13 have an understanding of the physical
14 interconnection arrangements that exist today
15 between Bright House and Verizon?

16 A. I believe I do.

17 Q. Okay. And at a high level, we have our
18 fiber network, we bring our traffic on our fiber
19 to -- we'll pick one of our collocations. We come
20 up through your ducts to our collocation space where
21 we have gear that terminates our fiber, and then,
22 out of that gear, we have cross-connects that go out

1 to your stuff, whether it's a multiplexer or a
2 switchboard or whatever it might be.

3 Is that fair?

4 A. Yeah. Cross-connects come out of your
5 collo either -- and either are at the level to
6 interface at that switch, at that collo, or, if it's
7 a higher level, I suspect it is multiplexed down and
8 perhaps goes to the switch at that collocation or
9 off somewhere else.

10 Q. And -- so I'm going to -- you know, imagine
11 that you're a call moving along that fiber. Right?
12 I don't know if you ever studied physics, but this
13 is almost Einsteinian in its joy, but you're a call,
14 moving along --

15 A. That's how I do what I do. I make myself a
16 call.

17 Q. There you go. So here we are. You are the
18 call. You've left Bright House's network, and you
19 are traveling along the fiber outbound to this
20 collocation. Are you with me so far?

21 A. I am.

22 Q. Okay. So you hit manhole zero, and you get

1 spliced into a little piece of fiber that goes up
2 through the innerduct into the collocation space.
3 With me so far?

4 A. I'm with you.

5 Q. You would agree with me that, at that
6 splice point as we are going up the innerduct, you,
7 that call, have not yet been handed off to Verizon's
8 network, right? You're still on Bright House's
9 network because you're going up that innerduct.

10 A. I expect that's a Bright House's network
11 into the collo, yes.

12 Q. Right. Right. Okay. And you hit the
13 collo and you hit the back, if you will, of the
14 fiberoptic terminal sitting in that collo that is a
15 Bright House-owned piece of equipment sitting in the
16 collo. There you are in the fiber-optic terminal.
17 You're still on Bright House's network, right?

18 A. I believe so, yes.

19 Q. Okay. So you pass through that fiber-optic
20 terminal -- and let's say it's at a DS3 level now --
21 and you plug into a cross-connect that -- Bright
22 House buys that cross-connect from Verizon, right?

1 A. I believe so. Out of the collocation
2 tariff?

3 Q. Right. Out of the -- yeah, out of the
4 collocation tariff, but physically it's going from
5 Bright House's equipment in the collocation space,
6 and it goes out of that collocation space into
7 Verizon's central office space, right?

8 A. Yeah, the collo is in the central office,
9 so --

10 Q. Right.

11 A. -- yes.

12 Q. Okay. Would you agree with me that once
13 you leave that collocation equipment and -- you, the
14 call, once you leave that collocation equipment and
15 hit the cross-connect that is owned by and provided
16 by Verizon to Bright House, you have left Bright
17 House's network and entered Verizon's network?

18 A. I believe our position is that the point of
19 interconnection is either at the tandem wire center
20 or at the end office wire center where you are
21 connecting to that tandem.

22 Q. I understand that that's your position, but

1 I'm asking you to put yourself in the posture of
2 this call. Right? I guess I'm not asking Verizon's
3 position; I'm asking the poor call's position.
4 Right?

5 You would agree with me, as a physical
6 matter, once I leave Bright House's collocation
7 equipment and hit the Verizon-supplied
8 cross-connect, I am at least traveling on gear that
9 is owned by Verizon at this point, right?

10 A. For that particular scenario, yes.

11 Q. At that point. And then, even though I'm
12 at a DS3 level and I need to be demultiplexed, I
13 plug into the back of a piece of multiplexing gear,
14 right?

15 A. Correct.

16 Q. But that multiplexing gear is also owned by
17 Verizon, right?

18 A. In this example, yes.

19 Q. In this example -- obviously, we could buy
20 our own, but in this example, it hits your gear?

21 A. Correct.

22 Q. And then it goes on other Verizon-owned

1 gear out to -- either across the hall or out to some
2 other central office -- you know, end office where
3 it's bound, right?

4 A. To the extent that's what you've ordered --
5 it could be on some competitive access provider's
6 gear too, so...

7 Q. Right. Assume, for purposes of discussion,
8 we don't -- we use our stuff or your stuff and don't
9 get other third parties involved.

10 A. Okay.

11 Q. I mean, there may be some oddball
12 situation, but that's --

13 A. Yeah. I mean, my point being it could be.

14 Q. It could be, right. Okay.

15 And so assuming that it is, in fact --
16 assuming that it hits Verizon-owned, managed and
17 supplied gear at the moment it hits the
18 cross-connect coming out of our collocated
19 equipment, what is the basis for Verizon's position,
20 as you stated it, that the interconnection point is
21 somewhere else than where we hand it off to your
22 gear?

1 MR. HAGA: He can answer to the extent he
2 knows. This sounds --

3 MR. SAVAGE: Yeah.

4 MR. HAGA: -- a lot like issue 24 to me,
5 which is Mr. Vasington's testimony.

6 MR. SAVAGE: Well, 24 is whether, assuming
7 it's your gear and it's used for interconnection, we
8 should have to pay TELRIC rates for it. But this
9 is -- I'm just asking the question of, what is it?

10 And, again, he says we're trying to get it
11 for free, and I say, no, it's covered by transport,
12 and I'm just trying to ask him what the -- why would
13 it not be already on your network once we hand it
14 off to your physical stuff?

15 THE WITNESS: At least my reading of the
16 requirements -- well, for 14 years now -- has been
17 that the transport we're dealing with in the per
18 minute of use rates, recip comp rates or the 0007
19 for exchanging all traffic at 0007, is the transport
20 between the tandem and the end office switch, the
21 common transport aspect of it.

22 BY MR. SAVAGE:

1 Q. Okay. And to the extent that the FCC
2 defines transport as transmission and any necessary
3 tandem switching from the point of interconnection,
4 to the extent that that envisions something before
5 you hit the tandem switch or before you hit the end
6 office switch, that just isn't how you understood
7 it?

8 A. That is not how I understood it, correct.

9 Q. Okay. And if the lawyer were to explain
10 that you have been wrong all of these years, you
11 would be happy to change your mind.

12 A. (Shaking head.)

13 Q. Okay. Do you have an understanding, based
14 on your experience and role with billing disputes,
15 what a -- what the 0007 rate is intended to cover?

16 A. Any switching and any common transport
17 involved in the termination of traffic subject to
18 251(b)(5) and/or ISP-bound traffic or what the --
19 the FCC defines it -- presumes to be.

20 Q. Right. Right.

21 A. So those functions --

22 Q. And, again --

1 A. -- for that --

2 Q. -- we don't change any of that traffic, so
3 we don't have to worry about that as far as I'm
4 concerned. Okay.

5 A. But relative to what the 0007 rate is
6 intended --

7 Q. Yeah.

8 A. -- to recover, it's those functions.

9 Q. Okay.

10 A. Whether it's intended to recover the cost
11 for those functions, I think the FCC said, we don't
12 really care.

13 Q. It's what you get for those functions,
14 whether it incurs the cost or --

15 A. Right.

16 Q. Right. Okay.

17 And -- so assume that Bright House's
18 position is that the transport function begins --
19 put yourself back in the role of the call --

20 A. I am.

21 Q. -- begins at the moment that the traffic is
22 physically handed off to Verizon equipment, which

1 would be at that cross-connect. Do you understand
2 that contention, even if you don't agree with it?

3 A. I understand that.

4 Q. Okay. And do you understand, then, that if
5 Verizon -- if Bright House is correct that that's
6 where transport begins, that we're, in fact, not
7 trying to get something for free; we're trying to
8 not pay twice for something, if we're correct the
9 transport begins there?

10 A. If you're correct that the 0007 rate, for
11 example --

12 Q. Starts there.

13 A. -- starts there, whether it recovers it or
14 not, it's not a cost-based rate, so -- I would agree
15 that if your contention is that -- if you're right
16 that the contention is that our transport obligation
17 begins there, that you're right; you're not
18 attempting to get something for free.

19 Q. Okay. You may disagree with me; I just
20 want to make sure you understand we're not, you
21 know -- we're not trying to scam you; we just want
22 to not pay twice.

1 A. I understand that.

2 Q. Okay. Good.

3 MR. SAVAGE: Okay. Now, it's 12:20. We
4 have basically -- there are some nits and nats, but
5 there are two more things to cover, okay, in my
6 mind.

7 One is the whole discussion about meet
8 point billing as us being a competitive tandem
9 provider. The other is the whole, how do you do
10 this local calling area thing?

11 I am -- let's say happy -- I am willing to
12 press on now and do those two things. I would
13 suggest, for my own benefit, and maybe yours, this
14 might be an appropriate time to take a break for a
15 half hour, 45 minutes, grab a bite to eat, and
16 reconvene at 1:00 or 1:15.

17 MR. HAGA: I think that's a good idea.

18 (Whereupon, at 12:20 p.m., a lunch recess
19 was taken.)
20
21
22

1 AFTERNOON SESSION

2 (1:02 p.m.)

3 BY MR. SAVAGE:

4 Q. All right. Let's talk about meet point
5 billing.

6 A. Love to.

7 Q. Okay. At a high level -- I know we talked
8 about fiber meets and -- but when I talk about meet
9 point billing, you understand that I'm talking about
10 the situation where a long distance carrier gets its
11 access service from two LECs jointly rather than
12 only one LEC?

13 A. Two or more.

14 Q. Two or more. And for purposes of these
15 questions, unless I say otherwise, I'm only talking
16 about two LECs, and the only two LECs I'm talking
17 about is Verizon and Bright House.

18 A. Okay.

19 Q. I know it can get more complicated, but
20 unless I tell you I want it to be more complicated,
21 just assume I mean only those two.

22 Okay. Let's go back into history. Back

1 before there was local competition, it's long been
2 true that there have been some number of large
3 telephone companies, either the old Bell companies
4 or the old GTE companies, serving some large areas,
5 but then also some very small phone companies, often
6 called RLECs, or rural LECs, serving smaller areas.
7 Are you with me?

8 A. And sometimes some of the GTE companies
9 were in that smaller company category.

10 Q. Indeed.

11 And the way it used to work, again, before
12 local competition, in some circumstances, is a long
13 distance call coming in from San Francisco, let's
14 say, would hit a big company access tandem -- let's
15 say in Richmond, Virginia -- but the call isn't
16 bound for that big company; it's bound for a
17 customer one of the little companies had out on the
18 outskirts of Richmond.

19 And in that case, the call would go to the
20 big company tandem. The tandem would recognize, oh,
21 this is going to, you know, the Buggs Island
22 Telephone Company in southern Virginia and,

1 therefore, it would be routed on a facility that
2 would go out the across the big company's territory,
3 and then it hits the border with the little company.
4 The little company picks it up, takes it the rest of
5 the way to their switch, and gets it to the
6 customer. Is that fair?

7 A. To the extent that that little company,
8 Buggs Island Telephone of Virginia, or whatever, had
9 opted to subtend that Arlington -- or Richmond,
10 Virginia access tandem.

11 Q. Right. And I will represent to you that
12 there is, or at least was, a company called the
13 Buggs Island Telephone Company, and it had, like,
14 342 lines in southern Virginia.

15 A. I'll take that.

16 Q. Okay. And so, if you'll agree with me,
17 that is sort of the historical version of jointly
18 provided access, where the long distance carrier
19 will deliver traffic to the tandem of one carrier,
20 who carries it across its territory and hands it off
21 to the other carrier, who then takes it the rest of
22 the way in.

1 A. And there may be a middle carrier in
2 between those two, but --

3 Q. Yeah. Again, it can be complicated --

4 A. Yes.

5 Q. Okay. Now, broadly speaking, the way the
6 billing in that situation is supposed to work --
7 again, with the historical situation -- is the
8 little company at the far end of this call -- and
9 I'm talking terminating, but, you know, we --
10 originating later -- the little company at the far
11 end of the call would bill all the end office
12 elements, end office switching, intercept, that kind
13 of stuff, and the carrier common line; the big
14 company would bill tandem switching; and then the
15 two companies would split the billing of the
16 transport running from the tandem switch to the
17 little company's end office, right?

18 A. Correct.

19 Q. Okay. And again at a high level, you know,
20 the carriers could negotiate something reasonable as
21 to who gets what percentage, but broadly speaking,
22 it could be proportional to the distance or

1 proportional to the investment, but they would agree
2 on billing percentages for that jointly provided
3 transport?

4 A. Correct. And that agreement would be
5 memorialized in a NECA tariff, I believe.

6 Q. NECA 4, right?

7 A. There you go.

8 Q. There we go, okay.

9 Now, let's use an exciting big exhibit.

10 (Munsell Deposition Exhibit Number 8 was
11 marked for identification.)

12 BY MR. SAVAGE:

13 Q. I'm handing out what I'll represent to you
14 is the most recent version available of something
15 called the multiple exchange carrier access billing
16 document, also known as MECAB.

17 I'd like you to take a moment and read this
18 document.

19 (Discussion off the record.)

20 BY MR. SAVAGE:

21 Q. Now, just for the record, OBF, in
22 cool-looking letters at the top, stands for what?

1 A. Ordering billing form.

2 Q. And down at the bottom ATIS, A-T-I-S, also
3 cool letters, what does stand for?

4 A. Alliance for Telecommunications --

5 Q. -- Industry Solutions?

6 A. Yes. It doesn't tell me that, but I think
7 it is.

8 Q. Okay. Are you familiar with this document?
9 Have you used it in the past?

10 A. I have.

11 Q. Okay. And based on your knowledge and
12 understanding, what is the MECAB document? What
13 does it do?

14 A. MECAB provide guidelines for the billing of
15 switched access between interexchange carriers and
16 the local exchange networks. It also provides
17 guidelines, I believe in a situation where unbundled
18 elements are involved, and purchasers of unbundled
19 elements.

20 Q. I agree that that's in there, and I think
21 you and I can agree that we're not going to talk
22 about that.

1 A. You asked me the question of what's in
2 here.

3 I'm not certain whether there are
4 guidelines for any, quote/unquote, meet point
5 billing of traffic other than traffic destined to
6 interexchange carriers -- to or from interexchange
7 carriers.

8 Q. Okay. Well, for purposes of the questions
9 I'm going to ask you about this, assume that I'm
10 only asking about traffic that is either bound to or
11 coming from a third-party IXC --

12 A. Very good.

13 Q. -- and that the only LECs involved are
14 going to Bright House and Verizon.

15 A. We're done with Buggs Island.

16 Q. Yeah, we're done with Buggs Island. We're
17 done with all these things. I tell you, go to the
18 LERG, look it up. It's really there.

19 A. I believe it.

20 Q. All right. Just sort to lay the
21 groundwork, if you could flip through your copy of
22 MECAB that you have in front of you and look at

1 page 3-3 which has a little diagram on it.

2 And it will be in the record, but at a high
3 level what we've got is, on the left, is a little
4 thing which represents a switch and end office, and
5 then an arrow going to the line that's designated a
6 meet point, and then further along is another switch
7 which is the access tandem, and then a thing that's
8 labeled SWC, which I think you'll agree stands for
9 serving wire center.

10 A. Correct.

11 Q. And then, over on the right, a little thing
12 that looks like a radio tower called POT, which
13 stands for point of termination, and that's where
14 the long distance carrier shows itself in this
15 territory.

16 A. Correct.

17 Q. Okay. And, broadly speaking, would you
18 agree with me that what this diagram is showing is
19 that when you've got one entity providing the
20 connection from the long distance carrier to the
21 tandem switch and then part of the way to the end
22 office, and then another carrier providing the rest

1 of the way to the end office and the end office,
2 what you do is you figure out, based on where the
3 meet point between them is, which of them gets to
4 bill what percentages of either traffic-sensitive
5 or -- I guess this is just traffic-sensitive
6 charges?

7 A. Correct. This is traffic-sensitive, and
8 that would give you the percentages of what's
9 showing.

10 Q. Right. Now, at a high level, is there any
11 reason that this arrangement could not apply in a
12 situation where the provider of the access tandem
13 and part of the transport is Verizon, and the
14 provider of the end office and the other part of the
15 transport is Bright House?

16 A. At a high level, no.

17 Q. Okay. Now, do you have an understanding of
18 how Bright House is today interconnected with
19 Verizon for the purpose of exchanging this meet
20 point billing traffic to and from third-party IXCs?

21 A. I believe it was in Mr. Gates' testimony --
22 or rebuttal testimony, actually. I think it was.

1 Q. Right. But independent of what's in his
2 testimony -- I mean, do you have an understanding,
3 whether it's from his testimony or anywhere else?

4 A. It's from his testimony that I've got an
5 understanding.

6 Q. Okay. And would you agree with me that the
7 way we're set up today to deal with this traffic
8 is -- and, again, I'll focus on terminating just
9 because it's easier at this point; we'll get to
10 originating later -- a call comes in from a long
11 distance carrier, hits Verizon's access tandem, and
12 today the minute it leaves that tandem, it hits some
13 special access facilities that Bright House is
14 buying from Verizon. Those facilities run to
15 actually two different end offices where Bright
16 House has collocations, and it then gets handed off
17 to us at the collocations and back on our facilities
18 to our customers.

19 Is that a fair summary?

20 A. I thought there were three collocations.

21 Q. There are three. We have a collocation at
22 your access tandem today, but I think it is a true

1 statement that, today, we're not using that
2 collocation for purposes of this traffic.

3 A. Okay. It would be very odd, but okay.

4 Q. I mean, just -- again, not to hide the
5 ball. One of the issues in -- for a variety of
6 reasons, one of the things that's going on is Bright
7 House is considering how and whether to reconfigure
8 the way it is connected with Verizon. One of the
9 issues is what to do with this meet point billing
10 traffic.

11 A. Okay.

12 Q. And I believe it to be true, based on what
13 my client told me what Mr. Gates testifies to is
14 that today right now we actually don't connect up
15 the meet point billing traffic there at the access
16 tandem; we send it down to end offices.

17 A. At the North Gulf Beach, and I think
18 Carrollwood --

19 Q. Yeah, I don't remember the names of them.

20 A. Okay. North Gulf Beach is one of them.

21 Q. Right.

22 A. I think Carrollwood is the other one.

1 Q. Right. And you would agree -- I mean, just
2 to deal with the other issue first. You would agree
3 that, as far as Verizon is concerned, if we wanted
4 to, we could reconfigure and have all that traffic
5 come to that access tandem, that our collocation at
6 the access tandem -- the facilities from the tandem
7 to the end offices would just go away?

8 A. For that -- whether the facilities went
9 away would be up to --

10 Q. Or --

11 A. Using disconnect orders -- or whether you
12 use them for something else, but to the extent you
13 reconfigured, the traffic would no longer be
14 routed -- this meet point and switched access
15 traffic would no longer be routed to those other two
16 collos at --

17 Q. Right.

18 A. -- North Gulf Beach and, I think,
19 Carrollwood.

20 Q. Okay. So assume that for some good and
21 sufficient network reason we didn't want to do
22 that -- and I can, you know, speculate as to why,

1 but suppose we had a good reason we didn't want to
2 do that; we wanted to keep this traffic flowing from
3 the access tandem out to our two end office
4 collocation spaces.

5 A. Okay.

6 Q. Okay. Under that configuration, the way it
7 works today, again, is we take responsibility for
8 picking up the traffic at that port on the access
9 tandem.

10 A. Correct.

11 Q. We buy from you this facility that goes
12 between the end office and that tandem.

13 A. Between the collocation at Carrollwood
14 or --

15 Q. Yeah.

16 A. -- North Gulf -- okay. Yeah.

17 Q. Right. Let's call it between our end
18 office collocations and the tandem. Let's just call
19 that --

20 A. Very good.

21 Q. And then two things happen. A, we pay you
22 for those facilities, because you're supplying them

1 to us, but, B, we charge the long distance carrier
2 100 percent of the transport between the tandem and
3 our end office.

4 A. Correct.

5 Q. Right. And the reason that we charge them
6 100 percent is we are, at the moment, taking
7 responsibility for it from that point on the access
8 tandem all the way back?

9 A. Correct.

10 Q. Okay. Looking at the diagram on page 3.3
11 and then considering our physical configuration, can
12 you think of any technical reason why we, Bright
13 House, would not be able to start taking
14 responsibility for the traffic at our end office
15 collocations and have Verizon have responsibility
16 for getting the traffic from the access tandem to
17 those collocations? Is there any technical reason
18 we couldn't do that?

19 A. Do you elaborate by what you mean by
20 technical? It's pretty broad.

21 Q. Well, what I mean is could the -- if -- I
22 don't know -- if Mr. Siedenberg said to the

1 engineers in Florida, can you make this work? Can
2 you get this traffic from the long distance carriers
3 at your tandem out to these end offices and hand it
4 off to Bright House there? I bet your engineers
5 would say yes.

6 A. Yes.

7 Q. Okay. Now, if Mr. Siedenberg said that and
8 the engineers did that, then would you agree with me
9 that the following is what would happen for billing.

10 Under that scenario, Bright House and
11 Verizon, just like the picture on 3-3, would be
12 jointly providing that transport function from the
13 access tandem to our end office and, as a result, we
14 would need to agree on a billing percentage. And --
15 make it easy. Let's say we agreed it was 50/50. If
16 we agreed it was 50/50, then you would bill the long
17 distance carrier tandem switching and half the
18 transport, and we would bill the long distance
19 carrier half the transport and the end office stuff.
20 Is that right?

21 MR. HAGA: Objection to form.

22 THE WITNESS: The diagram does get a little

1 bit more complex in that there are now two lines --
2 basically you get from the access tandem -- you've
3 got it -- I think the line now would go from the
4 access tandem to the end office collo; there would
5 be another line -- access tandem to end office
6 collo. And between those collos, they'd now
7 converge back to the end -- back to the true Bright
8 House switching center.

9 Q. Right. Right. But going back to your role
10 as a call zipping down a line --

11 A. Right.

12 Q. -- for any given call, it would go either
13 one or the other?

14 A. Yeah, I have no idea how it's coded to
15 decide now, but it's coded. That's how it works
16 today.

17 Q. Right. And that would continue?

18 A. Correct.

19 Q. And under that scenario, Bright House would
20 no longer be buying the special access facilities
21 from Verizon, and so would not be paying Verizon for
22 those facilities, right?

1 MR. HAGA: Objection to form.

2 MR. SAVAGE: Is it that you don't
3 understand what the scenario is?

4 MR. HAGA: I'm objecting to the extent I
5 think you're mixing a couple of different ideas
6 there in the question.

7 MR. SAVAGE: Okay. Well --

8 MR. HAGA: But if he can follow and answer,
9 then he can follow and answer.

10 MR. SAVAGE: He's a meet point billing pro.
11 I'm sure he's got it firmly in mind what I'm asking.

12 THE WITNESS: So in this scenario, then the
13 meet point would shift from some -- on this
14 diagram -- space between the end office and the
15 access tandem to the end office collos.

16 BY MR. SAVAGE:

17 Q. Well, today -- in effect, the meet point
18 would become that end office collo.

19 A. Correct.

20 Q. Right.

21 A. As I understand your scenario.

22 Q. Yes, that's my scenario. And if we did

1 that, then Verizon would not bill Bright House for
2 the facilities between the tandem and the end office
3 collo, but Verizon would start billing the IXCs for
4 transport because you would have a transport
5 percentage that, instead of being zero, is 50
6 percent or whatever we agreed on?

7 A. Yeah, on a minute of use basis.

8 Q. Correct. Now, putting aside for a moment
9 the highly metaphysical question of whether the
10 precise minute of use charges that are in your
11 tariff to recover the cost of that use of that
12 facility, you would agree with me that, under the
13 scenario we've just described, Verizon would be
14 getting paid by the long distance carrier on a
15 minute of use basis for the use of that facility?

16 A. We would be billing and, to the extent they
17 have paid, we would be getting paid.

18 Q. Yes. Well, MCI would pay you. AT&T we're
19 not so sure, right?

20 A. There are a few.

21 Q. All right. But, theoretically, you would
22 have the right to charge the IXC for the use of that

1 facility?

2 A. Correct.

3 Q. Okay. So if we were to configure things
4 that way, this would not be a situation in which you
5 are being asked to perform work for free; is that
6 correct?

7 A. Perhaps not work for free, but being asked
8 to provision facilities at the request of Bright
9 House and size the facilities at the request of
10 Bright House, and then attempt to recover those
11 metaphysical costs from these IXCs on a per minute
12 of use basis.

13 Q. Now, as you understand the MECAB document
14 and your own tariff -- which we'll get to in a
15 minute -- would Bright House have an unfettered
16 right to dictate how many trunk ports, or whatever
17 it would be -- trunks would have to be established?

18 A. Under MECAB, I do not believe so.

19 Q. What would happen under MECAB, as you
20 understand it?

21 A. Frankly, I -- I would have to read that
22 aspect of it. I'm not...

1 Q. Is it fair to say, whether it's in MECAB or
2 your tariff or wherever it is, that a rational
3 thing, when we are both jointly providing access,
4 would be for us to coordinate, if I may use that
5 word, the sizing of the facilities since half of
6 them are ours and half of them are yours?

7 A. That would be a rational thing.

8 Q. Okay. Do you understand Bright House to be
9 suggesting otherwise?

10 A. Well, I would -- certainly it's curious to
11 me the existing configuration of routing the access
12 traffic not through the collocation at the access
13 tandem, but through the collocations at North Gulf
14 Beach and Carrollwood many, many miles from the --
15 that's curious to me.

16 And under this proposal, Verizon -- well,
17 you're going to try to recover the costs of that
18 configuration that Bright House has decided to do
19 from interexchange carriers.

20 So, to me, I mean, the existing
21 configuration isn't very logical, as I would expect
22 it to be, and I think as Mr. Gates, in his rebuttal,

1 has suggested that perhaps you'll reconfigure --
2 perhaps.

3 Q. Yeah, we're -- I mean, and no -- I'm not
4 trying to hide anything. We are considering ways in
5 which we might reconfigure our network to make it
6 cheaper, faster, better, more efficient, all of
7 those things.

8 A. I mean, I can understand redundancy in
9 routing and all of those efficiencies. What I am
10 afraid of -- and I think it's a Verizon-shared
11 concern -- is CLEC's ability to order facilities
12 that perhaps they don't have to pay for, and create
13 a network that is -- I'll call it gold-plated. And
14 if you --

15 Q. Those were the days, right?

16 A. And if you don't have to pay for something,
17 as we all know in economics, that is what occurs.

18 Q. Well -- okay. Assume with me that --
19 understanding your concern, assume for purposes of
20 my questions that Bright House will agree to
21 reasonable contractual terms to prevent that from
22 happening, whether it is a requirement of joint

1 agreement on what facilities will be placed based on
2 the traffic, or Verizon has an unfettered right to
3 turn down unused facilities, or whatever it may be,
4 assume that we will take care of that because we
5 don't want to have useless facilities either.

6 Do you understand the assumption I'm asking
7 you about?

8 A. I do.

9 Q. Okay. On that assumption, would Verizon
10 have any objection to reconfiguring our
11 interconnection along the lines I had just discussed
12 where the meet point for purposes of billing the
13 IXCs would occur at the end office collos rather
14 than at the access tandem?

15 A. So to have -- can you ask me that one more
16 time? I was thinking you were going to ask me a
17 different thing --

18 Q. There you go.

19 A. -- and I realize -- all of a sudden,
20 halfway through my answer, you didn't ask me that.

21 Q. Okay.

22 MR. SAVAGE: Actually, Mr. Reporter, could

1 you read back the question. I thought I got it
2 right the first time and I'll probably mess it up.

3 (The record was read as requested.)

4 THE WITNESS: And that's where I got messed
5 up. You said reconfigure the network, yet the
6 collos would still be at the end office collos
7 versus the access tandem. So there is no
8 reconfiguration there.

9 BY MR. SAVAGE:

10 Q. Oh, I see. Would Verizon -- then let me
11 change that.

12 A. Thank you.

13 Q. Would Verizon have any objection to
14 changing the point that we deem to be the meet point
15 for purposes of this third party IXC traffic from
16 the access tandem, where it is today, to the end
17 office collos?

18 A. Okay. So -- I think I understand. So what
19 you're proposing is that, today, by virtue of you
20 purchasing -- you, Bright House, purchasing the
21 facilities from the end office collos to the tandem,
22 you're recovering a hundred percent of the transport

1 mileage from the IXCs. You want to know whether
2 Verizon would be willing to move those meet points,
3 or that meet point on that route between the Verizon
4 access tandem and the Bright House office -- even
5 though there's two routes -- we would create a route
6 in NECA 4 and have a BP that reflected the blend of
7 the end office collos, or some sort of way to do
8 that.

9 Q. Correct. Right. That's the question.

10 A. I think we would still have -- I had hoped
11 you were going to say along the lines of
12 reconfiguring that so that the access tandem was the
13 appropriate hand-off place --

14 Q. I'll get to that in a minute.

15 A. Well, I think we would have an easier time
16 coming to terms if you reconfigured that way.

17 Q. Right. Yeah, let's assume -- well, let me
18 just ask the question. If we came to you and said,
19 you know, we had a bunch of good reasons for routing
20 this traffic to these end office collos, but now, as
21 time has gone on, we don't think those are good
22 reasons anymore; we would like to reconfigure so

1 that all of this third-party traffic gets handed off
2 at that access tandem collo.

3 I assume Verizon would have no objection to
4 that?

5 A. I expect -- yeah, we have no problem with
6 obviously you handing off the traffic at the end
7 office collo. I think that's what you asked me,
8 right?

9 Q. No.

10 A. Okay.

11 Q. I'm talking about handing off the --
12 exchanging -- if I said end office, I meant access
13 tandem.

14 At the access -- would you have any
15 objection to reconfiguring our network as it relates
16 to this third-party IXC traffic and, instead of
17 routing that traffic through the end office collos,
18 instead routing all that traffic in both directions
19 through the access tandem collo?

20 A. We would have no objection.

21 Q. Okay. So let's go back to the other
22 question, which is, assume that we have good

1 reasons, having to do with redundancy or cost or
2 some difficulty getting the facility organized --
3 some good reason -- that we really do want it to
4 continue to come through the end office collo.
5 Would Verizon have any objection to redesignating --
6 as you described it, creating a route listed in
7 NECA 4 from your access tandem to our end office
8 with some billing percentage that we would agree on
9 for the transport?

10 MR. HAGA: And just for the record here, I
11 want to be careful because we're talking about
12 Verizon agreeing to -- and I don't want this to turn
13 into a negotiating session in the deposition. If
14 you're asking the witness if he can think of a
15 reason --

16 MR. SAVAGE: Yeah. Yeah. Sure.

17 MR. HAGA: -- or if he personally has an
18 objection -- I just don't want this to sound like
19 we're bartering here in the middle of a depo.

20 MR. SAVAGE: I'd be happy to. Works for
21 me.

22 BY MR. SAVAGE:

1 Q. But, no -- with that clarification.

2 A. We would still have the concern about our
3 ability or inability, frankly, to recover the costs
4 of our facilities that now -- between the access
5 tandem and those end office collos from the
6 interexchange carriers.

7 Q. And that concern I guess has two pieces.
8 One is some interexchange carriers don't pay you,
9 and, two is if the facilities are gold-plated, if we
10 have, you know, an OC-192 to carry a DS1's worth of
11 traffic, you're on the hook?

12 A. I'm on the hook.

13 Q. Okay.

14 A. And it's more the second than the first, I
15 believe.

16 Q. Okay. So one of the earlier assumptions I
17 asked you to make -- that I'll revive -- is assuming
18 that we could reach reasonable terms so that that
19 wasn't a problem, so that you would be satisfied
20 that the facilities were properly sized for the
21 traffic, if you could be satisfied that the
22 facilities were properly sized for the traffic,

1 would you have -- can you think of any objection to
2 that redesignation of the meet point?

3 A. If the terms were sufficient in the
4 interconnection agreement to cover the networks of
5 Bright House and Verizon as well as any potential
6 adoptees, I can't think of an operational reason
7 that that would be a concern.

8 Q. Okay. And, again, in that configuration,
9 even though Bright House would no longer be paying
10 you for the facilities between the end office
11 collocations and the access tandem, Verizon would
12 indeed be getting paid for those facilities through
13 its billing percentage, transport charges to the
14 IXCs; is that correct?

15 A. We would be getting paid for those
16 facilities and, to the extent they were correctly
17 sized, compensated for those facilities.

18 Q. Okay. Now, with that in mind --

19 (Munsell Deposition Exhibit Number 9 was
20 marked for identification.)

21 BY MR. SAVAGE:

22 Q. -- I'm going to give you Exhibit Number 9

1 which is an excerpt from a case that I expect you
2 know and love, which is the arbitration between
3 Verizon and WorldCom that was handled by the FCC in
4 connection with Virginia. Are you generally
5 familiar with that case?

6 A. I am.

7 Q. Okay. And just -- what I've put together
8 here is -- it's the cover page and the table of
9 contents pages, and then it skips to page 89, 90 and
10 91.

11 A. I knew it was lot longer than this.

12 Q. Oh, yes.

13 And feel free to refamiliarize yourself
14 with the discussion starting at paragraph 172, but
15 what I'm going to ask you about is paragraph 177.
16 So let me know when you're sufficiently happy to
17 talk about it.

18 A. I read it.

19 Q. Okay. Now I'm going to read you the first
20 couple of sentences of paragraph 177. Make sure I
21 get it right.

22 We, meaning the FCC -- "We agree with

1 WorldCom that the services in question constitute
2 the joint provision of switched exchange access
3 services to IXCs by WorldCom and Verizon, both
4 operating as LECs. Therefore, we agree with
5 WorldCom that, when the parties jointly provide such
6 exchange access, Verizon should assess any charges
7 for its access services upon the relevant IXC and
8 not WorldCom."

9 Do you see that?

10 A. I do.

11 Q. Okay. And in the context of this
12 discussion, would you agree with me that what they
13 are talking about is the same scenario that we were
14 just discussing, which is that if we designated our
15 meet point for these purposes as the end office
16 collos, Verizon would bill the IXCs for transport
17 from its access tandem to those end office collos
18 through the billing percentage, and we would bill
19 the IXCs for the transport from those collos back to
20 our end office?

21 MR. HAGA: And I'll object to this is
22 asking the witness to provide a legal conclusion.

1 BY MR. SAVAGE:

2 Q. You can answer anyway. I don't want a
3 legal conclusion. I want a practical
4 billing-oriented conclusion.

5 Never get lawyers involved in billing
6 disputes. It's never good.

7 A. The reason I'm taking a long time and
8 perhaps can't reach a conclusion is the previous
9 paragraphs, 170 --

10 Q. Let me interrupt you and see what your
11 concern is.

12 WorldCom was also asserting the right to
13 buy those facilities as unbundled transport at UNE
14 rates. And then -- you're seeing reference to that?

15 A. Yes.

16 Q. Okay. Understand that I'm not -- the
17 reason I only read the first couple of sentences of
18 the conclusion in paragraph 177 is we are not
19 proposing to buy them as UNEs; that wasn't the part
20 I was focusing on.

21 I was focusing, instead, on the issue of
22 Verizon billing the long distance carriers for its

1 portion of access service.

2 A. I understand that.

3 Q. Okay. And with that limitation, and
4 assuming that we don't want anything to do with
5 UNEs, either of us, do you agree with me that what
6 the FCC is describing should occur is consistent
7 with what we described of establishing the meet
8 point at the end office collos and each of us
9 billing the long distance carrier's appropriate
10 portion of the transport?

11 MR. HAGA: And I have the same objection.

12 BY MR. SAVAGE:

13 Q. You can still answer.

14 A. Yes, I can.

15 And my hesitancy of giving that answer is
16 I'm not sure I can divorce the FCC's decision in
17 paragraph 177 from the previous paragraphs which
18 talk about these UNEs that MCI wanted to purchase
19 as -- I don't understand how MCI says, we want to
20 purchase these facilities as UNEs, yet Verizon gets
21 to bill them to the IXC's as meet point. I don't
22 understand that discussion.

1 Q. I understand your confusion. With that --
2 that we will sort out in a briefing.

3 A. Okay.

4 Q. That's fine. Okay. Now, let's talk about
5 a different potential reconfiguration that may be
6 out of your bailiwick, but I'm trying to ask about
7 the meet point billing implications of it and not
8 the technical side of it.

9 With that said, imagine if, instead of
10 leaving things as they are and instead of
11 redirecting the traffic -- this meet point billing
12 traffic through the access tandem collo, suppose we
13 did something else entirely. Suppose we said, we
14 don't like collocations anymore at all. We are
15 going to convert to a fiber meet with Verizon
16 because we have all this fiber running around,
17 Verizon has all the fiber running around -- so we
18 will simply, you know, per agreed terms of the
19 agreement, get together, put our fiber together, and
20 exchange traffic directly over the fiber.

21 Now, you understand generally that scenario
22 as a way of configuring the networks?

1 A. Generally.

2 Q. Okay. Assuming that we did that, A, and
3 assuming that we sent this meet point billing
4 traffic over the fiber meet point, this
5 bound-for-third-party IXC traffic over that fiber
6 meet point, would you agree with me that in that
7 scenario, if we had a single fiber meet between our
8 networks, the most logical way to handle the billing
9 of the IXCs would be, indeed, to establish a route
10 in NECA 4 between your access tandem and our end
11 office, agree on a billing percentage, and both bill
12 the IXCs?

13 A. In your example, are those -- we've got a
14 single fiber -- there are distinct truck groups for
15 IXC traffic from --

16 Q. Sure.

17 A. -- recip comp --

18 Q. Absolutely.

19 A. Okay. And then the question is?

20 Q. Assuming -- yeah, assuming we got it
21 properly -- the facility would be the fiber meet.
22 There would be distinct trunk groups for this

1 purpose. Would you agree with me that the rational
2 best way to handle that would be to establish a
3 NECA 4 route, agree on a billing percentage in light
4 of where the fiber is or whatever we need to do, and
5 bill the IXCs our respective portions of transport?

6 A. Again, with the caveat of to the extent
7 that we agree on the size of those access facilities
8 provisioned over this fiber.

9 Q. Right.

10 A. I mean, to the extent Bright House was in
11 control of it entirely, you say, we're going to
12 provision the whole OC-- you know, 92, with access
13 facilities, even though we are exchanging 50 million
14 minutes a month with IXCs. Well, that wouldn't make
15 much sense, but technically, I don't see -- the
16 traffic would be routed and would complete.

17 Q. Right. And, again, subject to your quite
18 legitimate concern that we size that number of
19 trunks to match the traffic, would you agree with me
20 that the best way to handle it, for purposes of
21 billing IXCs under that physical configuration would
22 be the establishing of a billing percentage for the

1 transport?

2 A. I can't testify that I know that that's the
3 best way or not, frankly.

4 Q. It would be a reasonable way?

5 A. It would be a way.

6 Q. A reasonable way?

7 A. A reasonable way. I'll give you that.

8 Q. Okay. Great. All right.

9 All of this discussion has been maybe
10 explicitly, but certainly implicitly, talking about
11 traffic where there is a third-party IXC, Verizon
12 provides the tandem function, and then the end
13 office function is provided by Bright House?

14 A. Yeah, I've understood that to be explicitly
15 the situation.

16 Q. Exactly. As have I. I'm not trying to --

17 A. Okay.

18 Q. -- make it complicated. So, thus far,
19 we've been talking about the situation where there
20 is a Bright House end user either making or
21 receiving a long distance call that goes through
22 Verizon's tandem on route to the IXC?

1 A. Correct.

2 Q. Okay. Let's now talk about the other
3 potential scenario, and this is the potential
4 scenario that has been referred to in the testimony
5 as Bright House operating as a competitive tandem
6 provider.

7 Are you familiar generally with the
8 discussion in your testimony, Mr. Gates' testimony,
9 about that?

10 A. Yes.

11 Q. Okay. Now, for purposes of my questions, I
12 would like you to assume that neither Bright House,
13 nor any IXC, has any interest whatsoever in using
14 Bright House's tandem functionality for originating
15 access.

16 Assume that all of my question relate
17 entirely to the scenario of Bright House and some
18 IXCs wanting to use Bright House -- Bright House's
19 tandem functionality for terminating access.

20 Do you understand what I'm asking you to
21 assume?

22 A. Yes.

1 Q. Okay. Now, if I understand your testimony
2 correctly -- and I'll just -- let's start at page 25
3 of your direct, lines 7 through 11. And there you
4 say, referring, I believe, to that scenario I've
5 just described, "I believe this could not work from
6 a network routing perspective as a switch can only
7 subtend a single tandem for any given NPA/NXX.

8 "Because Verizon cannot operate in the way
9 Bright House proposes" -- you know, we're wrong.

10 Do you see that testimony?

11 A. I do.

12 Q. Okay. Now, help me understand this because
13 I read that and what I heard you saying, in effect,
14 was Verizon has an absolute monopoly on the
15 provision of terminating access service to get to
16 its end offices.

17 There is no way to work it that we could
18 provide that function. That may be what you're
19 saying, but I just want to ask you flat out: Are
20 you saying that it is your testimony that Verizon
21 has an absolute monopoly on the provision of
22 terminating tandem switching services to its own end

1 offices?

2 A. I'm glad you made that distinction because
3 terminating access to the end office could be
4 provided by a competitive access provider directly
5 building access facilities into a collo cage at our
6 end office. That's what a CAP does, competitive
7 access provider.

8 Q. Okay. Well, let's start with that for a
9 second, and let me figure this out. Okay.

10 If Bright House wanted to -- let's forget
11 for a moment the end offices where we don't now have
12 collocations. At least with respect to the end
13 offices where we do -- right -- as far as you are
14 concerned, we could have a long distance carrier
15 with terminating traffic for that end office,
16 deliver it to our switch, we route it over a trunk,
17 it goes on our facilities at that collocation, pops
18 out on a -- a DS3, DS1, pops out -- let's make it a
19 DS1 trunk and forget the muxing. Pops out on a DS1
20 trunk and goes right into that switch.

21 A. Okay.

22 Q. Okay. As far as you're concerned, that's

1 okay?

2 A. We would be billing Bright House.

3 Q. What would you billing us for?

4 A. End office switching.

5 Q. Why?

6 A. It's terminating in our end office, isn't
7 it?

8 Q. But it's not our traffic. It's a
9 third-party IXC's traffic.

10 A. It's what happens with a CAP access
11 provider, though. Your scenario is you're a
12 competitive access transport provider into my end
13 office terminating traffic for a third party.

14 Now, I don't know who that third party is.
15 You do. And there may be multiple third parties
16 that you're terminating the traffic for. I'm going
17 to bill you.

18 Q. Okay. So let me get this sorted out. So
19 what you're saying is, you don't have a problem with
20 us delivering that traffic; you have a problem with
21 treating it as a meet point billing arrangement?

22 A. True, under a competitive access provider,

1 it is not.

2 Q. Right. Okay. Fair enough.

3 And when you say -- just to be clear, when
4 you say competitive access provider, just so that
5 the record is clear, what you're referring to is
6 entities of a sort that emerged, let's say, in the
7 late '80s or early '90s --

8 A. Correct.

9 Q. -- that interconnected with the established
10 LECs' networks under what was called at the time the
11 expanded interconnection service regime?

12 A. I believe that's correct, yes.

13 Q. And that regime lives on and is still
14 present, for example, in Verizon FCC tariff 14,
15 section 17?

16 A. That I don't know.

17 Q. Okay. Trust me on that.

18 A. I'll believe you.

19 Q. Okay. It does live on.

20 A. It does live on.

21 Q. It does live on, and it is in your
22 tariffs -- and you'll trust me that it's section 17.

1 Okay. So then the '96 act happens, and
2 competitive LECs are now authorized. Remember
3 earlier today we looked at the definition of a LEC.
4 It was number -- it's one of the definitions from
5 the act, which would be number 4, I think.

6 Number 4, 26. Definition of local exchange
7 area. "A local exchange carrier means any person
8 that is engaged in the provision of telephone
9 exchange service or" -- what?

10 A. Exchange access.

11 Q. Okay. So with the addition of this
12 definition to the act, if before this definition
13 existed I was a competitive access provider
14 providing exchange access, wouldn't you agree with
15 me, just as a layperson, putting aside all the legal
16 complexities, of which I don't think there actually
17 are any, that if I am providing exchange access, I
18 am a local exchange carrier under this definition?

19 A. You are asking me to assume away legal
20 difficulties, and there are always legal
21 implications.

22 Q. And -- what I mean by that is I'm not

1 trying to preclude your lawyer from -- lawyers
2 coming up later and arguing whatever they want about
3 this --

4 A. Good.

5 Q. -- but just looking at the words, if I'm a
6 competitive access provider before this definition,
7 and this definition says a LEC is anybody who
8 provides telephone exchange service or exchange
9 access -- under this definition, I'm a LEC, right?

10 A. Yeah. I do not know if that is the correct
11 interpretation --

12 Q. Sure.

13 A. -- of that. Frankly, I don't know.

14 Q. I understand. And we'll --

15 A. I don't think I have ever heard someone
16 argue that a CAP is now a LEC.

17 Q. Talk to your friends at -- let's see. You
18 guys bought MFS. I was going to say, talk to your
19 friends at TCG, but AT&T bought them. Talk to your
20 former MFS buddies and they will tell you that.

21 Okay. Going back to the scenario we were
22 talking about before when Verizon provides tandem

1 switching and hands the traffic off to Bright House,
2 which provides end office switching and delivers the
3 traffic on its way to the end user, Verizon is
4 acting as a local exchange carrier when it performs
5 that access function, right?

6 A. Correct.

7 Q. And Bright House is acting as a local
8 exchange carrier when it delivers its traffic on to
9 the end user, right?

10 A. I believe so.

11 Q. Okay. So if we switch the two around and
12 Bright House is now providing the tandem function
13 and we're delivering traffic to a Verizon end
14 office, aren't we both still local exchange
15 carriers?

16 A. I believe so.

17 Q. Okay. Are you aware of anything in the OBF
18 MECAB document -- I guess Number -- whatever number
19 we're at -- the big thick one -- that would suggest
20 that the access tandem functionality must be
21 performed by an LEC?

22 A. No.

1 Q. Can you think of any technical reason why
2 the access tandem functionality must be performed by
3 a LEC?

4 A. No.

5 Q. Okay. So can you think of any reason why
6 Verizon would not be in a position to enter into a
7 meet point billing arrangement with Bright House to
8 serve third-party IXCs where Bright House provides
9 the tandem functionality and Verizon provides the
10 end office functionality and we split the transport
11 as appropriate?

12 A. What you appear to be asking is that the
13 end office company, historically -- and I'm not
14 aware of anything that changed it -- has the right
15 or the obligation to determine what access tandem
16 they subtend.

17 We've got many Verizon end offices that
18 subtend a Verizon access tandem, and we've got many
19 Verizon end offices that subtend another ILEC's
20 end -- access tandems, sorry. But it's our choice
21 of which access tandem to subtend.

22 What you're asking is to say, Verizon, that

1 isn't your choice anymore; that's the tandem's
2 choice. Which reverses things. And I'm not aware
3 of what -- what caused that reversal.

4 Q. Then let me go back to an earlier question.

5 Actually, I won't go back to an earlier
6 question. Let me go back to a different question.

7 I had gathered from your testimony that if
8 we wanted to get into the business of providing
9 competitive access service with respect to --
10 competitive tandem functionality, excuse me, with
11 respect to originating traffic, that would be okay,
12 and you have a tariff for that, this TSS tariff?

13 A. Correct.

14 Q. Okay. I happen to have Number 10, which is
15 one of the things I gave you before the break --

16 (Munsell Deposition Exhibit Number 10 was
17 marked for identification.)

18 BY MR. SAVAGE:

19 Q. -- which is a bunch of provisions of your
20 tariff, and I will tell you how I put this together.
21 I put all your tariffs into a single folder. I told
22 Adobe PDF to search for TSS, or tandem switch

1 signaling, or whatever it's called. And other than
2 the table of contents-like pages, every page where
3 one of those is mentioned, here is what this is.

4 A. Okay.

5 Q. Okay. Now, did you get a chance to look at
6 this over the break?

7 A. I did not go through the, you know, 15 or
8 20 pages.

9 Q. Okay. Well, the question -- let me ask you
10 the question and then tell me if you agree.

11 These are the tariff provisions that you
12 had in mind when you made reference to the TSS
13 service in Verizon tariff 14 in your testimony?

14 A. Yes.

15 Q. Okay. Great. First take a look -- it's
16 one of the pages toward the back. It is numbered
17 fourth revised page 4-106. It's, I think, the third
18 or fourth from the back.

19 And I will represent to you that I put -- I
20 put them all here because I wasn't sure which ones
21 you were referring to, but I don't plan to ask all
22 about all of them.

1 But I was intrigued -- if you look at the
2 notes on this section, note 1 and note 2 and then,
3 underneath the little chart -- well, underneath the
4 little chart it says, "When a customer submits an
5 order for switched access services, the customer
6 must state the percentage of interstate use on a
7 statewide LATA billing count number or end office
8 level."

9 Do you see that?

10 A. I see that.

11 Q. And the abbreviation for percentage of
12 interstate use is PIU.

13 A. Uh-huh, that's correct.

14 Q. What is that? How does that work?

15 A. Percent interstate use is used to split the
16 charges of a monthly recurring charge between
17 interstate and intrastate and, relative to any
18 traffic that's charged on a minute of use basis, it
19 is used to jurisdictionalize usage that cannot be
20 otherwise jurisdictionalized based on the calling
21 and called numbers.

22 Q. Okay. So -- I think I heard two things.

1 Let me see if I got them right. Number one is if
2 you've got some facility that's being bought for
3 \$1,000 a month, and a bunch of both interstate and
4 intrastate access traffic is going over that, the
5 customer would say, it's 70 percent interstate and
6 30 percent intrastate, and so you would take that --
7 if it was the same rate -- say \$700 would go to the
8 interstate jurisdiction and 300 would go to the
9 intrastate, assuming it was \$1,000 in either tariff?

10 A. Correct.

11 Q. On the other hand, if it was \$2,000 in the
12 interstate tariff and \$1,000 in the intrastate
13 tariff, you would go 70 percent times the 2,000, 30
14 percent times the 1,000, and charge a blended rate
15 for that facility?

16 A. Mathematically, that's correct.

17 Q. Okay. And, obviously, it would be
18 complicated depending on the rate elements and all
19 that. Okay.

20 And with respect to minutes, earlier this
21 morning we talked about the idea that normally you
22 have, or hopefully you'll have an originating

1 number, a terminating number; you can you use those
2 to decide whether the call is interstate,
3 intrastate, local, whatever it is. But what you're
4 saying here is if you, for some reason, can't do
5 that, you can say, I know I have a million minutes;
6 let's just deem 70 percent of them interstate and 30
7 percent of them intrastate?

8 A. Well, the way it would work is, I know I
9 have a million minutes that I can't
10 jurisdictionalize based on the normal method;
11 therefore, my second tier method of
12 jurisdictionalizing them would be on the PIU. The
13 first method is always based on the calling and
14 called numbers.

15 Q. Right. Okay. So if -- let me put it this
16 way. If the data you have about the calling and
17 called numbers is sufficient to decide interstate,
18 intrastate, local, whatever, that's what you do?

19 A. Correct.

20 Q. But if, for whatever reason, that data is
21 not sufficient for that purpose, the fallback is to
22 say, give me a factor?

1 A. Correct.

2 Q. Okay. And how were these factors
3 developed?

4 A. Typically, the carrier who is ordering the
5 service provides them.

6 Q. Do you ever get really weird numbers that
7 you question?

8 A. Yes.

9 Q. And what do you do if that happens, if some
10 carrier decides that it's really a hundred percent
11 interstate because that's the cheapest or something?

12 A. Well, then we might say, of the traffic you
13 sent to us, 80 percent of it we can set a
14 jurisdiction on, and it's 50 percent interstate, so
15 are you representing that it's only the traffic
16 without calling number that's interstate?

17 Q. In other words, you look at the data that
18 you have -- if something looks weird, you look at
19 the data you have and try to reach a better
20 accommodation?

21 A. That's right.

22 Q. Okay. How long has the industry relied on

1 this kind of factor thing if you can't -- I mean,
2 I'll tell you -- I mean, doesn't this go back
3 forever, I mean, like to the beginning of access
4 charges?

5 A. 1984.

6 Q. Okay. And so now for the last 26 years, if
7 carriers have a situation where the numbers don't
8 provide -- the calling records don't provide a
9 sufficient basis to do the jurisdictionalizing, you
10 come up with a factor that seems reasonable to both
11 parties?

12 A. The party ordering the service provides the
13 factor. Whether it's reasonable to Verizon or not,
14 that's typically what is accepted until better data
15 is available.

16 Q. Okay. But you certainly have the right,
17 either formally or informally, to challenge a number
18 that seems too strange to you?

19 A. I believe it's in the tariff.

20 Q. I think so. Okay.

21 All right. So turn the page with me and --
22 there is a paragraph with the number 7 that refers

1 to tandem switch signaling, TSS. Do you see that?

2 A. I do.

3 Q. Okay. Could you read that first paragraph
4 for me, read it into the record.

5 A. Certainly.

6 "TSS will be provided via FGD" --

7 Q. And let me stop you. That's feature
8 group D?

9 A. Correct.

10 Q. And that's normal switched access?

11 A. Correct.

12 Q. Okay.

13 A. -- "or BSA-D" --

14 Q. Which I don't want to get into what it is?

15 A. Basic surveying arrangement D.

16 -- "switched access, 500 SAC access, or 900
17 SAC access, services with either multi-frequency
18 (MF), address signaling, or SS7, out-of-band
19 signaling. TSS is available with originating
20 calling only, terminating calling only, or, where
21 available, two-way calling trunks. TSS two-way
22 calling trunks are only available from end offices

1 where the switch technology is capable of measuring
2 the terminating usage on two-way TSS-equipped
3 trunks. Where the end office switch technology is
4 not capable of measure terminating usage on two-way
5 calling TSS-equipped trunks, the customer must order
6 originating calling only or terminating calling only
7 trunks for use with TSS."

8 Q. Okay. We'll spare of the rest of it.

9 Now let's break that down. Okay.

10 The BSA-D switched access is, you would
11 agree with me, a relic of the open network
12 architecture proceeding from the late 1980s that
13 has -- I'll represent to you Bright House has no
14 concern about.

15 A. It was never a good idea.

16 Q. 500 SAC -- SAC stands for service access
17 code, right?

18 A. Correct.

19 Q. And the 500 and 900 are, if you pick up a
20 phone and dial 1-900 whatever, or 1-500 whatever, it
21 has a bunch of special characteristics.

22 A. Correct.

1 Q. We're not worried about that either?

2 A. I don't think so.

3 Q. Okay. And then just -- MF address
4 signaling is where you use the blips and bleeps of
5 the touch-tone to tell the network how to route it.
6 SS7 signaling is where it uses a special circuit to
7 tell how to route the call.

8 A. You've got a special network called
9 out-of-band, correct.

10 Q. Okay. Looking at the second sentence, "TSS
11 is available with originating calling only" --
12 stopping there -- I take it that's what you were
13 talking about in your testimony that we would
14 provide originating access by buying this TSS
15 circuit -- TSS service into an end office?

16 A. Correct.

17 Q. Okay. But then it says, "terminating
18 calling only." And I understood your testimony to
19 say, in effect, that this didn't work at all with
20 terminating calling. And so I was a little confused
21 when I saw that.

22 Can you help me out?

1 A. I do not understand that. I'm not sure
2 what the tandem switch would be signaling in the
3 terminating direction.

4 Q. But you do understand that your tariff on
5 file with the FCC offers a TSS service for
6 delivering traffic to you, which is what the
7 terminating service is?

8 A. It would appear to be.

9 Q. Okay. Now, go down to the thing at the
10 bottom of that paragraph. There is a -- "for
11 originating usage" and then there is the "for
12 terminating usage."

13 Do you see -- that's a little dash --

14 A. I see, yeah.

15 Q. Could you read that, please?

16 A. "For terminating usage, all associated
17 switched access usage charges are the responsibility
18 of the TSS customer. At the TSS customer's request,
19 the telephone company will bill each of the TSS
20 customer's users directly for the respective usage
21 if the TSS customer agrees to furnish the telephone
22 company free of charge the call detail information

1 necessary to bill its users. This call detail
2 information must be provided daily for the previous
3 day's usage in an industry standard format (i.e.
4 1101-20 expanded message record format with end
5 office level detail). The information must be
6 provided either by electronic transmission or
7 magnetic tape, as specified by the telephone
8 company."

9 Q. Okay. Let's unpack that.

10 The first sentence is what I took you to
11 say before when we were talking about expanded
12 interconnection. "For terminating usage, all
13 switched access usage charges are the responsibility
14 of the TSS customer," which, in this scenario we're
15 talking about, would be us buying the TSS service,
16 right?

17 A. Correct.

18 Q. Then it says, At our request, the telephone
19 company, you, will bill our users directly, which is
20 to say the IXCs who are buying our tandem service,
21 right?

22 A. Correct.

1 Q. If we agree to daily send you the tapes or
2 the magnetic records or whatever of the usage you
3 need to do that billing.

4 A. That is what it appears to say.

5 Q. Okay. So the tariff that you were pointing
6 to as governing this in your testimony expressly
7 provides that we can provide terminating tandem
8 access service to your end offices; isn't that a
9 fair reading of this?

10 A. Can you ask me that question one more time?

11 Q. Is it not a fair reading of the couple of
12 paragraphs we have just read that this tariff
13 expressly permits us to provide terminating tandem
14 switching to IXCs into your end offices?

15 A. Whether or not you're providing the tandem
16 switching or not would be implied by the acronym
17 tandem switch signaling. It would certainly appear
18 to me to provide you the ability to terminate
19 traffic to our end office by purchasing TSS and
20 providing to us the call detail records that would
21 identify your customers that we would be billing.

22 Q. Right. And so to the extent that your

1 testimony suggests that this can't be done, to that
2 extent, the testimony is wrong because, after all,
3 your own tariff offers it to anybody who wants to
4 buy it?

5 A. I would have to say that I would have to
6 review my testimony against the tariff with the
7 subject matter expert for this tariff.

8 Q. Okay. May I suggest you do that sometime
9 between now and the hearing?

10 A. Agreed.

11 Q. More seriously --

12 MR. SAVAGE: And, David, this is for you as
13 well. I mean, this has been a sticking point in our
14 discussions between Bill and myself about, how can
15 we do this, can we do this? I just dug this out,
16 you know, in preparation for this deposition, and
17 I'm hoping that, in light of what's here, maybe we
18 can make some progress off-line and we won't have to
19 talk about it in Tallahassee, but that's -- I wanted
20 to suggest that.

21 MR. HAGA: I'm all for progress, and we can
22 certainly discuss it off-line.

1 THE WITNESS: And I agree with you. Given
2 the nature of these, if you would see that
3 earlier -- I expect I would have seen it in Gates'
4 rebuttal.

5 BY MR. SAVAGE:

6 Q. You know, you're right.

7 And I will state on the record that I
8 advised Mr. Gates that one of us was going to have
9 to go through and look at that tariff. But the
10 press of business made it impossible for him to do
11 it before it got filed.

12 A. I can -- I can understand that.

13 Q. We've all been there.

14 A. Yes.

15 Q. Yeah, I'm not really one for pulling
16 rabbits out of hats.

17 MR. SAVAGE: I'd like to have Number 11 be
18 section 2.7 of your tariff.

19 (Munsell Deposition Exhibit Number 11 was
20 marked for identification.)

21 BY MR. SAVAGE:

22 Q. And did you have a chance to look at this

1 over -- in any way over the break? I gave it to you
2 before.

3 A. Other than thumbing through it and saying,
4 oh, boy, ordering -- again, not my strong point of
5 access services, but...

6 Q. Well, at a high level, would you agree with
7 me that this is your tariff's statement of the
8 general meet point billing regime we were talking
9 about earlier and referring to the MECAB document
10 about?

11 A. That's correct.

12 Q. Okay. And turn to the page that's numbered
13 2-47. It's about halfway through. Meet point
14 billing calculation continued.

15 A. I have it.

16 Q. And in the middle of the page it's giving
17 an example of billing percentage method using the
18 multiple bill option. And as you get down there,
19 it -- item B is billing percentage for each
20 telephone company (from NECA tariff FCC number 4).
21 Company A is 40 percent; company B is 60 percent.

22 This is what we were talking about before,

1 which is to say that two carriers would establish a
2 route, agree on an appropriate billing percentage,
3 file that in NECA 4, and then that would determine
4 the proportion of transport they would bill in a
5 jointly provided access situation?

6 A. Correct.

7 Q. Okay. I didn't have any more on that.

8 (A recess was taken.)

9 BY MR. SAVAGE:

10 Q. Let's talk about our favorite subject,
11 local calling areas.

12 Now, my -- in a nutshell, as you understand
13 it, you would agree with me, I hope, that Bright
14 House's proposal is that, as between Bright House
15 and Verizon, whether the originating carrier owes
16 access to the terminating carrier depends on whether
17 the originating carrier treats the call as a local
18 call.

19 Our proposal -- is that your understanding
20 of our proposal? I'm not asking you to agree that
21 it's workable or anything, but that's what we're
22 asking.

1 A. That's what I understand your proposal to
2 be.

3 Q. Okay. And -- I'm going to get it all
4 there; let me talk about -- and you understand, I
5 believe, that today Bright House offers LATA-wide
6 local calling to its customers in the Tampa area?

7 A. From the rebuttal of Ms. Johnson, I thought
8 it was perhaps state-wide.

9 Q. It may even go more, but at least within
10 the LATA.

11 A. At least within the LATA.

12 Q. Okay. And in terms of the traffic we send
13 directly to you, we only send traffic -- we wouldn't
14 send traffic directly to you that's bound for Miami
15 or, you know, Key West or something, would we?

16 A. No, but perhaps the traffic -- I don't know
17 what your coverage area is, whether you have end
18 users outside of LATA 952.

19 Q. Assume for purposes of the discussion here
20 that I'm only talking about traffic that we send
21 directly to Verizon Florida, LLC, the LEC -- the
22 Verizon LEC in Florida.

1 A. My point being that if you had a customer
2 with an Orlando telephone number destined to a
3 Verizon Tampa telephone number, that call would not
4 be viewed as originating and terminating in the same
5 LATA. Yet, per Ms. Johnson's testimony, it appeared
6 to me that Bright House would not impose, on their
7 end user, a toll charge for that intraLATA call.

8 Q. Fair enough. But assume for purposes of
9 this discussion that the only traffic that we intend
10 to be subject to this proposal is traffic that
11 begins and ends within the Tampa LATA, whatever its
12 number is.

13 A. 952.

14 Q. 95 --

15 A. 2.

16 Q. -- 2. I will remember that.

17 So -- you understand what I'm asking you to
18 assume?

19 A. Yes.

20 Q. Okay. So on that assumption, you would
21 agree with me that all Bright House traffic that
22 originates in LATA 952 and is handed off to Verizon

1 for termination to a Verizon customer in LATA 952,
2 Bright House would view that as a local call?

3 A. That's what I understand Bright House's
4 position to be, as their retail pricing algorithm or
5 offering is exactly that.

6 Q. Right. Okay.

7 A. Whether it's limited to LATA 952 or not, as
8 we said, that's our hypothetical.

9 Q. Right. But -- it's probably free if you
10 call Montreal, right? But we're not worried about
11 Verizon in Montreal. We're worried about LATA 952.
12 And in LATA 952, it would all be rated as local.

13 And so, under our proposal, if it were
14 adopted, we would stop paying you access charges for
15 traffic we send you?

16 A. Correct.

17 Q. Okay. Now, do you understand that, under
18 our proposal, that if you were to see the retail
19 light and stop charging your own users intraLATA
20 toll and simply have a flat rate for any call within
21 the LATA, we would never charge you access under
22 that scenario?

1 A. And I expect you mean that to the extent
2 that we saw the light and changed our tariff --

3 Q. Yeah.

4 A. -- with the PSC to reflect that LATA-wide
5 local calling area --

6 Q. Right.

7 A. -- and there was no objections from the
8 PSC -- I can't imagine what they would be, but --

9 Q. Right.

10 A. -- to the extent that -- yes, I understand
11 that would be the proposal.

12 Q. Okay. And you also understand our
13 proposal, if we were to be chastened in our
14 competitive efforts, for whatever reason, and say,
15 you know, Verizon's local calling areas look pretty
16 good, and simply changed our offering so that our
17 customers got exactly the same local calling areas
18 that yours did, and got charged a toll whenever they
19 crossed those boundaries, we'd pay you access under
20 our proposal.

21 A. Yes.

22 Q. Okay. Nonetheless, you think our proposal

1 is nuts?

2 A. Misguided.

3 Q. Fair enough. Okay.

4 And my understanding of your main
5 objections to it -- and I want to see if I've got
6 them all, and you can tell me if I missed one.
7 Basically -- I got one and maybe two. Number one is
8 sort of a catch-all, which is, oh, my gosh, what a
9 mess this would be, that it would be extremely
10 difficult to bill, there would be, you know, dozens
11 of carriers interconnected with you, assuming people
12 adopted our agreement, who would all have different
13 areas and all of that stuff, and it would be a mess.
14 That's one of your objections?

15 A. It would cause billing issues.

16 Q. We'll get to that.

17 You have what I thought was a separate
18 objection, but I'm not sure, which was a claim that
19 this somehow entitled, you know, arbitrage or
20 wanting to get something for free or something like
21 that. Did I misunderstand you or do you actually
22 think there is some element of that in our proposal?

1 A. Well, it certainly turns the access regime
2 on its head. And my -- my understanding, at least,
3 is that -- I can't remember if it was in the act or
4 in one of the FCC orders -- that basically said,
5 what we're doing here doesn't turn the access apple
6 cart on its head. It doesn't change access charges,
7 is what I -- you know, and it has been years since
8 I've read those orders, but I dimly recall them
9 saying that.

10 Q. Okay. Well, let's give you an opportunity
11 to refresh your thinking on that.

12 A. I'm sure you will.

13 Q. Why don't we move to --

14 (Munsell Deposition Exhibit Number 12 was
15 marked for identification.)

16 BY MR. SAVAGE:

17 Q. Number 12 is an excerpt from the first
18 report and order issued in August of 1996, and the
19 document that I'm handing you is a whole bunch of
20 pages of table of contents, because I always try to
21 have the whole table of contents. But then you get
22 to about the third page from the back, the head of

1 it says, Discussion: Distinction between transport
2 and termination.

3 Do you see that?

4 A. I do.

5 Q. Okay. And again, looking at the cover,
6 I'll represent to you this is from an FCC order
7 issued in August of 1996.

8 A. I see that.

9 Q. Okay. And they say, looking at the first
10 sentence of paragraph 1034, "We conclude that
11 section 251(b)(5), reciprocal compensation
12 obligations, should apply only to traffic that
13 originates and terminates within a local area as
14 defined in the following paragraph."

15 Do you see that?

16 A. I do.

17 Q. Okay. And then, if you go to the next
18 page, paragraph 1035, "With the exception of traffic
19 to or from a CMRS network, state commissions have
20 the authority to determine what geographic areas
21 shall be considered local areas for purposes of
22 applying reciprocal compensation obligation under

1 section 251(b)(5) consistent with the state
2 commission's historical practice of defining local
3 service areas for wireline LECs."

4 Do you see that?

5 A. I do.

6 Q. Okay. And back in 1996, you -- do you
7 recall reading this with interest back in '96?

8 A. I definitely do.

9 Q. Right. And what this basically says is the
10 FCC says reciprocal compensation applies to local
11 traffic. Is that a fair summary of what the FCC is
12 saying, in your mind?

13 MR. HAGA: Same objections.

14 THE WITNESS: To traffic that originates
15 and terminates in the same local area, yes.

16 MR. SAVAGE: Okay. And then let me mark as
17 Number 13 --

18 (Munsell Deposition Exhibit Number 13 was
19 marked for identification.)

20 BY MR. SAVAGE:

21 Q. Number 13, just for reference, is
22 section 251 of the act, subsection (g) that says --

1 it's entitled, "Continued enforcement of exchange
2 access and interconnection requirements."

3 And what it says is, "On and after the date
4 of enactment of the Telecommunications Act of 1996,
5 each local exchange carrier, to the extent that it
6 provides wireline services, shall provide exchange
7 access, information access and exchange service of
8 such access to interexchange carriers and
9 information service providers in accordance with the
10 same equal access and nondiscriminatory
11 interconnection restrictions and obligations
12 (including receipt of compensation) that apply to
13 such carrier on the date immediately preceding the
14 date of enactment of the Telecommunications Act of
15 1996...until such restrictions and obligations are
16 explicitly superseded by regulations prescribed by
17 the commission after the date of such enactment."

18 And then there's another sentence which
19 I'll leave out for now, unless you really want me to
20 read it.

21 A. That's fine.

22 Q. Okay. Is this what you were thinking of

1 when you testified earlier and said you thought
2 there was something in the act about not turning the
3 access regime on its head?

4 A. I was more specifically thinking of the
5 first report, the paragraphs that I read with better
6 understanding than the paragraph straight from the
7 act.

8 Q. Okay.

9 A. At least I hoped.

10 Q. You know, it's a sad day when the FCC is
11 clearer than Congress.

12 A. It might be an average day.

13 Q. But there we are. Okay.

14 So based on all of that, in your rebuttal
15 testimony, I am assuming, but not necessarily --
16 with assistance from your lawyers, you cite this
17 panoply of state decisions that say how crazy and
18 unworkable and bad it would be to do what we're
19 proposing.

20 A. And one state decision which said, well,
21 here is how we are going to do, and it's halfway
22 what Bright House is proposing to do.

1 Q. Which -- and they you are just talking
2 about New York where it's all just treated as local
3 within the LATA.

4 A. Correct. It's uniform.

5 Q. Right. Now, to some earlier questions, if
6 our proposal were adopted and Verizon didn't want to
7 be in a position of paying Bright House access, all
8 Verizon would have to do is make it -- is offer
9 LATA-wide local calling to its own customers subject
10 to the commission saying that's okay, right?

11 A. If the Bright House provision were entered
12 into this. Yeah.

13 Q. Yeah. Okay. Now, in the course of your
14 working on all the stuff that you do, were you aware
15 that, in early November 2008, the FCC issued another
16 order about the scope of what section 251(b)(5)
17 reciprocal compensation applies to?

18 A. I'd have to see it to recall my -- I bet
19 you I saw it --

20 Q. I bet you saw it, all right?

21 A. -- and I don't recall it.

22 Q. Number 14 --

1 (Munsell Deposition Exhibit Number 14 was
2 marked for identification.)

3 BY MR. SAVAGE:

4 Q. -- is a document which -- I will represent
5 to you this is a massive document that I have taken
6 the front of. Okay? And the massive document is
7 called, Order on remand and report and order and
8 further notice of proposed rulemaking.

9 And what I have done is given the order on
10 remand part of it.

11 A. Okay.

12 Q. And that's the part that deals with
13 reciprocal compensation.

14 So take a look at this. I mean, you don't
15 have to read the whole thing. My first question is,
16 have you seen this before, to your knowledge, this
17 order from the FCC?

18 A. I'll have to see it.

19 Q. Okay. Take a look at it and let me know.
20 It matters.

21 A. Let me ask, is this the order where the FCC
22 responded to Core?

1 Q. Yes, this is the order where the FCC
2 responded to Core?

3 A. So this is the Core order.

4 Q. The Core remand order.

5 A. Okay. Then I have seen it before.

6 Q. Okay. Good.

7 Given how you described your job, it would
8 have shocked me if you had not.

9 A. I have seen a lot of FCC orders. After a
10 while, on this subject, they blend.

11 Q. They do. They do.

12 So let me know when you've reminded
13 yourself of what it says.

14 A. Well, I do remember the ultimate outcome of
15 this, and I'm sure you'll direct me just to specific
16 paragraphs, so...

17 Q. Okay. Well, let's start -- take a look at
18 page 5. And the purpose of this is just to make
19 sure we're on the same page as to the state of the
20 play about reciprocal compensation.

21 A. Okay.

22 Q. First -- actually, looking at page 1, you

1 will agree with me that this order was issued in
2 November of 008?

3 A. It's November 5th, 2008.

4 Q. Okay. And looking at your rebuttal
5 testimony at pages -- oh, let's say -- where does it
6 start? Starting at page 47 and also at page 48 and
7 also at page 49 you list and quote bits from a whole
8 bunch of state cases explaining why what we're
9 proposing is immoral, illegal, fattening, bad,
10 et cetera, or words to that effect.

11 MR. HAGA: Objection to form.

12 You can answer.

13 THE WITNESS: Misguided.

14 BY MR. SAVAGE:

15 Q. Misguided. A series of -- a series of
16 cases dealing with that topic.

17 A. Correct.

18 Q. Okay. Would you agree with me that the
19 latest decided of the cases that you cite is dated
20 2005, which is to say three years before the
21 issuance of the order that I just put in front of
22 you?

1 A. I imagine one of these footnotes is 2005.

2 Q. Yeah, actually, that's --

3 A. Oh, I see it. Footnote 9, yes.

4 Q. Okay. And just -- I want to be real clear.
5 That's the very latest decision on this topic that
6 is included in your testimony?

7 A. Correct. That would be the Florida order.

8 Q. Right. I think. Whatever one it is, 2005.

9 A. Correct.

10 Q. Okay. Now, in -- in the nature of things,
11 you would agree with me that whatever any of these
12 commissions may have said in any of those orders,
13 those decisions and those orders cannot have taken
14 any account of what the FCC said at least three
15 years later in 2008?

16 A. To the extent that the FCC was not saying
17 anything new -- well, to the extent that the FCC in
18 2008 was saying something new, I would agree with
19 you.

20 Q. Okay.

21 A. To the extent that the FCC is reiterating
22 what they had said in previous orders, then that

1 wouldn't be a statement.

2 Q. Okay. So take a look at paragraph 7 on
3 page 5 of the 2008 order.

4 And looking at the second sentence -- I'll
5 spare the footnotes unless you want me to parse them
6 individually -- the FCC says, "To be sure, we
7 acknowledge that, in the local competition first
8 report and order, the commission found that
9 section 251(b)(5) applies only to local traffic, and
10 some commenters continue to press for such an
11 interpretation."

12 Do you see that?

13 A. I do.

14 Q. And earlier on in Exhibit 12, the 1996
15 order, indeed that's where they said it's local
16 traffic?

17 A. Correct.

18 Q. Okay. And so, at the end of paragraph 7,
19 they say, "Nevertheless, we find that the better
20 view is that section 251(b)(5) is not limited to
21 local traffic."

22 Do you see that?

1 A. I do.

2 Q. Okay. Is it your understanding that when
3 they say -- made that statement, 251(b)(5) is not
4 limited to local traffic -- is that something new
5 that they were saying, or is that just old hat for
6 the 2008 order?

7 MR. HAGA: Objection to form.

8 THE WITNESS: And I'd have to read the
9 entire order as well as consult with Verizon
10 attorneys about --

11 BY MR. SAVAGE:

12 Q. Sure.

13 A. -- whether or not -- what they are doing
14 there is trying to parse out ISP traffic from
15 251(b)(5) traffic, which is the whole dilemma they
16 have been dealing with for many years at this point,
17 about what that ISP traffic is.

18 Q. Right. And I think if you look at the
19 first sentence of paragraph 7, they answer that
20 question. "As an initial matter, we conclude that
21 the scope of section 251(b)(5) is broad enough to
22 encompass ISP-bound traffic."

1 A. I see that.

2 Q. All right. And so what that means is they
3 are not trying to parse out whether ISP-bound is
4 separate; they are saying that ISP-bound falls
5 within 251(b)(5). Isn't that what they are saying?

6 MR. HAGA: Objection to form.

7 BY MR. SAVAGE:

8 Q. Isn't that what you understand them to be
9 saying?

10 A. I have read enough FCC orders on this topic
11 to know that I don't have an opinion about what they
12 say.

13 Q. Good answer.

14 Well, then, let me -- let's see if I can
15 spare us some of the anguish.

16 You would agree, would you not, that when
17 the Florida commission decides what traffic, as
18 between Verizon and Bright House, should be subject
19 to reciprocal compensation, that the commission
20 should follow what the FCC says about the scope of
21 reciprocal compensation?

22 MR. HAGA: Objection to form.

1 THE WITNESS: To the extent that's the
2 FCC's -- I'm not sure --

3 BY MR. SAVAGE:

4 Q. I'm not saying what the FCC has said.

5 A. Right.

6 Q. I'm saying, whatever they said about it,
7 the Florida commission should comply with what the
8 FCC says about it.

9 MR. HAGA: Same objection.

10 THE WITNESS: I'm not sure if that is
11 asking me for a legal conclusion that -- if the FCC
12 said, we don't care, well, then I guess the Florida
13 PSC --

14 BY MR. SAVAGE:

15 Q. Can do whatever they want.

16 A. -- can do whatever they want, because there
17 is no direction --

18 Q. Right.

19 A. -- in the absence of direction.

20 Q. Right. And if the FCC gives direction and
21 says the scope of reciprocal compensation is, you
22 know, metes and bounds, from here to there -- that's

1 reciprocal compensation -- then anything within
2 these metes and bounds should be treated as
3 reciprocal compensation as far as between Verizon
4 and Bright House.

5 A. I mean, I think you're asking for my
6 opinion, as a layperson, about the interplay of FCC
7 rules and regulations and the state's abilities to
8 determine other -- other than what the FCC
9 guidelines is and, you know, I'm not a lawyer; I'm
10 not sure I can give you an answer to that.

11 Q. Okay. So let me put it this way. Your
12 testimony is that the Florida commission should use
13 Verizon's local calling areas?

14 A. Correct.

15 Q. And if, hypothetically, the FCC allowed
16 Florida to do something different, if the FCC was
17 okay with Bright House's proposal but didn't require
18 Bright House's proposal, you would still say, well,
19 just use Verizon's local calling areas?

20 A. Correct.

21 Q. So the only time, in your mind, that the
22 commission shouldn't use Verizon's local calling

1 areas is if some higher authority says they can't
2 and they have to use something else?

3 A. Can you ask me that last one again?

4 Q. The only time, in your view, that the
5 Florida commission should not use Verizon's local
6 calling areas is if some higher authority tells them
7 that they cannot rely on your local calling areas?

8 A. Correct.

9 Q. Okay. And, obviously, your lawyers will
10 vigorously contend that there is no such higher
11 authority and so on and so on.

12 That's what you hope your lawyers would do.
13 You don't care.

14 A. They'll do what they do.

15 Q. Okay. Okay. One last and sort of totally
16 different set of questions. We talked a little bit
17 about issue 41 which is the -- our proposal to
18 include a separate attachment that choreographs what
19 happens when we win or lose a customer and have to
20 put a customer back and forth.

21 And, broadly speaking, there are three
22 aspects to our proposal. The first part of the

1 proposal, in effect, restates things from other
2 parts of the contract, like number portability and
3 retention marketing and so on and so on.

4 And your objection to doing that is it's
5 redundant and not necessary?

6 A. Correct.

7 Q. And then, separately, you have some
8 difficulty with the particular things we wanted to
9 change about number portability, and that's what we
10 talked about earlier?

11 A. Correct.

12 Q. Okay. The second part of our proposal
13 talks about what we do to each other's facilities
14 when a customer changes from one to the other. And
15 if I recall correctly, your objection to that was,
16 hey, wait a minute, didn't we just sue you before
17 the Florida PSC about what you were doing to our
18 facilities, and the Florida PSC said they didn't
19 have any jurisdiction?

20 A. You're going to have to guide me to a
21 section of my testimony.

22 Q. All right. There you go.

1 A. That's vague.

2 Q. All right. It's not vague.

3 A. Well, it's vague in my memory. It's a long
4 morning.

5 Q. All right. Take a look at direct
6 testimony -- let's see. It starts at page 42. And
7 what I'm looking at is -- actually, further on.
8 Yeah, it's page 51, actually, of your direct.

9 And in footnote 9 you say, "For example,
10 Bright House seeks to address Verizon's grounding
11 practices, but the commission just last year said it
12 didn't have jurisdiction."

13 A. Yes, I see that.

14 Q. Okay. Now, I know "jurisdiction" is a
15 legal word, but there it is.

16 Suppose that the commission were to
17 conclude that, in the context of setting just,
18 reasonable and nondiscriminatory terms for
19 interconnection, they did have the authority to
20 address this. Do you understand what I'm asking you
21 to assume? They didn't have authority to just deal
22 with it in a lawsuit, but they do in the context of

1 an interconnection agreement.

2 A. I can understand that --

3 Q. That concept.

4 A. The distinction, yes.

5 Q. Okay. Assume that that's true. Assume
6 that they do have jurisdiction to address what we do
7 to each other's facilities in the course of
8 transferring a customer from one to the other in the
9 context of an interconnection agreement.

10 On that assumption, do you have any
11 objection to including provisions about that in our
12 agreement?

13 A. About grounding or --

14 Q. About grounding and about, in general, you
15 know, don't leave wires -- you know, live wires with
16 electrical -- you know, dangling on the ground and
17 that sort of thing.

18 I mean, as a lawyer, I'll tell you, if they
19 don't have jurisdiction, they are not going to do
20 anything. But if they do, is there any reason not
21 to deal with that problem in this document?

22 A. I guess I would question -- is it a

1 problem? I mean, to me, it seem like we're trying
2 to create another attachment for an isolated
3 instance that has been resolved. What problem?

4 I mean, we truly have a lot of real-life
5 daily problems, and we should focus on them. And
6 this just doesn't seem to be one of them.

7 Q. Assume that the frequency of this situation
8 is enough that Bright House remains worried about
9 it -- and admittedly we both have hundreds of
10 thousands of customers, and -- you know, you can
11 have a tiny percentage incidents -- you can have a
12 tiny percentage, and still a not tiny number of
13 people, if you get what I'm saying. A small
14 fraction of a hundred thousand people is still a lot
15 of people.

16 A. Yes.

17 Q. So assume that there is enough of it out
18 there that Bright House at least is concerned that
19 we have a mechanism between the companies for
20 dealing with it. Is there any reason not to include
21 this in this document, again, assuming the
22 commission has the authority to deal with it?

1 A. And without going back and looking at the
2 ICA and -- supplemented by existing laws and
3 regulations, as I say in page 51, direct, lines 1
4 through 4, "The parties' ICA, supplemented by
5 existing laws and regulations, already expressly
6 defines the relevant procedures and the parties'
7 respective rights and obligations with respect to
8 customer transfers."

9 So to the extent that that already
10 addresses this, it would seem to me that that's what
11 you would want to rely on.

12 Q. But assume for the moment that there is
13 nothing in any of the document that would govern our
14 relationship, except for what we proposed in that
15 attachment, that addresses this topic.

16 A. So in other words, what I have there on my
17 direct line 2 isn't true?

18 Q. Assume that that isn't true with respect to
19 this topic.

20 A. Okay.

21 Q. If I'm right about that --

22 A. I understand.

1 Q. -- can you think of any reason why we
2 wouldn't want to deal with that question in this
3 agreement?

4 A. No.

5 Q. Okay. And then the last part, broadly
6 speaking, of our proposal, says, to the extent that
7 problems and issues develop with regard to the
8 customer transfer process, the parties will talk
9 about it and work cooperatively and, if they can't
10 work it out, they will go to the commission.

11 Can you think of any reason why that
12 wouldn't be a good idea to have in this document?

13 A. Again, it would appear to me to be a
14 redundant provision for general terms and
15 conditions, most likely. Dispute resolution, for
16 one.

17 Q. Right. But let me walk you through. If,
18 other than our proposed attachment, the agreement
19 doesn't say anything at all about what to do in the
20 case of transferring customers, no dispute under the
21 agreement about that topic would arise under the
22 agreement, because it's not addressed by the

1 agreement.

2 So if we want to have a provision in this
3 agreement to permit us to discuss these matters and
4 bring them to the commission, and it doesn't now
5 exist, can you think of any reason not to put it in?

6 A. To the extent that it wasn't redundant from
7 an existing provision, I do not.

8 Q. Great.

9 MR. SAVAGE: I have nothing further. As
10 far as I'm concerned, you can make your plane, but I
11 don't know what your counsel has got in mind.

12 THE WITNESS: He's got something in mind.

13 MR. HAGA: Let's start with commission
14 staff.

15 Do you have questions on the phone for
16 Mr. Munsell?

17 MS. BROOKS: I have two brief questions.

18 EXAMINATION

19 BY MS. BROOKS:

20 Q. My first question has to do with issue 7,
21 the proposed language for section 50 of the ICA.

22 A. Okay.

1 Q. My question is, is this proposed language
2 standard to your interconnection agreements with all
3 CLECs?

4 A. Yes.

5 Q. Okay. And my second question is, to the
6 best of your knowledge, in the Verizon/Bright
7 House's current ICA, are there any services that
8 Verizon provides to Bright House that they are not
9 legally obligated to?

10 A. I am not aware of any.

11 MS. BROOKS: Okay. Those are my two
12 questions. I'm done.

13 THE WITNESS: Thank you.

14 EXAMINATION

15 BY MR. HAGA:

16 Q. This is David Haga for Verizon. I had just
17 a few brief follow-ups.

18 Let's go back to the issue of the
19 competitive access provider issue. Do you recall
20 that discussion with Bright House's counsel?

21 A. Yes.

22 Q. Let's start briefly with, first, what is

1 the access tandem? What does it do? It provides
2 what to what?

3 A. In this context, the access tandem is
4 providing connectivity between an interexchange
5 carrier and an end office that serves customer
6 lines.

7 Q. So this is -- and if I'm not stating this
8 right -- I'm trying to state it to the best of my
9 understanding, which is not very deep. But the way
10 I understand it is this is getting traffic from IXCs
11 to customers of local exchange carriers; is that
12 right?

13 A. Right. It provides a central hub for an
14 IXC to deliver traffic. So think of one large pipe
15 from an IXC coming into the access tandem, and then
16 a hundred small pipes leaving the access tandem for
17 the individual offices that serve end user
18 customers.

19 The tandem does the switching and routing
20 of traffic between the big pipe and the little
21 pipes.

22 Q. Okay. And then the local exchange carriers

1 ultimately receiving that traffic for their
2 customers, generally speaking, do they get to choose
3 to what tandem they connect their little pipes?

4 A. Yes.

5 Q. And do you understand Bright House's
6 proposal in this case to be proposing something
7 different for Verizon as a local exchange carrier?

8 A. They do appear to be proposing that Verizon
9 doesn't get to choose what access tandem they
10 subtend, but is obligated to subtend -- that the
11 decision of which tandem to subtend is a decision
12 that the tandem company makes, not the end office
13 company.

14 Q. And is that typically how it works in the
15 industry?

16 A. Not in my experience.

17 Q. I believe you addressed this in your
18 testimony but, generally speaking, do you have an
19 objection to Bright House performing as a
20 competitive access provider?

21 A. No.

22 Q. And I take it your problem is the manner in

1 which they propose to do it?

2 A. Relative to Verizon. The Tampa market is
3 very competitive. Bright House itself has X percent
4 of the local market. Mr. Gates cites some minutes
5 of use that are exchanged between Bright House and
6 Verizon customers and minutes of use that Bright
7 House exchanges through Verizon's network to third
8 parties. Are those numbers confidential?

9 MR. SAVAGE: No.

10 THE WITNESS: I did not think so.

11 I believe Mr. Gates testified Bright House,
12 on a monthly basis, exchange about 60 million
13 minutes a month with Verizon and, in total, about
14 350 million minutes, leaving approximately 250
15 million minutes, or -- one-seventh is Verizon to
16 Bright House, and six-sevenths is between Bright
17 House and third parties.

18 Clearly, there is a lot of traffic between
19 Bright House and third-party end offices out there.
20 Or IXCs, that Bright House certainly isn't captive
21 to Verizon as a monopolist in the provision of
22 tandem switching. There is a lot of market out

1 there to be connected to.

2 BY MR. HAGA:

3 Q. And so if I understand that correctly, are
4 you saying that Bright House could compete as a
5 competitive access provider for the business of
6 other local exchange carriers in the market?

7 A. Correct. Bright House could also, whether
8 it's compete or, probably, direct to the extent they
9 establish themselves as a tandem, that for IXC's to
10 reach Bright House end users, the IXC's need to
11 connect directly to the Bright House tandem.

12 Q. And that is the choice of those IXC's what
13 access tandem they connect to?

14 A. Well, the IXC's have a choice to establish
15 their own connections to that tandem, but to the
16 extent they don't establish direct connections to
17 that tandem and want to exchange traffic with end
18 offices subtending that tandem, they better ride the
19 facilities of an IXC that does connect at that
20 tandem.

21 Q. Okay. And, again, it's the local exchange
22 carrier that gets to choose what tandem it connects

1 with?

2 A. In my experience, yes.

3 Q. And that was one of your concerns with
4 Bright House's proposal is that it was taking that
5 choice away from Verizon as a local exchange
6 carrier?

7 A. That's what it appeared to me to be.

8 Q. Okay. Is it -- to your understanding, is
9 it possible for Verizon to subtend more than one
10 tandem, as a technically feasible matter?

11 A. As a technical matter, the subtending
12 relationships are reflected in the local exchange
13 routing guide, or LERG.

14 For any particular area code, the first
15 three digits of the number and the thousand block,
16 that can only subtend one tandem for originating
17 feature group D traffic -- and a different tandem
18 for terminating feature group D traffic -- it can be
19 one in the same tandem, but it can't be multiple
20 tandems. There is no room in the LERG to say, well,
21 he's got two -- there's two choices to terminate
22 traffic to this 813-224-1000 block -- within those

1 1000 numbers, there is no room in the LERG to have
2 alternate subtending relationships; it's a
3 one-to-one relationship.

4 Q. So the LERG will not recognize a local
5 exchange carrier subtending more than one tandem?

6 A. At that level of detail, being the NPA/NXX
7 thousand block, that is my understanding.

8 Q. Okay. Mr. Savage showed you some excerpts
9 from Verizon's tariff FCC number 14, which I believe
10 was marked as Exhibit 10 -- and this is the document
11 where, three pages from the end of Exhibit 10 -- and
12 at the top it says "original page 4-138."

13 Mr. Savage showed you this document. Do
14 you recall that?

15 A. I do.

16 Q. And he referred there in the middle of the
17 page where it says, number 7, tandem switch
18 signaling, TSS. Do you recall a discussion about
19 that?

20 A. I do.

21 Q. And Mr. Savage stated -- or asked you if
22 this language, under Verizon's tariff, would allow

1 Bright House to provide terminating tandem switching
2 into Verizon's end offices. Do you recall that
3 discussion?

4 A. Yes.

5 Q. And I know you expressed a little bit of
6 confusion about this, so I'm not going to ask you
7 one way or the other whether that's right or
8 wrong --

9 A. Thank you.

10 Q. -- but assume with me that it does -- for
11 the purposes of this question, assume with me that
12 it does allow what Mr. Savage had suggested. This
13 would be a service provided out of Verizon's tariff,
14 correct?

15 A. Correct.

16 Q. So if Bright House wanted to do this, they
17 could order it out of Verizon's tariff?

18 A. Yes.

19 Q. Okay. And if it's in Verizon's tariff and
20 Bright House can already order it out of Verizon's
21 tariff, do you see any need to put in language into
22 the ICA about this?

1 A. No.

2 Q. Okay. Let me bounce back to issue 36 which
3 was the meet point billing.

4 Do you recall that Mr. Savage asked you
5 about the arrangements where there were facilities
6 for traffic coming in from interexchange carriers
7 through the Verizon tandem and then to Bright
8 House's collocations. Do you recall that
9 arrangement that you discussed under meet point
10 billing?

11 A. Right now being the collocations at the end
12 offices North Gulf Beach and I think Carrollwood.

13 Q. Right. Let's -- let's actually spell that
14 out.

15 So at this point there -- do you understand
16 how many Bright House collocations there are
17 connected to Verizon now? Are there three; is that
18 right?

19 A. I believe -- yeah, there are three.
20 There's the one at the Tampa access tandem, or the
21 Tampa tandem wire center. There's actually two
22 tandems there. One at North Gulf Beach end office

1 and one at Carrollwood end office.

2 Q. Okay. And for the Tampa -- did I
3 understand correctly that there is a Bright House
4 collocation there in the same facility as the
5 Verizon access tandems?

6 A. Yes.

7 Q. And is it your understanding that Bright
8 House does not accept the IXC traffic at that
9 location?

10 A. That is my understanding today from
11 Mr. Savage.

12 Q. Okay. And --

13 MR. SAVAGE: Thanks. That's what I've been
14 told.

15 BY MR. HAGA:

16 Q. And is it your understanding that Bright
17 House, instead, has that traffic from IXCs go
18 through the Verizon tandems, and then sent to other
19 locations that are miles away?

20 A. Yes. I think North Gulf Beach is west of
21 St. Petersburg, Florida. Carrollwood is north of
22 Tampa, approximately, I think 20 miles. So it's

1 probably 30 miles east for North Gulf Beach and 20
2 north for Carrollwood. Maybe 15 for Carrollwood.

3 Q. And in order to carry that IXC traffic to
4 those two distant locations, Bright House purchases
5 facilities from Verizon today; is that correct?

6 A. That is my understanding.

7 Q. And is it your understanding that Bright
8 House's proposal in this proceeding is that they
9 don't want to pay Verizon for those facilities?

10 A. That is correct.

11 Q. And, instead, Bright House suggests that
12 Verizon should charge the IXCs instead?

13 A. Collect.

14 Q. You had expressed a concern about this
15 arrangement, and you referred to a gold-plated
16 setup. What did you mean by that?

17 A. A gold-plated setup would be one which, if
18 we lived in an ideal world, would be a standard. A
19 hundred percent of the calls were completed a
20 hundred percent of the time. There was never a
21 network outage. There was never a misrouted call.

22 That would be ideal. In the world of

1 economics, we realize that reaching a hundred
2 percent is often cost-prohibitive and so, from an
3 economic perspective, you usually set a goal, for
4 something that's not life-threatening at least, at
5 something less than a hundred percent.

6 Certainly for 911 services, I would expect
7 that your goal would be higher than for just voice
8 services, goal being any percentage of the time that
9 you've got a network outage.

10 And clearly we've got a wonderful network
11 in the United States for telecommunications.

12 Q. And just so I understand that, are you
13 saying, from an economic perspective, that this
14 creates a potential inefficiency, that Bright
15 House's proposal would create a potential
16 inefficiency?

17 A. Well, it would potentially create a -- a
18 cost for Verizon that we would not otherwise incur.
19 And that cost, depending on the traffic that's on
20 those facilities between the IXCs and Bright House,
21 may not recovered.

22 Q. Okay. Let me -- I've just got a couple of

1 more areas here to bounce around to -- and this goes
2 back to issue 7.

3 And this is the change in law or change in
4 fact provision, section 50 of the interconnection.

5 MR. SAVAGE: I have to object to that
6 characterization. Your own witness testified that
7 there is nothing in either of those provisions that
8 mentions or reflects a change in law or a change in
9 fact..

10 MR. HAGA: All right. Fair enough. Fair
11 enough. I accept that objection. Let me rephrase.

12 BY MR. HAGA:

13 Q. Going back to issue 7, which is general
14 terms and conditions, section 50 -- and you recall
15 the testimony today regarding that?

16 A. Yes.

17 Q. And that proposed provision refers to,
18 under certain circumstances, Verizon ceasing to
19 provide services or ceasing to make payments; is
20 that correct?

21 A. Correct.

22 Q. And is it your understanding that Verizon

1 would be providing these services and making these
2 payments today if they were not required by
3 applicable law?

4 A. Can you ask me that again?

5 Q. Sure. Would Verizon be providing these
6 services and making these payments today if they
7 were not required by applicable law?

8 A. I do not believe so.

9 Q. So is it fair to say, then, that Verizon
10 thinks that these services and payments are required
11 under current law?

12 A. Yes.

13 Q. And is that why your testimony referred to
14 section 50 being triggered by a change in the law?

15 A. Yes.

16 Q. Under Verizon's proposed language for
17 section 50, can Verizon just stop providing a
18 service or making a payment, or does it first need
19 to provide notice to Bright House?

20 A. It needs to first provide notice.

21 Q. And if Bright House thinks that something
22 is still required by applicable law, do you

1 understand that Bright House can go to the
2 commission and seek relief?

3 A. That has been my experience --

4 Q. Okay.

5 A. -- in general.

6 Q. All right. And let me go back to -- there
7 were a series of questions today with respect to,
8 for example, Exhibit 3 and Exhibit 7 where
9 Mr. Savage showed you language from statutory
10 provisions regarding, for example, exchange access
11 and transport. Do you recall?

12 A. Yes.

13 Q. And I objected on a number of occasions to
14 the extent that those questions were seeking a legal
15 opinion, and so let me just put the question to you
16 directly.

17 Are you offering any testimony today on
18 what, for example, the term "exchange access" means
19 under the act?

20 A. No.

21 Q. Are you offering any testimony today on
22 what the term "transport" means under the act?

1 A. No.

2 Q. Would you expect Verizon to address that
3 and any other legal issues in its briefing?

4 A. Yes.

5 MR. HAGA: Thank you. Nothing further.

6 EXAMINATION

7 BY MR. SAVAGE:

8 Q. With respect to section 50.1, you testified
9 earlier, when we were talking, that with respect to
10 the question of whether Bright House is entitled to
11 interconnection at all, you and, as far as you knew,
12 Verizon, had no firm view as to our entitlement to
13 interconnection. Do you recall that?

14 A. Yes.

15 Q. So when you just said to your counsel that
16 you're only doing this because you think it's
17 required by existing law, was that intended to
18 override and change your earlier testimony? Are you
19 now saying the only reason you're interconnecting
20 with Verizon [sic] is because applicable law
21 requires it today?

22 A. I would say that our understanding is that,

1 today, we are required to interconnect with Bright
2 House. The understanding of just what Bright House
3 is, I'd say is perhaps best left to lawyers, and
4 that would be decided tomorrow, of whether that
5 obligation continues to exist.

6 Q. And that's the hypothetical Randy
7 Milch/John Thorne brainstorm?

8 A. That would be -- yeah, the revelation.

9 Q. Great. And nothing that you've just said
10 to your counsel in any way reduces Bright House's
11 exposure to the risk of such a revelation occurring
12 the day after this contract is signed, does it?

13 A. I do not believe so.

14 Q. Now, with respect to the TSS stuff, the
15 tandem switch signaling tariff, I think you said to
16 your counsel that since what we want is in the
17 tariff, there is no need to have it in the
18 interconnection agreement; is that right?

19 A. Summarized, yes.

20 Q. Okay. On that theory, would you agree that
21 we should eliminate all references to meet point
22 billing from the interconnection agreement since

1 section 2.7 of your tariff addresses the issue of
2 jointly provided access?

3 A. The subject of meet point billing in the
4 agreement specifies how the two of us will be meet
5 point billing an IXC.

6 I'd say that the meet point sections of the
7 tariff describe to the ordering IXC how they will be
8 billed by two LECs.

9 Q. Okay.

10 A. So I think there is a distinction there.

11 Q. Okay. So to the extent that we have a
12 scenario in which Bright House is providing tandem
13 functionality to IXCs to reach Verizon end offices,
14 why shouldn't that be in the agreement as well?

15 A. You would be ordering the tandem switch
16 signaling from the Verizon tariff, as we have just
17 been through it. It would appear, upon review, that
18 that tariff allows you to provide us with the meet
19 point billing records.

20 So you would be ordering the TSS from us.
21 The tariff is what is providing the meet point
22 billing -- I'd say terms and conditions -- for the

1 provisions of the necessary records between you, the
2 tandem company, us, the end office company, in the
3 joint billing of access to the IXCs that are
4 connected to your tandem.

5 Q. And as you understand your tariffs,
6 including both the TSS tariff and the section 2.7
7 meet point billing tariffs, we would be permitted,
8 in connection with ordering TSS service, to
9 establish a meet point and a billing percentage
10 arrangement with respect to the transport provided
11 to the long distance carrier?

12 A. Clearly, the TSS section is something I
13 will have to review.

14 Q. Okay.

15 A. So I'm not prepared here -- obviously, I
16 didn't realize that was in there --

17 Q. Okay.

18 A. -- so I can't give you an opinion right now
19 on that.

20 Q. Okay. Well, we'll take it up later?

21 A. I'm sure we will.

22 Q. Maybe off-line.

1 MR. SAVAGE: Okay. That's it.

2 MR. HAGA: Nothing further here.

3 Is there anything else on the line?

4 MS. BROOKS: We have no further questions.

5 (Reading and signature not waived.)

6 (Whereupon, the proceedings at 3:24 p.m.
7 were concluded.)

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1 COMMONWEALTH OF VIRGINIA, to wit:

2 I, Mario A. Rodriguez, CMRS, CCR, before
3 whom the foregoing deposition was taken, do hereby
4 certify that the within-named witness personally
5 appeared before me at the time and place herein set
6 out, and after having been duly sworn by me,
7 according to law, was examined by counsel.

8 I further certify that the examination was
9 recorded stenographically by me and this transcript
10 is a true record of the proceedings.

11 I further certify that I am not of counsel
12 to any party, nor an employee of counsel, nor
13 related to any party, nor in any way interested in
14 the outcome of this action.

15 As witness my hand and notarial seal this
16 _____ day of _____, 2010.

17

18

19

20 _____
MARIO A. RODRIGUEZ, Notary Public

21 Certified Court Reporter No. 0315162

22 MY COMMISSION EXPIRES: 4/30/2014

1 CERTIFICATE OF DEPONENT

2 I hereby certify that I have read and
3 examined the foregoing transcript, and the same is a
4 true and accurate record of the testimony given by
5 me.

6 Any additions or corrections that I feel are
7 necessary, I will attach on a separate sheet of
8 paper to the original transcript.
9

10 _____
11 WILLIAM MUNSELL

12 I hereby certify that the individual
13 representing himself/herself to be the above-named
14 individual, appeared before me this
15 _____ day of _____, 2010, and
16 executed the above certificate in my presence.
17

18 _____
19 NOTARY PUBLIC IN AND FOR
20 _____

21 MY COMMISSION EXPIRES:
22 _____

1 WITNESS: WILLIAM MUNSELL

2 DATE: APRIL 29, 2010

3 CASE: Petition for arbitration of certain terms and
 4 conditions of an interconnection agreement
 5 with Verizon Florida, LLC, by Bright House
 6 Networks Information Services, (Florida), LLC

7
 8 Please note any errors and the corrections thereof
 9 on this errata sheet. Do not write on the
 10 transcript. The Rules require a reason for any
 11 change or correction. It may be general, such as
 12 "To correct stenographic error," or "To clarify the
 13 record," or "To conform with the facts."

14 PAGE LINE CORRECTION REASON FOR CHANGE

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 22

SECTION 251(c)(2) (47 U.S.C. § 251(c)(2))

(c) Additional Obligations of Incumbent Local Exchange Carriers.--In addition to the duties contained in subsection (b), each incumbent local exchange carrier has the following duties:

[...]

(2) Interconnection.--The duty to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network--

(A) for the transmission and routing of telephone exchange service and exchange access;

(B) at any technically feasible point within the carrier's network;

(C) that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection; and

(D) on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, in accordance with the terms and conditions of the agreement and the requirements of this section and section 252.

DEFINITIONS FROM THE COMMUNICATIONS ACT (47 U.S.C. § 153)

(16) EXCHANGE ACCESS.--The term "exchange access" means the offering of access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.

(26) LOCAL EXCHANGE CARRIER.--The term "local exchange carrier" means any person that is engaged in the provision of telephone exchange service or exchange access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service under section 332(c), except to the extent that the Commission finds that such service should be included in the definition of such term.

(47) TELEPHONE EXCHANGE SERVICE.--The term "telephone exchange service" means (A) service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge, or (B) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

(48) TELEPHONE TOLL SERVICE.--The term "telephone toll service" means telephone service between stations in different exchange areas for which there is made a separate charge not included in contracts with subscribers for exchange service.

VERIZON'S PROPOSED GENERAL TERMS §50

50. Withdrawal of Services

50.1 Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may terminate its offering and/or provision of any Service under this Agreement upon thirty (30) days prior written notice to Bright House.

50.2 Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may with thirty (30) days prior written notice to Bright House terminate any provision of this Agreement that provides for the payment by Verizon to Bright House of compensation related to traffic, including, but not limited to, Reciprocal Compensation and other types of compensation for termination of traffic delivered by Verizon to Bright House. Following such termination, except as otherwise agreed in writing by the Parties, Verizon shall be obligated to provide compensation to Bright House related to traffic only to the extent required by Applicable Law. If Verizon exercises its right of termination under this Section, the Parties shall negotiate in good faith appropriate substitute provisions for compensation related to traffic; provided, however, that except as otherwise voluntarily agreed by Verizon in writing in its sole discretion, Verizon shall be obligated to provide compensation to Bright House related to traffic only to the extent required by Applicable Law. If within thirty (30) days after Verizon's notice of termination the Parties are unable to agree in writing upon mutually acceptable substitute provisions for compensation related to traffic, either Party may submit their disagreement to dispute resolution in accordance with Section 14 of this Agreement

Verizon's Proposed Definition of "Service" from Glossary § 2.109 (not in dispute):

2.109 Service.

Any Interconnection arrangement, Network Element, Telecommunications Service, collocation arrangement, or other service, facility or arrangement, offered by a Party under this Agreement.

Before the
Federal Communications Commission
Washington, D.C. 20554

Munsell
Deposition Exhibit 6

In the Matter of)
)
BellSouth Telecommunications, Inc. Request for)
Declaratory Ruling that State Commissions May) WC Docket No. 03-251
Not Regulate Broadband Internet Access Services)
by Requiring BellSouth to Provide Wholesale or)
Retail Broadband Services to Competitive LEC)
UNE Voice Customers)
)

MEMORANDUM OPINION AND ORDER AND NOTICE OF INQUIRY

Adopted: March 17, 2005

Released: March 25, 2005

Comment Date: [60 days after publication in the Federal Register]

Reply Comment Date: [90 days after publication in the Federal Register]

By the Commission: Commissioners Copps and Adelstein approving in part, dissenting in part, and issuing a joint statement.

I. INTRODUCTION

1. The Commission has before it a petition for declaratory ruling filed by BellSouth Telecommunications, Inc. (BellSouth) regarding issues stemming from the *Triennial Review Order*.¹ As explained below, because the Commission's national unbundling rules in the *Triennial Review Order* directly address the primary issue raised by BellSouth, we grant BellSouth's petition to the extent described in this Order.² Specifically, applying section 251(d)(3) of the Communications Act of 1934, as amended (the Act), we find that a state commission may not require an incumbent local exchange carrier (LEC) to provide digital subscriber line (DSL) service to an end user customer over the same unbundled network element (UNE) loop facility that a competitive LEC uses to provide voice services to that end user. For the reasons set forth below, we conclude that state decisions that impose such an obligation are inconsistent with and substantially prevent the implementation of the Act and the Commission's federal unbundling rules and policies set forth in the *Triennial Review Order* that implement sections 251(c) and

¹ BellSouth Emergency Request for Declaratory Ruling, WC Docket No. 03-251 (filed Dec. 9, 2003) (BellSouth Petition).

² See *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98, 98-147, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978 (2003) (*Triennial Review Order*), corrected by Errata, 18 FCC Rcd 19020 (2003) (*Triennial Review Order Errata*), *aff'd in part, remanded in part, vacated in part*, *United States Telecom Ass'n v. FCC*, 359 F.3d 554 (D.C. Cir. 2004) (*USTA II*).

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(d)(2) of the Act.

II. BACKGROUND

2. For several years, BellSouth has implemented throughout its operating region a policy not to sell DSL service to end user customers purchasing voice services from competitive LECs utilizing UNE loops. Subsequently, several state commissions reviewed BellSouth's policy and ordered BellSouth to provide DSL service to competitive LEC UNE voice customers. Below, we describe the development of the Commission's unbundling rules, specifically the Commission's loop unbundling rules and the Commission's interpretation of the appropriate state role in implementing the unbundling policies of the Act. We then describe the state commission decisions from which BellSouth seeks relief. Lastly, we briefly describe the grounds upon which BellSouth seeks relief from these state commission rulings.

A. Commission Decisions

3. In 1996, the Commission issued its *Local Competition First Report and Order* implementing the 1996 Act and establishing, among other things, a federal standard for the terms under which unbundled network elements must be provided pursuant to the Act's "impair" standard.³ At the same time, the Commission also defined the scope of rights surrounding a leased UNE, indicating that "especially" for loops, "the requesting carrier will purchase *exclusive* access to the element for a specific period of time," although the incumbent LEC maintains underlying physical control (such as the ability to repair and maintain UNEs).⁴

4. In 1999, in response to a remand from the Supreme Court, the Commission redefined its national impairment standard and unbundling determinations in the *UNE Remand Order*.⁵ In the *UNE Remand Order*, the Commission found that state commissions were not permitted to remove national unbundling obligations, even pursuant to state law.⁶ However, the Commission found that states were free to add network unbundling obligations pursuant to state law, either through rulemaking or the state arbitration role, so long as the state commission considered and made decisions consistent with the federal

³ See generally 47 U.S.C. § 251; *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499 (1996) (*Local Competition First Report and Order*) *aff'd in part and vacated in part sub nom., Competitive Telecommunications Ass'n v. FCC*, 117 F.3d 1068 (8th Cir. 1997) and *Iowa Utils. Bd. v. FCC*, 120 F.3d 753 (8th Cir. 1997) (*Iowa Utils. Bd.*), *aff'd in part and remanded, AT&T v. Iowa Utils. Bd.*, 525 U.S. 366 (1999), *on remand, Iowa Utils Bd. v. FCC*, 219 F.3d 744 (8th Cir. 2000), *reversed in part sub nom. Verizon Communications Inc. v. FCC*, 535 U.S. 467 (2002); Order on Reconsideration, 11 FCC Rcd 13042 (1996), Second Order on Reconsideration, 11 FCC Rcd 19738 (1996), Third Order on Reconsideration and Further Notice of Proposed Rulemaking, 12 FCC Rcd 12460 (1997).

⁴ *Local Competition First Report and Order*, 11 FCC Rcd at 15631, 15635, paras. 258, 268 (emphasis added); 47 C.F.R. § 51.309(c).

⁵ See generally *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 15 FCC Rcd 3696, 3767, para. 154 (1999) (*UNE Remand Order*), *reversed and remanded in part sub nom United States Telecom Ass'n v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) (*USTA I*), *cert. denied sub nom. WorldCom, Inc. v. United States Telecom Ass'n*, 538 U.S. 940 (2003 Mem.).

⁶ 47 C.F.R. § 51.317(b)(4) (2000); *UNE Remand Order*, 15 FCC Rcd at 3767-70, paras. 153-61.

36. *Number Portability*. Comcast Phone, Time Warner, and Bright House Networks raise arguments that incumbent LECs have unlawful internal policies of delaying number porting requests when competing voice service providers win a voice customer that also subscribes to DSL.¹¹⁶ Specifically, Comcast Phone and Time Warner assert that incumbent LECs refuse to port the telephone number for the voice line until the customer cancels its DSL service. We take this opportunity to remind carriers that the Act requires,¹¹⁷ and we intend to enforce, non-discriminatory number porting between LECs, including our previous conclusion “that carriers may not impose non-porting related restrictions on the porting out process.”¹¹⁸ Because of these requirements, when an incumbent LEC receives a request for number portability, it is required to observe the same rules, including provisioning intervals, as any other LEC and cannot avoid its obligations by pleading non-porting related complications or requirements such as the presence of DSL service on a customer’s line. We also retain the authority to evaluate specific objections to incumbent LEC’s porting policies in proceedings seeking enforcement action.¹¹⁹

IV. NOTICE OF INQUIRY

37. The Order, set forth above, addresses a discrete issue of broadband policy relating to section 251(c) obligations for unbundling.¹²⁰ However, our disposition of the section 251 question does not address broader questions regarding the tying or bundling of services in general that have been raised in the record of this proceeding. In this Notice of Inquiry, we seek to examine the competitive consequences when providers bundle their legacy services with new services, or “tie” such services together such that the services are not available independent from one another to end users. We seek comment on how such bundling might affect both intramodal and intermodal competition and the effect that it might have on the public interest, including benefits to consumers.¹²¹ Several commenters in this and other proceedings have raised the possibility that bundling services potentially harms competition because consumers have to purchase redundant or unwanted services.¹²² As the communications marketplace continues to move

¹¹⁶ See Comcast Phone Reply at 1-3; Letter from Henk Brands, Counsel for Time Warner Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 03-251 (filed Oct. 27, 2004); Letter from Christopher W. Savage, Counsel for Bright House Networks Information Services, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 03-251 (filed Nov. 24, 2004); Letter from Henk Brands, Counsel for Time Warner Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 03-251 (filed Nov. 29, 2004); Letter from James L. Casserly, Counsel for Comcast, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 03-251 (filed March 2, 2005).

¹¹⁷ 47 U.S.C. § 251(b)(2).

¹¹⁸ *Telephone Number Portability*, CC Docket No. 95-116, Memorandum Opinion and Order, 18 FCC Rcd 20971, 20975, para. 11 (2003); see also *id.* at 20975-78, paras. 14-18, 21; *Telephone Number Portability*, CC Docket No. 95-116, Memorandum Opinion and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 23697, 23705, 23711-12, paras. 21, 34-37 (2003).

¹¹⁹ To the extent that these providers are alleging a violation of the Act, they may file a complaint pursuant to section 208 of the Act. 47 U.S.C. § 208.

¹²⁰ 47 U.S.C. § 251(c).

¹²¹ See, e.g., *Policy and Rules Concerning The Interstate, Interexchange Marketplace*, CC Docket Nos. 96-61, 98-183, Report and Order, 16 FCC Rcd 7418, 7425, 7444-45, paras. 12, 44 (2001) (*Bundling Order*).

¹²² See MCI Comments at 2, 19; MCI Reply at 7; Vonage Comments at 20; Z-Tel Comments at 11-13 (arguing that requiring a traditional telephone line in addition to broadband access limits VoIP development as a possible replacement for traditional telephone service because it requires purchase of a redundant service). We also note that (continued....)

DEFINITIONS FROM THE FCC'S RULES (47 C.F.R. § 51.5)

Interconnection. *Interconnection* is the linking of two networks for the mutual exchange of traffic. This term does not include the transport and termination of traffic.

Meet point. A *meet point* is a point of interconnection between two networks, designated by two telecommunications carriers, at which one carrier's responsibility for service begins and the other carrier's responsibility ends.

Meet point interconnection arrangement. A *meet point interconnection arrangement* is an arrangement by which each telecommunications carrier builds and maintains its network to a meet point.

Technically feasible. Interconnection, access to unbundled network elements, collocation, and other methods of achieving interconnection or access to unbundled network elements at a point in the network shall be deemed technically feasible absent technical or operational concerns that prevent the fulfillment of a request by a telecommunications carrier for such interconnection, access, or methods. A determination of technical feasibility does not include consideration of economic, accounting, billing, space, or site concerns, except that space and site concerns may be considered in circumstances where there is no possibility of expanding the space available. The fact that an incumbent LEC must modify its facilities or equipment to respond to such request does not determine whether satisfying such request is technically feasible. An incumbent LEC that claims that it cannot satisfy such request because of adverse network reliability impacts must prove to the state commission by clear and convincing evidence that such interconnection, access, or methods would result in specific and significant adverse network reliability impact.

DEFINITIONS FROM THE FCC'S RULES (47 C.F.R. § 51.701)

§ 51.701 Scope of transport and termination pricing rules.

(a) The provisions of this subpart apply to reciprocal compensation for transport and termination of telecommunications traffic between LECs and other telecommunications carriers.

(b) *Telecommunications traffic*. For purposes of this subpart, telecommunications traffic means:

(1) Telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a CMRS provider, except for telecommunications traffic that is interstate or intrastate exchange access, information access, or exchange services for such access (*see* FCC 01–131, paragraphs 34, 36, 39, 42–43); or

(2) Telecommunications traffic exchanged between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in § 24.202(a) of this chapter.

(c) *Transport*. For purposes of this subpart, transport is the transmission and any necessary tandem switching of telecommunications traffic subject to section 251(b)(5) of the Act from the interconnection point between the two carriers to the terminating carrier's end office switch that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.

(d) *Termination*. For purposes of this subpart, termination is the switching of telecommunications traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premises.

(e) *Reciprocal compensation*. For purposes of this subpart, a reciprocal compensation arrangement between two carriers is one in which each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network facilities of telecommunications traffic that originates on the network facilities of the other carrier.



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ATIS/OBF-MECAB-008

**MULTIPLE EXCHANGE
CARRIER
ACCESS BILLING
(MECAB)**

Issue 8

January, 2003

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1. PREFACE

Effective January 1, 2001 the process outlined in MECAB Issue 7, which allows companies to utilize their own recordings for access and interconnection billing, may be implemented.

The use of EMI Category 11-50-01 through 04 and 11-50-21 through 24 meetpoint summary usage records, for billing of access and interconnection services, will be discontinued effective August 31, 2002.

This document contains the recommended guidelines for the billing of access and interconnection services provided to a customer by two or more providers or by one provider in two or more states within a single LATA. Access and interconnection services may be billed as usage-sensitive and flat rated charges, which may include intraLATA non-subscribed toll, wireless and local services. Examples of Usage-Sensitive Services are Feature Group B (FGB), Feature Group C (FGC), Feature Group D (FGD), Wireless Services [Type 1 (Line Side Service), Type 2A (Trunk Side Tandem Service) and Type 2B (Trunk Side End Office Service)], trunk side connections (e.g., BSA), and Directory Assistance (DA) Transport. Examples of Flat-Rated Services are WATS Access Lines (WALs), Dedicated Access Lines (DALs), Hicap, two-point, multi-point services, direct/local transport and DA transport. This document also addresses the billing of jointly provided Feature Group A (FGA) line side BSA services in Section 9 of this document.

Types of customers and providers are as follows but are not limited to those below.

- End User: A customer who occupies premises that utilizes retail telephone services provided by telecommunications carriers. They may order other services such as access.
- IXC: Interexchange Carrier (Also referred to as IC). A long distance company that carries traffic between local exchange carriers.
- LEC: Local Exchange Carrier. A Company providing local telephone service. This term could include the following entities:
 1. CLEC: Competitive Local Exchange Carrier. A Company, which competes by providing it's own switching and/or network, or by purchasing unbundled network elements from an established local telephone provider. This term is meant to distinguish a new or potential competitor from the established local exchange provider.
 2. ILEC: Incumbent Local Exchange Carrier. A Company providing the connection to the end user's premise and access to the long distance network prior to the introduction of local competition. It is the established Regional Bell Operating Company or Independent Company.
 3. ULEC: Unbundled Local Exchange Carrier. A Company that provides local, intraLATA toll and access service by purchasing one or more unbundled network elements from another company. This includes only buying dial tone (port) or the entire platform of elements (UNE-P).

4. USP: Unbundled Service Provider. A Company (CLEC or ILEC) that has sold one or more network elements to another company in order for them to provide local, intraLATA toll and access services.
5. WSP: Wireless Service Provider (which includes CMRS (Commercial Mobile Radio Service), PCS (Personal Communication Services), etc.). A company whose network provides service to an end user through the use of airwave signals.

These guidelines were developed by the Billing Committee of the Ordering and Billing Forum (OBF). The Multiple Exchange Carrier Access Billing (MECAB) document (dated November 9, 1987) was changed to reflect the FGA/FGB meet-point Billing Task Force Report dated December 8, 1988. The Federal Communications Commission requested the report in its October 4, 1988 Order in CC Docket No. 87-579. The Commission addressed the report in its Memorandum Opinion and Order (MO&O) of October 5, 1989. This revised MECAB document also incorporates the resolution statements of recent OBF issues.

The OBF is a voluntary, self-policing group of provider and customer participants. They meet to identify, discuss, and resolve national issues concerning the ordering and billing of access and interconnection services. The OBF is under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The Federal Communications Commission (FCC) authorized the CLC in a MO&O released January 17, 1985.

This document provides industry guidelines for meet-point Billing (MPB) options. This document addresses the following:

- Common service identifiers
- Calculation of transport mileage
- Identification of the involved providers
- Provider to provider transfer of adjustment information and usage data
- MPB conversion and notification procedures.

This document identifies common data elements critical for the provision of verifiable and auditable bills in multiple provider situations and provides procedures for making common data elements and other data available to all providers, depending on the billing option selected.

The bill displays that appear are for illustrative purposes only. The Carrier Access Billing System Billing Output Specifications (CABS BOS®) documentation contains the industry standards for CABS access paper bills, bill data tapes and customer service records. The Small Exchange Carrier Access Billing (SECAB) Guidelines contain similar standards for paper and mechanized bills and inventory and rating information for the providers whose access bills do not conform to the CABS BOS.

Refer to CABS BOS and the SECAB for the current standards for billing outputs.

2. GENERAL

2.1 Scope

These guidelines are for billing access and interconnection services provided by two or more providers or by one provider in two or more states within a single LATA. It is to the mutual benefit of both customers (customers and end users) and providers that bills be accurate and auditable. This document addresses the concept of MPB and revenue sharing as detailed in the December 8, 1988 Report. As stated previously, access and interconnection services include Usage Sensitive and Flat Rates Services. Where intrastate tariffs and contracts permit, these guidelines are used for access and interconnection services. The determination of implementing a meet-point Billing arrangement between providers, which operate in the same territory, is based upon Provider-to-Provider negotiations where the regulatory environment permits. When all involved providers agree to a meet-point Billing arrangement, these guidelines are used.

2.2 MECAB Revision

2.2.1 Reason for Revision

OBF Issue 472 (the MECAB Change Management Document) recommends that the MECAB be updated to incorporate all resolved OBF issues affecting the MECAB document. This is the **seventh revision** to the MECAB based on OBF Issue 472. This revision contains updates to industry guidelines to reflect the resolution of the following OBF Issues:¹

- Issue 1548 – Billing Verification Process in an Unbundled Environment
- Issue 1667 – Exchange of Billing Information
- Issue 1690 – Notification of Interconnecting Billing Information to the ULEC.
- Issue 2056 – For Facility-Based LECs/CLECs & CMRS, Enhance the Meetpoint/Meetpoint-like Record Exchange to be Consistent with Unbundled Processes
- Issue 2138 – Redefine and Evaluate the Need for Existing MECAB Data Elements
- Issue 2162 – Eliminate Pass Through meet-point Billing Options in MECAB
- Issue 1962 – Multiple Providers of Tandem Access Interconnection
- Issue 2186 – Optional Use Return Code for Category 11 Detail Records

The following issues were reviewed but no changes were made to the document.

- Issue 1284 – Long Term LNP Billing and Verification
- Issue 1287 – Billing For Unbundled Network Elements
- Issue 1528 – The Billing Impact Resulting From Access Reform
- Issue 1593 – Guidelines Do Not Exist For Providing Historical PICC Detail Data to Verify PICC Charges

¹ A record of resolved OBF Issues incorporated in MECAB revisions is contained in Section 11 - OBF Issues Included in MECAB Revisions.

2.2.2 Change Management

MECAB standards represent policy guidelines approved by the OBF; the Billing Committee of the OBF is responsible for the MECAB document. MECAB is changed through the incorporation of resolved OBF issues. Proposed changes to MECAB are reviewed and approved by the OBF Billing Committee and the OBF General Session. In accordance with the MO&O in CC Docket No. 86-104, released July 31, 1987, the FCC will have the opportunity to review any revisions to the standards (MECAB) to the extent that further tariff revisions are necessary.

2.2.3 Revision Process

Proposed MECAB revisions are developed periodically by the OBF Billing Committee. This Committee normally assigns a work group to draft the proposed MECAB revisions from resolved OBF issues. Resolved OBF issues for inclusion in MECAB are identified in the resolution by the entry "This resolution will be included in the MECAB document."

If possible, OBF issues impacting MECAB should contain proposed MECAB language changes as part of the suggested resolution. This language is reviewed by the Billing Committee as part of the issue resolution process.

2.2.4 MECAB and CABS BOS Coordination

The MECAB document is coordinated with the CABS BOS. MECAB addresses broad matters of policy and procedure associated with all aspects of MPB. Billing output exhibits are included in MECAB for illustrative purposes only. The industry standard for access bills is the current effective version of CABS BOS.

The SECAB Guidelines support those providers who currently do not conform to the CABS BOS. For those companies, references to the SECAB have been included in this document for general billing requirements and suggested formats.

2.3 History

2.3.1

In the illustrative Access Tariffs an attempt was made to address the ordering and billing processes when access service was provided by more than one provider or by one provider in two or more states within a single LATA. The original proposal was to have one provider (the end user's end office, dial tone office, or hub office provider) accept the order for service and bill the overall access service. This version came to be known as End Office Billing or Tariff Option A.

Several providers expressed interest in a second billing option, where each provider would bill the appropriate tariff rate for its portion of the access service in the appropriate jurisdiction. This concept was labeled meet-point Billing (MPB), or Tariff Option B, and added to the Access Tariff as filed with the FCC. Upon reviewing these billing plans, the FCC directed that Tariff Option A be phased out and replaced by Tariff Option B.

2.3.2

Due to various implementation considerations, the providers requested a waiver to delay MPB until June 1, 1985. The provider industry decided, after considerable study, that Usage-Sensitive Access Feature Group A (FGA) and Feature Group B (FGB) were not suited to MPB concepts. In addition, the mechanics of rendering an accurate, auditable meet-point bill for other access services were becoming more complex, casting doubt as to whether every provider could meet the June 1, 1985 implementation date.

As a result, the National Exchange Carrier Association (NECA), along with several individual providers, filed a petition for extension of waiver (in January, 1985) to delay, indefinitely, FGA and FGB MPB, and to delay MPB of other Usage-Sensitive and Flat-Rated Access offerings until June 1, 1986.

2.3.3

On March 28, 1986, the FCC issued a MO&O extending the waiver for MPB of access services until January 1, 1988, in response to several petitioners who argued that serious implementation problems remained regarding the current MPB requirements. This extension did not prohibit providers, where it was agreed upon, from implementing MPB where the capability exists.

Additionally, the FCC ordered the formation of an ad hoc industry group in cooperation with the CLC of the ECSA to study various MPB alternatives and develop an industry proposal. That Order required the CLC to submit an industry proposal to the Commission by December 1, 1986.

Accordingly, the CLC assigned the task to the OBF. The Billing Committee prepared a statement outlining a plan of action that included the organization of an ad hoc industry group to investigate alternatives to the proposed meet-point Billing plans.

2.3.4

On December 1, 1986, the ECSA filed the 86-104 Report adopted by the ECSA's Ordering and Billing Forum in response to the March 28, 1986 Order containing proposals for implementing meet-point Billing. The Commission adopted the 86-104 Report in a MO&O, released July 31, 1987.

The Order allowed the current blanket waiver of MPB requirements for FGC, FGD, Flat-Rated Access and DA Transport to expire on January 1, 1988. Providers were required to file tariff revisions implementing MPB for FGC, FGD, Flat-Rated Access and DA Transport in their October 1987 annual access filings to be implemented by January 1, 1988. Furthermore, the FCC suggested the OBF study the feasibility of applying the MPB approach developed for FGC, FGD, Flat-Rated Access, and DA Transport to other Usage-Sensitive Access services (i.e., FGA and FGB).

2.3.5

In the October 4, 1988 Order in CC Docket No. 87-579, the Commission requested that the ECSA submit a report on the possibility of meet-point Billing for FGA and FGB. The report, submitted to the FCC on December 8, 1988, recommended revenue sharing agreements as

the most appropriate solution for FGA shared service and the establishment of meet-point Billing for FGB. The Commission agreed in a MO&O released October 5, 1989.

The October 5, 1989 Order allows providers jointly providing FGA access services to avoid meet-point Billing for these FGA services by entering into binding revenue sharing agreements not later than one year after the release date of the Order. In addition, the Commission agreed with the December 8th Report that MPB of FGB access services be implemented by July 1, 1990. Providers were required to file tariff revisions implementing MPB of FGB in their 1990 annual access tariff filings. Furthermore, the FCC ordered that the OBF file a progress report not later than December 31, 1990 regarding the feasibility of establishing guidelines for MPB of Flat-Rated Access.

To meet the requirements of the October 5, 1989 Order, the ECSA submitted the *Issue 3* Revision of the MECAB document to the FCC in December of 1990. MECAB, *Issue 3* incorporated resolutions to two Flat-Rated Access issues, OBF 591 and 592, that meet the requirements of the above-mentioned FCC requested report. A cover letter to the Commission that further explained the Flat-Rated Access revisions accompanied the revised MECAB.

MECAB *Issue 4* incorporates resolutions to OBF issues 465, 590, and 638. Wording was added to the document to clarify Flat-Rated Access meet-point Billing guidelines.

MECAB *Issue 5* incorporates resolutions to OBF issues 621, 733, and 792. Text changes were made to meet the requirements of the September 17, 1993 Order, Docket 91-213, addressing Equal Charge Per Unit of Traffic (a.k.a., Local Transport Restructure). A distinction was made to clarify the difference between usage-sensitive and flat-rated access as a result of the resolution of OBF issue 733.

MECAB *Issue 6* incorporates resolutions to OBF issues 945, 946, 970, 1140, 1142, 1185, 1248 and 1304. Text changes were made to substitute the words provider and customer for LEC and IC. Section 17 (Sample forms) was created to provide a home for the Sample meet-point Notification Form (Section 17.1) and the Manual usage Exchange Form (Section 17.2).

MECAB *Issue 7* incorporates resolutions to OBF billing issues 1548, 1667 and 1690 covering unbundled services. Section 14 - Jointly Provided Services In an Unbundled Environment was developed, along with diagrams, to incorporate the process dealing with unbundled services in a local, intra-LATA toll, CMRS and access environments.

MECAB *Issue 7* also includes OBF Billing Committee Issue 2056, which eliminates common minutes for facility-based LECs/CLEC, and CMRS traffic and billing; Issue 2138, which evaluates meetpoint data elements; and Issue 2162, which eliminates the pass through billing options. The sections eliminated as a result of the above issues were 10 - BAR/BACR, 12 - IBC/SBC, 13 - The Usage Sensitive Access Matrix and 17 - Sample forms for Manual Summary Usage Records. Revision marks will not be reflected due to extensive modifications to the document.

MECAB *Issue 8* incorporates resolutions to OBF Billing Committee Issues 1962 and 2186. Issue 1962 specifically addresses the situation where multiple tandem providers are involved in passing local and toll LEC traffic. Issue 2186 establishes applicable return codes in EMI Category 11 detail records exchanged between companies utilizing a 2 position return code (110XXX positions 70-71) to be consistent with the established Cat 10 and Cat 01 process.

2.4 Symbols

The following symbols are used in the figures throughout this document:



- Point of Termination ("POT")



Meet Point



- Serving Wire Center ("SWC")



- Access Tandem ("AT")

AT



- End Office ("EO")

EO



- End User

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3. NECA TARIFF FCC. NO. 4, PERCENT OWNERSHIP, BILLING PERCENTAGE AND COMPANY CODE

3.1 General

The industry reference for listing endpoint locations, billing percentages, and the providers involved in a MPB environment is NECA Tariff FCC. No. 4. The information contained in this tariff specifies the apportionment of local transport or channel mileage rate element(s) among the providers and/or jurisdictions involved in an access and interconnection services based on billing percentages. Each pair of end point locations, the related Billing Percentages, and the providers involved must be filed in NECA Tariff FCC. No. 4 for access services. When billing percentages are required for interconnection services, the decision to file billing percentages in NECA Tariff FCC. No. 4 is based upon Provider-to-Provider negotiations.

3.2 Billing Percentage (BP)

BPs are listed by service type for each pair of locations where access and interconnection services are provided on a meet-point basis. The sum of the BPs filed for each pair of end point locations must equal 100%. For each pair of locations, the involved providers must agree in writing to their respective BPs. This information must be submitted to NECA for inclusion in NECA Tariff FCC. No. 4, per NECA filing requirements.

3.3 Percent Ownership

Each set of BPs may be developed on any *mutually agreeable* basis among the providers in the route. BPs may be developed using:

1. Provider investment to total investment
2. Route miles to total route miles
3. Airline miles to meet-point to total airline miles between locations

The basis of this apportionment should consider each provider's rate structure for channel mileage or local transport and the method of BP application either approved by the FCC or locally negotiated contracts.

3.4 Transport or Mileage Charge Calculations

The appropriate method for calculation of MPB of the distance sensitive portion of Local Transport (direct-trunk and tandem-switched), Channel Mileage (e.g. Special Transport), is as follows:

1. The Vertical and Horizontal (V&H) coordinates (filed in NECA Tariff FCC. No. 4) are used to calculate the airline distance between two wire centers. Fractional mileage is rounded to the next whole number.
2. Each provider applies the tariff rate for this overall mileage length to obtain a dollar amount.
3. The BP is applied to the dollar amount calculated above.

See Figures 3-1 through 3-9 for examples of Usage-Sensitive Access (tandem-switched) and Flat-Rated Access (Switched and Special) mileage charge calculations.

3.5 Company Code

Whenever company codes are used to identify companies associated with rate elements, usage detail or circuit locations on meet-point bills and Customer Service Records (CSRs) (if provided), the state level company code, as filed in NECA Tariff FCC. No. 4, is provided.

3.5.1 Usage Sensitive Access Transport Mileage Charge Calculations

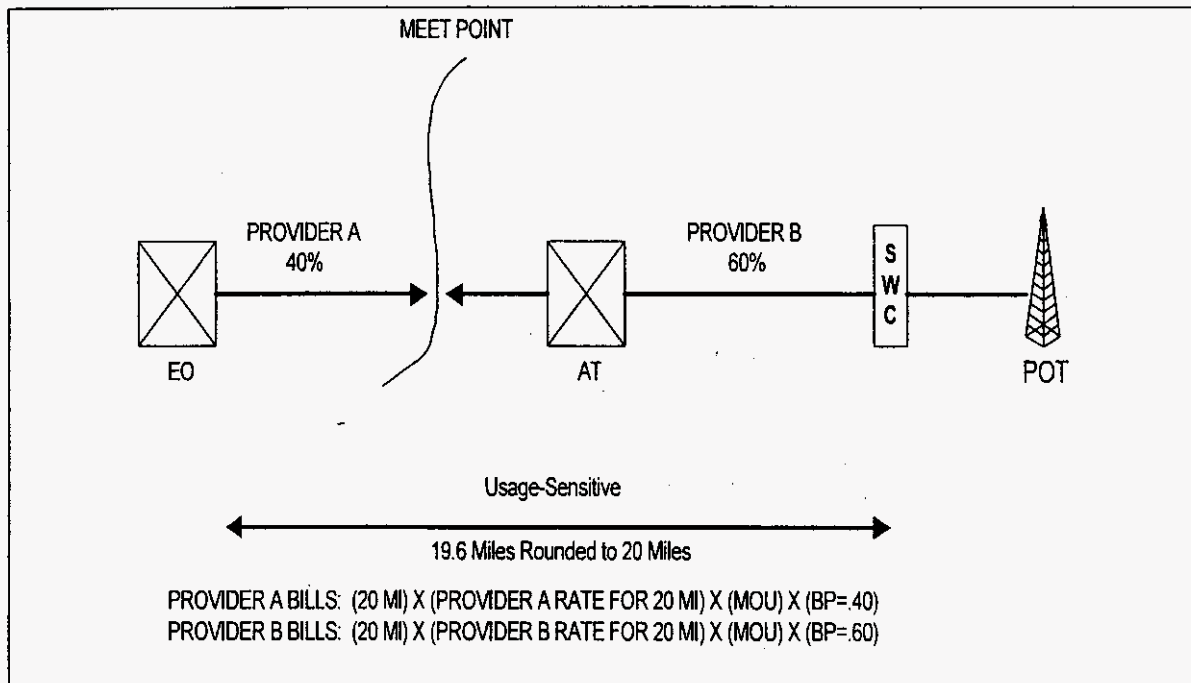


Figure 3-1 - Usage-Sensitive Access Transport Mileage Charge Calculations

3.5.2 Flat Rated Access Transport Mileage Charge Calculations

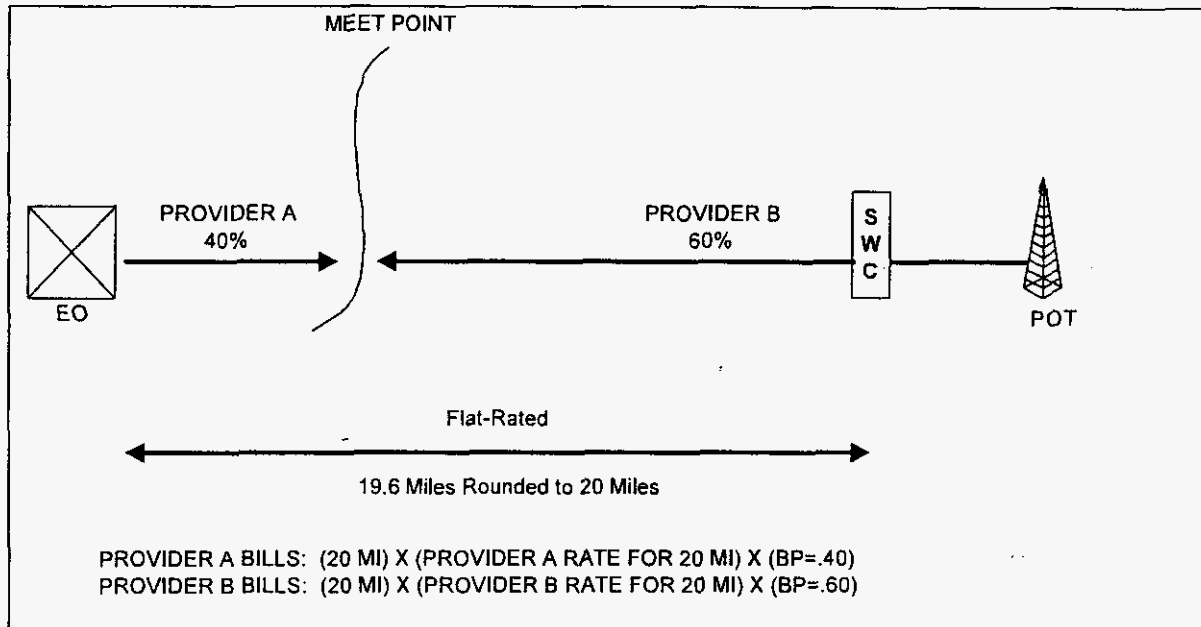


Figure 3-2- Flat-Rated Access Transport Mileage Charge Calculations

3.5.3 Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations

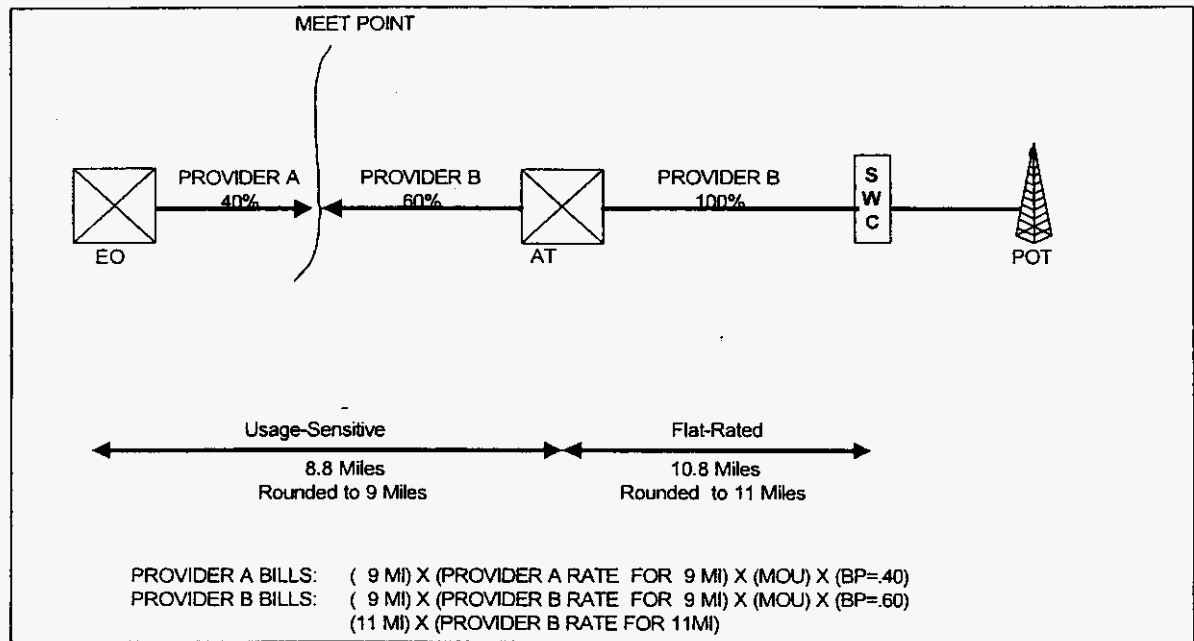


Figure 3-3 - Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the AT and the EO)

3.5.4 Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations

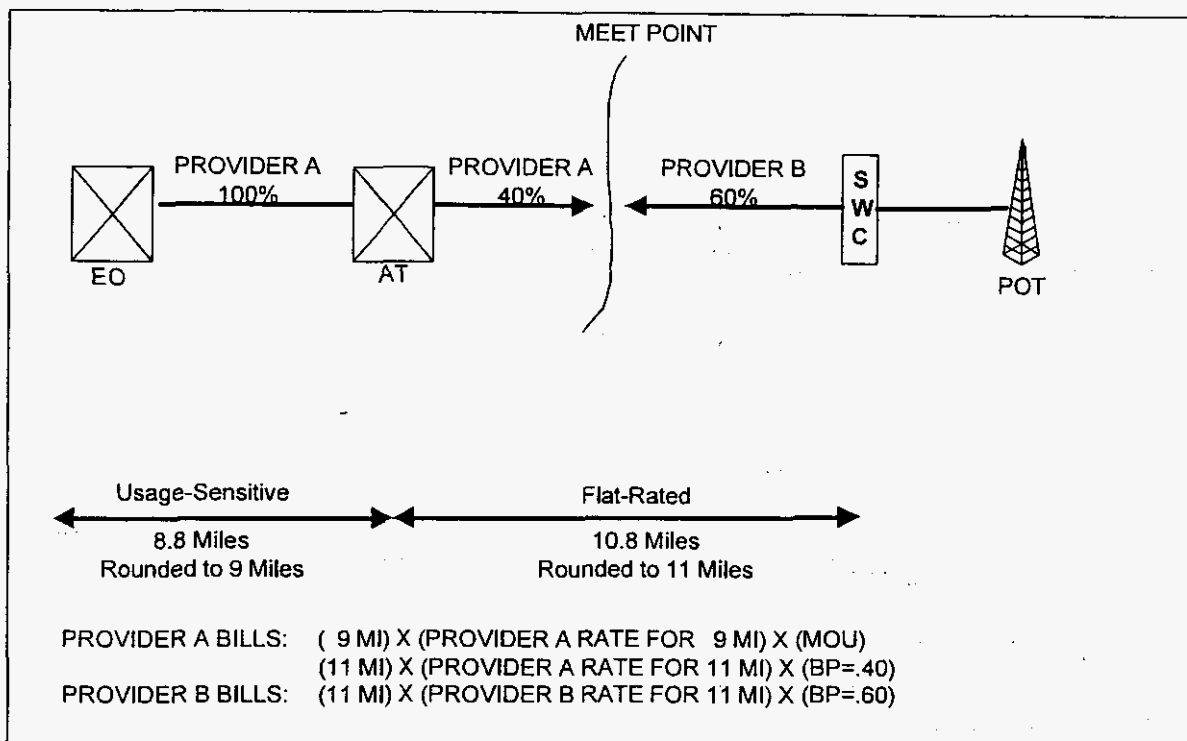


Figure 3-4 - Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the AT and the SWC)

3.5.5 Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations

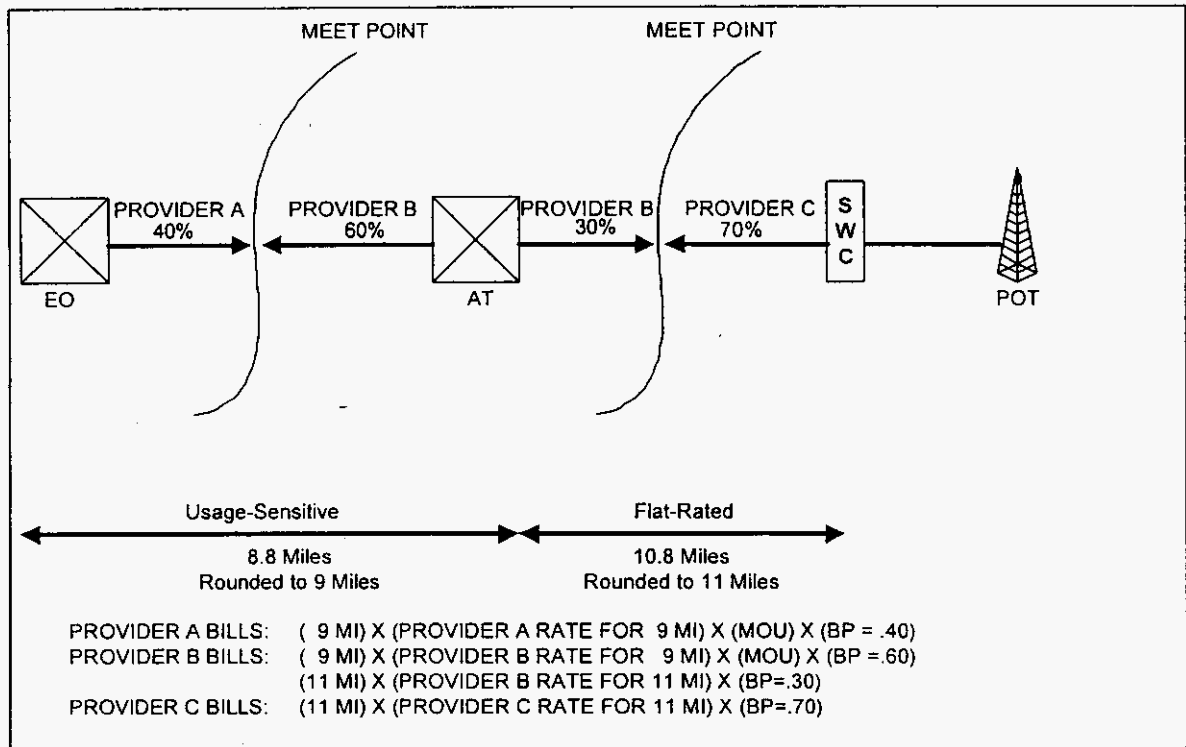


Figure 3-5 - Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (Three Providers)

3.5.6 Host/Remote Usage – Sensitive Access Transport Mileage Charge Calculations

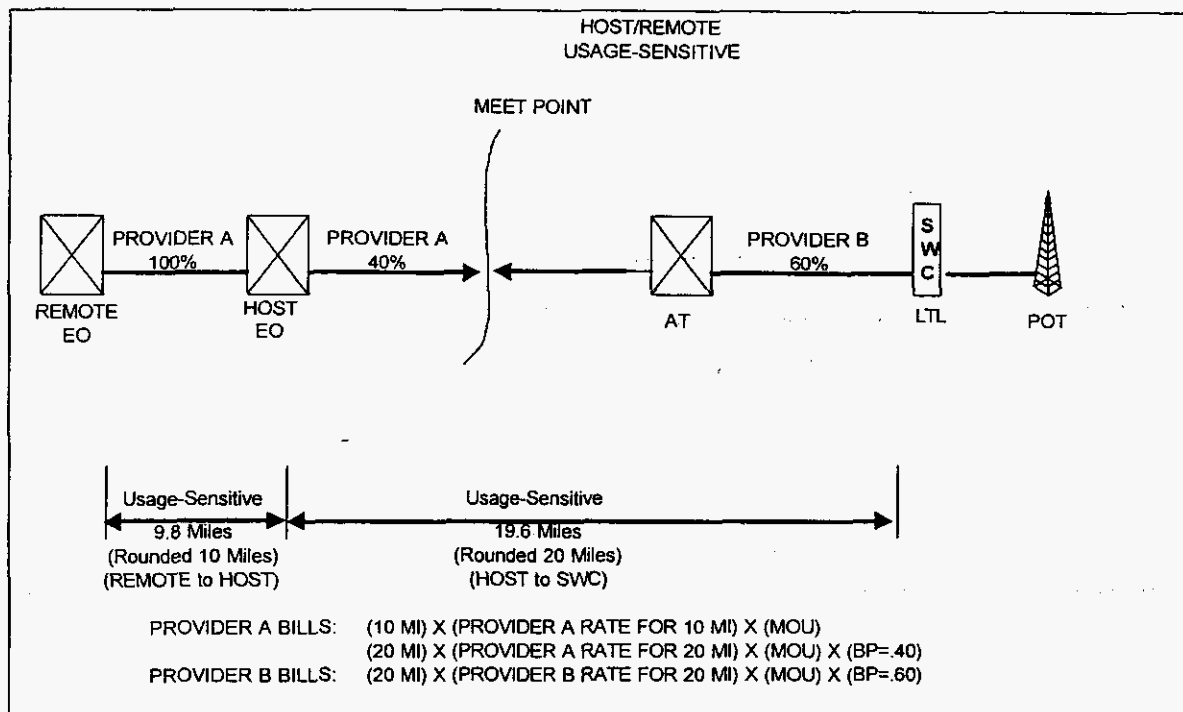


Figure 3-6 - Host/Remote Usage-Sensitive Access Transport Mileage Charge Calculations (with the meet-point between the HOST and AT)

3.5.7 Host/Remote Usage Sensitive & Flat Rated Access Transport Mileage Charge Calculations

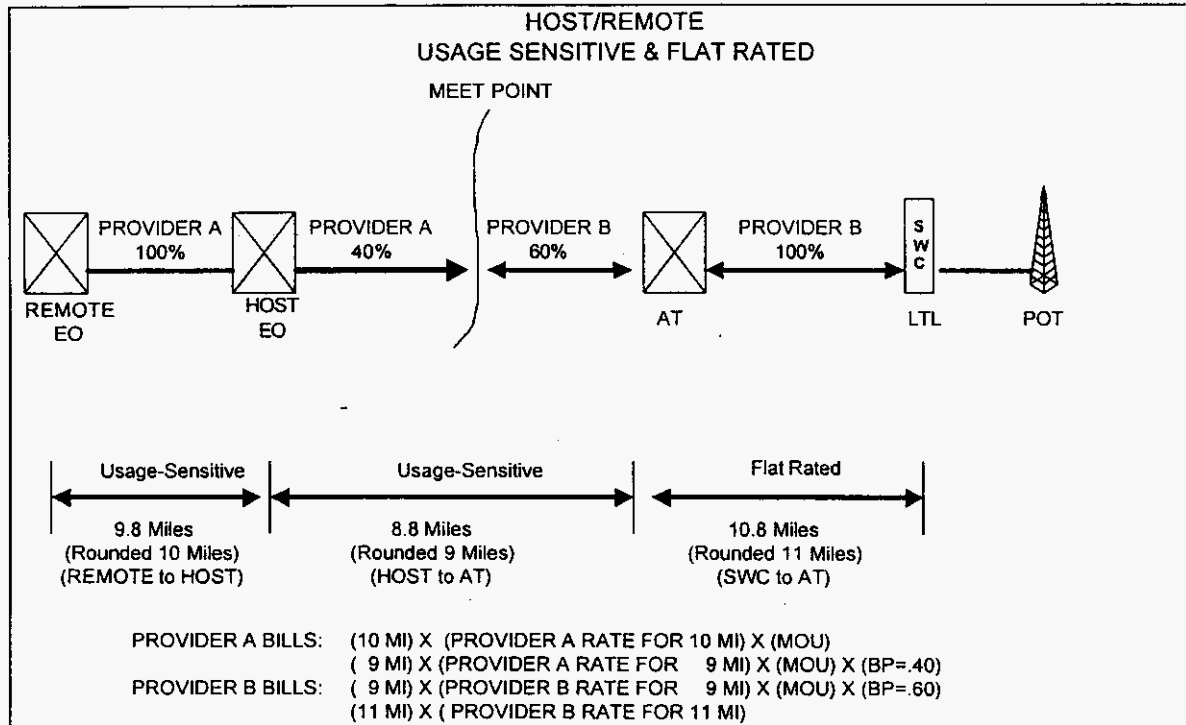


Figure 3-7 - Host/Remote Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the HOST and AT)

3.5.8 Host/Remote Usage Sensitive & Flat Rated Access Transport Mileage Charge Calculations

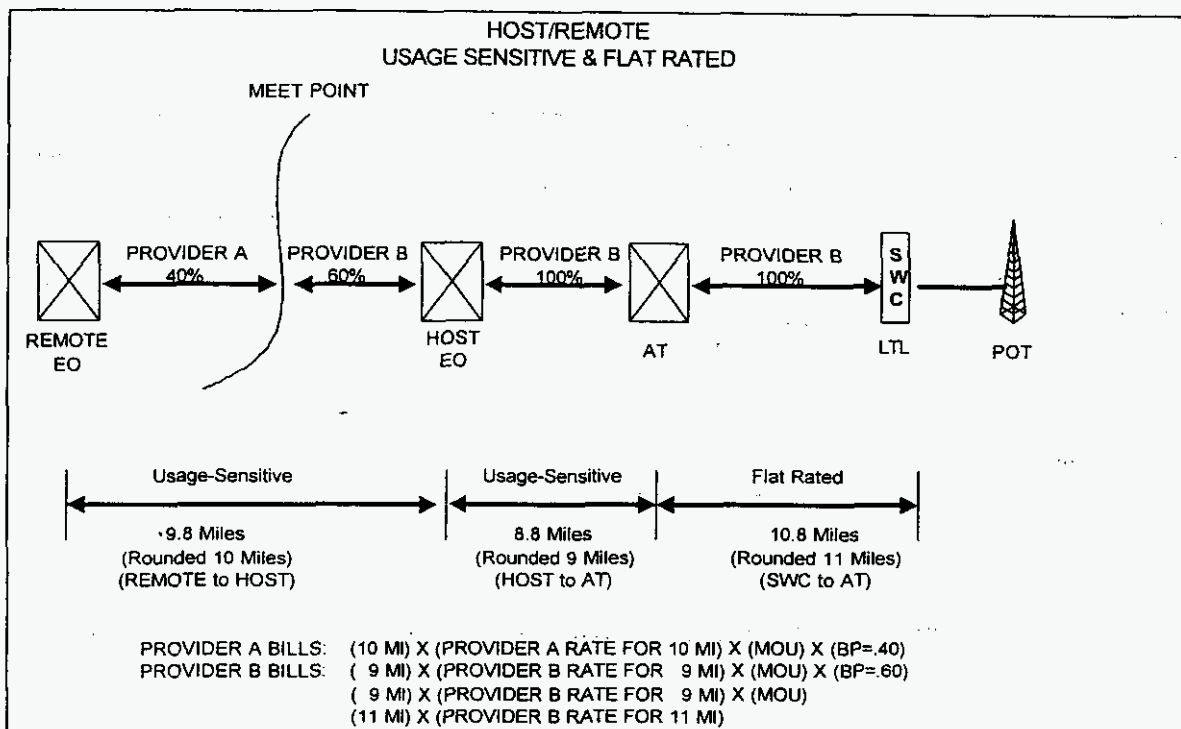


Figure 3-8 - Host/Remote Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the REMOTE and HOST)

3.5.9 Non-Party LTR Rate Structure Transport Mileage Charge Calculations

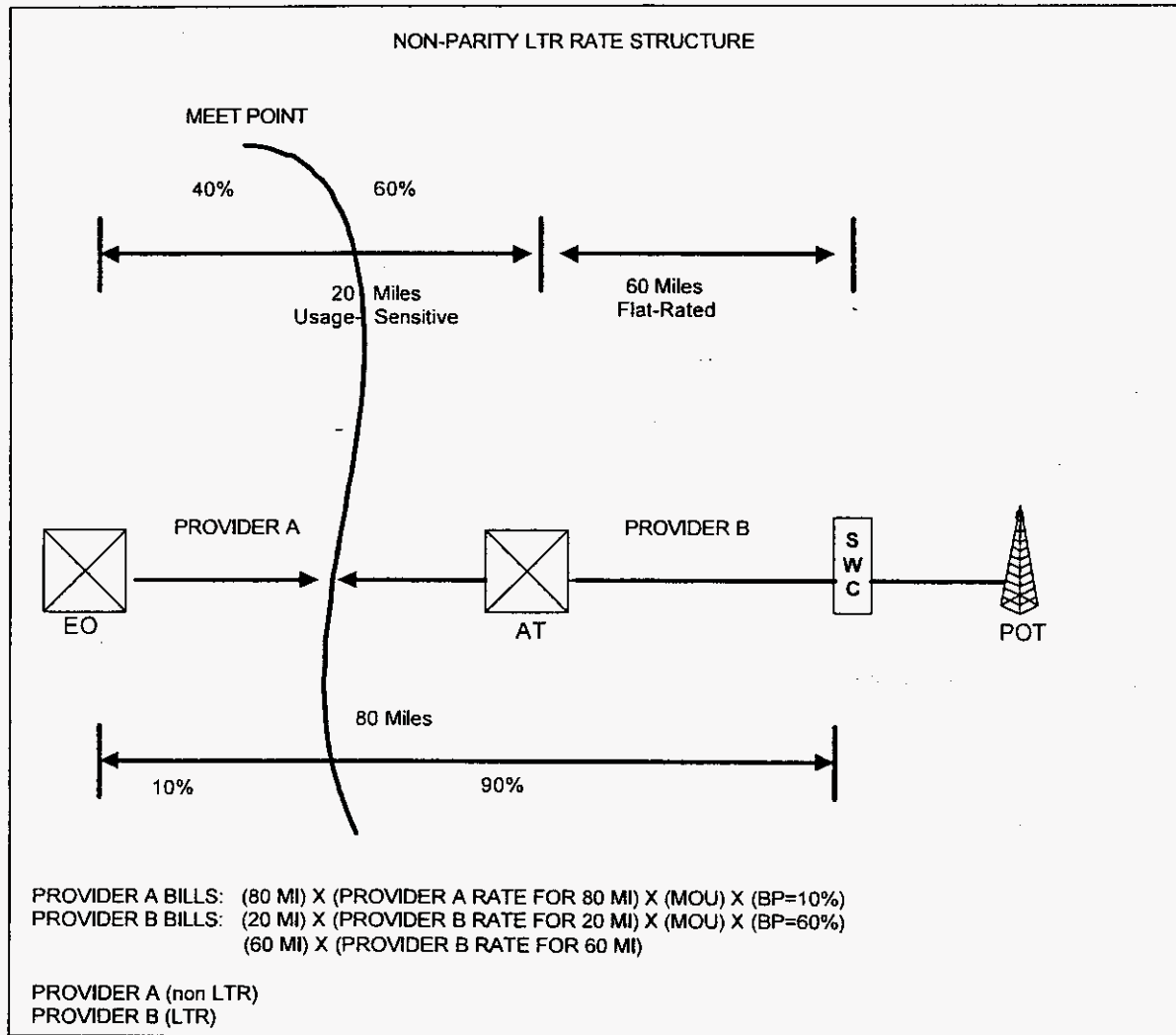


Figure 3-9 - Transport Mileage Charge Calculations for Providers with Non-Parity Rate Structures (with the meet-point between the EO and AT)

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4. MEET POINT BILLING OPTIONS

4.1 General

The meet-point Billing Task Force Report, (hereinafter, 86-104 Report) adopted in CC Docket No. 86-104, released July 31, 1987, specifies that either the single or multiple billing options would satisfy the requirements for MPB. Where providers are unable to reach agreement as to the method of billing, the multiple MPB option, as described in this document, is employed. The Common Carrier Bureau in CC Docket No. 87-579, Phase II, released October 4, 1988, established certain characteristics that must be present for the multiple bill option to be an appropriate selection. Upon determining the billing method, each provider notifies the customer of the method employed to render access bills in accordance with the notification instructions in Section 5. See the section entitled "Jointly Provided Service in an Unbundled Environment" for ULEC billing options.

4.2 Meet-point Billing Selection

One of the crucial activities associated with MPB is the responsibility of the providers to select a meet-point Billing option. The MPB options available are:

1. Single Bill
2. Multiple Bill

Under the Single Bill Option there are two alternatives. They are:

1. Multiple Tariff (SM)
2. Single Tariff (SS)

The payment alternatives associated with Single Bill/Multiple Tariff are Single Check and Multiple Checks.

Under the Multiple Bill Option there are two possible alternative implementation methods. They are:

1. Multiple Bill reflecting a single tariff (MM)
2. Multiple Bill reflecting multiple tariffs (MT)

A provider may elect to use either or both MPB options when connecting with different providers. Providers may also elect to use either or both MPB options when connecting with the same provider for different types of service (e.g., Hicap, FGD). Providers may also elect to use either or both MPB options for different meet-point service arrangements (e.g., EO to POP/SWC, customer premises to customer premises). The MPB option selection is negotiated exclusively between providers.

The MPB method selection between providers has some fundamental restrictions. In order for providers to implement the Single Bill options, all providers involved in providing the access or interconnection service for a particular meet-point service arrangement must agree on one of the two Single Bill alternatives. If providers were unable to reach agreement as to the billing option for a particular meet-point arrangement, each provider would be required to select the Multiple Bill option.

Because of the complexities involved in providing and billing multiplexed and multi-point Flat-Rated access services by more than one provider, the combination of MPB options on an

individual service is allowed. For example, a segment of a multi-point service may be billed using one of the Single Bill alternatives, and another segment of the same multi-point service may be billed using one of the Multiple Bill implementation methods.

4.3 Descriptions of meet-point Billing Options.

4.3.1 Single Bill Option

The Single Bill option allows the customer to receive one bill from one provider or its billing agent for access or interconnection services. To assist the reader in understanding the Single Bill option, the working definition of the Single Bill is as follows:

A Single Bill consists of all rate elements applicable to access or interconnection services billed on one statement of charges under one billing account number (BAN).

Although the Single Bill option suggests one means of bill rendering, the following billing alternatives are:

1. Single Bill: Multiple Tariff
2. Single Bill: Single Tariff

To implement any Single Bill alternative, all providers involved must agree to a particular alternative. The billing company's bill includes the applicable data elements listed in the CABS BOS or SECAB. The CABS BOS or SECAB format is recommended. For the customer to provide payment to an agent, the customer must be provided with a letter of authorization (LOA). The detailed requirements for rendering the Single Bill option are given in Sections 5 through 8 of this document.

Provider-to-Provider contractual agreements for the billing of Usage-Sensitive Access, Flat-Rated Access and/or interconnection services are required. These agreements can cover proprietary information/non-disclosure, liabilities for data accuracy and timeliness, inquiries, flow of tariff items, compensation for billing services, types of access or interconnection services included, payment options (e.g., purchase of accounts receivable by billing company vs. individual payments by customer to each provider), and flow of data.

4.3.1.1 Single Bill-Multiple Tariff

The billing company agrees to prepare a single access or interconnection bill, with each provider's charges separately identified by rate element and usage detail using the state level company code found in NECA Tariff FCC. No. 4. A summary page totaling the charges by provider state level company code is included. The tariff or contract rates provided to the billing company must include all charges applicable to the meet-point billed services. The provider charges refer to one-time charges, recurring charges, usage, OC&C, adjustments, etc. This alternative requires that the billing company administers in its billing system the applicable tariff or contract rates and rate changes for all providers involved in the provisioning of services. Rate change dates may not coincide where multiple providers are involved in a service. A non-billing company should notify their billing company of its rate change in a timely manner.

Separate checks can be rendered by the customer and mailed directly to each provider, or to the billing provider for distribution as indicated in the letter of authorization. If the non-billing provider receives payment directly from the customer, the non-billing provider must

notify the billing provider of the payment. The billing provider is then responsible for applying each payment to the appropriate provider's balance due. Where a single check is selected as the payment arrangement, the non-billing provider must provide a letter of authorization to notify the customer to send only a single check to the billing provider.

Information must be communicated among the providers involved to render a single bill using the multiple tariff alternative. Application and interpretation of the non-billing company's rates must also be communicated to the billing company for incorporation into the billing system. The service order, payment and rate information must be maintained by the billing company on an ongoing basis and requires the cooperation of the providers. Usage data is transmitted to the billing company for input to the billing system. The billing company renders a single bill to the customer and returns financial information to the provider, which may include a copy of the bill. The customer then remits payment either directly to each provider or to the billing company for distribution based on the contractual arrangements between the providers. The customer is referred to the contact number on the bill for billing inquiries. Resolution of billing inquiries may involve all providers.

4.3.1.2 Single Bill-Single Tariff

The billing company agrees to prepare a single access or interconnection bill based upon their rate structure. Usage data is transmitted from the recording point for input into the billing system. The billing company renders a bill to the customer for all portions of the service. The other providers render a bill to the billing company for that portion of the service they provide. The customer remits payment to the billing company. The billing company remits payment to the other providers.

4.3.2 Multiple Bill Option

The Multiple Bill option allows each provider to bill the customer for its portion of a jointly provided access or interconnection service. In this scenario each provider establishes its own billing account. The bills under this option are rendered at a level previously established by the provider in a non-MPB environment. The detail requirements for rendering multiple meet-point bills are provided in Sections 5 through 8 of this document.

Although the Multiple Bill option suggests one means of bill rendering, the following billing alternatives are:

1. Multiple Bill: Single Tariff
2. Multiple Bill: Multiple Tariff

4.3.2.3 Multiple Bill-Single Tariff

Each company prepares and renders a meetpoint bill in accordance with its own tariff or contract for the portion of the service it provides.

4.3.2.4 Multiple Bill-Multiple Tariff

This method allows one provider to bill for other providers within the Multiple Bill option when there are more than two companies providing the service. The number of bills rendered is less than the total number of companies providing the service. Each provider's tariff or contract rates are applied and displayed separately for each company's portion of the service provided.

The tariff or contract rates provided to the billing company must include charges applicable to the Meet-point billed services. The provider charges refer to one-time charges, recurring charges, usage, OC&C, adjustments, etc. This alternative requires that the billing company administer in its billing system the applicable tariff or contract rates and rate changes for all providers involved in the provisioning of services. Rate change dates may not coincide where multiple providers are involved in a service. A non-billing company should notify their billing company of its rate change in a timely manner.

4.4 Implementation Considerations

4.4.1 Basic Implementation Considerations

The following are basic implementation considerations between providers to establish meet-point billing relationships for switched, dedicated and local interconnection services. MPB and non-MPB services may be included on the same account. These considerations apply regardless of the billing option agreed upon:

1. For all MPB services:

- a. All billing company's bills will include the applicable data elements listed in the CABS BOS or SECAB; whichever is appropriate, for the billing company. In addition, the CABS BOS or SECAB format is recommended.
- b. The terms and conditions of the providers' tariffs or contracts should be reviewed to determine that there are no practical or regulatory prohibitions associated with implementing an option. In particular, review the general regulations and ordering sections of each provider's tariff or contract.
- c. Each provider is responsible for filing tariffs or price lists where appropriate.
- d. Provider-to-provider exchange of administrative data is required. Where proprietary restrictions do not exist, whenever a new provider establishes a switched point of interface directly subtending a tandem, the tandem company owner will provide the following information about interconnecting IXC's to the new provider:
 - billing company name
 - billing company address
 - billing company telephone number
 - ACTL location
 - industry assigned Carrier Identification Code(s) (CICs)

The tandem company owner will provide the following information about local/intraLATA interconnectors to the new provider:

- contact name
- contact address
- contact telephone number or fax
- type of company
- NECA assigned Operating Company Number (OCN) and/or industry assigned Carrier Identification Code(s) (CICs)

Each time a new interconnecting company establishes a presence at a tandem, the tandem company will provide this information to the new interconnecting company and the existing directly interconnected companies on a one-time basis. Companies directly

interconnected to the tandem have the responsibility to pass notification information to companies directly interconnected behind them.

- e. In order to establish a billing relationship, providers that do not have a direct interconnection with each other, may need to exchange the following information:
 - billing company name
 - billing company address
 - billing company telephone number
 - Point of Interface (POI)
 - billing percentages, if applicable
- f. Review current OBF Multiple Exchange Carrier Ordering and Design (MECOD) Guidelines, particularly with respect to order intervals and access service coordination.
- g. Meet-point bills will contain a MPB identification.
- h. Identify what is Meet-point billed, e.g., End Office, Traffic Type, or circuit.
- i. In a single bill arrangement, provide detail of adjustments and charges for each provider identified on the bill.
- j. Provide billing percent when applied to rates.
- k. In a single bill arrangement, include a summary totaling the charges for each provider identified on the bill.
- l. During the ordering process, communicate billing account information in accordance with the Access Services Ordering Guidelines (ASOG) and Local Services Ordering Guidelines (LSOG).
- m. The Combination of Meet-point and non-Meet-point on a single bill with all options (e.g., Single Bill, Multiple Bill) is accepted. When mutually agreed upon by customer and provider, a single bill will be rendered for meet-point and non-meet-point access and interconnection services. This is applicable for both paper and BDT. At the account level, the bill should be identified as a Meet-point bill. Current requirements for usage billing displays at end office and summary levels remain unchanged.

2. For Usage-Sensitive Service:

- a. End Office detail must be provided by COMMON LANGUAGE® Location Identification (CLLI) code. This must be an industry-recognized code. This information may be provided via LSR, ASR or other media.
- b. When the billing company is not the recording company, a relationship may need to be established between providers in order to exchange detailed usage records.
- c. If any or all Traffic Types within an End Office for a given customer are jointly provided, the entire End Office is billed on a MPB account.

The following guidelines establish the level of Traffic Type display on multiple meet-point bills:

* COMMON LANGUAGE is a registered trademark and CLEI, CLLI, CLFI and CLCI are trademarks of Telcordia Technologies.

1. If the provider displays usage by traffic type on its regular bills, it should do so on meet-point bills.
2. If the provider does not render regular bills and only has meet-point bills, they should display usage by traffic type on its bills.
- d. When an account contains meet-point Billing, each meet-point billed End Office should be displayed on the bill with its appropriate MPB option or combination of options. If the end office is not owned by the billing company, the OCN of the end office owner should be listed on the bill. In effect, the Single Bill Option or Multiple Bill Option can be combined for usage-sensitive service on the same account, with:
 - Any Single Bill Option
 - Any Multiple Bill Option/Alternative Implementation Method
 - Non-meet-point Billing
 -
3. For Flat-Rated Service:
 - a. A provider is not required to establish separate MPB accounts for each provider with which it meet-point bills.
 - b. The Single Bill Option or Multiple Bill Option can be combined within a circuit, or on the same account, with:
 - Any Single Bill Option
 - Any Multiple Bill Option/Alternative Implementation Method
 - Non-meet-point Billing
 - c. When a two-point service is provided by more than one provider, the two-point service will be identified as meet-point billed.
 - d. When any segment of a multi-point service is provided by more than one provider, the entire circuit must be identified as meet-point billed.
 - e. When a High Capacity (Hicap) service is provided by more than one provider, the Hicap service will be identified as meet-point billed. Services using channels derived from the Hicap may or may not be identified as meet-point billed. There is no relationship between the meet-point billed status of a Hicap service and a two-point or multi-point service that uses a derived channel from that Hicap service.
 - f. When considering the meet-point implications for a complex multi-point or multiplexed Flat-Rated service, it is recommended that the OBF Issues 591 and 592 be referenced. These issues provided a complete explanation of the meet-point option arrangements and the billing scenarios that may be applicable.
4. This matrix identifies the billing information requirements and the possible billing companies (Provider A, Provider B, Provider C, etc.) that may be involved in billing the customer:

BILLING ARRANGEMENT	BILLING OPTIONS	BILLING PROVIDER(s)	BILLING REQUIREMENTS						
			a	b	c	d	e	f	g
Between 2 Providers	SS	A or B	X	X	X	-	-	-	-
	SM	A or B	X	X	X	X	X	X	X
	MM	A & B	X	X	X	X	-	-	-
Among more than 2 Providers	SS	A or B or C	X	X	X	-	-	-	-
	SM	A or B or C	X	X	X	X	X	X	X
	MM	A & B & C, etc.	X	X	X	X	-	-	-
	MT	A or B or C	X	X	X	X	X	X	X

BILLING REQUIREMENTS (Bill and/or CSR):

- Service must be identified by Exchange Carrier Circuit Identifier (EC CKTID) and, when available, by Interexchange Carrier Circuit Identifier (IC CKTID).
- Service will be identified as MPB and reflect the OCN where appropriate.
- The end locations for the MPB segment must be identified.
- Billing Percentages (BP) and, if required, Supplemental BP (fixed rate charges) must be displayed.
- Each provider's charges must be separately identified by rate element.
- Adjustments and charges must be identified for each provider.
- A summary totaling the adjustments and charges by provider will be included.

4.4.2 Implementation Considerations for Single Bill-Multiple Tariff

In addition to the basic implementation considerations under 4.4.1, the following also apply for the Single Bill-Multiple Tariff alternative:

- The customer sends a single check to the billing company unless otherwise instructed by the provider(s) through the proper notification procedures.
- If a CSR is provided, a state level company code, as filed in NECA Tariff FCC No. 4, should be associated with the data elements.
- Each provider (other than the billing provider) must be identified separately by rate element and usage detail using the state/area level company codes.

4.4.3 Implementation Considerations for Single Bill-Single Tariff

In addition to the basic implementation considerations in 4.4.1, the following also apply to the Single Bill-Single Tariff billing alternative:

- The tariff or contract rate of the provider responsible for billing the customer must include the expenses associated with obtaining access from the other provider(s). These expenses include applicable tariff or contract charges of the other provider(s).

2. The tariffs or contracts of the other provider(s) may require review to determine that there are no practical or regulatory prohibitions, which would preclude the provision of services to another provider in this arrangement.

4.4.4 Implementation Considerations for the Multiple Bill

In addition to the basic implementation considerations in 4.4.1, the following also apply to the Multiple Bill option:

1. Where a contractual relationship exists between providers, data exchange and process coordination is required.
2. If a CSR is provided, a state level company code, as filed in NECA Tariff FCC. No. 4 should be associated with data elements.
3. For Usage-Sensitive Services:
 - a. Exchange of usage records (e.g. 11-0X-XX) occurs when a contractual relationship exists between providers, for FGB, FGC, FGD, trunk side BSA, DA Transport, wireless and local usage.
 - b. The jurisdiction of usage must be determined by each provider. This may require the use of factors such as PIU, PLU, etc.
 - c. Exchange the Office Tape Identification (OTID), Trunk Group Number (TGN), Percent Traffic Routed (PTR), and Percent Direct Routed (PDR) if applicable.
 - d. Identify the Provider-to-Provider usage exchange procedures. The record layouts and pack requirements are defined in the ATIS/OBF EMI document.
4. For Usage-Sensitive Multiple Bills reflecting multiple tariffs, the following additional considerations apply:
 - a. Company check indicator.
 - b. Provider State Level Company codes (Single Bill/Multiple Tariff rules apply).
 - c. Summary of charges by provider (Single Bill/Multiple Tariff rules apply).
 - d. Detail of charges by provider code (Single Bill/Multiple Tariff rules apply).
 - e. Rates per each provider.
5. For Flat-Rated Service:
 - a. Internally cross-reference High Capacity Facilities to accommodate the "ratcheting" process.
 - b. Service will be identified by common EC Circuit Identifier (EC CKTID) and, when available, by IC Circuit Identifier (IC CKTID).
 - c. The service will be identified as MPB.
 - d. The end locations (CKL/CKLT) for the MPB segment must be identified.
 - e. Billing Percentages (BPs) and, if required Supplemental BPs (e.g. Channel mileage termination) must be displayed.
 - f. Each provider involved in the provisioning of a circuit must be identified.

6. For Flat-Rated Multiple Bills reflecting a multiple tariff, the following additional considerations apply:
- a. Internally cross-reference High Capacity Facilities to accommodate the “ratcheting” process.
 - b. Adjustments and charges must be identified for each provider.
 - c. A summary totaling the adjustments and charges by provider will be included.
 - d. Each provider’s charges must be separately identified by rate element.
 - e. The industry assigned provider State/Area Level Company codes (Single Bill/Multiple Tariff considerations apply).

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5. CONVERSION AND NOTIFICATION

5.1 General

To implement MPB, several cooperative activities are required among customers and providers involved on each jointly provided service. The customer is responsible for distributing a common ASR/LSR to all providers involved with the service in accordance with the standards documented in the ASOG/LSOG and the MECOD Guidelines. The ASR/LSR is required by each provider to authorize billing. The providers involved with the service will provide confirmation to the customer in accordance with the standards documented in the ASOG/LSOG. The remainder of this section defines specific requirements and bill data elements that must be provided on all meet-point bills rendered from the providers. In addition to the implementation activities required by the providers, there is a need for the customers to receive written notification at least 30 days prior to implementation of any change (e.g. change to MPB option, elimination of common minutes, etc.). This time is needed by customers to prepare for the new or changed billing media they will receive. The notification will be given to the customer contact(s).

5.2 General Conversion

This section describes procedures and areas to consider when converting services that involve meet-point Billing. The following situations are applicable:

1. Conversions from non-meet-point Billing to meet-point billing for a given service, e.g., access, local & CMRS.
2. Establishing MPB for a given service arrangement, when a new provider becomes involved, for which no meet-point agreement exists.
3. Changing an existing meet-point Billing option, or
4. Changing from common minutes to non-common minutes between providers until the discontinuance of the use of summary usage records (11-50-01 through 04 and 11-50-21 through 24) effective August 31, 2002.

Listed below are joint provider conversion efforts that must be considered:

1. Identify service arrangement(s) that will be converted to meet-point billing.
2. Providers must establish BPs for each MPB route for IC traffic. Establish BPs for each local interconnection route, if applicable. Formally concur on BPs in NECA Tariff FCC. No. 4. as described in Section 3.
3. Provide a cross reference for meet-point access/interconnection services:

a. Flat-Rated Service:

When a circuit number changes or appears for the first time due to implementation of MPB, a cross reference list of all old and new circuit identities should be provided, in advance if possible, to the customer. These lists should contain Billing Account Number (BAN), Access Customer Terminal Location (ACTL), EC CKTID, High Capacity Billing Account Number (HBAN)² if applicable, the Connecting Facility Assignment (CFA) if

² HBAN is used when Usage-Sensitive and Flat-Rated Access services exist on a High Capacity facility. HBAN identifies the Flat-Rated Access BAN on which the High Capacity service is billed. HBAN is used

applicable, and the IC CKTID when available. During the ordering process, billing account information will be communicated in accordance with the ASOG/LSOG.

As new circuits are established, providers must exchange common EC CKTID.

All providers that meet-point bill will use a common provider circuit identifier (e.g., CLCI-SS). Providers are required to coordinate with each other should a common provider circuit identifier change. (See OBF MECOD guidelines.)

b. Usage-Sensitive Service:

Prior to implementing MPB, providers must exchange End Office identifiers that appear on the bill in the form of a CLLI. The CLLI will be identified in industry documents (i.e. LERG, NECA).

In addition, the companies will provide a list to the customers which includes:

- the directly interconnected provider company code(s)
- the type of service (e.g. switched access, local, CMRS)
- the old and new BANs (provided by the billing company(s)) when appropriate
- the SWC/POI associated with the ACTL (LTL/Customer SWC CLLI)
- the End Office identifier (CLLI)
- CFA, if applicable

This information will be provided in advance when possible.

4. Establish the Provider-to-Provider usage exchange procedures where contractual relationships exist between providers for receipt of records by the non-recording company (see Section 6).
5. Exchange OTID, TGN, PTR for Usage-Sensitive Access, and PDR for local, if applicable.

5.2.1 Additional Data Exchange and Requirements

5.2.1.1 Single Bill Option

Section 10 contains a list of Single Billing Data Exchange Elements, which must be addressed by all providers in a Single Bill arrangement.

1. Single Bill/Multiple Tariff Option:

There is a need for Provider-to-Provider contractual agreements for the billing of Usage-Sensitive and Flat-Rated services. These agreements may include proprietary information/non-disclosure, liabilities for data accuracy and timeliness, billing inquiries, flow of tariff or contract items, compensation for billing services, types of services, payment options and the flow of data.

2. Single Bill/Single Tariff Option:

The tariff/contract rate of the provider responsible for billing the customer should include the expense associated with obtaining access from the other provider(s). These expenses include applicable tariff or contract charges of the other providers. The

as a means of linking the Usage-Sensitive service with the bill for High Capacity service, and appears on the Usage-Sensitive billing account.

tariffs/contracts of the other providers may require review to determine that no practical or regulatory prohibitions exist, which would preclude the provision of service to another provider in this arrangement.

5.2.1.2 Multiple Bill Option

1. Usage-Sensitive Service

a. Jurisdiction:

The jurisdiction of usage must be determined by each provider. This may require the use of factors such as PIU, PLU, etc..

b. End Office Identifier

Each company will bill using the same CLLI to identify an End Office. The CLLI will be identified in industry documents (i.e. LERG, NECA).

2. Flat-Rated Service

a. Jurisdiction:

The jurisdictional separation must be consistent among all involved providers base on the customer provided factors (e.g. PIU, PLU).

5.2.1.3 Account Structure

1. Usage-Sensitive Service Meet-point Billing Account:

The multiple MPB option could include a unique Usage-Sensitive Service MPB account for each provider in support of the usage bill verification process. The bill will be rendered at the level previously established by the provider in a non-meet-point environment (i.e., Company, State, LATA, POP, or End Office). End Offices, which are entirely non-MPB, may appear on a separate account.

When mutually agreed upon by customer and provider, a combination single bill will be rendered for meet-point and Non-meet-point usage. This is applicable for both paper and BDT. At the account level, the bill should be identified as a meet-point bill. Current requirements for usage billing displays at end office and summary levels remain unchanged.

2. Flat-Rated Service Meet-point Billing Account:

Subsequent to the 86-104 Report, the OBF determined that a provider is not required to establish separate MPB accounts for each provider with which it meet-point bills.

5.3 Notification

5.3.1 Customer Notification

Each company (billing and non-billing) will provide notification to the customer of the MPB option used to render bills. The notification requirement applies to the initial MPB implementation and any subsequent changes to an existing MPB option (e.g., Multiple Bill Option to Single Bill Option), change in bill rendering company, change from common minutes of use to non-common minutes of use, or payment arrangement. The customer notification must take place thirty days prior to the MPB implementation or change in

option. The elimination of common minutes between providers should be supplied at least thirty days prior to the change.

The customer notification should be at the appropriate Company Code level. The MPB option concurred with the connecting companies will normally be the same for all End Offices. If there are exceptions, these exceptions should be identified separately, by End Office, in the customer notification. For example, Provider-A and Provider-B meet-point bill on a route. Provider-A selects Single Bill/Single Tariff when that company owns the End Office. Provider-B selects the Single Bill/Single Tariff bill option when it is Provider-B's End Office. In these situations, only one notification per provider is required for all End Offices to be billed in this manner. However, should there be any different billing arrangement between Provider-A and Provider-B, this will require additional notification for those different billing arrangements.

Customer notification is required from each provider involved:

- a. For each unique combination of companies jointly providing service or a segment³ of a multi-point flat-rated service arrangement
- b. Per each meet-point option
- c. For all types of service
- d. Changing from common minutes to non-common minutes between providers until the discontinuance of the use of summary usage records (11-50-01 through 04 and 11-50-21 through 24) effective August 31, 2002.

This notification will be given to the customer contact(s). If the MPB Option/Alternative is the same for all Usage-Sensitive and/or Flat-Rated services, then only one notification is required. A new notification is not required if the same MPB arrangement information has already been provided for a similar circuit type for the particular combination of involved providers. Each provider is required to report the following detailed information in the notification process:

- Company Code of all LEC connecting companies
- LEC Connecting company – Type of Provider (e.g. CLEC, CMRS, LEC)
- LEC Connecting Company Name
- LEC Connecting Company Address
- LEC Connecting Company Contact Person
- LEC Connecting Company Contact Telephone Number or FAX number
- MPB option(s) by LEC connecting Co (e.g. Multiple Bill/Single Tariff). For Single Bill Options and Multiple Bill/Multiple Tariff options, the bill rendering company must also be provided.
- MPB payment arrangement (LOA must be attached in a single check arrangement)
- MPB option implementation date
- Type of Service
- Elimination of common minutes

³ The term segment as used herein denotes the part of a circuit segment between two offices (i.e., hub or serving wire center) and is not necessarily synonymous with a circuit segment as defined by the Field Identified (FID) SGN.

5.3.2 IXC Provider Notification

Each provider will notify other providers, on a one-time basis*, of Interexchange Carriers who have direct connections to the providers' network. The notification requirement applies to the initial MPB implementation between the providers. Information will include the following data elements:

- IXC Name
- IXC Billing Address
- IXC Billing Contact Telephone Number
- IXC Type of Service
- IXC ACTL
- IXC CIC

*It is the responsibility of the IXC to notify (e.g. ASR) the provider of any changes in their access services.

5.3.3 LEC Interconnection Provider Notification

Each provider will notify other providers, on a one-time basis, of other LEC Interconnectors who have purchased unbundled services or have direct connections to the providers' network. * The notification requirement applies to the initial MPB implementation between the providers. Information will include the following data elements:

- Company code
- Type of provider (e.g. CLEC, CMRS, LEC, ULEC)
- CIC (if applicable)
- Company Name
- Company Address
- Company Contact Person
- Company Contact Telephone Number or FAX Number
- MPB options
- Service Date

*It is the responsibility of the existing LEC initiating any change impacting billing to their interconnection service to notify all other providers with whom they directly interconnect. Other providers have the responsibility to pass LEC interconnection notification information of companies who have purchased unbundled services or are directly interconnected with them so that the LECs can complete their customer notification process.

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6. USAGE AND DATA EXCHANGE

6.1 General

Providers may bill directly from their recordings. For Usage-Sensitive services under MPB, the exchange of usage data among providers, where recording capabilities do not exist, plays a critical role in providing the customer with an accurate, timely, and auditable bill. Various providers can be involved in recording the usage data for a single End Office location depending on the network architecture, type of office, type of service, and type of traffic. Regardless of the MPB option selected and where contractual relationships exist, the detailed usage records should be passed to the other provider(s) to process. Each provider is responsible to apply factors where appropriate and produce billable usage information. See Section 14 for usage applications involving ULECs.

When providers do not have detailed recordings available for billing the IXC, the official recording company will provide the detailed usage record based on contractual relationships.

The official recording company is defined as the following:

1. The end office company for originating traffic
2. The end office company for terminating direct routed traffic
3. The tandem company for terminating tandem routed traffic
4. The SSP company for originating 800 traffic

For local/intraLATA toll/wireless, each company generates their official recording. However, for 800 traffic, the SSP office owner is the official recording company.

6.2 Paper Exchange

Until conversion to billing non-common minutes of use between providers is implemented see Issue 6, Section 6.2 of the MECAB document.

6.3 Mechanized Usage Exchange

The ATIS Exchange Message Interface (EMI) document provides mechanized record formats that can be used to exchange usage information among providers. Category 11-0X series Access Usage Records (AURs) are used to exchange detailed usage information when recording capabilities do not exist and the provider has contractual relationships for receipt of their records with another provider. These records are forwarded on a daily basis or any other agreed upon timeline. Usage data should be validated by the receiving provider, to ensure accuracy.

6.3.1 Return Codes

Instances may exist where usage data received from the provider is inaccurate or incomplete. In these cases, the data may be returned by the receiving company. The EMI document (Section 4) has a list of valid return codes and valid values for Indicator 3.

While "00" and "09" are valid return code values, companies are encouraged to use more descriptive return code values.

Guidelines for returning data to the provider are as follows:

1. If all data on the medium (e.g. tape, FTP, CDROM, etc.) is in error, Indicator 3 and a return code value must be populated on each record when returning to the provider. In lieu of populating a return code on each erred record, companies may negotiate an alternate method of return.
2. If any portion of the data on the medium (e.g. tape, FTP, CDROM, etc.) is in error, Indicator 3 and a return code value must be populated on each record.
Only the erred records should be returned to the provider.
3. Companies should strive to return inaccurate or incomplete records within 10 business days, but no later than 45 calendar days, from date of receipt.

Upon receipt of returned records, the provider will investigate, correct and re-send the data, as applicable, in a timely manner.

6.4 Data Exchange

6.4.1 Single Bill Option

Providers must exchange data for all Single Bill alternatives. The Single Bill data elements that are exchanged depend on the Single Bill option selected. A list of potential elements to be exchanged is available in Section 10 - Provider Data Exchange Elements.

6.4.2 Multiple Bill Option

In addition to usage exchange when required, it is necessary to exchange certain other data elements among the involved providers. Some of these items are dependent on individual circumstances and can include, but are not limited to the following items:

1. Service Orders
2. Customer Service Records (CSRs)
3. Bills
4. Originating Office Tape Identity (OTID)
5. Percent Traffic Routed (PTR)
6. Trunk Group Number (TGN)
7. Percent Direct Routed (PDR)

6.5 Usage Diagrams

The following diagrams pertain to LEC interconnection and customer notification, record exchange and bill verification in a facility-based environment.

While the industry recognizes that settlement plans between LECs are used, these are state or contract specific and are not included in the MECAB guidelines.

Current meet-point billing arrangements may exist where the tandem company is also the bill rendering company. Contracts may need to be renegotiated so that all participating companies consent to one or more compatible billing arrangements in a facility-based environment.

Until the industry has resolved OBF Billing Issue 1182, which is the identity of all entities from originating to terminating point, it may not be possible to identify all facility-based providers. Companies that do not record need to make the applicable negotiations to obtain the records needed for them to render bills or perform bill verification.

Due to the inconsistencies in where companies perform recordings, these diagrams do not reflect a designated point of recording for LEC to LEC traffic. Companies that do not record need to negotiate a process to obtain the records needed for them to render bills or perform bill verification.

For IXC originating traffic, the originating end office switch generates the official record for billing. For IXC terminating traffic, the first point of switching into the LEC network (tandem, end office, or MSC switch) generates the official record for billing. For originating 800/8XX traffic the SSP switch generates the official record for billing.

6.5.1 Originating Local/IntraMTA and IntraLATA Toll (2 LECs)

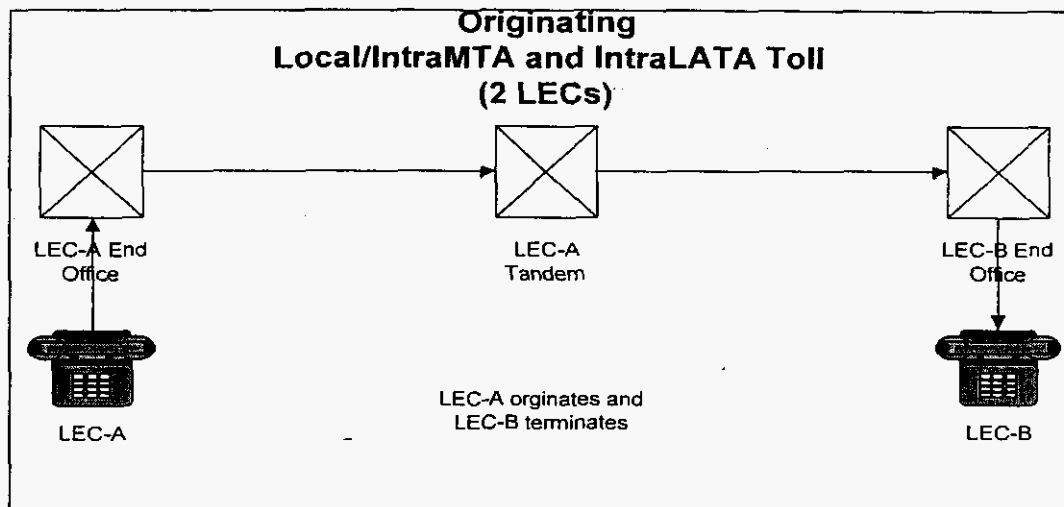


Figure 6-1 - Originating local/intraMTA and intraLATA toll from one LEC to another LEC

Notification Information

No notification process is needed since interconnection exists between the two companies

Record Exchange

Record exchange will not be required, therefore, each company should use their own recording for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (i.e. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The record generated by LEC-A will handle the verification requirements.

Footnote 1: IntraLATA local and toll jurisdictions may be defined differently between LECs.

Footnote 2: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.2 Terminating Local/IntraMTA and IntraLATA Toll (2 LECs)

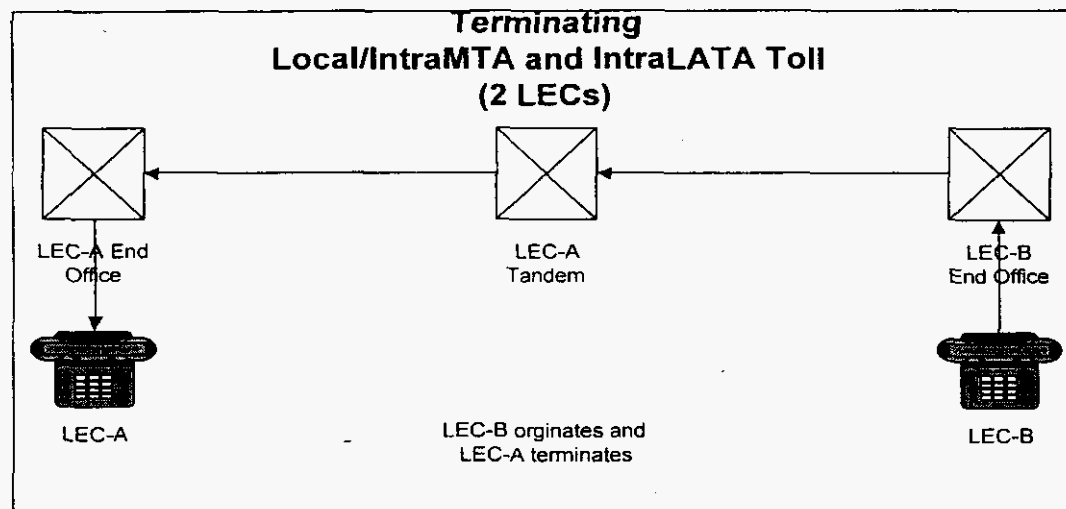


Figure 6-2 - Terminating local/intraMTA and intraLATA toll from one LEC to another LEC

Notification Information

No notification process is needed since interconnection exists between the two companies.

Record Exchange

Record exchange will not be required, therefore, each company should use their own recording for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings, where compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The record generated by LEC-B will handle the verification requirements. When other methods of compensation exist, LEC-B will provide the T/O ratio, flat rate, etc., to LEC-A.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.3 Originating Local/IntraMATA and IntraLATA Toll (3 LECs)

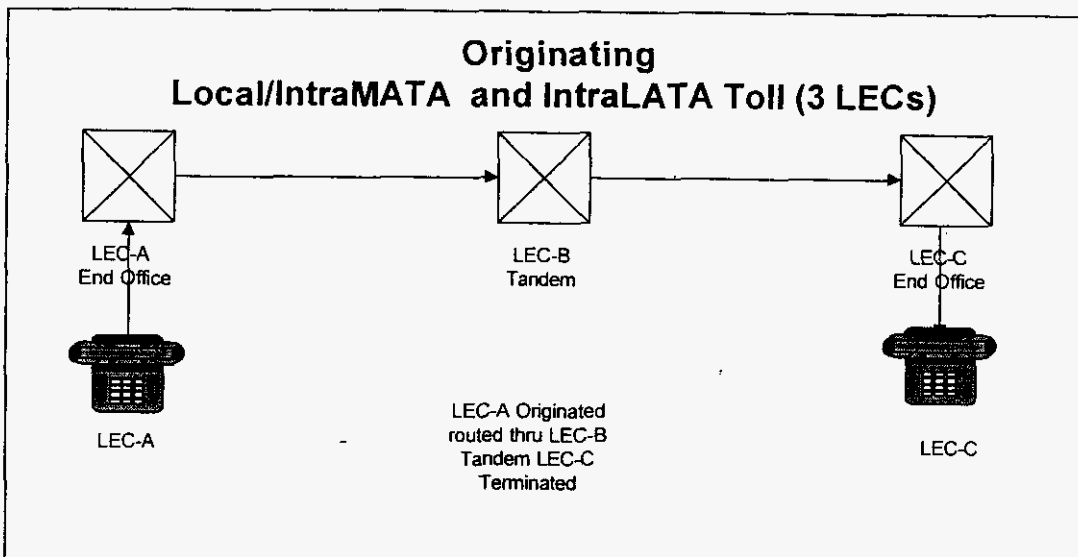


Figure 6-3 - Originating local/intraMTA and intraLATA Toll from one LEC to another LEC through a 3rd LEC' tandem

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-C to LEC-A and LEC-B to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records for billing.

In lieu of recordings where compensation does exist, alternate methods and associated data (i.e. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the notification information received from LEC-B and LEC-C will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-C).

LEC-B may have their switch records to validate any billing they may receive from LEC-C.

Companies who do not have recordings may have contractual relationships for receipt of their records for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.4 Terminating Local/IntraMTA and IntraLATA Toll (3 LECs)

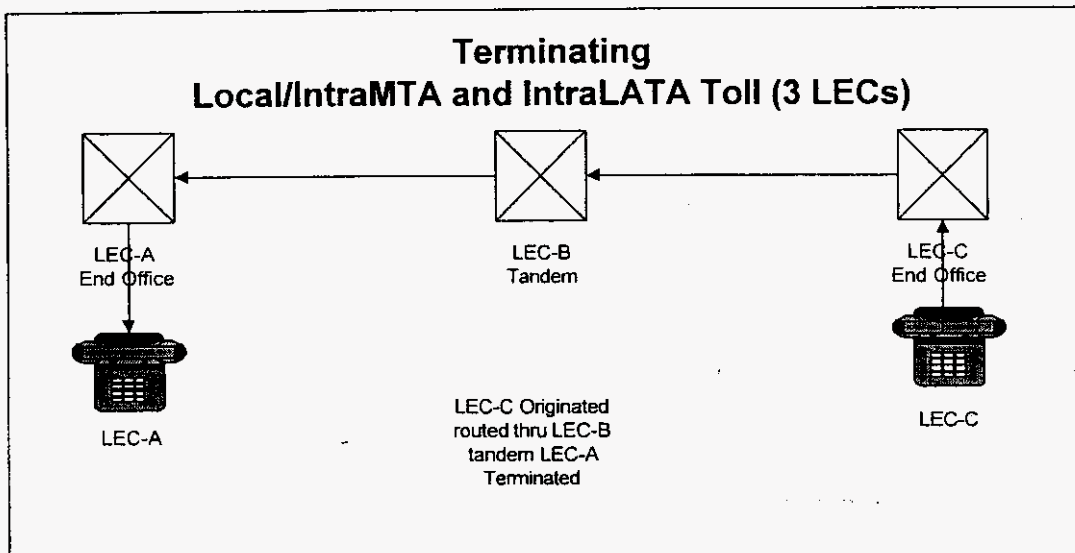


Figure 6-4 - Terminating local/intraMTA and intraLATA toll from one LEC to another LEC through a 3rd LECs' tandem

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-A to LEC-C and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (i.e. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-C and the notification information received from LEC-B and LEC-A will fulfill the verification requirements for LEC-C. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-A).

LEC-B may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.5 Originating Local/IntraMTA and IntraLATA Toll (4 LECs)

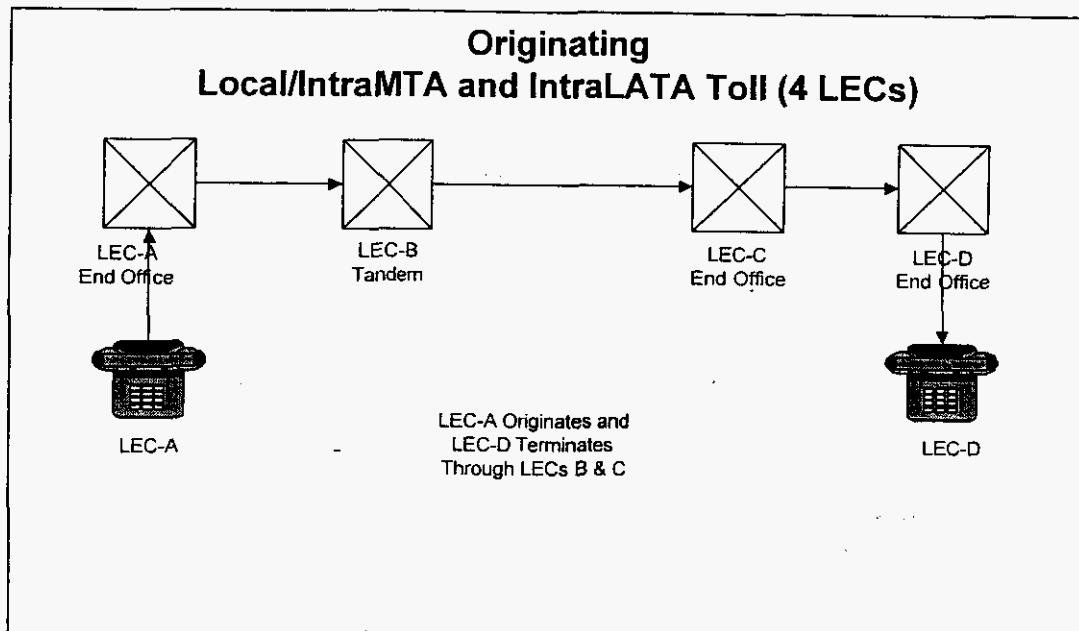


Figure 6-5 - Originating local/intraMTA and intraLATA toll from one LEC through 2 other LECs terminating to a 4th LEC

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-C will provide LEC interconnection notification information to LEC-B and LEC-D. In addition, customer notification would be required by LEC-B to LEC-A, LEC-D to LEC-A and LEC-C to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-D will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-D).

LEC-C may have their switch records to validate any billing they may receive from LEC-D.

Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.6 Terminating Local/IntraMTA and IntraLATA Toll (4 LECs)

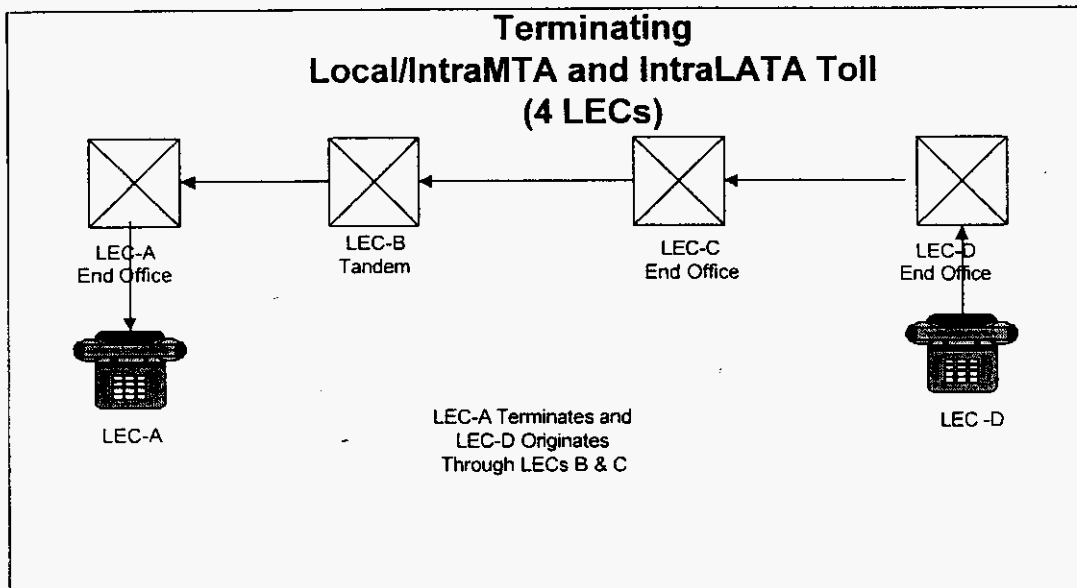


Figure 6-6 - Terminating local/intraMTA and intraLATA toll to one LEC through 2 other LECs originating from a 4th LEC.

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-C will provide LEC interconnection notification information to LEC-B and LEC-D. In addition, customer notification would be required by LEC-B to LEC-D, LEC-A to LEC-D and LEC-C to LEC-D. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-D and the customer notification information received from LEC-C and LEC-A will fulfill the verification requirements for LEC-D. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-A).

LEC-B and LEC-C may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.7 Originating Access - Intra/Interstate

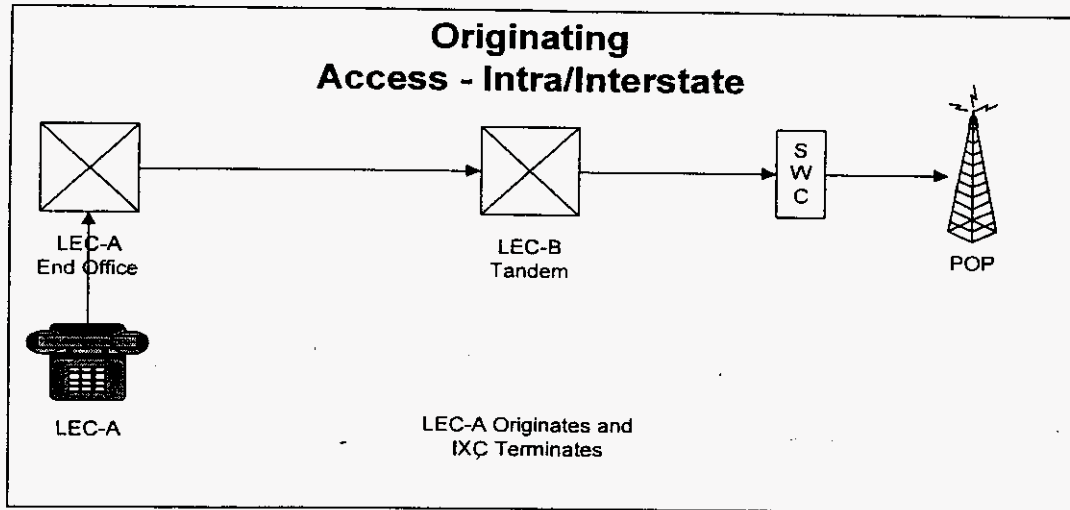


Figure 6-7 - Originating access from a LEC to an IXC through another LEC

Notification Information

Both LECs will provide customer notification information to the IXC in accordance with Section 5.

Record Exchange

For a single bill option, when LEC-A is the bill rendering company, they will use their recordings to bill the IXC. When LEC-B is the bill rendering company to the IXC, LEC-A may provide the access record to LEC-B.

For a multiple bill option, LEC-A will use their recordings to bill their portion of access to the IXC. LEC-A may provide the access record to LEC-B for them to bill their portion of access to the IXC. Companies that do not have recordings may have contractual relationships for receipt of their records.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC has their recordings and the customer notification information to handle their verification requirements.

Footnote 1: When 2 PIC exists for intraLATA traffic, the process outlined in this diagram will apply.

Footnote 2: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.8 Terminating Access - Intra/Interstate

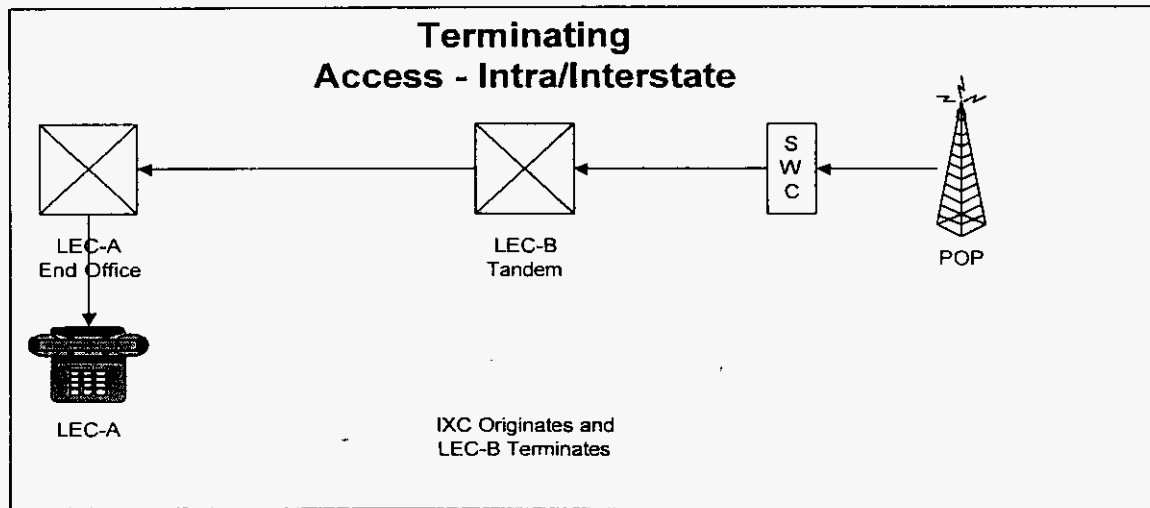


Figure 6-8 - Terminating access from an IXC to a LEC through another LEC

Notification Information

Both LECs will provide customer notification information to the IXC in accordance with Section 5.

Record Exchange

For a single bill option, when LEC-A is the bill rendering company, LEC-B will provide an access record to LEC-A to bill the IXC. When LEC-B is the bill rendering company, they will use their recordings to bill the IXC.

For a multiple bill option, LEC-B will use their recordings to bill their portion of access to the IXC. LEC-B will provide the access record to LEC-A for them to bill their portion of access to the IXC.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC has their recordings and the customer notification information to handle their verification requirements.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.9 Originating 800/8XX (2 LECs)

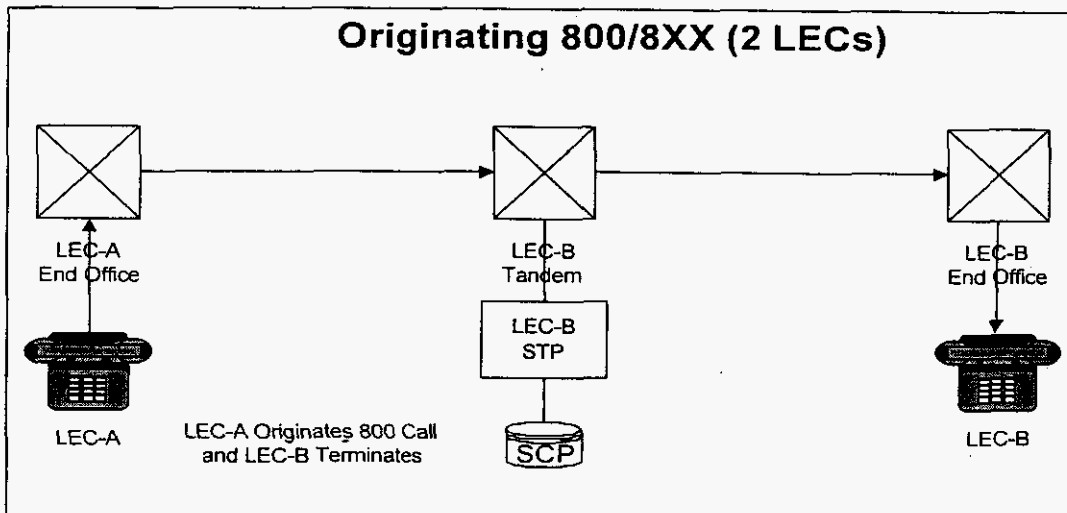


Figure 6-9 - Originating 800 from a LEC to another LEC 800 provider (originating end office does not have SSP functionality)

Notification Information

No notification process is needed since interconnection exists between the two companies.

Record Exchange

It is assumed that the originating SSP office company (LEC-B) would be accountable for generation and retention of the end user record unless negotiations dictate otherwise.

When compensation does not exist, no access record is provided from LEC-B to LEC-A.

When compensation does exist, LEC-B will provide LEC-A with an access record.

Bill Verification

LEC-B has their recordings to validate any billing they receive.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.10 Originating 800/8XX (3 LECs)

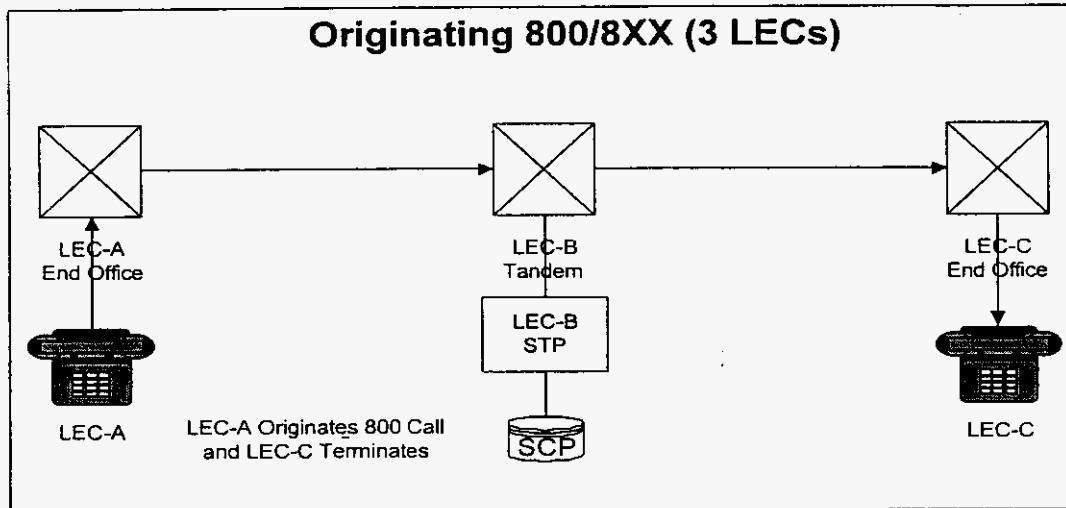


Figure 6-10 - Originating 800 from one LEC through another LEC's tandem, terminating to a 3rd LEC (originating end office does not have SSP functionality)

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to the LEC-A and LEC-C. In addition, customer notification would be required by LEC-A to LEC-C and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

It is assumed that the originating SSP office company (LEC-B) would be accountable for generation and transmission of the end user record to the 800 providing company (LEC-C), however, negotiations may dictate otherwise.

LEC-B will pass the access record to LEC-A to bill LEC-C. LEC-B may also use the access record to bill transit charges to LEC-C.

Bill Verification

LEC-C has the end user record and the customer notification information to validate any billing. LEC-C may also generate a terminating recording that could be used for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.11 Originating 800/8XX (2 LECs)

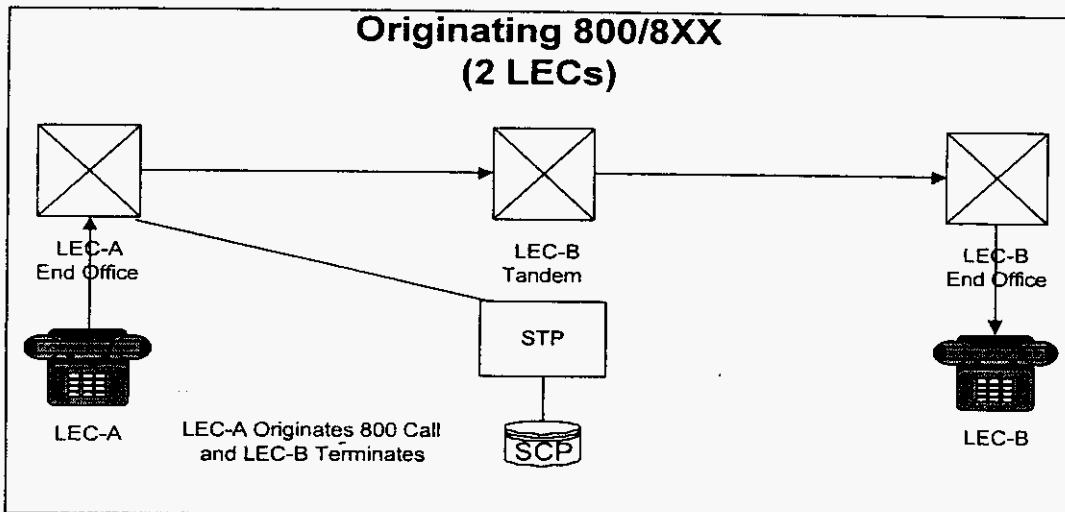


Figure 6-11 - Originating 800 to a LEC (Terminating LEC is the 800 service provider and the originating end office has SSP functionality)

Notification Information

No notification process is needed since interconnection exists between the two companies.

Record Exchange

LEC-A will generate an end user record. LEC-A will pass this record to LEC-B.

LEC-A will use their recordings to bill LEC-B.

Bill Verification

LEC-B has the end user record to validate any billing. LEC-B may also generate a terminating recording that could be used for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP

6.5.12 Originating 800/8XX Intra/Interstate - IXC Provided

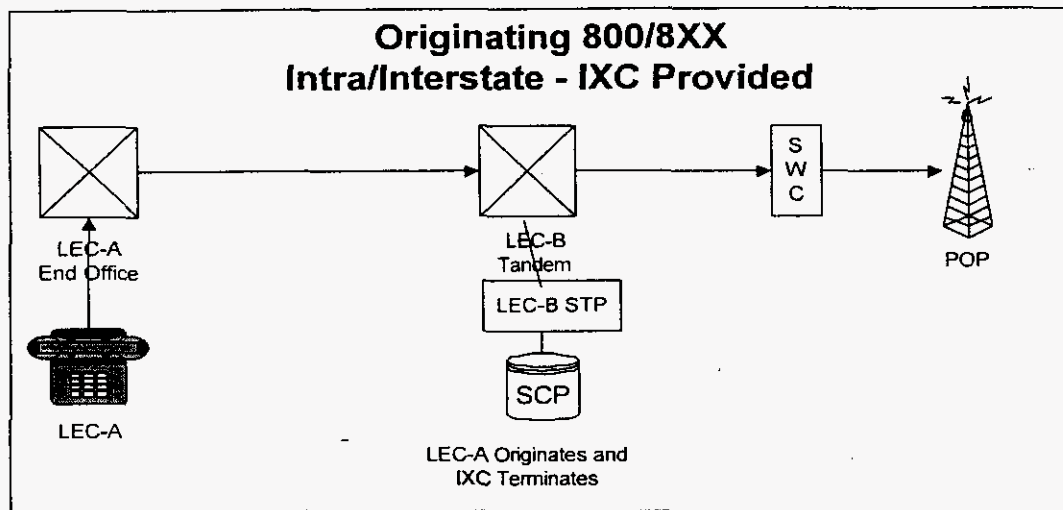


Figure 6-12 - Originating 800 from a LEC to an IXC behind another LEC (The LEC tandem company is providing SSP functionality.)

Notification Information

Both LECs will provide the customer notification information to the IXC in accordance with Section 5.

Record Exchange

There are no end user records generated by the LECs.

LEC-B will provide LEC-A with an access record. LEC-B will retain a copy of this record for billing.

For a single bill option, when LEC-A is the bill rendering company, they will use the access record provided by LEC-B to bill the IXC. When LEC-B is the bill rendering company they will use their access record to bill the IXC.

For multiple bill option, LEC-A will use the access record provided by LEC-B to bill their portion of access to the IXC. LEC-B will use their access record to bill their portion of access to the IXC.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC will have their records and the customer notification information to handle their verification requirements.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.13 Originating 800/8XX Intra/Interstate - IXC Provided

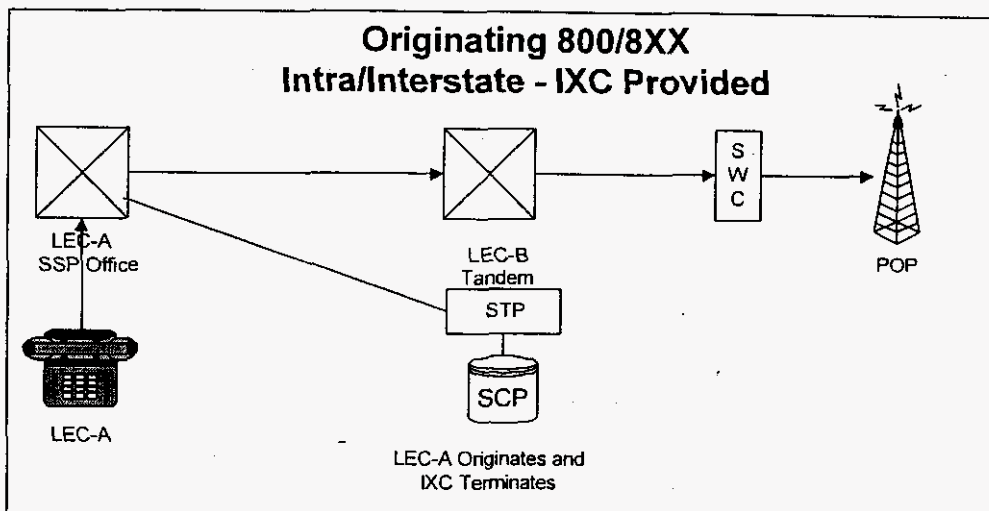


Figure 6-13 - Originating 800 from a LEC to an IXC behind another LEC (The end office company has SSP functionality.)

Notification Information

Both LECs will provide the customer notification information to the IXC in accordance with Section 5.

Record Exchange

There are no end user records generated by the LECs.

LEC-A will generate the access record.

For a single bill option, when LEC-A is the bill rendering company, they will use the access record to bill the IXC. When LEC-B is the bill rendering company, LEC-A must provide the access record to LEC-B in order to bill the IXC.

For a multiple bill option, LEC-A will use their recordings to bill their portion of access to the IXC. LEC-A must provide the access record to LEC-B for them to bill their portion of access to the IXC.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC will have their records and the customer notification information to handle their verification requirements.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.14 Originating Local and IntraLATA Toll

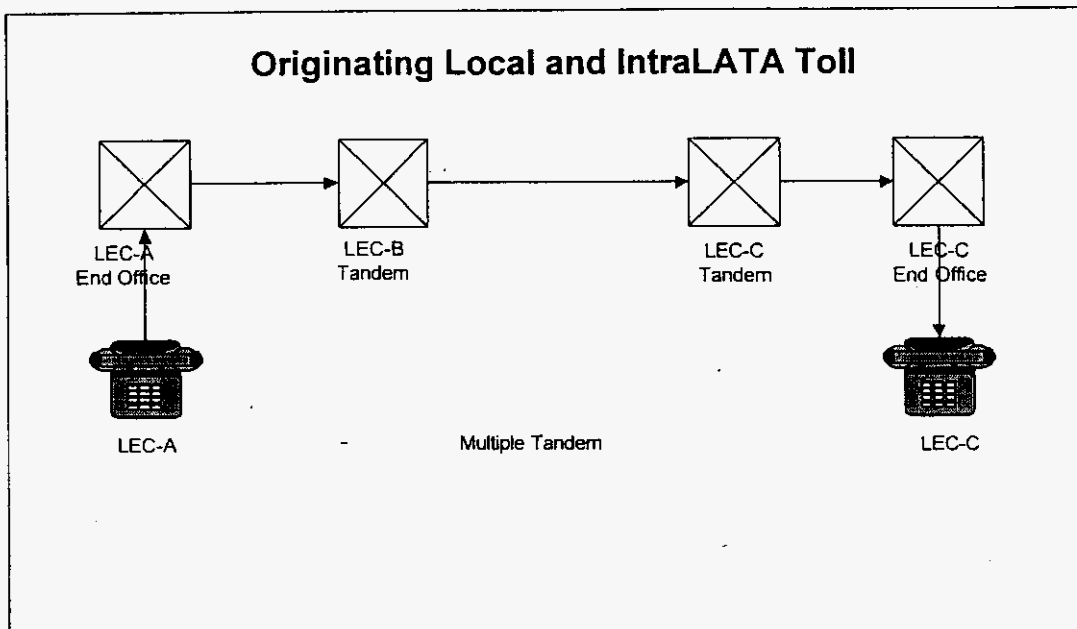


Figure 6-14 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-B and LEC-C will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-C will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B), and termination charges (LEC-C).

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.15 Terminating Local and IntraLATA Toll

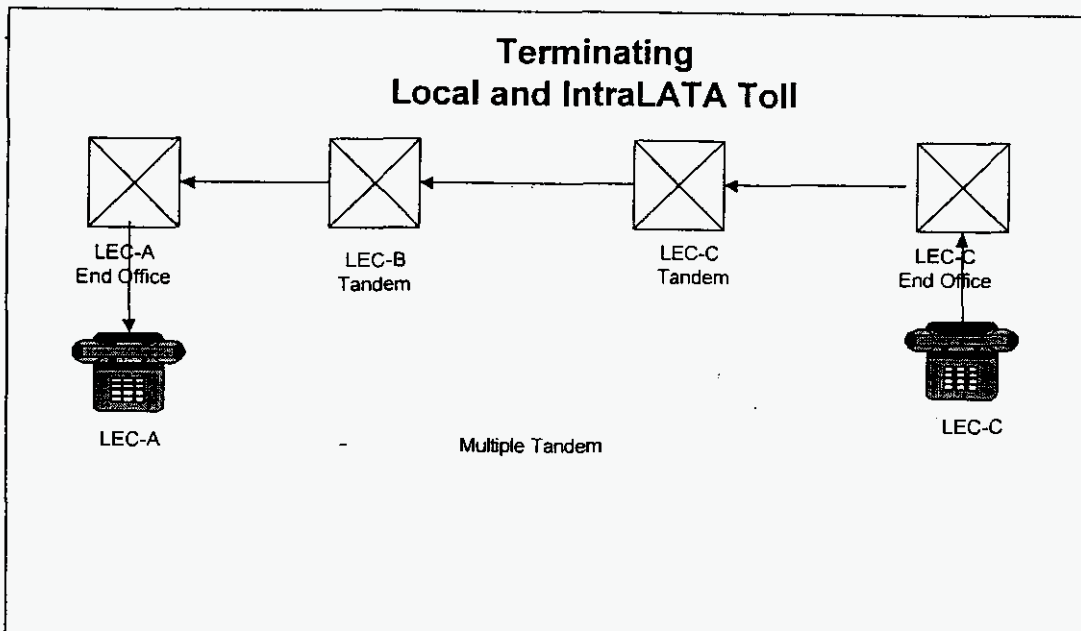


Figure 6-15 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-B tandem owner will provide the interconnection information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-A and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem-to-tandem, single trunk arrangement, record exchange will be required from LEC-C to LEC-B. LEC-A should have their own recording.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-C and the customer notification information received from LEC-B and LEC-A will fulfill the verification requirements for LEC-C. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-A).

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.16 Originating Local and IntraLATA Toll

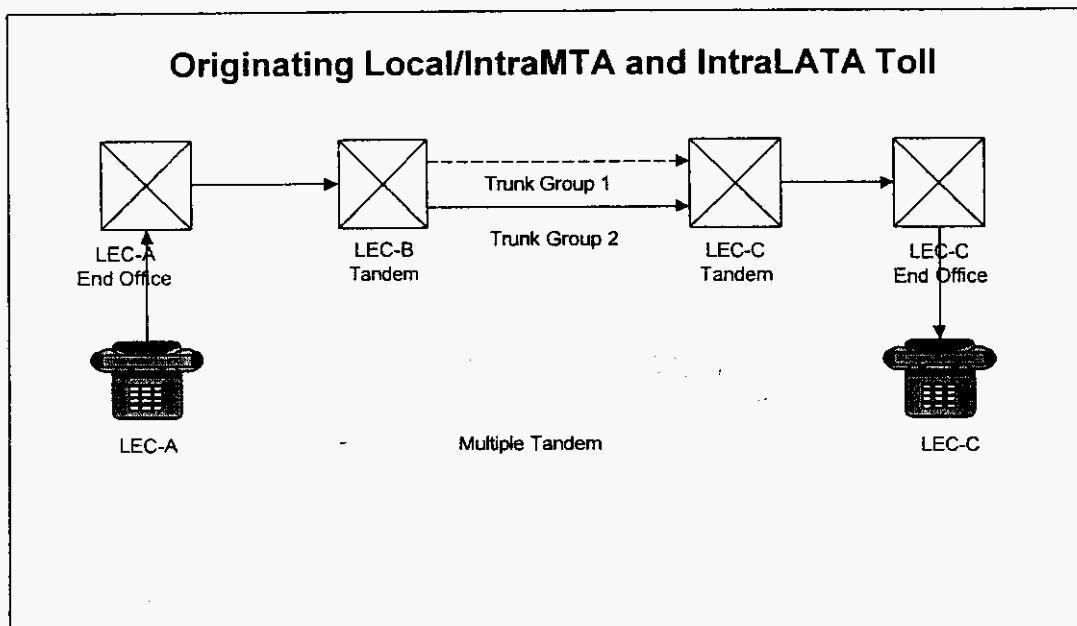


Figure 6-16 - Multiple trunk groups between tandems. Trunk group 1 is LEC-B to LEC-C traffic only (for this diagram Trunk group 1 is not used). Trunk group 2 is FGD/ATC recording trunk group for all other LEC traffic (LEC-A to LEC-C).

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-B and LEC-C will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange is not required between LEC-B and LEC-C because LEC-C has their own end office recording. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-C will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B), and termination charges (LEC-C).

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.17 Terminating Local and IntraLATA Toll

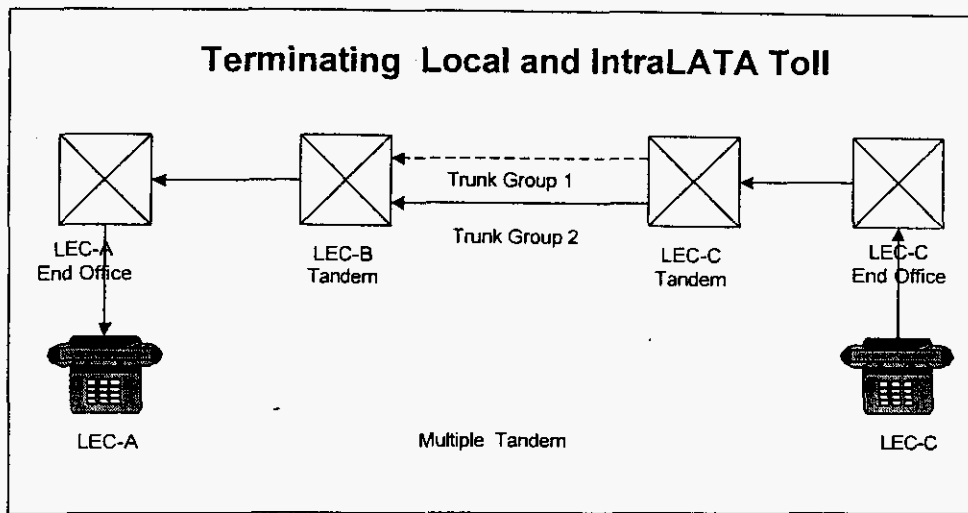


Figure 6-17 - Terminating Local and IntraLATA Toll. Multiple trunk groups between access tandems. Trunk group 1 is LEC-C to LEC-B common group, trunk group 2 is a FGD/ATC recording trunk group for all other LEC traffic (not used in this diagram).

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-A and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem to tandem, multi trunk arrangement, record exchange will not be required from LEC-C to LEC-B because LEC-B knows that all traffic is from LEC-C. LEC-A should have their own recordings.

When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-C and the customer notification information received from LEC-B and LEC-A will fulfill the verification requirements for LEC-C. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-A).

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.18 Originating Local and IntraLATA Toll

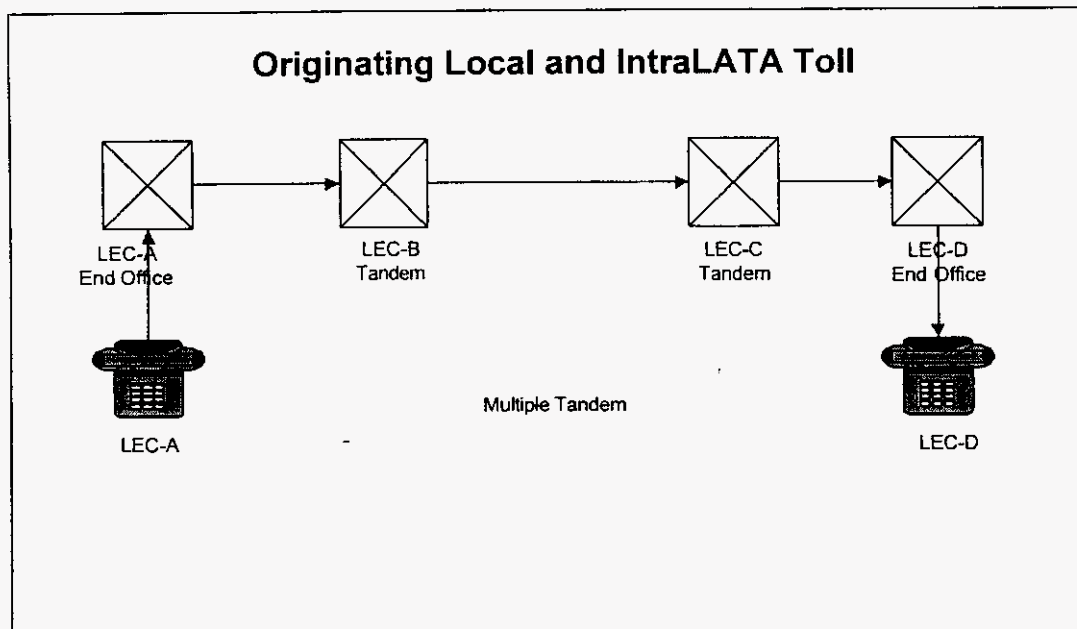


Figure 6-18 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. The LEC-C tandem owner will provide LEC interconnection notification information to LEC-B and LEC-D. LEC-B, LEC-C and LEC-D will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will be required from LEC-B to LEC-C. When compensation does exist, LEC-A, LEC-B and LEC-D should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-D will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B and LEC-C), and termination charges (LEC-D).

LEC-C may have their switch records to validate any billing they receive from LEC-D.

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.19 Terminating Local and IntraLATA Toll

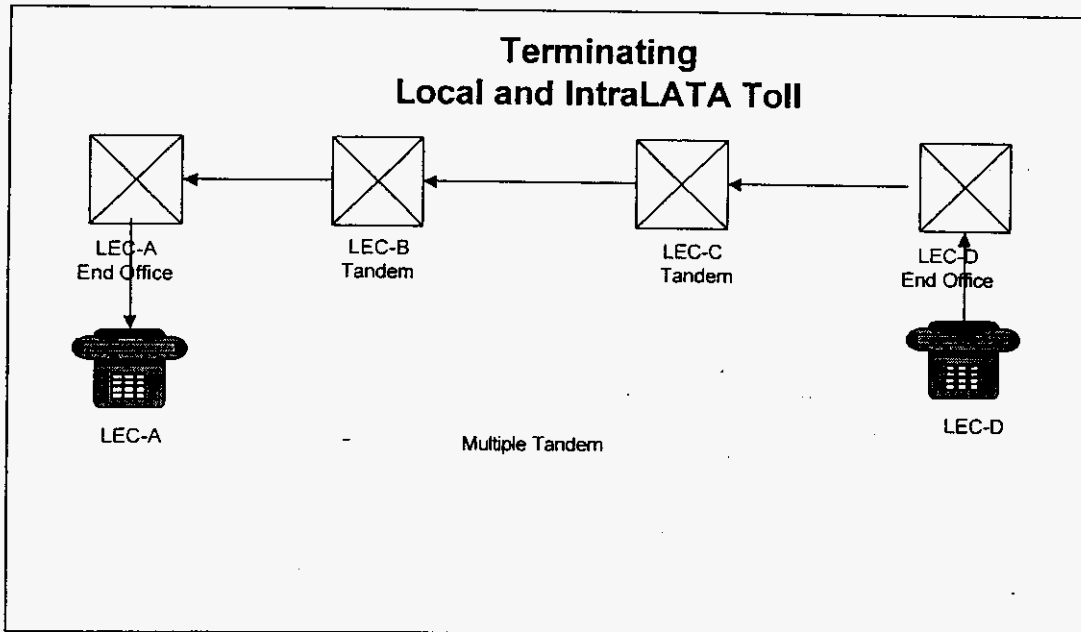


Figure 6-19 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-C tandem owner will provide the interconnection information to LEC-B and LEC-D. The LEC-B tandem owner will provide the interconnection information to LEC-A and LEC-C. In addition, customer notification would be required from LEC-A, LEC-B and LEC-C to LEC-D. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem to tandem, single trunk arrangement, record exchange will be required from LEC-C to LEC-B. LEC-A, LEC-C and LEC-D should have their own recordings.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-D and the customer notification information received from LEC-A, LEC-B and LEC-C will fulfill the verification requirements for LEC-D. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-A).

LEC-B and LEC-C may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.20 Originating Local/IntraMTA and IntraLATA Toll

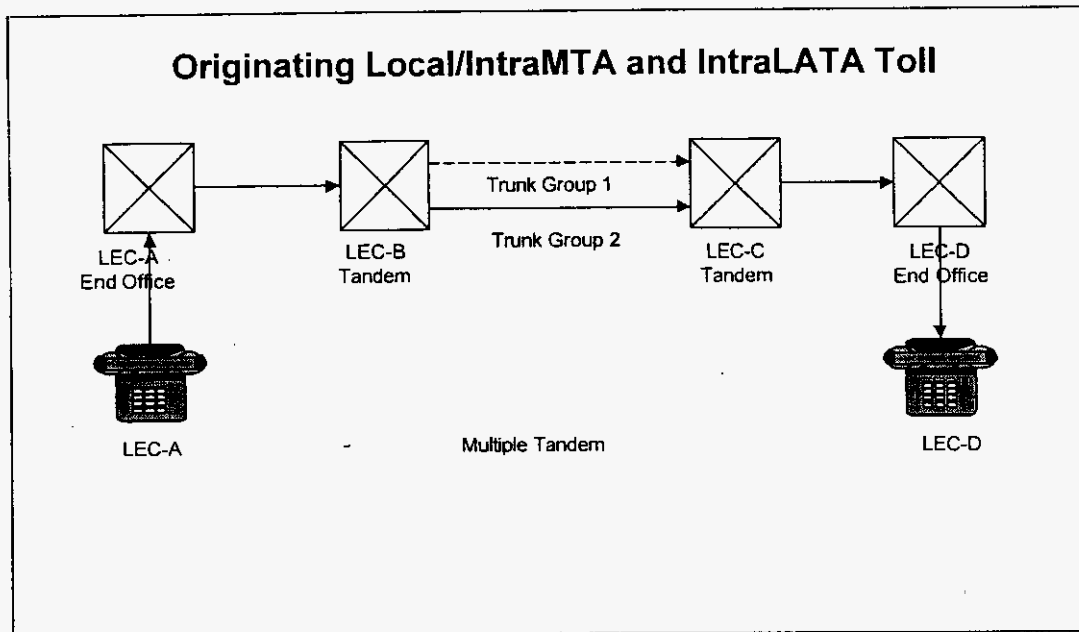


Figure 6-20 – Multiple trunk groups between tandems. Trunk group 1 is LEC-B to LEC-C traffic only (for this diagram Trunk group 1 is not used). Trunk group 2 is FGD/ATC recording trunk group for all other LEC traffic (LEC-A to LEC-C or LEC-D).

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-C will provide LEC interconnection notification information to LEC-B and LEC-D. In addition, LEC-B, LEC-C and LEC-D will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will be required from LEC-B to LEC-C. When compensation does exist, LEC-A, LEC-B and LEC-D should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B, LEC-C and LEC-D will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B and LEC-C), and termination charges (LEC-D).

LEC-C may have their switch records to validate any billing they may receive from LEC-D.

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.21 Terminating Local/IntraMTA and IntraLATA Toll

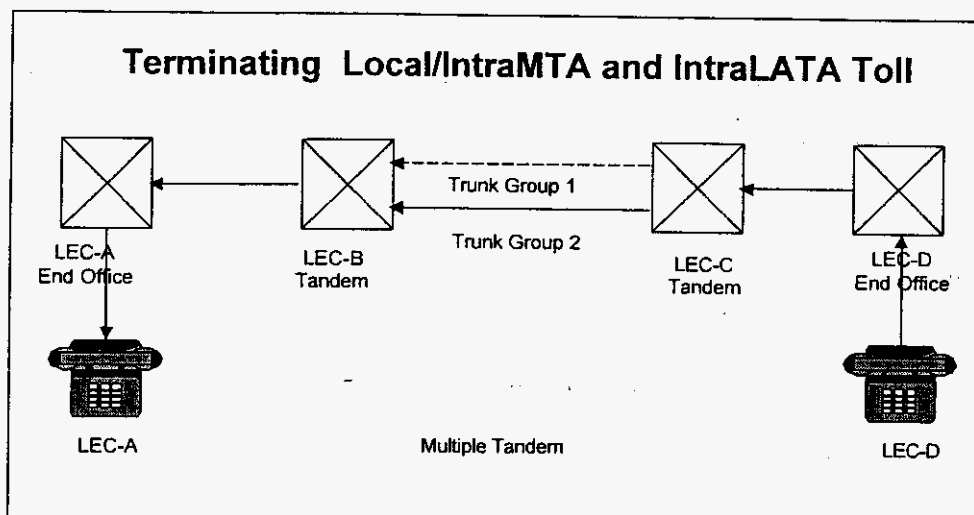


Figure 6-21- Terminating Local and IntraLATA Toll. Multiple trunk groups between tandems. Trunk group 1 is LEC-C to LEC-B common group (not used in this diagram). Trunk group 2 is a FGD/ATC recording trunk group for all other LEC traffic (LEC-D to LEC-B or LEC-A).

Notification Information

The LEC-C tandem owner will provide the interconnection information to LEC-B and LEC-D. The LEC-B tandem owner will provide the interconnection information to LEC-A and LEC-C. In addition, customer notification would be required from LEC-A, LEC-B and LEC-C to LEC-D. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem to tandem, multi-trunk arrangement, record exchange will be required from LEC-C to LEC-B because LEC-B cannot identify LEC-D traffic. LEC-A, LEC-C and LEC-D should have their own recordings.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-D and the customer notification information received from LEC-A, LEC-B and LEC-C will fulfill the verification requirements for LEC-D. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-A).

LEC-B and LEC-C may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.6 800 Portability (Database Queries in a meet-point Environment)

The determination of billing responsibility for 800 database query charges is based on Provider-to-Provider negotiation.

When the end office and SSP are owned by different companies, positive confirmation of the end office owner as the billing company will be the "HD" (800 Series Query Charge Billing Location) indicator at the end office level as found in the NECA FCC No.4 Tariff section titled "Serving Wire Center V&H Coordinates".

When the SSP Company is the billing company, it will notify the customer of all companies it will bill for by NECA state level company code. When the same company owns the SSP and end office, no action is required.

In multiple SSP owner areas, when the SSP owner is billing, exceptions to normal billing policies will be reported as appropriate at the end office level. For Example: (see Figure 6-14)

PROVIDER A has two end offices, which subtend PROVIDER B's SSP/AT. For query billing, end office No. 1 is routed to PROVIDER B's SSP, but end office No. 2 is routed to an SSP belonging to a third LEC (PROVIDER C). PROVIDER C will report end office No. 2 as an exception.

PROVIDER B will report PROVIDER A at the NECA state company code level because it supports billing of other PROVIDER A end offices.

This is the long term billing solution for query billing where restrainers preclude the ability to implement. Long term is defined as (a) after the expiration of existing contracts and/or (b) after the alleviation of billing system constraints, which prohibit immediate implementation.

6.6.1 Multiple SSP Environment

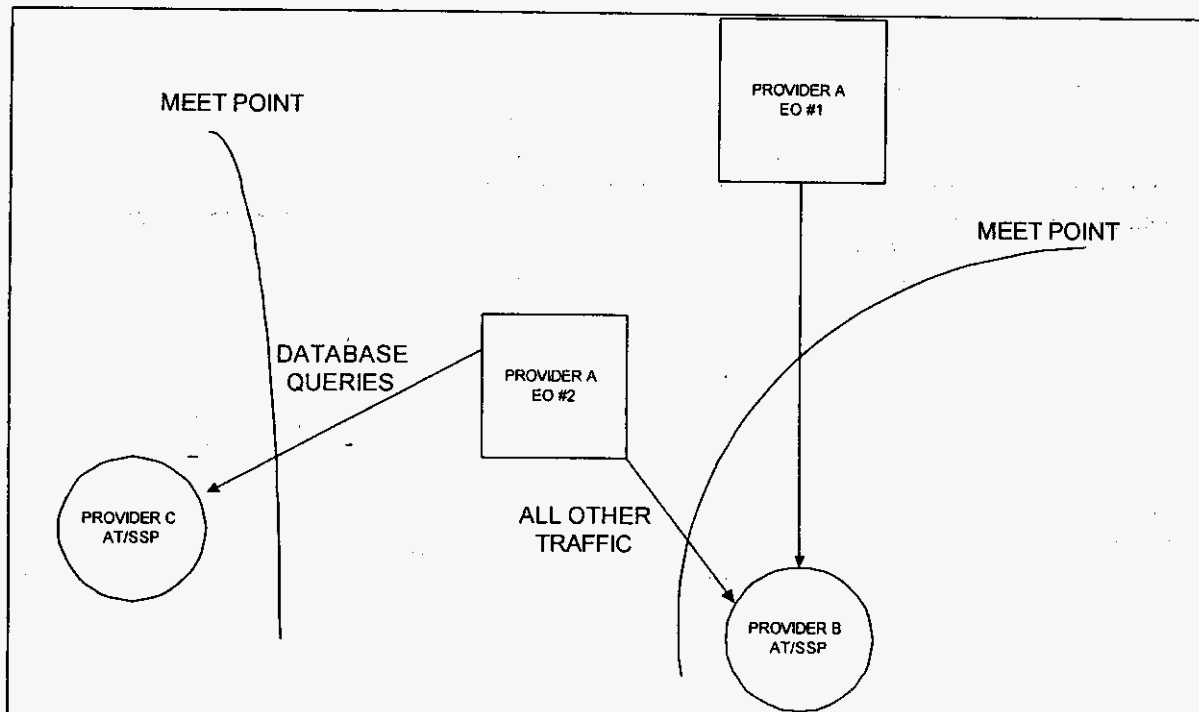


Figure 6-22 - Multiple SSP Environment

7. ADJUSTMENT PROCEDURES

7.1 General

Adjustments can be initiated by a customer or a provider. Situations involving multiple providers can require adjustment procedures by one or more of the providers involved. The billing company must provide applicable billing adjustment detail information, as addressed in CABS BOS or SECAB, whichever is appropriate. Where Provider-to-Provider billing occurs, procedures should be developed as discussed in Section 7.5.

7.2 Claims Resolution

When billing claims cannot be resolved through normal channels, the dispute process outlined in the contract or appropriate tariffs should be followed.

7.3 Single Bill Option

Billing inquiries are made to the billing contact on the bill. The contact provider assumes responsibility for coordinating resolution of billing disputes. Specific adjustment procedures depend on the Single Bill alternative selected and the implementation agreements between providers. For Single Bill-Multiple Tariff, the billing company will identify the provider's charges being adjusted by company code.

7.4 Multiple Bill Option

Where Flat-Rated bills are issued, billing inquiries are made to the billing contact on the bill. When Usage-Sensitive bills are involved the customer's point of contact is the billing company whose bill is in dispute.

7.5 Multiple Bill Provider-to-Provider Adjustment Procedures

Many situations involving multiple providers may require adjustment procedures by one or more of the providers involved. Some examples follow:

1. Customer Dispute on Minutes of Use

The customer should contact the billing company whose bill is in dispute. If an adjustment is made, a Customer Audit No. may be assigned to the case.

When one provider is billing on behalf of another provider, adequate data is needed to administer and answer customer inquirers on the adjustment. Examples of data items for the calculation of the minutes of use adjustments may include:

- a. NPA-NXX
- b. Location ID (CLLI Code) of the End Office or the lead NPA-NXX
- c. CLLI Code of the serving wire center of the customer POI
- d. CLLI Code of the rating point (e.g., host, tandem)
- e. Total minutes and messages per adjustment from and through dates of usage
- f. Debit/Credit Indicator
- g. Customer Identification (e.g. CIC, OCN)
- h. Recording Point Identification (e.g. tandem, operator platform, end office)

- i. Routing Method (i.e. direct or tandem)
- j. Jurisdiction (e.g. local, interstate, intrastate/intraLATA)
- k. Usage Type (e.g. originating 800, operator, terminating MTS)
- l. Factors (e.g. PIU, PLU, BP)

Additional data items should be supplied for cross-reference on the providers' bill.

Examples include:

- a. Reason for the adjustment (Adjustment Phrase Code)
- b. Customer audit number (if applicable)

2. Service Outage

In the event of customer service outage, adjustments for the service outage are in accordance with the provisions of the provider tariffs or contracts.

8. COMMON SERVICE IDENTIFICATION

8.1 General

A common service identification is the principal reference to each service regardless of the billing option. In the Single Bill option, a common service identifier is inherent. In a Multiple Bill environment, a common service identifier provides the essential parameter for correlating the separate bills. To ensure cross verification of bills under MPB, a provider common service identifier is necessary to cross-reference the separate billing media from each provider for the service. The OBF Multiple Exchange Carrier Ordering and Design Guidelines contain the common provider circuit identifier specifications.

8.1.1 Flat-Rated Service

A common provider circuit identifier is established for the services and is provided to the customer and all providers involved. This identifier is used to coordinate billing among providers and to associate the services being provided to the customer.

The OBF recommends that this common service identifier be established for ordering, design, installation and maintenance per the MECOD. If individual providers assign local circuit identifiers, providers must maintain a cross-reference file of the common service identifiers to communicate with other providers.

8.1.2 Usage-Sensitive Service

The CLLI code corresponding to the End Office provides an adequate common service identifier to be used for cross-referencing.

8.2 Customer Circuit Identifier

For Flat-Rated service, it is recommended that each provider accepts and retains the customer's non-edited, non-sorted circuit identifier number. This field can consist of any customer-specified combination of alpha and/or numeric characters with or without delimiters. The provider does not process the field, and the ASR/LSR will not be rejected based on the content or absence of the field. Any creation or change of customer circuit identifier is transmitted via an ASR/LSR.

The customer-provided circuit identifier is not intended to be the principle means of cross-referencing circuits. It is reflected by the providers in the bill media, to assist customers in bill verification.

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9. FGA SERVICES

9.1 Scope

This section reflects the billing arrangement for FGA/line side jointly provided services.

9.2 General

The industry consensus is that FGA services do not generally lend themselves to a meet-point Billing structure. This is because of the inordinate number of BPs required, the lack of End Office-specific call detail, and the multitude of routes available and providers involved because of LATA-wide termination.

9.3 Revenue Sharing Agreements

Non-MPB, through the use of revenue sharing arrangements, is the billing option recommended for jointly- provided FGA services. The Dial Tone Office (DTO) Company renders the bill for both originating and terminating usage. Provider-to-provider revenue sharing arrangements must be established.

In its MO&O of October 5, 1989, the Commission agreed with the recommendations outlined in the December 8th Report on FGA/FGB meet-point billing. That Order requires that providers jointly providing FGA access services have binding revenue sharing agreements negotiated and signed not later than one year after the release date of the Order. Such agreements must be designed to compensate all participating providers for all relevant interstate access costs, and be implemented within six months of the date of signature.⁴

⁴ In addition, the Commission will allow FGA meet-point billing to continue whenever provider has successfully implemented MPB of FGA.

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10. PROVIDER DATA EXCHANGE ELEMENTS

The requirements for all, or a portion, of the data elements listed below will be agreed to by the involved providers on a case by case basis when one provider is billing on behalf of another provider.

Minutes of Use	MOU billed to the customer during the billing company's current billing cycle.
Additional Other Charges	Charges related to hourly manpower, installation, and other equipment that can be allocated to the non-billing company.
Adjustment Approvals	Billing adjustment procedures must be developed, and ongoing communication established, to secure proper adjustment approval.
BAN	The BAN should be a minimum of 10 and maximum 13 characters in length.
Bills	Copies of the bills can be sent to the non-billing provider for verification and record retention requirements.
Compensation and Contracts	Contracts must be negotiated for billing company compensation and liability.
Deposits and Advance Payments	Deposit and advance payment information must be provided to the non-billing company.
Late Payment and Disconnect	Late payment and disconnect information must be communicated among the companies.
Purchase of Accounts Receivable	Purchase of accounts receivable may be required depending on the billing methods employed by the billing company.
Rate Change Coordination	Rate changes for the non-billing company must be communicated to the billing company for implementation.
Revenue Journal & Billing Reports	The non-billing company requires company specific revenue journals and earned revenue reports from the billing company to properly account for revenue and earnings and to meet FCC reporting requirements.
Service Order	All service order data must be communicated to the non-billing company for inventory, demand analysis, and record keeping purposes.

System Design Coordination	Design change specifications must be communicated by the non-billing company to ensure proper billing methods.
Tariff/Contract Interpretation	The non-billing company must be prepared to provide support for the billing company personnel for correct application of rates.
Tax/Other Information	Tax, revenue accounting, rate information and MOU factoring information must be maintained to meet financial and regulatory reporting requirements. The non-billing company must establish the procedures to facilitate effective flow of this information to the billing company.
Usage Information	The non-billing company requires the usage information for verification of the charges rendered on its behalf and for rate determination.

11. OBF ISSUES REVIEWED BY THE MECAB REVIEW GROUP (MRG)

This section contains a record of all resolved OBF Issues referred to MECAB.

Issue No.	Description	MECAB Revision
7	Multi-EC Common Circuit ID	February 1986
10	PIU on the ASR	February 1986
68	Maintaining FCC #2 Information	February 1986
74	ECs Involved in the Same Access Service	February 1986
75	30 Day Notification of meet-point Billing	February 1986
76	meet-point Indicator for Special Access Legs on CABS Bill	November 1987
77	Adjustments Between ECs	February 1986
79	Identification of Each LEC on an Access Service	November 1987
80	Synchronization of Billing Cycles	February 1986
89	Common Service Identifier	February 1986
90	Percent of Charges Billed	February 1986
91	Identifying ECs Involved in meet-point Billing	February 1986
100	Circuit Identification Number (CKTID)	February 1986
133	Multi-Exchange Billing Alternatives	November 1987
229	Tandem Ordering	December 1989
250	Usage Exchange (EMR)	November 1987
251	BACR for Switched Access meet-point Bills	November 1987
255	MECAB Distribution	November 1987
256	MECAB Update	November 1987
257	Cross Reference Bill Cycles	November 1987
258	Adjustments for Disputed Usage	November 1987

310	"Ratcheting" of meet-point Billed Services	December 1989
312	Company Identification of Rate Element Level	December 1989
322	Level of Traffic Type Display on SBC Bill	December 1989
326	Access Billing Account Identification in Multi-EC Environment	November 1987
387	Multi-EC ASR, FOC Process and Distribution	December 1989*
402	meet-point Billing for FGB	December 1989
403	meet-point Billing for FGA	December 1989
404	Definition of Combination MPB	December 1989
434	MPB Agreement for Single Service	December 1990
463	MPB State Level Company Code on Usage Statistics Detail	December 1989
465	Greater Level of Detail on Adjustments	December 1991
472	MECAB Change Management	December 1989
502	CIC Specific Charge Display	June 1994*
536	Overall Company Code vs. State Level Company Code on CSR	December 1989
538	Single Bill Pass Through MPB	June 1994*
539	BAR/BACR for MPB Switched Access	June 1994*
541	Separate (Multiple) Checks for Single MPB	June 1994*
566	MPB Notification and Conversion	December 1990
577	MPB Rate Application Indicator	June 1994*
590	Minimum Billing Requirements	December 1991
591	Application of meet-point Billing for Multiplexed Services	December 1990

* Issues marked with an asterisk (*) were reviewed by the MECAB Review Group but had no impact on the MECAB document.

592	Application of meet-point Billing for Multipoint Services	December 1990
593	MPB Account Restrictions	December 1990
621	ONA Billing Requirements	June 1994
638	IBC/SBC Identifier	December 1991
733	Equal Charge Per Unit	June 1994
792	BAR/BACR Restructure	June 1994
945	800 Portability (Database Queries in a meet-point Environment)	February 1998
946	Billing of Multiple ECs on the Same Switched Access BAN for an AC	February 1998
970	Switched Access Usage Exchange Between APs Rendering Multiple Bills	February 1998
1140	MECAB Document Language Revision for CLEC Status	February 1998
1142	AC Notification of Multiple Exchange Carrier Billing Arrangement	February 1998
1185	Expansion of NECA Company Code	February 1998
1248	Combination of meet-point and Non-meet-point on a Single BAN	February 1998
1284	Long term LNP Billing and Verification	February 2001*
1287	Billing for Unbundled Network Elements	February 2001*
1528	The Billing Impact Resulting From Access Reform	February 2001*
1548	Billing Verification Process in an Unbundled Environment	February 2001
1593	Guidelines Do Not Exist for Providing Historical PICC Detail Data to Verify PICC Charges	February 2001*
1667	Exchange of Billing Information	February 2001
1690	Notification of Interconnecting Billing Information to the ULEC	February 2001
1962	Multiple Providers of Tandem Access Interconnection	January 2003

2056	For Facility-Based LECs/ CLEC, and CMRS Enhance the Meetpoint/Meetpoint Like Record Exchange to be Consistent with Unbundled Processes For Facility- Based	February 2001
2138	Redefine and Evaluate the Need for Existing MECAB Data Elements	February 2001
2162	Eliminate Pass-Through Meetpoint Billing Option in MECAB	February 2001
2186	Optional Use Return Code for Category 11 Detail Records	January 2003

12. FCC ORDERS AND OBF REPORTS CITED IN MECAB REVISIONS

A. FCC Orders:

1. CC Docket No. 86-104, Memorandum Opinion and Order (Memo No. 3402), In the Matter of Waiver of Access Billing Requirements and Investigation of Permanent Modifications, released March 28, 1986.
2. CC Docket No. 86-184, Memorandum Opinion and Order (DA 87-252), In the Matter of Waiver of Access Billing Requirements and Investigation of Permanent Modifications, released July 31, 1987.
3. CC Docket No. 87-579, Memorandum Opinion and Order (DA 87-1858), In the Matter of Waiver of Access Billing Requirements and Investigation of Permanent Modifications, released December 22, 1987.
4. CC Docket No. 87-579, Order Designating Issues for Investigation (DA 88-812), In the Matter of Access Billing Requirements for Joint Service Provision, released June 6, 1988.
5. CC Docket No. 87-579, Phase II, Order (DA 88-1544), In the Matter of Access Billing Requirements for Joint Service Provision, released October 4, 1988.
6. CC Docket No. 87-579, Memorandum Opinion and Order (DA 89-1251), In the Matter of Access Billing Requirements for Joint Service Provision, released October 5, 1989.
7. CC Docket No. 89-79 and 87-313, Memorandum Opinion and Order In the Matter of Open Network Architecture Tariffs, released July 11, 1991.
8. CC Docket No. 91-213, Report and Order and Further Notice of Proposed Rulemaking (FCC 92-442), In the Matter of Transport Rate Structure and Pricing, released October 16, 1992.
9. CC Docket No. 91-213, First Memorandum Opinion and Order on Reconsideration In the Matter of Transport Rate Structure and Pricing, released July 21, 1993.

B. OBF Reports:

1. Report of the meet-point Billing Task Force Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., CC Docket No. 86-104, filed December 1, 1986.
2. Report of the Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., on Feature Group A & B meet-point Billing, CC Docket No. 87-579, Phase submitted December 8, 1988.
3. Report of the Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., on Special Access meet-point Billing, CC Docket No. 87-579, Phase filed March 23, 1989.
4. Report of the Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., on Progress of Special Access meet-point Billing, CC Docket No. 87-579, submitted in December, 1990.

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13. SERVING ARRANGEMENT NOTIFICATION EXAMPLE

Following is an excerpt from the NECA Tariff FCC. No. 4, which illustrates the number of notifications expected by a customer from a provider when billing percentages are filed:

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
DIRECTOR - TARIFF AND REGULATORY MATTERS
100 S. JEFFERSON, RD.
WHIPPANY, NJ 07981

TARIFF FCC. NO. 4
27TH REVISED SECTION 109
CANCELS 26TH REVISED SECTION 109
PAGE 55

ISSUED: MARCH 15, 2000

EFFECTIVE: APRIL 1, 2000

WIRE CENTER AND INTERCONNECTION INFORMATION
SINGLE STATE INTERCONNECTION INFORMATION - VIRGINIA

Locality	LC	CC	BP	OI	SVC
BLACKRIDGE	BCRGVAXA	0219	11	END	ALL
		0254	37	INT	
ROCKVILLE	RKVLVARK	5040	52	END	
BLACKRIDGE	BCRGVAXA	0219	12	END	ALL
		0254	37	INT	
SANDSTON	SNTNVASS	5040	51	END	
BLACKRIDGE	BCRGVAXA	0219	12	END	ALL
		0254	40	INT	
VARINA	VARNVAVR	5040	48	END	
BLACKRIDGE	BCRGVAXA	0219	11	END	ALL
		0254	36	INT	
WAVERLY	WVRLVAWV	5040	53	END	
BLACKSTON E	BLCSVAXA	0254	13	END	ALL
ASHLAND	ASLDVAAS	5040	87	END	

The example reflects three providers jointly providing service at four separate End Office locations and a fifth location where two of the three providers jointly provide the service. The same three providers (0219, 0254, and 5040) are involved in the first four combinations of End Offices. The customer would receive only one notification from each provider involved for the unique combination of company codes 0219, 0254, and 5040 in the first four combinations. There is no requirement for a notification for each of the four End Office combinations when the meet-point Billing arrangements for all four remain the same. However, the customer would receive a separate notification for the fifth combination where only companies 0254 and 5040 are involved.

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14. JOINTLY PROVIDED SERVICE IN AN UNBUNDLED ENVIRONMENT

14.1 General

This section describes the billing options, record exchange and notification guidelines for jointly provided Usage-Sensitive Service in an unbundled environment. An unbundled environment exists when a provider purchases unbundled network elements from another provider in order to provide Usage-Sensitive Service in the same territory. Usage-Sensitive service includes FGB, FGC, FGD, trunk-side connections, DA and may include subscribed toll, non-subscribed toll local and wireless services.

For the purpose of the billing options and associated diagrams described in this section, the provider that purchases the unbundled network elements is referred to as the Unbundled Local Exchange Carrier (ULEC). The provider that sells the unbundled network elements is referred to as the Unbundled Service Provider (USP).

This section does not apply to a facility-based provider who only purchases the unbundled local loop.

The decision to implement the billing options is based upon Provider-to-Provider (e.g., the USP and the ULEC) negotiations where the regulatory environment permits. When the USP and the ULEC agree to one of the billing options, these guidelines are used.

These guidelines will not supercede state or contract specific intraLATA toll, local or wireless settlement plans.

For the purpose of billing Usage-Sensitive Service, Provider-to-Provider contractual agreements are required. These agreements may include proprietary information/non-disclosure, liabilities for data accuracy and timeliness, inquiries, flow of tariff/contract items, compensation for billing services, types of services included, payment options, and exchange of data.

14.1.1 Billing Options

It is the responsibility of the ULEC and the USP to select a billing option. The following options are available:

1. Option 1
Two alternatives (1A and 1B)
2. Option 2
3. Option 3

These above options are not applicable to flat rated transport purchased by the IXC under access reform and local transport restructure.

Once a billing option has been selected, the ULEC and/or the USP will negotiate a billing arrangement with other providers as described in section 4 of MECAB. For example, the USP may negotiate Option 1B with the ULEC as well as a Multiple Bill/Single Tariff arrangement with the other provider(s) for interLATA services.

For all options, CABS BOS (maintained by Telcordia Technologies) or SECAB format is recommended. If the recommended format is not used, the bill should include applicable data elements as listed in CABS BOS or SECAB. Description of Billing Options

14.1.2 Option 1

There are two billing alternatives:

1. Option 1A - The USP bills the customer for the USP charges.
2. Option 1B - The USP or ULEC bills the customer for the USP and ULEC charges.

14.1.2.1 Option 1A

The ULEC is invisible for bill rendering and bill receipt. The ULEC will not establish a relationship with the interconnection or access customer. Compensation to the ULEC, if applicable, is negotiated between the USP and the ULEC. Charges billed by a third party to the USP may be passed through to the ULEC. Any existing compensation arrangements between the USP and the customer are not affected.

14.1.2.2 Option 1B

The USP or the ULEC will prepare a single access bill with the ULEC's and the USP's charges separately identified. The ULEC must establish a relationship with each customer.

The billing company will pass any revenues due the provider for whom they are rendering a bill.

This option requires that the billing company maintains and administers in its billing system, the applicable tariff/contract rates for both providers in order to bill access services.

Separate checks can be rendered by the customer based on Provider-to-Provider relationships and mailed directly to each provider, or to the billing company for distribution. If separate checks are rendered, the non-billing company must notify the billing company of the payment. The billing company is then responsible for applying each payment to the respective portion of the bill.

14.1.2.3 Option 2

The USP bills the ULEC for all charges (unbundled elements, access, and reciprocal compensation) and the ULEC bills the customer.

The ULEC should receive compensation bills from third parties for ULEC originated traffic.

The ULEC may elect to use MPB options as described in Section 4 when connecting with other providers. The MPB method selection between other providers must adhere to the restrictions identified in Section 4.2. If a multiple bill option is used, refer to Sections 14.3 and 14.4 for the notification information and record exchange process.

14.1.2.4 Option 3

Each provider (the USP and the ULEC) prepares and renders a bill in accordance with their tariff/contract for their portion of the unbundled elements, access, and reciprocal compensation.

The ULEC should receive compensation bills from third parties for ULEC originated traffic.

14.2 Notification

Providers are required to supply proper notification to the customer of the billing option, and the MPB method employed when rendering access bills to an IXC. The notification requirements for MPB are described in Section 5.3. In addition to the notification requirements in Section 5.3, the following notification requirements listed below should occur to establish billing relationships and render accurate bills to all customers. The notification requirement applies to the initial implementation and any subsequent changes to an existing billing option (e.g., Option 1A to Option 2). The notification must take place thirty days prior to the implementation or change in option.

More specifically, the following activities must occur prior to the implementation or change of an option:

1. Where proprietary restrictions do not exist (for Billing Option 1B, 2, 3), the USP will provide all interconnecting providers and customers with the Billing Name, Billing Address and Contact number of all interconnecting ULECs.
2. In order for customers to validate or render their access and reciprocal compensation bills for Billing Option 1B, 2, and 3, the ULEC should use the existing MECAB notification process, as described in Section 5.3, in addition to providing the following data elements:
 - Type of Provider - Unbundler
 - Billing Option (1B, 2, 3)
 - Elements to be billed
3. In addition to the notification process, the ULEC will provide the following data elements accompanying the Switched Access and reciprocal compensation bills:
 - Unbundled Serving End Office
 - Unbundled Line Number/Range Start Date
 - Unbundled Line Number/Range End Date
 - Unbundled NPA/NXX Line Number/Range

This information need only be provided for unbundled numbers that have associated Switched Access or Local Interconnection charges. This information needs to be available in both paper and mechanized formats. The CARS document (printed and distributed by ATIS) may be used to provide this information.

In order for the ULEC to provide notification to the customers, the ULEC must be provided with specific information. Where proprietary restrictions do not prohibit, the following elements should be provided to the ULEC for the establishment of their billing relationships with companies interconnected within the LATA. The IXC elements will be provided by the USP, or when requested, from the tandem company. The IXC elements will be provided on an ongoing basis since the ULEC does not receive a copy of the Access Service Request (ASR). The local and IntraLATA interconnect elements will also be provided on an ongoing basis by the USP for companies (e.g. FB CLEC, ICO, WSP) directly interconnected with the USP. The interconnectors (e.g. FB CLEC, ICO, WSP) will identify companies in which they are directly interconnected so that the ULEC can identify all local/IntraLATA companies within a LATA. While providing the same quality of data available to itself, all parties recognize that this data may not be the most current. Therefore, it is recommended the ULEC validate this information for accuracy.

The following elements are required for interconnecting IXCs:

- a. ACNA associated with the Billing Name and Address
- b. Billing name
- c. Billing Address
- d. Contact Number/Fax Number
- e. Type of Provider
- f. CIC
- g. LTL (required for non-LTR states)

The following elements are required for Local/IntraLATA Interconnectors

- a. Company Name
- b. Contact Name
- c. Contact Address or fax number
- d. Contact Number
- e. Type of Provider (if it can be determined)
- f. CIC (if industry assigned) or Company Code

The following elements (not inclusive) are preferred, however they may need to be negotiated:

- a. Bill Address for Local/IntraLATA Interconnectors
- b. LTL
- c. Tandem
- d. Type of Service
- e. Billing Option

14.3 Exchange of Usage in a ULEC Environment

For Usage-Sensitive Access services in a ULEC environment, the exchange of usage data among providers plays a critical role in providing the customer with an accurate, timely bill. Various providers can be involved in recording the usage data for a single End Office location depending on the network architecture, type of office, feature group, and type of traffic. The following sections provide additional detail regarding the exchange of usage data. The diagrams contained in this section also provide additional detail.

14.3.1 Mechanized and Paper Exchange

The Exchange Message Interface (EMI) document provides mechanized record formats that can be used to exchange access usage information among providers. Category 11-0X series AURs (Access Usage Record) are used to exchange detailed access usage information.

Each provider may elect to forward a copy of its access bill or bill data as a substitute for mechanized access usage record exchange. While it is considered preferable for providers to move toward mechanized data exchange, nothing precludes timely manual or paper exchange of information. For each billing option, where exchange of usage is required, the timely exchange of access usage records from the recording company to other provider(s) will be on a daily basis or any other agreed upon timeline.

14.3.2 MOU Exchange for Local/Toll/Wireless

Providers will bill the customer based upon their own recordings. When a provider does not have detailed recordings available for billing, the provider may develop contractual relationships with a provider or customer for the detailed access usage records.

14.3.3 MOU Exchange for InterLATA (Provider to IXC)

Providers will bill the customer based upon their own recordings. When providers do not have detailed recordings available for billing, the official recording company, as outlined in Section 6.1, will provide the detailed access usage record to providers on the route. Please note that when the official recording company is not the end office company, the official recording company will provide the detailed access usage record to the end office for passage to the ULEC for Options 1B, 2 and 3. Once complete line level detail information becomes available, then the tandem company will provide recordings directly to the ULEC.

14.4 Usage Diagrams

Following are diagrams addressing issues pertaining to LEC interconnection and customer notification, record exchange and bill verification in an ULEC/unbundled environment. These diagrams do not depict notification, record exchange and bill verification between the facility-based providers, which is defined in section 6.5.

While the industry recognizes that local/intraLATA settlement plans are used, these are state or contract specific and are not included in the MECAB guidelines. In addition, contracts or settlement arrangements may also be in place with existing WSPs and are not included in these guidelines.

Current meet-point billing arrangements may exist where the tandem company is also the bill rendering company. Contracts may need to be renegotiated so that all participating

companies consent to one or more compatible billing arrangements in an unbundled environment.

Common minutes are not required for IntraLATA local/toll and access billing when a ULEC is involved. Billing for originating or terminating traffic to IXCs should include usage dates with CIC, end office CLLI.

Until the industry has resolved OBF Billing Issue 1182, where all entities from originating to terminating point are identified, the ULECs may not be able to be identified. For the Pre-1182 resolution, it is possible that a record exchange process may not be available.

Due to the inconsistencies in where companies perform recordings, these diagrams do not reflect a designated point of recording for intraLATA toll and local LEC/CMRS to LEC/CMRS traffic. Companies that do not record need to negotiate a process to obtain the records needed for them to render bills or perform bill verification.

For intraLATA toll and local LEC/CMRS to LEC/CMRS traffic, compensation may default to Option 1A until identification of the ULEC can be made. Compensation includes either access charges or reciprocal compensation based on the negotiated arrangements between providers. The billing option between the ULEC and USP should be reflected in the Notification process and billing should be rendered or verified accordingly. Once ULEC identification can be made, a billing option default will not exist.

For IXC originating traffic, the originating end office switch generates the official record for billing. For IXC terminating traffic, the first point of switching into the LEC/CMRS network (tandem, end office, or MSC switch) generates the official record for billing. For originating 800/8xx traffic the SSP switch generates the official record for billing.

The industry recognizes that an ICO (Independent Telephone Company) is also an ILEC. ICO is only used in the following diagrams for the purpose of describing the different scenarios between the types of providers.

14.4.1 Originating Local

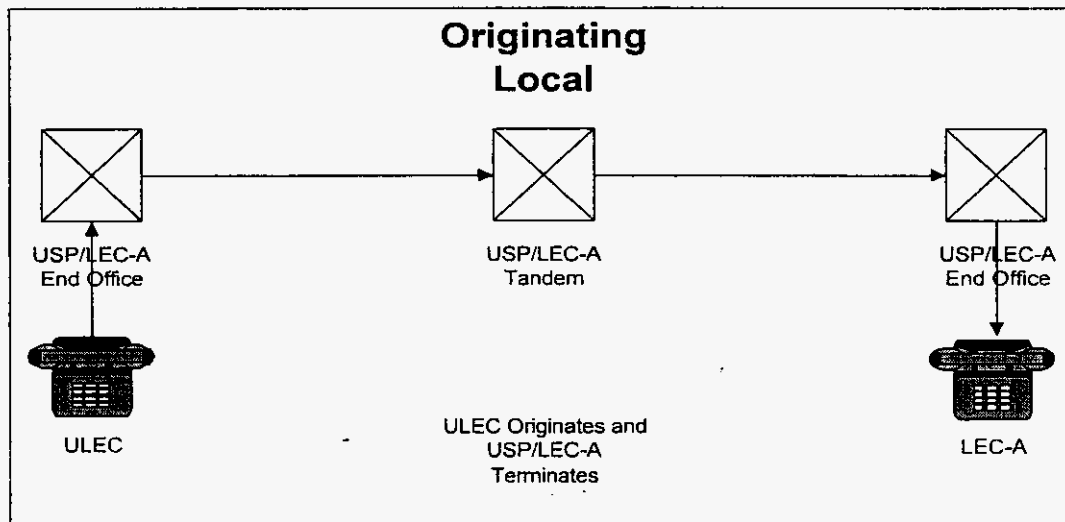


Figure 14-1 - Originating local from a ULEC to a USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

The USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). An access record (11-0X-XX) is not applicable between the ULEC and the USP/LEC-A.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC's unbundled and compensation bills.

14.4.2 Originating IntraLATA Toll

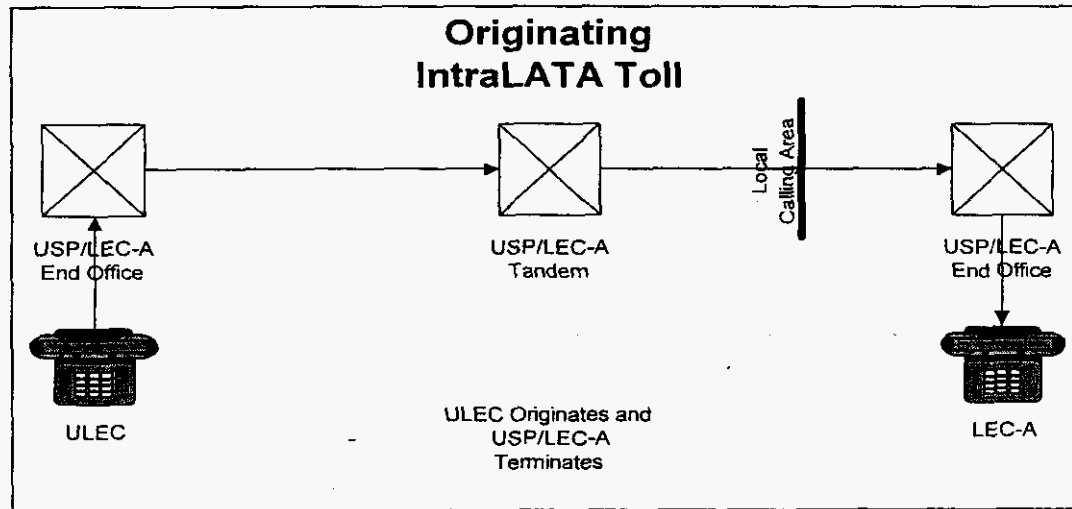


Figure 14-2 - Originating intraLATA toll from a ULEC to a USP/LEC-A (ULEC is toll provider via the USP/LEC-A's network)

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

The USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). An access record (11-01-XX) is not applicable between the ULEC and the USP/LEC-A.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC's unbundled and compensation bills.

14.4.3 Terminating Local

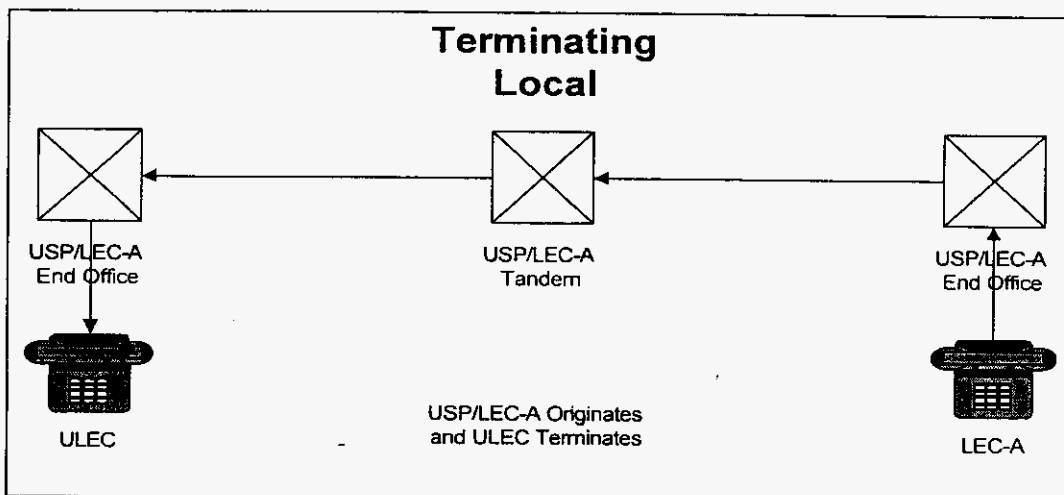


Figure 14-3 - Terminating local to a ULEC from a USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC for any of the billing options.

When there are no compensation charges, no access record (11-01-XX) is provided from the USP/LEC-A to the ULEC.

When compensation does exist, the USP/LEC-A provides the ULEC with an access record (11-01-XX). This record is preferred, however other methods may include T/O ratio, flat rate, etc.

Bill Verification

When compensation does exist, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A would serve as the verification requirements for the ULEC.

When other methods of compensation exist, the USP/LEC-A will provide the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

14.4.4 Terminating IntraLATA Toll

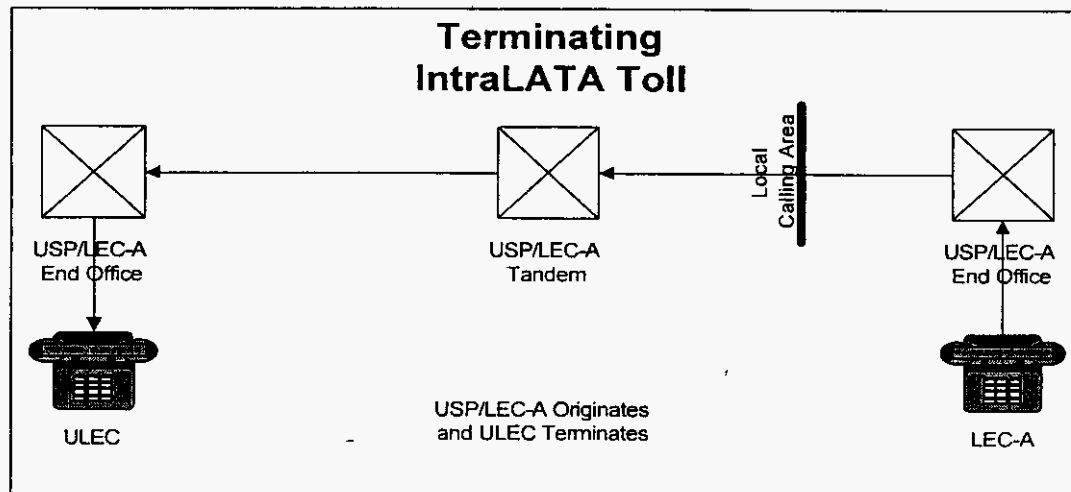


Figure 14-4 -Terminating intraLATA toll to a ULEC from an USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC for any of the billing options.

When there are no compensation charges, no access record (11-01-XX) is provided from the USP/LEC-A to the ULEC.

When compensation does exist, the USP/LEC-A provides the ULEC with an access record (11-01-XX). This record is preferred, however other methods may include T/O ratio, flat rate, etc.

Bill Verification

When compensation does exist, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

When other methods of compensation exist, the USP/LEC-A will provide the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

14.4.5 Originating Local/IntraMTA and IntraLATA Toll

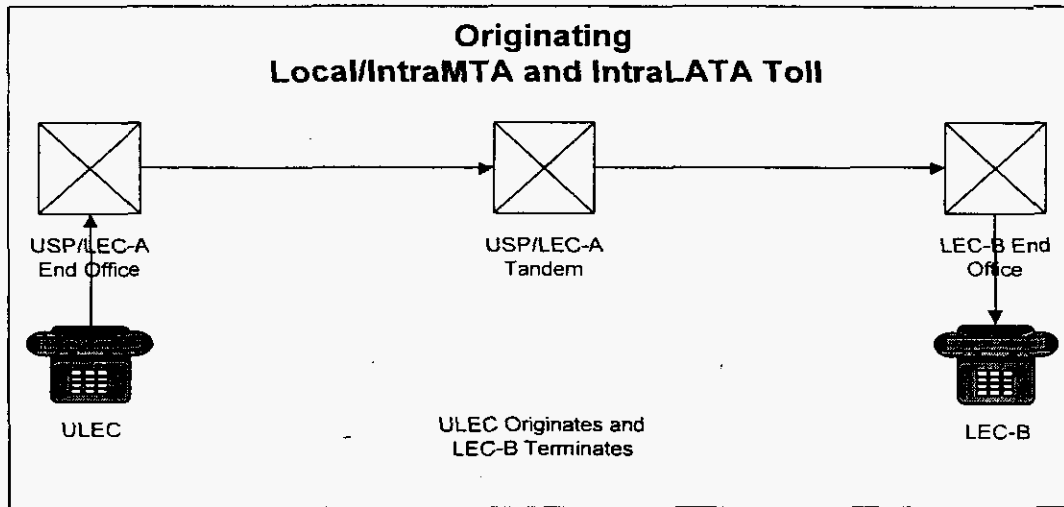


Figure 14-5 - Originating local/intraMTA and intraLATA toll from a ULEC to LEC-B (ULEC is the local and toll provider via the USP/LEC-A's network)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the LEC-B will provide the customer notification information to the ULEC in accordance with section 14.3, in addition to their bill data elements.

Record Exchange

For all options, the USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). In addition, no access record (11-01-XX) is provided from the USP/LEC-A to the ULEC.

For all options, no access record (11-01-XX) is provided from the USP/LEC-A to LEC-B. LEC-B and the USP/LEC-A are able to bill the ULEC directly from their recordings. Companies who do not have recordings may have contractual relationships for receipt of their records.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC's unbundled and compensation bills.

The USP/LEC-A has their switch records to validate any billing they may receive from LEC-B.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.6 Terminating Local/IntraMTA and IntraLATA Toll

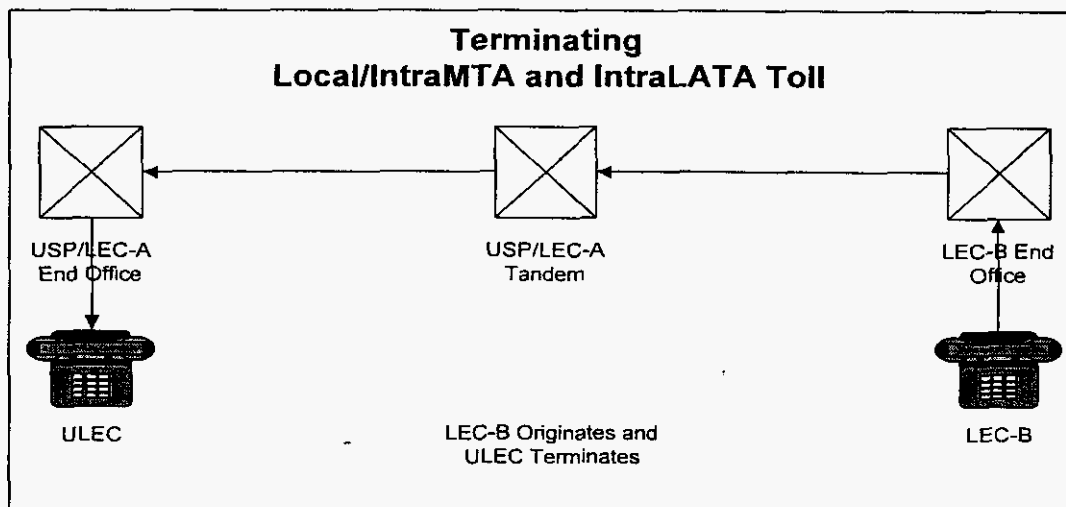


Figure 14-6 - Terminating local/intraMTA and intraLATA toll to a ULEC from LEC-B

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC for any of the billing options.

For option 1A, whether or not the USP/LEC-A has recordings and compensation does exist, the USP/LEC-A will settle with LEC-B using the existing compensation arrangements.

For options 1B, 2 and 3, when the USP/LEC-A does not have recordings but compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the USP/LEC-A has recordings and compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-XX) to bill LEC-B.

Bill Verification

The end user record (01-01-XX/10-01-XX) recorded by LEC-B and the customer notification information will serve as the verification requirement for LEC-B. Companies who do not have recordings may have contractual relationships for receipt of their records.

When other methods of compensation exist, LEC-B will provide the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

LEC-B has their switch records to validate any billing they may receive.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.7 Originating Local/IntraMTA and IntraLATA Toll

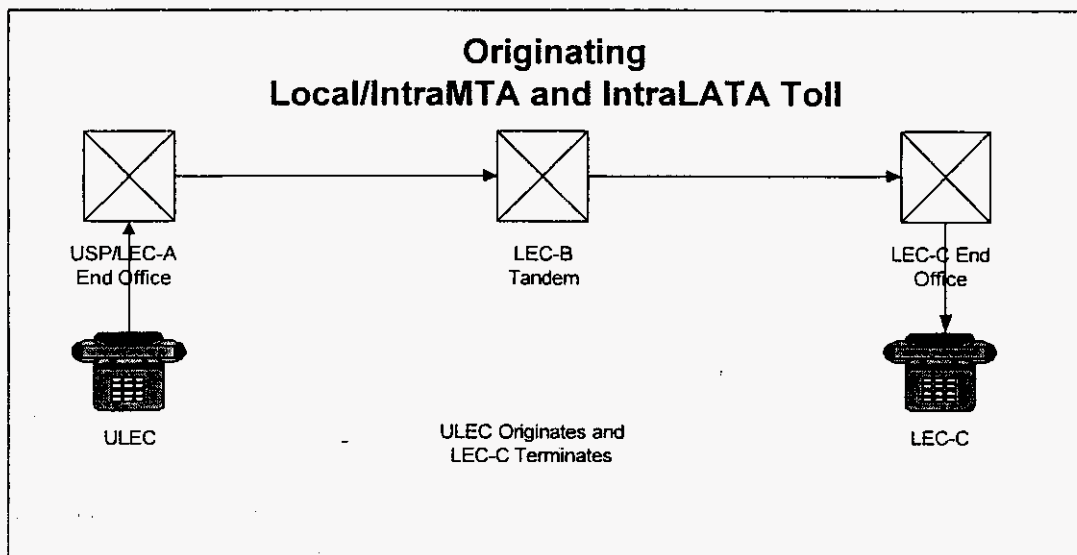


Figure 14-7 - Originating local/intraMTA from a ULEC to LEC-C through LEC-B's tandem

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will provide LEC interconnection information to LEC-C in accordance with section 14.3.

For options 1B, 2 and 3, the LEC-B and LEC-C will provide the customer notification information to the ULEC in accordance with section 14.3, in addition to their bill data elements.

Record Exchange

For all options, the USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). In addition, no access record (11-01-XX) is provided by the USP/LEC-A to the ULEC.

For option 1A, whether or not LEC-B and LEC-C has recordings and compensation does exist, LEC-B and LEC-C will bill/settle with the USP/LEC-A using the existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when LEC-B and LEC-C do not have recordings but compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the LEC-B and LEC-C have recordings and compensation does exist, each company will use their records for billing.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC's unbundled and compensation bills.

The USP/LEC-A has their switch records to validate any billing they receive from the LEC-C and LEC-B. Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.8 Terminating Local/IntraMTA and IntraLATA Toll

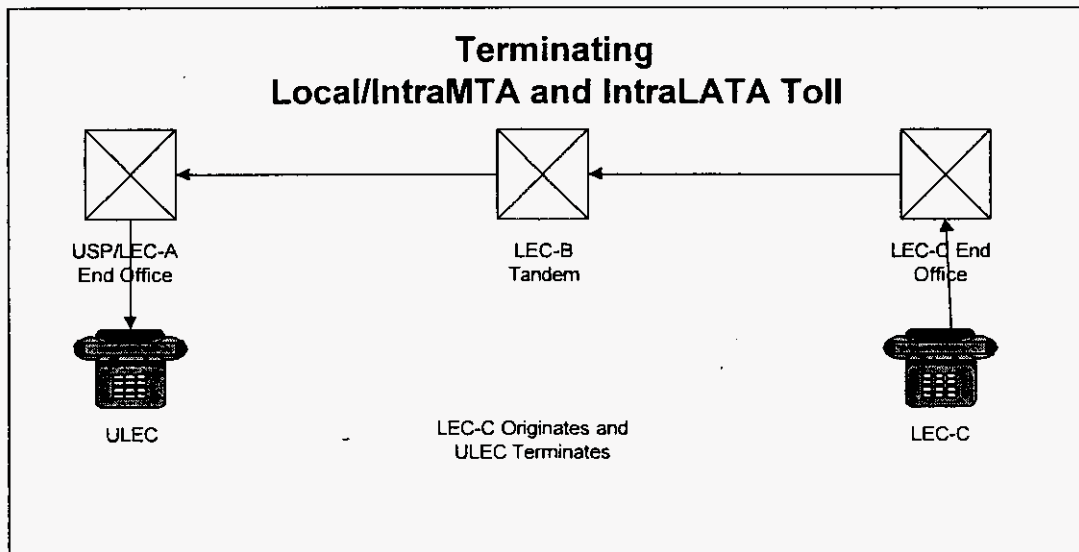


Figure 14-8 - Terminating local/intraMTA and intraLATA toll from LEC-A to ULEC through LEC-B.

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will provide LEC interconnection information to LEC-C in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A, and LEC-B will provide the customer notification information to LEC-C in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC from the USP/LEC-A. The USP/LEC-A will pass an access record (11-01-XX) to the ULEC.

For option 1A, whether or not the USP/LEC-A and LEC-B has recordings and compensation does exist, the USP/LEC-A and LEC-B will settle/bill with the LEC-C using the existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when the USP/LEC-A and LEC-B do not have recordings but compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the USP/LEC-A and LEC-B have recordings and compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-XX) to bill the LEC-C. The LEC-B will use their record to bill the LEC-C.

Bill Verification

The access record (11-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC. Companies who do not have recordings may have contractual relationships for receipt of their records. The LEC-A may validate their bill with their originating recording.

When other methods of compensation exist, the LEC-C provides the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O ratio, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

LEC-C may validate their bill with their originating recording.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.9 Originating Local/IntraMTA and IntraLATA Toll (4 LECs)

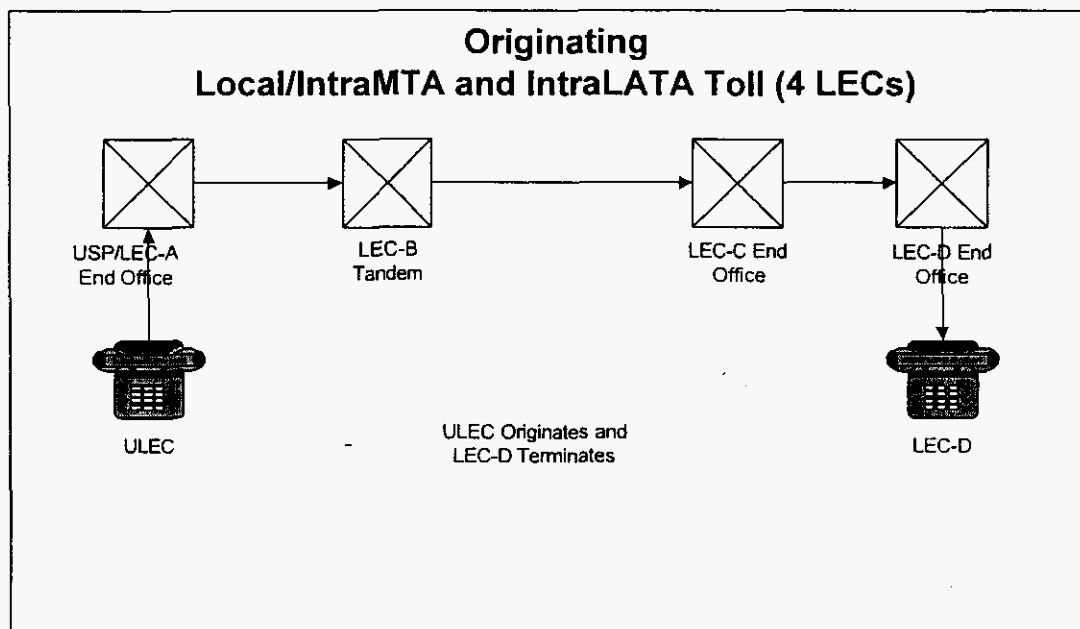


Figure 14-9 - Originating local/intraMTA and intraLATA toll from a ULEC to LEC-D through 3 other LECs

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will be responsible for passing LEC interconnection notification information to LEC-C who will pass the same information to LEC-D in accordance with section 14.3.

For options 1B, 2 and 3, LEC-B, LEC-C and LEC-D will provide the customer notification information to the ULEC in accordance with section 14.3.

Record Exchange

Under all options, the USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). In addition, no access record (11-01-XX) is provided by the USP/LEC-A to the ULEC.

For option 1A, whether or not LEC-B, LEC-C, and LEC-D have recordings and compensation does exist, LEC-B, LEC-C and LEC-D will bill/settle with the USP/LEC-A using existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when LEC-B, LEC-C and LEC-D do not have recordings and compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when LEC-B, LEC-C and LEC-D have recordings and compensation does exist, each company will use their records for billing.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC's unbundled and compensation bills.

The USP/LEC-A has their switch records to validate any billing they receive from LEC-B, LEC-C and LEC-D. Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.10 Terminating Local/IntraMTA and IntraLATA Toll (4 LECs)

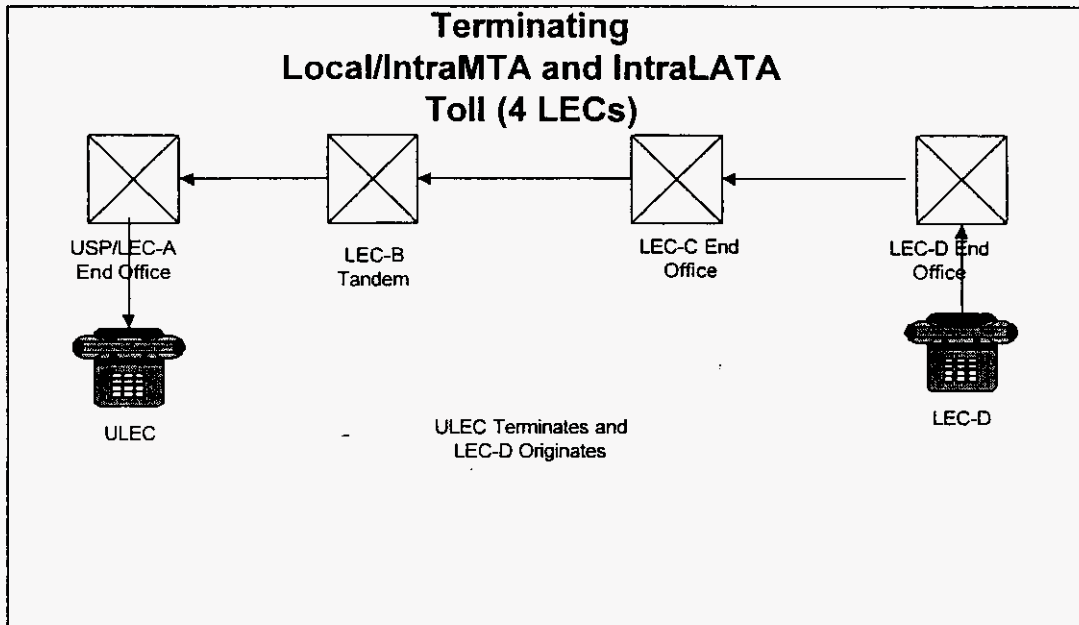


Figure 14-10 - Terminating local/intraMTA and intraLATA to a ULEC from one LEC through 3 other LECs

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will provide LEC interconnection notification information to LEC-C who will pass the same to LEC-D in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A, LEC-B and LEC-C will provide the customer notification information to LEC-D in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided under any of the billing options from the USP/LEC-A to the ULEC. The USP/LEC-A will provide an access record (11-01-XX) to the ULEC.

For option 1A, whether or not the USP/LEC-A, LEC-B and LEC-C have recordings and compensation does exist, the USP/LEC-A, LEC-B, and LEC-C will settle/bill with LEC-D using the existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when the USP/LEC-A, LEC-B, and LEC-C do not have recordings and compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the USP/LEC-A, LEC-B and LEC-C have recordings and compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-XX). All companies will use their recordings to bill.

Bill Verification

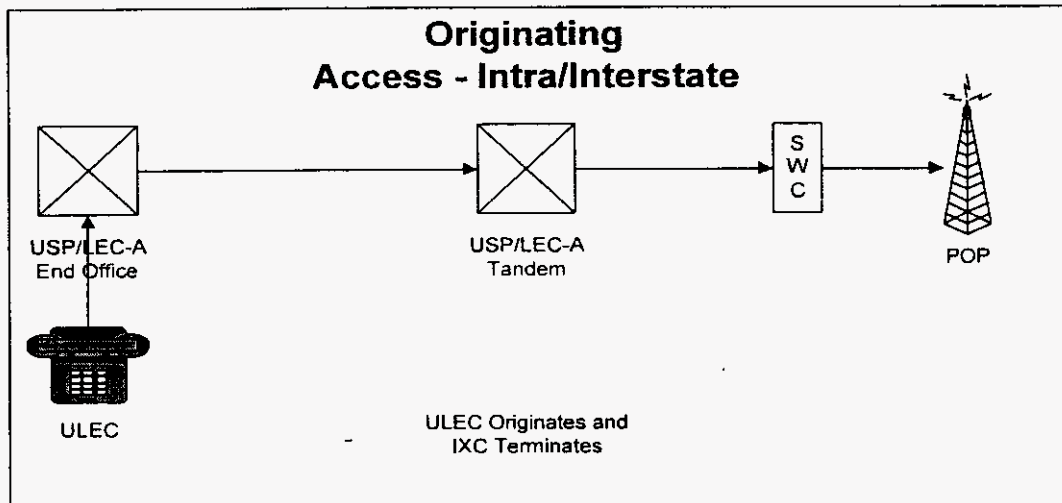
The end user record (01-01-XX/10-01-XX) and the customer notification information will serve as the verification requirements for the LEC-D.

When other methods of compensation exist, the LEC-D provides the T/O ratio, flat rate, etc to the ULEC. The ULEC may validate the T/O ratio, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The LEC-D may validate their bill with their originating recording.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.11 Originating Access - Intra/Interstate**Figure 14-11** - Originating access from a ULEC to an IXC**Notification Information**

For all options, the USP/LEC-A will provide the LEC interconnection notification information to the IXC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options from the USP/LEC-A to the ULEC.

For all options, the USP/LEC-A will provide an access record (11-0X-XX) to the ULEC.

For option 1A, the USP/LEC-A will continue to bill access to the IXC. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC.

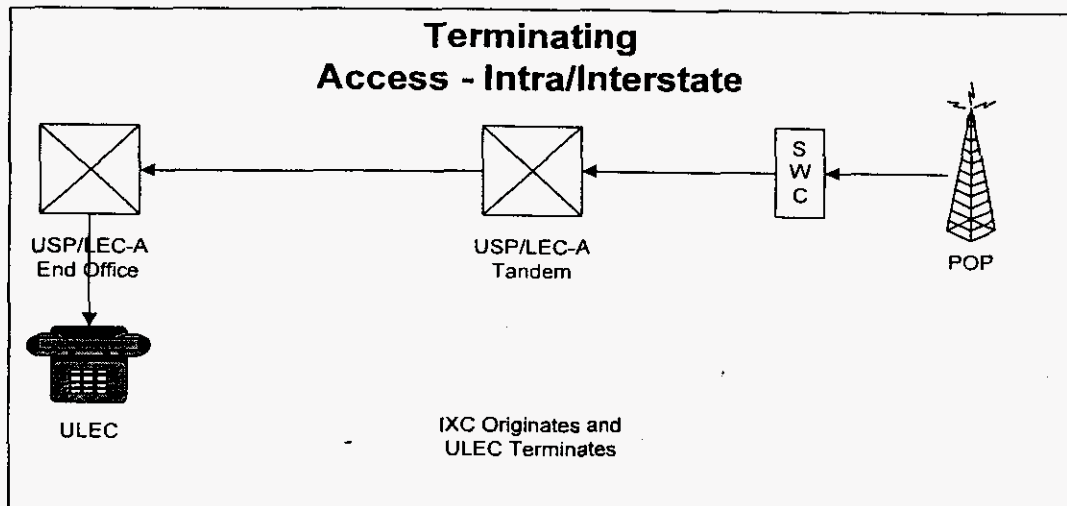
For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. The USP/LEC-A will also use the access record (11-0X-XX) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their record and the customer notification information to serve as their verification requirements.

Footnote: When 2 PIC exists for IntraLATA traffic, the process outlined in this diagram will apply.

14.4.12 Terminating Access - Intra/Interstate**Figure 14-12 - Terminating access from an IXC to a ULEC****Notification Information**

For all options, the USP/LEC-A will provide the LEC interconnection notification information to the IXC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options between the USP/LEC-A and the ULEC.

For all options, the USP/LEC-A will provide an access record (11-0X-XX) to the ULEC.

For option 1A, the USP/LEC-A will continue to bill access to the IXC. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. The USP/LEC-A will also use the access record (11-0X-XX) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their record and the customer notification information to serve as their verification requirements.

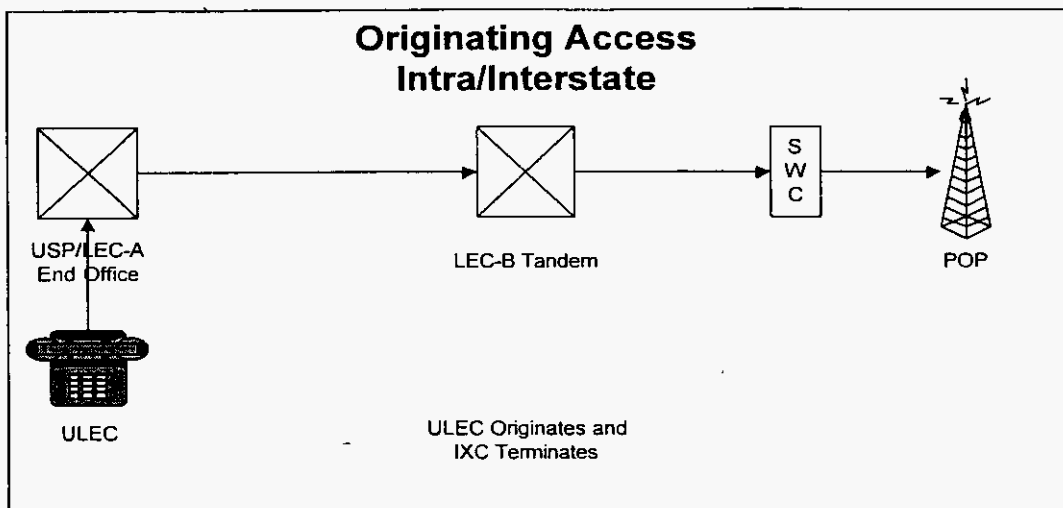
14.4.13 Originating Access Intra/Interstate

Figure 14-13 - Originating access from a ULEC behind LEC-A to an IXC through the LEC-B tandem

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options from the USP/LEC-A to the ULEC.

For all options, the USP/LEC-A will provide an access record (11-0X-XX) to the ULEC and the LEC-B.

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-0X-XX) to bill the IXC under their existing meet-point arrangement.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC. In either case, the LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will use the access record (11-0X-XX) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their recording and the customer notification information to serve as their verification requirements.

Footnote: When 2 PIC exists for IntraLATA traffic, the process outlined in this diagram will apply.

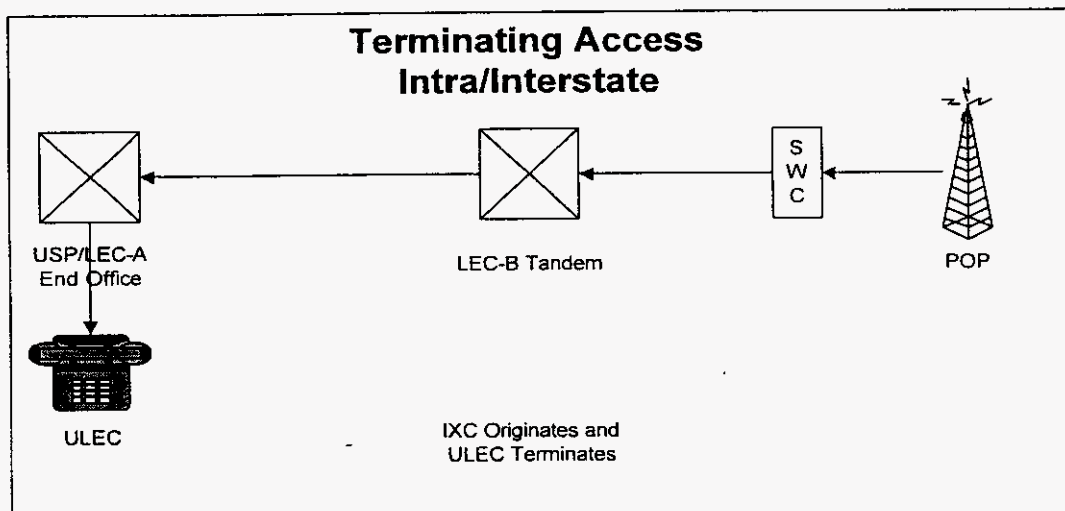
14.4.14 Terminating Access Intra/Interstate

Figure 14-14 - Terminating access from an IXC to a ULEC behind a LEC-B tandem through the LEC-A End Office

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options from the USP/LEC-A to the ULEC.

For all options, the LEC-B will provide an access record (11-0X-XX) to the USP/LEC-A and the USP/LEC-A will pass the access record (11-0X-XX) to the ULEC.

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-0X-XX) to bill the IXC under their existing meet-point arrangement.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-B is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC. In either case, LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. The LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will also use the access record (11-0X-XX) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their recording and the customer notification information to serve as their verification requirements.

14.4.15 Originating 800 LEC Provided

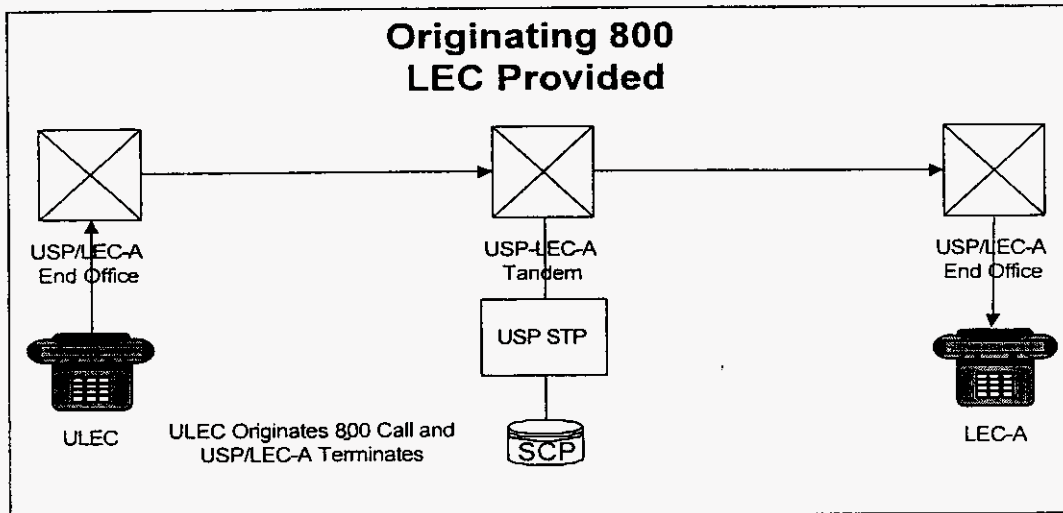


Figure 14-15 - Originating 800 from a ULEC to an USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

For all options, the USP/LEC-A and ULEC will determine whether the end user record (01-01-25/10-01-25) is retained by the USP/LEC-A or passed to the ULEC then back to the USP/LEC-A.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

When compensation does not exist, no access record (11-01-25) is provided from the USP/LEC-A to the ULEC.

When compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-25).

Bill Verification

The access record (11-01-25) provided between the ULEC and the USP/LEC-A will serve as the verification requirements for the ULEC.

The USP/LEC-A also has their switch records to validate any billing they receive from the ULEC.

14.4.16 Originating 800 LEC Provided

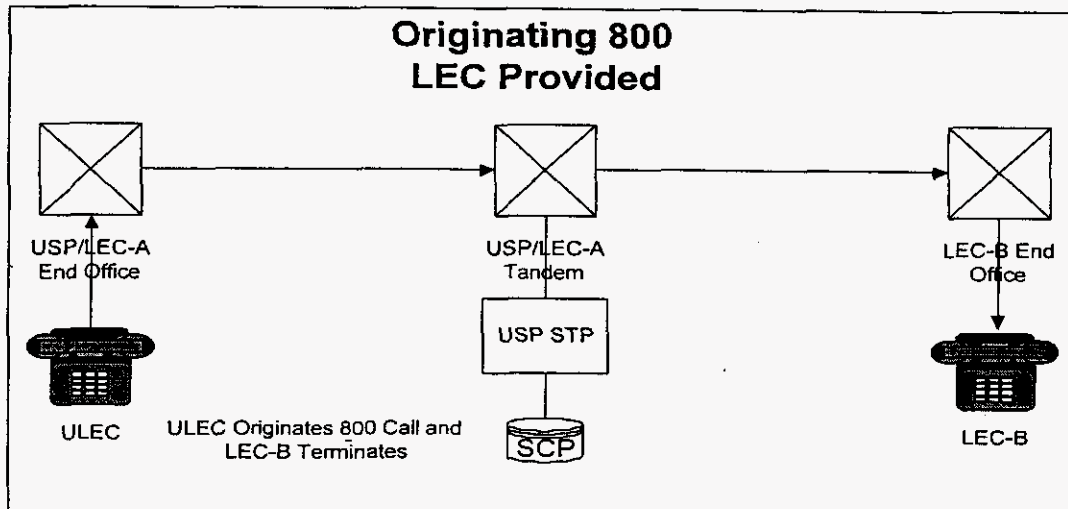


Figure 14-16 - Originating 800 from a ULEC to LEC-B through a USP/LEC-A (The tandem company is providing the SSP functionality)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

For all options, the USP/LEC-A and ULEC will determine whether the end user record (01-01-25/10-01-25) is retained by the USP/LEC-A or passed to the ULEC then back to the USP/LEC-A.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

Under all options, the USP/LEC-A will provide the ULEC with an access record (11-01-25).

For option 1A, the USP/LEC-A will bill the LEC-B under their existing compensation relationship. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the LEC-B. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the LEC-B.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the LEC-B. The USP/LEC-A will also use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

The access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The LEC-B has the end user record (01-01-25/10-01-25) and the customer notification information to validate any billing. The LEC-B may also perform recording that would allow them to use their records for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.17 Originating 800 LEC Provided

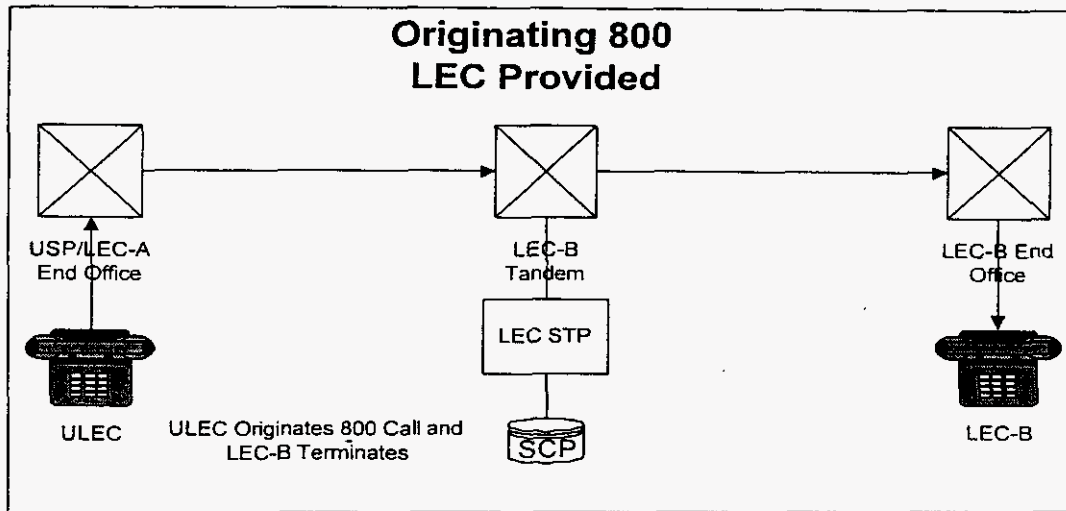


Figure 14-17 - Originating 800 to an LEC-B (LEC-B is the 800 service provider). (The tandem company is providing SSP functionality for LEC-A.)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

The LEC-B may provide the USP/LEC-A with an end user record (01-01-25/10-01-25) or the LEC-B may retain this record. If the LEC-B provides a record to the USP/LEC-A, the USP/LEC-A may pass this record to the ULEC. The ULEC and USP/LEC-A will determine whether the end user record (01-01-25/10-01-25) is passed to the LEC-B by either the USP/LEC-A or ULEC.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

Under all options, the LEC-B will provide the USP/LEC-A with an access record (11-01-25). The USP/LEC-A will pass this record to the ULEC.

For option 1A, the USP/LEC-A will bill the LEC-B under their existing compensation relationship. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the LEC-B. When the USP/LEC-A is the bill rendering company, the USP will use the access record (11-01-25) to bill the LEC-B.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the LEC-B. The USP/LEC-A will also use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

The access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The LEC-B has the end user record (01-01-25/10-01-25) and the customer notification information to validate any billing. The LEC-B may also perform recording, which would allow them to use their records for verification.

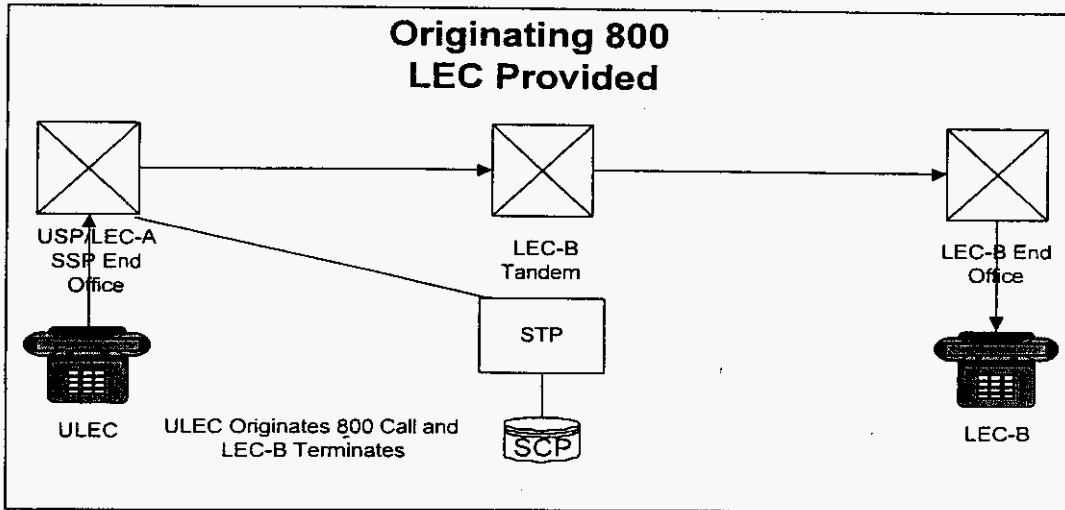
14.4.18 Originating 800 LEC Provided

Figure 14-18 - Originating 800 to LEC-B (LEC-B is the 800 service provider) (LEC-A has SSP functionality)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

The USP/LEC-A will generate an end user record (01-01-25/10-01-25). The USP/LEC-A may pass this record to the ULEC. The USP/LEC-A and ULEC will determine whether the end user record (01-01-25/10-01-25) is passed to the LEC-B by the USP/LEC-A or the ULEC.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

Under all options, the USP/LEC-A will provide the ULEC with an access record (11-01-25).

For option 1A, the USP/LEC-A will bill the LEC-B under their existing compensation relationship. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the LEC-B. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the LEC-B.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the LEC-B. The USP/LEC-A will also use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

The access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The LEC-B has the end user record (01-01-25/10-01-25) and the customer notification information to validate any billing. The LEC-B may also record, which allows them to use their record for verification.

14.4.19 Originating 800 Intra/Interstate - IXC Provided

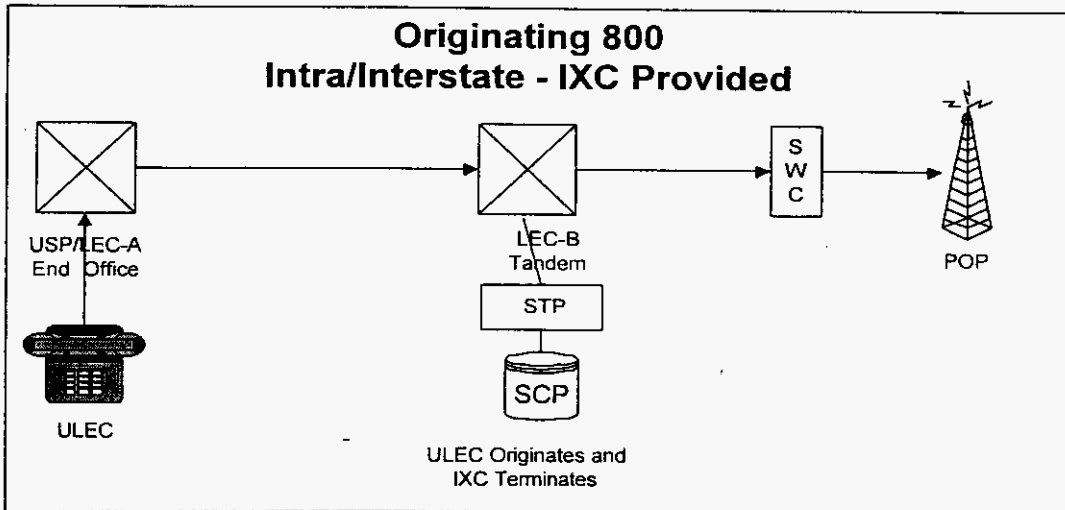


Figure 14-19 - Originating 800 from a ULEC to an IXC behind another LEC (The tandem company is providing SSP functionality.)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-25/10-01-25) provided for any of the billing options.

Under all options, the LEC-B will provide the USP/LEC-A with an access record (11-01-25). The USP/LEC-A will pass this record to the ULEC. The LEC-B should retain a copy of this record.

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-01-25) to bill the IXC under their existing meet-point arrangement. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the IXC. In either case, the LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the IXC. The LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-01-25) provided to the ULEC by the USP/LEC-A and customer notification information will serve as the verification requirements for the ULEC.

The IXC will have their records and the customer notification information to serve as their verification requirements.

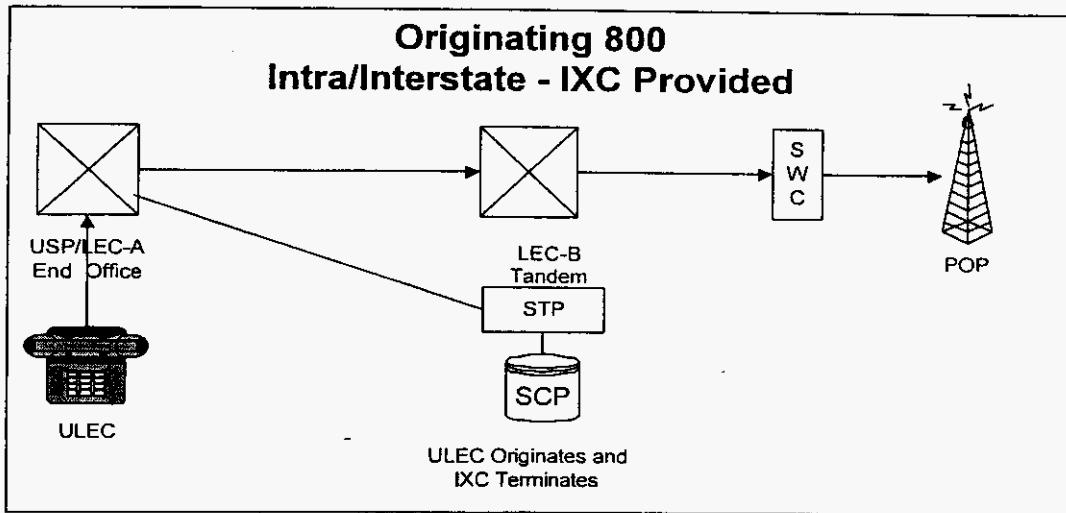
14.4.20 Originating 800 Intra/Interstate - IXC Provided

Figure 14-20 - Originating 800 from a ULEC to an IXC behind another LEC (LEC-A has SSP functionality.)

Notification

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-25/10-01-25) provided for any of the billing options.

Under all options, USP/LEC-A will provide the ULEC and LEC-B with an access record (11-01-25).

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-01-25) to bill the IXC under their existing meet-point arrangement. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

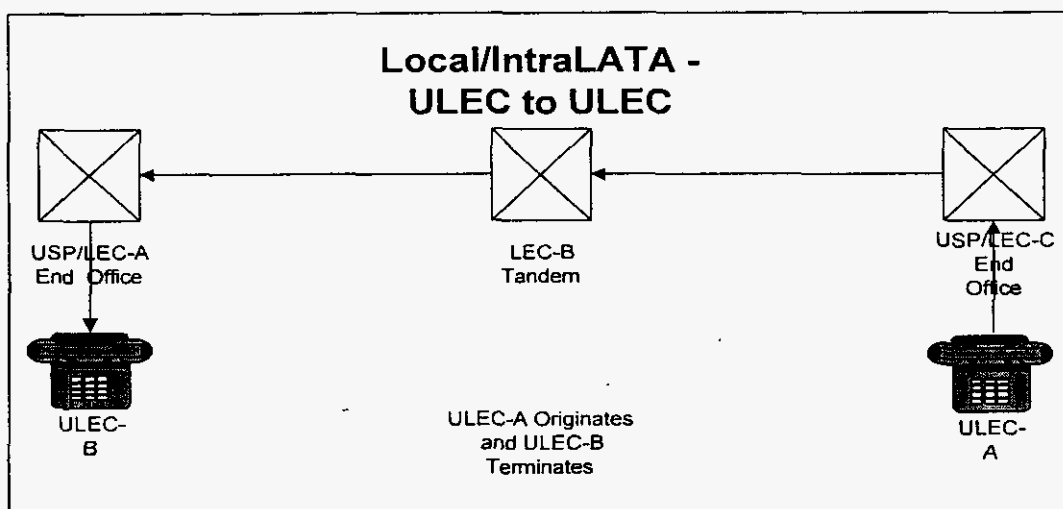
For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the IXC. In either case, the LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the IXC. The LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The IXC will have their records and the customer notification information to serve as their verification requirements.

14.4.21 Local/IntraLATA - ULEC to ULEC**Figure 14-21 - Terminating local/intraLATA ULEC to ULEC through other LECs****Notification Information**

For all options, the USP/LEC-C will provide the LEC interconnection notification information to ULEC-A and LEC-B. USP/LEC-A will provide the LEC interconnection notification information to ULEC-B and LEC-B. LEC-B will pass the information to the USP/LEC-C and USP/LEC-A. All notifications will be in accordance with section 14.3.

For options 1B, 2 and 3, ULEC-B, USP/LEC-A, and LEC-B will provide the customer notification information to ULEC-A in accordance with section 14.3. In addition, ULEC-B will provide their bill data elements.

Record Exchange

For all options, USP/LEC-C will provide ULEC-A with an end user record (01-01-XX/10-01-XX). There is no end user record (01-01-XX/10-01-XX) provided from USP/LEC-C to ULEC-B.

For all options, USP/LEC-C will not provide an access record (11-01-XX) to ULEC-A. USP/LEC-A will provide an access record (11-01-XX) to ULEC-B.

LEC-B should have their recordings. Companies who do not have recordings may have contractual relationships for receipt of their records.

USP/LEC-C and ULEC-A

For option 1, USP/LEC-C receives the bills from LEC-B and USP/LEC-A and/or ULEC-B depending on the options negotiated between USP/LEC-A and ULEC-B.

For option 2, ULEC-A receives the bills from the LEC-B and USP/LEC-A and/or ULEC-B depending on the options negotiated between USP/LEC-A and ULEC-B.

For option 3, ULEC-A receives the bills from the LEC-B, USP/LEC-C, and USP/LEC-A and/or ULEC-B depending on the options negotiated between USP/LEC-A and ULEC-B.

LEC-B

LEC-B will send the bill to USP/LEC-C or ULEC-A depending on the option negotiated between USP/LEC-C and ULEC-A

USP/LEC-A and ULEC-B For option 1A, USP/LEC-A sends the bills to USP/LEC-C or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A.

For option 1B, when USP/LEC-A is rendering the bill, USP/LEC-A will send the bill to USP or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A. When ULEC-B is rendering the bill, ULEC-B will send the bill to USP/LEC-C or ULEC-A.

For option 2, ULEC-B sends the bills to USP/LEC-C or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A.

For option 3, USP/LEC-A and ULEC-B sends the bills to USP/LEC-C or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A.

Bill Verification

The end user record provided to ULEC-A by USP/LEC-C will serve as bill verification requirements for the ULEC-A. The USP/LEC-C also has their switch records to validate any billing they may receive from the LEC-B and USP/LEC-A and ULEC-B.

The USP/LEC-C to ULEC-A and USP/LEC-A to ULEC-A provides the T/O ratio. The ULEC-A and ULEC-B may validate the T/O via an audit process.

The access record (11-01-XX) exchange from USP/LEC-A to ULEC-B will serve as the verification requirements for ULEC-B

For options 1A and 1B, the USP/LEC-C and USP/LEC-A will provide the LEC-B and each other the minimum requirements listed in section 14.3.

For options 1B, 2 and 3, ULEC-A and ULEC-B will provide the LEC-B and each other the minimum requirements listed in section 14.3.

15. ACRONYMS

ACNA	Access Customer Number Abbreviation
ACTL	Access Customer Terminal Location
ASOG	Access Service Ordering Guidelines
ASR	Access Service Request
AT	Access Tandem
ATC	Access to Carrier
ATIS	Alliance for Telecommunications Industry Solutions (formerly ECSA)
AUR	Access Usage Record
BAN	Billing Account Number
BDT	Billing Data Tape
BOS	Billing Output Specifications
BSA	Basic Service Arrangement (ONA)
BP	Billing Percentage
CABS	Carrier Access Billing System
CARS	CABS Auxiliary Report Specifications
CFA	Connecting Facility Assignment
CIC	Carrier Identification Code assigned by NANPA
CKL	Circuit Location
CKLT	Circuit Location Terminal
CLC	Carrier Liaison Committee
CLCI	Common Language Circuit Identification
CLEC	Competitive Local Exchange Carrier
CLEI	Common Language Equipment Identifier
CLFI	Common Language Facility Identifier
CLLI	Common Language Location Identification code
CMRS	Commercial Mobile Radio Service
CSR	Customer Service Record
DA	Directory Assistance
DAL	Dedicated Access Lines
DTO	Dial Tone Office
EC	Exchange Carrier
EC CKTID	EC Circuit Identifier
ECSA	Exchange Carrier Standards Association (now ATIS)
EMI	Exchange Message Interface
EO	End Office
FB	Facility-Based
FCC	Federal Communications Commission
FGA	Switched Access Feature Group A
FGB	Switched Access Feature Group B
FGC	Switched Access Feature Group C
FGD	Switched Access Feature Group D
FID	Field Identifier
FOC	Firm Order Confirmation
HBAN	High Capacity Billing Account Number
Hicap	High Capacity

IC	Interexchange Carrier
IC CKTID	IC Circuit Identifier
ICO	Independent Telephone Company
ID	Identification
ILEC	Incumbent Local Exchange Carrier
IXC	Interexchange Carrier
LATA	Local Access Transport Area
LEC	Local Exchange Carrier
LERG	Local Exchange Routing Guide
LNP	Local Number Portability
LOA	Letter of Authorization
LRN	Location Routing Number
LSOG	Local Service Ordering Guidelines
LSR	Local Service Request
LTL	Local Transport Location
LTR	Local Transport Restructure
MECAB	Multiple Exchange Carrier Access Billing [document]
MECOD	Multiple Exchange Carrier Ordering and Design
MM	Multiple Bill reflecting Single Tariff
MO&O	Memorandum Opinion and Order
MOU	Minutes of Use
MPB	meet-point Billing
MRG	MECAB Review Group
MSC	Mobile Switching Center
MTA	Major Trading Area
MT	Multiple Bill reflecting Multiple Tariff
MTS	Message Telephone Service
NECA	National Exchange Carrier Association
NPA-NXX	Numbering Plan Area - Central Office Unit
OBF	Ordering and Billing Forum
OC&C	Other Charges and Credits
OCN	Operating Company Number
ONA	Open Network Architecture
OTID	Office Tape Identification
PCS	Personal Communications Service
PDR	Percent Direct Routed
PIU	Percent Interstate Usage
PICC	Primary Interexchange Carrier Charge
PLU	Percent Local Use
POI	Point of Interconnection
POP	Point of Presence
POT	Point of Termination
PTR	Percent Traffic Routed
SCP	Switching Control Point
SECAB	Small Exchange Carrier Access Billing (document)
SM	Single Bill - Multiple Tariff
SS	Single Bill - Single Tariff
SSP	Signaling Switching Point

STP	Signaling Transfer Point
SWC	Serving Wire Center
TGN	Trunk Group Number
T/O	Terminating to Originating
ULEC	Unbundled Local Exchange Carrier
UNE	Unbundled Network Elements
USP	Unbundled Service Provider
V&H	Vertical and Horizontal
WAL	WATS Access Lines
WATS	Wide Area Telecommunications Service
WSP	Wireless Service Provider

Before the
Federal Communications Commission
Washington, D.C. 20554

Munsell
Deposition Exhibit

9

In the Matter of)	
)	
In the Matter of Petition of WorldCom, Inc.)	
Pursuant to Section 252(e)(5) of the)	
Communications Act for Preemption of the	)	CC Docket No. 00-218
Jurisdiction of the Virginia State Corporation)	
Commission Regarding Interconnection)	
Disputes with Verizon Virginia Inc., and for)	
Expedited Arbitration)	
)	
In the Matter of Petition of Cox Virginia)	
Telcom, Inc. Pursuant to Section 252(e)(5) of)	
the Communications Act for Preemption of the	)	CC Docket No. 00-249
Jurisdiction of the Virginia State Corporation)	
Commission Regarding Interconnection)	
Disputes with Verizon-Virginia, Inc. and for)	
Arbitration)	
)	
In the Matter of Petition of AT&T)	
Communications of Virginia Inc., Pursuant to)	
Section 252(e)(5) of the Communications Act	)	CC Docket No. 00-251
for Preemption of the Jurisdiction of the)	
Virginia Corporation Commission Regarding)	
Interconnection Disputes With Verizon)	
Virginia Inc.)	
)	

MEMORANDUM OPINION AND ORDER

Adopted: July 17, 2002

Released: July 17, 2002

By the Chief, Wireline Competition Bureau:

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I. INTRODUCTION

1. In this order, we issue the first of two decisions that resolve questions presented by three petitions for arbitration of the terms and conditions of interconnection agreements with Verizon Virginia, Inc. (Verizon). Following the enactment of the Telecommunications Act of 1996 (1996 Act),¹ the Commission adopted various rules to implement the legislatively mandated, market-opening measures that Congress put in place.² Under the 1996 Act's design, it has been largely the job of the state commissions to interpret and apply those rules through arbitration proceedings. In this proceeding, the Wireline Competition Bureau, acting through authority expressly delegated from the Commission, stands in the stead of the Virginia State Corporation Commission. We expect that this order, and the second order to follow, will provide a workable framework to guide the commercial relationships between the interconnecting carriers before us in Virginia.

2. The three requesting carriers in this proceeding, AT&T Communications of Virginia, Inc. (AT&T), WorldCom, Inc. (WorldCom) and Cox Virginia Telcom, Inc. (Cox) (collectively "petitioners"), have presented a wide range of issues for decision. They include issues involving network architecture, the availability of unbundled network elements (UNEs), and inter-carrier compensation, as well as issues regarding the more general terms and conditions that will govern the interconnecting carriers' rights and responsibilities. As we discuss more fully below, after the filing of the initial pleadings in this matter, the parties conducted extensive

¹ See Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996). We refer to the Communications Act of 1934, as amended by the 1996 Act and other statutes, as the Communications Act, or the Act. See 47 U.S.C. §§ 151 *et seq.*

² See, e.g., *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499 (1996) (*Local Competition First Report and Order*) (subsequent history omitted); *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 15 FCC Rcd 3696 (1999) (*UNE Remand Order*).

171. As explained in our discussion of Issue IV-2, we reject Verizon's proposed section 2.5, governing compensation for two-way trunk facilities, because it incorporates elements of Verizon's VGRIPs proposal and appears to allocate costs disproportionately between the parties for two-way trunks.⁵⁷² Verizon's proposed section 7.2, requiring the parties to pay each other reciprocal compensation, is addressed elsewhere in this order.⁵⁷³ Finally, we also reject WorldCom's proposed section 1.2.5,⁵⁷⁴ on grounds that it is ambiguous, and appears to be inconsistent with our rules and with WorldCom's own advocacy. While WorldCom suggests generally that its language proposed under this issue does not address compensation due for lease of interconnection facilities, its proposed language does not reflect this position: "neither Party may charge the other Party installation charges or monthly recurring charges for the use of Local Interconnection Trunk Groups." The Commission's rules clearly envision the payment of nonrecurring and recurring charges for facilities such as these.⁵⁷⁵ Moreover, WorldCom's own proposed section 1.8.11 (which we adopt in Issue IV-2) envisions the payment of recurring charges, and also addresses non-recurring charges.

13. Issue IV-6 (Meet Point Trunking Arrangements)

a. Introduction

172. WorldCom proposes language for the implementation of meet point trunking arrangements between the parties for the joint provision of switched exchange access services to IXC's.⁵⁷⁶ Verizon objects to this language, proposing its own language under which WorldCom would purchase access toll connecting trunks from Verizon in order to provide switched exchange access services.⁵⁷⁷ We adopt WorldCom's proposed language.

b. Positions of the Parties

173. WorldCom proposes detailed terms addressing meet point trunking between the parties for their joint provision of switched access services. WorldCom argues that, when Verizon and WorldCom jointly provide exchange access services to an IXC, Verizon should charge that IXC, not WorldCom, for the services Verizon provides. WorldCom states that Verizon has no right to charge WorldCom for access services Verizon provides to that IXC.⁵⁷⁸

⁵⁷² See *supra*, Issue IV-2 (rejecting Verizon's proposed section 2.5).

⁵⁷³ See *supra*, Issues I-5 and I-6.

⁵⁷⁴ See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.2.5.

⁵⁷⁵ See, e.g., 47 C.F.R. § 51.709(b).

⁵⁷⁶ See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.4.

⁵⁷⁷ See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 8.

⁵⁷⁸ See WorldCom Reply at 52.

WorldCom also claims Verizon's position – that WorldCom must purchase toll trunks out of Verizon's access tariff to provide switched exchange access through Verizon's tandems – is an inappropriate attempt to dictate what services IXC's may purchase or where they may purchase them.⁵⁷⁹ WorldCom argues that if an IXC chooses to reach WorldCom's network through Verizon's tandem, then WorldCom is in no position to dictate to the IXC that it must instead purchase dedicated switched access services directly to WorldCom's switch. According to WorldCom, that choice is solely in the discretion of the IXC.⁵⁸⁰

174. WorldCom also argues that Verizon's proposal would unlawfully restrict WorldCom's freedom to use UNEs, such as dedicated transport, to provide any telecommunications service, including exchange access service.⁵⁸¹ According to WorldCom, Verizon appears to take the position that WorldCom may not purchase unbundled dedicated transport from Verizon in order to provide access services to IXC's.⁵⁸² WorldCom argues that Commission Rule 51.309(a) clearly prohibits Verizon from denying WorldCom UNE dedicated transport for use in this manner.⁵⁸³

175. Verizon argues that, when WorldCom asks Verizon for trunks that will connect WorldCom's customers to IXC's through Verizon's tandems, WorldCom is ordering access toll connecting trunks from Verizon.⁵⁸⁴ According to Verizon, reciprocal compensation traffic subject to section 251(b)(5) does not route over these trunks at all; the traffic routed over these trunks is exchange access traffic.⁵⁸⁵ Verizon states that because it is providing an exchange access service it is entitled to charge access rates.⁵⁸⁶ Verizon also disputes WorldCom's characterization of its proposal as being tied into its VGRIPs proposal. According to Verizon, the trunks at issue are unrelated to the VGRIPs proposal because they carry exchange access traffic, rather than reciprocal compensation traffic.⁵⁸⁷ Verizon also objects to WorldCom's proposal because it does not explain how Verizon is being compensated for the service it

⁵⁷⁹ See WorldCom Brief at 57.

⁵⁸⁰ See *id.* at 57.

⁵⁸¹ See *id.* at 58, citing 47 U.S.C. § 251(c)(3).

⁵⁸² See *id.* at 58, citing Tr. at 2417.

⁵⁸³ See *id.* at 58, quoting 47 C.F.R. § 51.309(a) (prohibiting incumbent LECs from imposing "limitations, restrictions, or requirements on requests for, or the use of, unbundled network elements that would impair the ability of a requesting telecommunications carrier to offer a telecommunications service in the manner the requesting telecommunications carrier intends").

⁵⁸⁴ See Verizon NA Brief at 57.

⁵⁸⁵ See *id.* at 58.

⁵⁸⁶ See *id.* at 58, citing 47 U.S.C. § 251(g).

⁵⁸⁷ See *id.* at 58.

provides to WorldCom when WorldCom orders access toll connecting trunks from Verizon.⁵⁸⁸ Verizon objects that WorldCom's proposal is inconsistent with the manner in which such trunks are ordered from Verizon on a daily basis.⁵⁸⁹

176. Verizon argues that WorldCom is attempting to receive access toll connecting trunks, which are used in the provision of access services, at UNE rates in order to increase WorldCom's profit margin at Verizon's expense. Verizon objects that, as the Act, the Commission, and the Eighth Circuit Court of Appeals have made clear, access services, including the receipt of compensation for access services, have been "carved out" of the Act.⁵⁹⁰ Verizon also contends that WorldCom's proposal conflicts with agreed upon language for Issue IV-31. Specifically, Verizon states that the parties agreed that switched exchange access services and interLATA or intraLATA toll traffic would be governed by the parties' applicable tariffs. Verizon argues that, because the trunks at issue here are used to provide switched exchange access services, WorldCom's proposal would interfere with Verizon's tariff for access toll connecting trunks and conflict with the parties' agreed upon language for Issue IV-31.⁵⁹¹

c. Discussion

177. We agree with WorldCom that the services in question constitute the joint provision of switched exchange access services to IXC's by WorldCom and Verizon, both operating as LECs. Therefore, we agree with WorldCom that, when the parties jointly provide such exchange access, Verizon should assess any charges for its access services upon the relevant IXC, not WorldCom. We further agree with WorldCom that it has the right to purchase unbundled dedicated transport from Verizon to provide IXC's with access to WorldCom's local exchange network. Therefore, Verizon may not require WorldCom to purchase trunks out of Verizon's access tariffs in order for WorldCom to provide such exchange access. Accordingly, we reject Verizon's proposed language,⁵⁹² and we adopt WorldCom's proposed language.⁵⁹³

⁵⁸⁸ See *id.* at 59.

⁵⁸⁹ See *id.* at 59.

⁵⁹⁰ See Verizon NA Reply at 31, citing 47 U.S.C. § 251(g); *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Inter-carrier Compensation for ISP-Bound Traffic*, Order on Remand and Report and Order, 16 FCC Rcd 9151, 9169-70, para. 39 (2001); *CompTel v. Federal Communications Comm'n.*, 117 F.3d 1068, 1072 (8th Cir. 1997), *aff'd in part, rev'd in part*, *AT&T Corp. v. Iowa Util. Bd.*, 525 U.S. 366 (1999).

⁵⁹¹ See Verizon NA Reply at 31.

⁵⁹² See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 8 *et seq.*

⁵⁹³ See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.4 *et seq.*

Issued: April 14, 2006

FACILITIES FOR INTERSTATE ACCESS

Munsell
Deposition Exhibit 103. ORDERING OPTIONS FOR FIA (Cont'd)3.1 General (Cont'd)3.1.1 Ordering Conditions (Cont'd)

- (L) When ordering Signaling System 7 (SS7) Out of Band Signaling as described in 4.2.5(AA), the customer shall provide an ASR specifying a reference to existing CCS7 Access service facilities or reference to a related ASR for CCS7 Access service as described in 3.1.1(G). The customer's ASR shall also include STP point codes, STP location identifier codes, FGD or BSA-D trunk or 800/877/888 Service Access trunk circuit identification codes, and switch type. When ordering SS7 Out of Band Signaling for FGD or BSA-D, the customer shall specify that all traffic carried by that FGD or BSA-D will be equipped with out of band signaling. The customer shall work cooperatively with the Telephone Company to determine the number of CCS7 Access service connections required to handle the customer's SS7 Out of Band Signaling traffic.
- (M) When ordering Expanded Interconnection Services (EIS) as described in 17.5, the customer shall place an ASR for the Cross Connect, as described in 4.5.3 and 5.1.1(D), to interconnect the facilities of the Telephone Company to the facilities of the customer. Each service application used in conjunction with EIS will require a separate ASR. When ordering additions or changes to the existing EIS facilities, the customer must refer to the specific EIS facilities affected by the addition or change.
- (N) When a customer orders Tandem Switch Signaling (TSS), as described in 4.2.5(AC) and 4.2.21, to be established with the installation of a new FGD or BSA-D trunk group, 500 SAC Access Service, or 900 SAC Access Service trunk group, the Switched Access Ordering charge, per ASR and the appropriate Service Installation charge will apply for the installation of the FGD or BSA-D or 900 SAC Access services. TSS can only be provided from equal access end offices.
- When a customer orders Tandem Switch Signaling to be added to an existing FGD or BSA-D trunk group, 500 SAC Access Service or 900 SAC Access Service trunk group or to a pending ASR, only the Switched Access Ordering charge and the Design Change charge will apply for the addition of the optional arrangement.
- (O) When ordering FGD or BSA-D Switched Access with 950-XXXX Access as described in 4.2.5(T), the customer shall provide an ASR specifying which 950-XXXX access code(s) are to be routed and the FGD or BSA-D Switched Access Service over which resulting originating 950-XXXX access code calls are to be routed.
- (P) When ordering Carrier Identification Parameter (CIP) as described in 4.2.5(AE), the customer shall provide an ASR specifying a reference to existing FGD or BSA-D switched access services or reference to a related ASR for FGD or BSA-D switched access services. The customer's ASR shall specify the information necessary to identify the trunk group to which the CIP is to be added.
- (Q) For IntelliLight® Optical Transport Service, the Telephone Company will construct the customer's dedicated ring. The customer must provide the Telephone Company with complete and accurate information to design and construct the customer's dedicated ring. Construction will not begin until the customer and the Telephone Company agree on the design of the ring. The order date for the ring is the date on which the customer provides the Telephone Company with a complete and accurate ASR for the service. In the event that the customer cancels its request, or part of its request, for construction of the ring, cancellation charges as set forth in 3.2.6 following will apply.

Material formerly shown on this page now appears on Page 3-7.1

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000416

Issued: August 2, 2007

FACILITIES FOR INTERSTATE ACCESS

3. ORDERING OPTIONS FOR FIA (Cont'd)3.1 General (Cont'd)3.1.2 Provision of Other Services

- (A) At the option of a customer, Directory Assistance, Additional Labor, Telecommunications Service Priority (TSP), Testing, LIDB Query Service and Special Routing services may be ordered with an ASR at the same time the ASR is accepted by the Telephone Company. Such requests will be considered to be supplemental to the ASR. The rates and charges for these services as set forth in other sections of this tariff will apply in addition to the ordering charges set forth in this section and the rates and charges for the Switched Access or Special Access with which they are associated.
- (B) The items listed in (A) preceding may subsequently be added to the ASR at any time, up to and including the service date established by the ASR. When ordered subsequently, charges for ASR modifications as set forth in 3.2.2 will apply.

3.1.3 Special Construction

- (A) When the Telephone Company determines that the installation of service meets the guidelines of the Special Construction tariffs as set forth in Section 1.3 preceding, the customer is notified and conditions are negotiated as prescribed by the Special Construction tariffs. (N)
- (B) The regulations, rates and charges for Special Construction (as set forth in the tariffs referenced in Section 1.3 preceding) are in addition to the regulations, rates and charges specified in this section. (T)
- (C) Special Construction is not applicable to EIS. (T)

3.1.4 Expanded Interconnection Service (EIS)

(T)

The regulations, rates and charges for EIS in Section 17 are in addition to the regulations, rates and charges specified in this section.

3.1.5 Tandem Switch Signaling

The regulations, rates and charges for Tandem Switch Signaling in Section 4 and are in addition to the regulations, rates and charges specified in this section.

Certain material previously appearing on this page currently appears on Original Page 3-8.1

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000417

FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.1 General

Switched Access provides two-point communications paths between the point of termination at a CDL and the points of termination at Telephone Company end user premises within the Access Area. Each path is established through the use of Switched Transport, (Entrance Facilities, Direct-Trunked Transport and/or Tandem Switched Transport) End Office Services, and Common Lines or Special Access Lines. Switched Access provides for the ability to originate calls from an end user's premises to the CDL and to terminate calls from the CDL to an end user's premises. Specific descriptions of Switched Access are in 4.2. Switched Access Services may be connected to a customer's transmission equipment and facilities using a DS1 or DS3 Cross Connect arrangement where the customer is provided Expanded Interconnection Service as defined in Section 17.

Switched Access services, when used to provide Tandem Switch Signaling (TSS) may be connected to a customer's access tandem via Switched Transport Access services or to a customer's transmission equipment and facilities using a DS1 or DS3 Cross Connect arrangement where the customer is provided Expanded Interconnection Service as described in Section 17. TSS is available only with FGD, and BSA-D Switched Access, 500 SAC Access and 900 SAC Access services provided from equal access end offices. TSS is provided in multifrequency (MF) address signaling format from equal access end offices. TSS is also provided in SS7 Out of Band signaling format at suitably equipped (Service Switching Point) end offices. TSS is not available from end offices that use alternate technologies to provide equal access capabilities, nor from Telephone Company access tandems.

Switched Access Feature Group's are ordered in either quantities of lines or trunks or in Busy Hour Minutes of Capacity (BHMC). FGA and BSA-A is furnished on a per-line basis, and FGB, FGC, FGD, BSA-B, BSA-C, BSA-D and SAC Access Service are furnished on a per-trunk basis in accordance with the capacity ordered in trunks or BHMC.

Quantities of lines, trunks or total BHMC of the circuit group connecting the first point of switching and the CDL are determined at the Telephone Company's first point of switching.

A customer may designate one or more CDLs within the LATA for FGA, FGB, FGC, FGD, BSA-A, BSA-B, BSA-C, BSA-D Switched Access or SAC Access Service.

When Switched Access is ordered in BHMC, the BHMC must be differentiated by Feature Group type and directionality of traffic as in 4.3.2 in order for the Telephone Company to properly design Switched Access to meet the traffic carrying capacity requirements of the customer.

When a customer plans to use Switched Access in connection with the resale of services of an IC, the provisions for such Switched Access charges are in Section 12.

Switched Access is provided with basic testing as described in 4.2.1(A)(9), (B)(11), (C)(11), (D)(11), and 4.2.7. Additional testing is provided as described in 6.6. Testing is provided only on the FIA supplied by the Telephone Company.

(This page filed under Transmittal No. 25.)

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000418

FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.2 Description of Switched Access (Cont'd)4.2.3 Description of Switched Transport(A) General

- (1) Switched Transport provides the transmission of Switched Access communications including SAC Access Service, between the CDL and the originating or terminating end office switch(es) in the Access Area with one exception. Switched Transport associated with FGA or BSA-A 1+ terminating traffic provides for the transmission of Switched Access outside the Access Area, however within the LATA. Switched Transport is comprised of the following rate elements; an Entrance Facility Rate, a Direct-Trunked Transport Rate, a Tandem-Switched Transport Rate and an Interconnection Rate. A Dedicated Switched Access Transport Rate is associated with CCS7 Access Service. An EIS Cross Connect rate applies where Switched Access is interconnected with a customer's transmission facilities in accordance with Section 17.

The Entrance Facility Rate is assessed upon customers for the use of Telephone Company Voiceband, DS1 and DS3 high capacity facilities, including interface arrangements, between the point of termination at the Customer Designated Location (CDL) and the Telephone Company's serving wire center. The Entrance Facility is further described in 4.2.3(B).

The Direct-Trunked Transport Rate is assessed upon customers for the use of Voiceband, DS1 and DS3 high capacity transport facilities dedicated to a single customer between a serving wire center and end office (including host end offices), end offices used to provide Tandem Switch Signaling, between a serving wire center and a Telephone Company Hub for multiplexing purposes, between two Telephone Company hubs, between a serving wire center and a Directory Assistance Center, between a Telephone Company Hub and an end office and between a serving wire center and a Telephone Company access tandem. The Direct-Trunked Transport Rate is flat-rated and has both distance-sensitive and nondistance-sensitive components. Direct-Trunked Transport is further described in 4.2.3(C).

A Dedicated Trunk Port is applicable to the purchase of dedicated trunks terminated by that port. The Dedicated Trunk Port provides for the termination of a dedicated trunk at the end office or access tandem. The Dedicated Trunk Port is a flat rated charge assessed on a per trunk basis. The rate is determined based on whether the trunk is voicegrade or DS1.

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000419

FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.2 Description of Switched Access (Cont'd)4.2.3 Description of Switched Transport (Cont'd)(C) Direct-Trunked Transport (Cont'd)

- between an EIS Cross Connect arrangement located in a Telephone Company wire center and a different serving wire center, end office or Telephone Company access tandem.
- and a serving wire center and end office where Tandem Switch Signaling is provided as described in 4.2.5 (AC) and 4.2.21.

The Direct-Trunked Transport Rate is flat-rated and has both distance-sensitive and nondistance-sensitive components. The distance-sensitive mileage recovers costs of the transmission facilities, including intermediate transmission circuit equipment, between the end points of the circuit. There are two non-distance sensitive components; the termination which recovers costs of circuit equipment at the ends of the transmission links, and the trunk port component which recovers costs of the trunk ports. A Dedicated Trunk Port charge shall be assessed on a per voicegrade or DS1 channel terminating at an end office or access tandem. Direct-Trunked Transport is not provided at Telephone Company end offices that are not capable of measuring switched access minutes of use. These end offices are specified in NECA Tariff FCC No. 4.

(D) Tandem-Switched Transport

The Tandem-Switched Transport Rate is assessed upon customers for the use of transport from a serving wire center to an end office that is switched at a Telephone Company access tandem. The Tandem-Switched Transport rate shall also be assessed for transport between a Telephone Company access tandem and end office, between a host end office and a remote end office and between a FGA dial tone office and other end offices in the local calling area. Tandem-Switched Transport consists of circuits used in common by multiple customers from the Telephone Company access tandem to an end office. The Tandem-Switched Transport Rate includes four subelements, a Tandem-Switched Transport - Facility, a Tandem-Switched Transport - Termination, Tandem Switching Rate and Shared Multiplexing. The Tandem-Switched Transport - Facility is usage rated and distance-sensitive, i.e., a per access minute per airline mile rate. The rate recovers costs of the transmission facilities, including intermediate transmission circuit equipment, between the end points of the circuit. The Tandem-Switched Transport - Termination is a usage rated, per minute rate to recover costs incurred at the ends of the transmissions links. The Tandem Switching Rate is a usage rated, per minute rate to recover a portion of the tandem switching costs. The Tandem Switching Rate is not applicable for transport between a host end office and a remote end office or to FGA Transport. For Tandem Switched Transport, a Shared Multiplexing Rate will be assessed to all minutes of use from the Telephone Company Access Tandem to an end office. The Shared Multiplexing rate recovers multiplexing costs on the end office side of the tandem.

(This page filed under Transmittal No. 25.)

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000420

FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.2 Description of Switched Access (Cont'd)4.2.5 End Office Services Optional Arrangements

The following optional arrangements are available in offices where equipment, facilities, and other conditions permit. The Telephone Company makes no guarantee that these optional arrangements will be available in all locations.

Unless otherwise noted, these End Office Services Optional Arrangements are nonchargeable.

(A) Alternate Traffic Routing

This option provides the capability of directing originating traffic from an end office (or appropriately equipped Telephone Company access tandem) via a trunk group (the "high usage" group) to a CDL until that group is fully loaded, and then delivering additional originating traffic (the "overflowing" traffic) from the same end office or Telephone Company access tandem to a different trunk group or groups (via one or more intermediate high usage groups) to one or more CDLs until the originating traffic is directed to a final group. The customer shall specify the last trunk CCS desired for the high usage group and each intermediate group.

When a FGD, 500 SAC, or 900 SAC customer subscribes to Tandem Switch Signaling and Alternate Traffic Routing the customer may have a maximum of one route to which the traffic can overflow.

When a FGD customer subscribes to TAS (Tandem Access Sectorization) and Alternate Traffic Routing, the "final" trunk group and any intermediate trunk groups carrying additional originating overflowing traffic must terminate at the same CDL as does the "high usage" trunk group.

This option is provided in suitably equipped end offices or Telephone Company access tandems and is available with FGB, FGC, and FGD.

This option is available with BSA-B, BSA-C and BSA-D as a chargeable BSE as specified in 4.2.22 and 4.5.10.

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FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)

4.2 Description of Switched Access (Cont'd)

4.2.5 End Office Services Optional Arrangements (Cont'd)

(V) Switched Access Interface (Cont'd)

(1) Originating Only Feature (Cont'd)

(b) Unrestricted Arrangement - Originating Only (Cont'd)

Optional Access Code Arrangement

Subject to technical availability, on an individual line basis, calls preceded by the access code 101XXXX will be blocked.

(2) 800/877/888 Type Terminating Only Feature

The 800/877/888 Type Terminating Only feature is available on a per-line basis from appropriately equipped WATS Serving Offices and provides for the termination of all calls from the subscribing carrier (originated on a 1+800, 1+877 and 1+888 basis) directed to the Special Access via FGA, FGB, FGC, FGD, BSA-A, BSA-B, BSA-C, or BSA-D Switched Access. This option is not available with Tandem Switch Signaling

(3) Combined Originating 800/877/888 Type Terminating Calling Feature

The Combined Originating/Terminating Calling feature is available on a per-line basis from appropriately equipped WATS Serving Offices and provides the functionalities of both the Originating Only and the 800/877/888 Type Terminating Only features. This option is not available with Tandem Switch Signaling.

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FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.2 Description of Switched Access (Cont'd)4.2.5 End Office Services Optional Arrangements (Cont'd)(X) 0+900 Service

The 0+900 service option provides 0+900+XXX-XXXX dialing capability from end offices converted to equal access within a LATA. The 0+900 service option is provided only in conjunction with a customer's 1+900+XXX-XXXX dialing capability and is not offered without that capability.

Calls to a 900 number dialed via 0+ will be blocked unless an ASR requesting unblocking is submitted to the Telephone Company by the customer. In addition, calls originating in a LATA for which 1+900 and 0+900 dialing capability has been established will be blocked utilizing the following blocking specifications.

- 1+900+XXX-XXXX will be blocked from coin phones (except customer owned coin operated telephones), 101XXXX, Inmate service, Hotel/Motel service (except those with customer owned rating services).
- 0+900+XXX-XXXX will be blocked from 10XXX or 101XXXX and Inmate service.

(Y) Signaling System 7 (SS7) Out of Band Signaling

This option is provided in conjunction with Common Channel Signaling System 7 (CCS7) Access Service described in 4.2.10 and is only available with Switched Access FGD or BSA-D service, 500 SAC Access, 800/877/888 SAC Access and 900 SAC Access Services. SS7 Out of Band Signaling provides common channel out of band transmission of address and supervisory SS7 protocol signaling information between an end office or Telephone Company access tandems and the CDL. FGD or BSA-D Switched Access, 500 SAC Access, 800/877/888 SAC Access, and 900 SAC Access service equipped with SS7 Out of Band Signaling (Tandem Switch Signaling is only available on FGD Switched Access, 500 SAC Access and 900 SAC Access services) are available with the following interface arrangements: DS1 Digital, DS1C Digital (existing customers only), DS3 Digital, and DS3C Digital (existing customers only). SS7 Out of Band Signaling is provided at suitably equipped Telephone Company end offices or Telephone Company access tandems. The technical specifications for SS7 Out of Band Signaling are described in Technical Reference GR-905-CORE, Issue 11.

(C)(x)
(C)(x)(Z) Calling Party Number (CPN) Parameter

The CPN parameter, available as a nonchargeable option for originating FGD or BSA-D with SS7 Out of Band Signaling, provides for the automatic transmission of the ten digit directory number, associated with a calling station, to the customer's premises for originating calls. The ten digit number consists of the NPA plus the seven digit telephone number which may or may not be the same number as the calling station's charge number. The CPN parameter also includes a "privacy indicator" which allows the ten digit telephone number to be coded as presented or restricted for delivery to the called end user. The technical specifications for CPN are described in Technical Reference GR-905-CORE, Issue 11.

(C)(x)
(C)(x)

(x) GR-905-CORE, Issue 11, replaces TR-TSV-000905 in its entirety.

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FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.2 Description of Switched Access (Cont'd)4.2.5 End Office Services Optional Arrangements (Cont'd)(AA) Carrier Selection Parameter (CSP)

The CSP, available as a nonchargeable option for originating FGD or originating BSA-D with SS7 Out of Band Signaling, provides for the automatic transmission of a signaling indicator which signifies to the customer whether or not a given call originated from a presubscribed line. If the line was presubscribed, the indicator will signify if the end user did or did not dial 101XXXX. The technical specifications for CSP are described in Technical Reference GR-905-CORE, Issue 11.

(C)(x)

(AB) Charge Number (CN) Parameter

The CN parameter, available as a nonchargeable option for originating FGD with SS7 Out of Band Signaling, is equivalent to the existing ten digit Automatic Number Identification (ANI) available with FGD with MF signaling. When BSA-D with SS7 Out of Band Signaling is specified, the customer may order the CN parameter at the rates for ANI-BSE as shown in 4.6. The CN parameter provides for the automatic transmission of the ten digit billing number of the calling station and the originating line information. The technical specifications for CN are described in Technical Reference GR-905-CORE, Issue 11.

(C)(x)
(C)(x)

These information digits shall only be used for billing and collection, routing, screening, and completion of the originating subscriber's call or transaction or for service directly related to the originating subscriber's call or transaction. The information provided shall not be reused or resold without first notifying the originating telephone subscriber and obtaining affirmative consent of the subscriber for reuse or resale. Unless the originating subscriber has given consent for the reuse or resale, any information provided shall not be used for any purpose other than:

- performing the services or transactions that are subject of the originating subscriber's call;
- ensuring network performance security, and the effectiveness of call delivery;
- compiling, using and disclosing aggregate information, and,
- complying with applicable laws.

The above restrictions shall not prevent the subscriber to the CN Parameter from using information acquired from a CN Parameter, such as the telephone number or information derived from analysis of the characteristics of calls received through the CN Parameter, to offer a product or service that is directly related to the products or services previously purchased by a customer of the CN Parameter subscriber.

(AC) Tandem Switch Signaling

This option allows for the passing of the Carrier Identification Code (CIC) and the OZZ code or circuit code information needed to perform tandem switching functions. The CIC identifies the uniform access code associated with the Switched Access usage for a specific interexchange carrier. The OZZ code identifies the service class routing code of a multifrequency call that indicates the interexchange carrier's trunk group to which the traffic will be routed. The circuit code identifies the service class routing of an SS7 call that indicates the interexchange carrier's trunk group to which the traffic will be routed (e.g., 0+, 0-, 500, 900, etc). This option is only available with FGD Switched Access, 500 SAC Access, and 900 SAC Access services and can only be provided from equal access end offices. This option is not available from end offices that use alternate technologies to provide equal access capabilities, or from Telephone Company access tandems.

(x) GR-905-CORE, Issue 11, replaces TR-TSV-000905 in its entirety.

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FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.2 Description of Switched Access (Cont'd)4.2.11 Toll Free Customer Identification Function

This function utilizes Toll Free Data Base Query Service, as described in 4.2.19, to screen all ten digits of all Toll Free-NXX-XXXX type calls generated by end users to determine the customer to which the 800/877/888 call is to be routed. This function is provided in conjunction with Toll Free SAC Access Service. This function is not available with Tandem Switch Signaling.

4.2.12 900 Customer Identification Function

This function provides for screening of the first six digits of all 900-NXX-XXXX type calls generated by end users to determine the customer to which the call is to be routed. This function is provided in conjunction with 900 SAC Access Service and with FGC, FGD, BSA-C and BSA-D. This function is available with Tandem Switch Signaling.

4.2.13 Design and Routing of Switched Access

The Telephone Company shall work cooperatively with the customer to design and determine the routing and directionality of Switched Access including the selection of facilities from the first point of switching to the CDL. Selection of facilities, equipment and routing of the Switched Access is based on standard engineering methods, facilities and equipment available, Telephone Company traffic routing plans, and the customer's order for service.

4.2.14 Provision of Switched Access Performance Data

Performance data for Switched Access will be made available to the customer based on Telephone Company established intervals and availability. This data may include, but is not limited to, equipment blockage and failure results, ineffective attempt performance, transmission failures, and other service-related data. Any request for data or format that is not Telephone Company Standard will be handled on an Individual Case Basis with any associated cost to be borne by the customer. Performance data related to customer provided facilities will not be provided.

4.2.15 Transmission Performance

Each Switched Access transmission path is provided with a standard transmission performance. The standard for a particular path is dependent on the Interface Arrangement and whether the Switched Access is routed direct or via a Telephone Company access tandem. In addition, Data Transmission Parameters may be ordered by the customer. The transmission performance parameters are set forth in Section 7000 of the GTE Technical Interface Reference Manual. The transmission performance parameters relate only to the Telephone Company provided portion of the service.

The transmission specifications and diversity requirements for CCS7 Access service are as described in Technical Reference GR-905-CORE, Issue 11.

(C)(x)

(x) GR-905-CORE, Issue 11, replaces TR-TSV-000905 in its entirety.

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000425

FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)

4.2 Description of Switched Access (Cont'd)

4.2.20 500 Customer Identification Function

This function provides for screening of the first six digits of all 500-NXX-XXXX type calls generated by end users to determine the customer to which the call is to be routed. This function is provided in conjunction with 500 SAC Access Service and with FGC and FGD. This function is available with Tandem Switch Signaling

4.2.21 Tandem Switch Signaling

Tandem Switch Signaling, offered in conjunction with FGD Switched Access, 500 SAC Access, or 900 SAC Access Service with either multifrequency address signaling or SS7 Out of Band Signaling Access Service, provides the Carrier Identification Code (CIC) and the OZZ code or circuit code as described in 4.2.5 (AC) to determine the customer and trunk group(s) where traffic will be routed.

Rate regulations applicable to Tandem Switch Signaling are found in 4.5.2 (H)(7).

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FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.3 Obligations of the Customer (Cont'd)4.3.3 Jurisdictional Report Requirements (Cont'd)(A) Jurisdictional Reports (Cont'd)

(M)

(1) Percent Interstate Usage (PIU) (Cont'd)

(M)

(b) (Cont'd)

(T)

- Feature Group A (FGA) Switched Access Service Notes 1, 2
- Feature Group B (FGB) Switched Access Service Notes 1, 2
- Feature Group C (FGC) Switched Access Service Notes 1, 2
- Feature Group D (FGD) Switched Access Service Notes 1, 2
- Basic Serving Arrangement A (BSA-A) Notes 1, 2, 3
- Basic Serving Arrangement B (BSA-B) Notes 1, 2, 3
- Basic Serving Arrangement C (BSA-C) Notes 1, 2, 3
- Basic Serving Arrangement D (BSA-D) Notes 1, 2, 3
- 500 Access Services Notes 1, 2
- 700 Access Services Notes 1, 2
- Toll Free Services Notes 1, 2, 4
- 900 Access Services Notes 1, 2

(M)

When a customer submits an order for Switched Access services, the customer must state the Percentage of Interstate Usage (PIU) on a statewide, LATA, billing account number (BAN) or end office level.

When the customer provides PIU factors, the Company will subtract the developed PIU from 100 and the difference is the percent intrastate usage. The sum of the interstate and intrastate percentages will equal 100 percent. The customer may only provide a PIU factor that is a whole number (a number from 0 to 100).

(M)

NOTE 1: The PIU factors will apply to all associated elements and services, e.g., Carrier Common Line, End Office Switching, Information Surcharge, Interconnection Charge, End Office Dedicated Trunk Port, Access Tandem Dedicated Trunk Port, Shared Trunk Port and, if applicable, Tandem Switched Transport and Tandem Switching.

(C)

(C)

(M)

NOTE 2: The PIU factor for Switched Access services must be provided by the customer of record when used in conjunction with Switched EIS as described in Section 17 or used in conjunction with Tandem Switch Signaling.

(M)

NOTE 3: When determining the jurisdiction of Switched Access traffic provided via a BSA or Basic Service Element (BSE) and the intrastate equivalent of the BSA or BSE is only available on a bundled feature group basis, intrastate usage will be prorated to the bundled intrastate feature group equivalent of the BSA.

NOTE 4: "Toll Free" service includes any access service that utilizes the following NPAs: 800, 888, 877, 866, 855, 844, 833, and 822 as they become available to the industry.

(M)

Certain regulations on this page formerly appeared on 2nd Revised Page 4-106.1.

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000427

FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.5 Rate and Charge Regulations (Cont'd)4.5.2 Rate Regulations (Cont'd)(H) Description and Application of Rates (Cont'd)(6) Transitional Billing Arrangements (Cont'd)

- (c) Once the allocation for transitional billing, as in (ii) and (iii) is completed, all Switched Access rate elements will be billed based on this allocation.

Switched Transport Facility mileage for the access minutes apportioned will be calculated on an airline basis, using the V&H coordinates method, between each end office to which minutes have been apportioned and the serving wire center for the CDL.

Specific details and methodology used to apportion FGA, FGB, BSA-A or BSA-B minutes as described in the preceding paragraphs will be provided to the customer upon request within 15 days of the receipt of such request.

(7) Tandem Switch Signaling (TSS)

TSS will be provided via FGD or BSA-D Switched Access, 500 SAC Access, or 900 SAC Access services with either multifrequency (MF) address signaling or SS7 Out of Band Signaling. TSS is available with originating calling only, terminating calling only, or, where available, two-way calling trunks. TSS two-way calling trunks are only available from end offices where the switch technology is capable of measuring the terminating usage on two-way TSS equipped trunks. Where the end office switch technology is not capable of measuring terminating usage on two-way calling TSS equipped trunks, the customer must order originating calling only or terminating calling only trunks for use with TSS.

Switched Access connections to the customer's access tandem location(s) shall be via Direct-Trunked Transport, Entrance Facility, and/or a customer's transmission equipment and facilities using DS1 or DS3 Cross Connect arrangement where the customer is provided Expanded Interconnection Service as described in Section 17. The Switched Access Entrance Facility provides the facility, including interface arrangement, between the point of termination at the customer designated location and the Telephone Company's serving wire center. Direct-Trunked Transport provides the interoffice facilities dedicated to a single customer between the serving wire center and end offices. TSS is not available via a Telephone Company access tandem. The facilities ordered by the customer for connectivity from the customer's access tandem to an IC's CDL is provided via Special Access facilities as described in Section 5.

- For originating usage the owner of the carrier identification code will be billed for all usage.
- For terminating usage all associated Switched Access usage charges are the responsibility of the TSS customer. At the TSS customer's request, the Telephone Company will bill each of the TSS customer's users directly for their respective usage, if the TSS customer agrees to furnish the Telephone Company, free of charge, the call detail information necessary to bill its users. This call detail information must be provided daily for the previous day's usage in industry standard format (i.e., 1101-20 Expanded Message Record format with end office level detail). The information must be provided by either electronic transmission or magnetic tape as specified by the Telephone Company.

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FACILITIES FOR INTERSTATE ACCESS

4. SWITCHED ACCESS (Cont'd)4.5 Rate and Charge Regulations (Cont'd)4.5.2 Rate Regulations (Cont'd)(H) Description and Application of Rates (Cont'd)(7) Tandem Switch Signaling (Cont'd)

If the TSS customer fails to provide the call detail information or fails to provide information in the required format within 30 days from the call activity date, then the TSS customer will be billed for that day's usage. Where the total usage measured by the Telephone Company differs from the total amount of usage provided by the TSS customer's call detail information, the Telephone Company will work cooperatively with the TSS customer to resolve the discrepancies.

The TSS customer must retain documentation in support of the billing information for a period of fifteen months after submission of the billing tapes to the Telephone Company. The Telephone Company reserves the right to audit billing tape information upon 30 days' notice to the TSS customer. In the event of a discrepancy, if final agreement cannot be reached, charges will be billed based on the results of the audit.

(8) NXX Translation Nonrecurring Charge

The NXX Translation Nonrecurring Charge, as set forth in 4.6.1(C), shall apply to each 500 NXX code activated or deactivated in a Telephone Company switch capable of performing the customer identification function for 500 SAC Access Service. The total nonrecurring charge per customer order shall be determined by multiplying the number of switches in which the Telephone Company must activate or deactivate the NXX code within the serving area specified by the customer's order times the appropriate nonrecurring charge. Separate nonrecurring charges apply to the activation or deactivation of the first NXX code contained on the customer's ASR and to the activation or deactivation of each additional NXX code contained on the same ASR. In addition, the Switched Access Ordering Charge, as set forth in 4.6.1(B) will apply per ASR submitted for the activation or deactivation of NXX codes.

(9) Dedicated Trunk Port Charge

The Dedicated Trunk Port charge, as set forth in 4.6.2(i), shall apply for termination of a dedicated trunk at the access tandem or an end office. It is flat-rated and is assessed per voicegrade or DS1 channel terminating at an end office or access tandem.

(10) Shared Trunk Port Charge

The Shared Trunk Port, as set forth in 4.6.3(E), provides for the termination of a Tandem-Switched Trunk at an end office. The Shared Trunk Port is usage rated and shall be assessed to all access minutes which utilize Tandem-Switched Transport. This includes minutes of use associated with FGA service when traffic is terminated in an end office that is not the dial tone office and on minutes of use provided at a remote office. (T)
(T)

The Shared Trunk Port charge will not apply to access minutes that originate or terminate at the end office part of a Class 4/5 switch.

The Shared Trunk Port charge does not apply to switched access minutes of use that originate or terminate at MTSOs directly interconnected to a Telephone Company access tandem.

When the Tandem-Switched Transport is provided by more than one telephone company, the Shared Trunk Port charge shall be billed by the Telephone Company in whose territory the end office is located, as in 2.7.3(G).

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000429

FACILITIES FOR INTERSTATE ACCESS

12. CARRIER COMMON LINE SERVICE (Cont'd)12.4 Rate Regulations (Cont'd)12.4.3 Resold Services (Cont'd)(D) Rate Regulations Concerning the Resale of MTS/MTS-type Services (Cont'd)(7) When the Adjustment Will Be Applied to Customer Bills

The adjustment, as set forth in (4), (5) and (6) preceding, will be made to the involved customer account no later than either the next bill date, or the one subsequent to that, depending on when the usage report is obtained.

(8) Conversion of Billed Usage to Minutes

When the MTS/MTS-type usage is shown in hours, the number of hours shall be multiplied by 60 to develop the associated MTS/MTS-type minutes of use. If the MTS/MTS-type usage is shown in a unit that does not show hours or minutes, the customer shall provide a factor to convert the shown units to minutes.

(9) Mixed Interstate and Intrastate Usage

The adjustment, as set forth in (4), (5) and (6) preceding, will be made to the involved customer account after making the adjustments to the customer account, as set forth in 4.5.2(D).

12.4.4 Tandem Switch Signaling

(A) When Tandem Switch Signaling (TSS) is provided with originating Feature Group D service, the Carrier Common Line rate element will be billed to the customer to whom the Carrier Identification Code is assigned.

(B) When terminating tandem routed service is received from the TSS customer, the carrier common line charges for the terminating minutes of use to each end office from the TSS customer's location will be billed in the following manner:

(1) If the TSS customer is not the customer of record, the customer of record, i.e., the customer who ordered the facilities to the TSS customer's location, or the customer on whose behalf the TSS customer has ordered the facilities as agent for the customer, will be billed for all terminating Carrier Common Line charges.

(2) If the TSS customer is the customer of record for facilities to the TSS customer's location, the terminating Carrier Common Line charges are the responsibility of the TSS customer. At the TSS customer's request, the Telephone Company will bill each of the TSS customer's customers directly for their respective Carrier Common Line charges, if the TSS customer agrees to furnish the Telephone Company, free of charge, the call detail information necessary to bill the TSS customer's users as set forth in 4.5.2(H)(7).

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FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)Munsell
Deposition Exhibit 112.7 FIA Services Provided By More Than One Telephone Company2.7.1 General

When Switched Transport or Special Transport service is provided by more than one telephone company, the telephone companies involved will mutually agree upon one of the billing methods based upon the type of access service and the interconnection arrangements between the telephone companies.

The telephone company will notify the customer which billing method will be used. The customer will place the ASR as in 3.3.

2.7.2 Single Company Billing

The Single Company Billing method may be applied to FGA and BSA-A Switched Access Service.

The telephone company receiving the ASR from the customer, as specified in 3.3(A)(1), will arrange to provide the service, determine the applicable charges and bill the customer for the entire service in accordance with its Access tariff. The airline mileage is determined using the V&H method in the NECA Tariff FCC No. 4. (T)

2.7.3 Meet Point Billing

Meet Point Billing is required when an access service is provided by multiple Telephone Companies* for FGB, FGC, FGD, BSA-B, BSA-C and BSA-D Switched Access services and Special Access. It is optional for FGA and BSA-A Switched Access Services.

There are two Meet Point Billing Options -- Single Bill and Multiple Bill. The Telephone Company must notify the customer of:

- the Meet Point Billing Option that will be used,
- the Telephone Company(s) that will render the bill(s),
- the Telephone Company(s) to whom payment(s) should be remitted, and
- the Telephone Company(s) that will provide the bill inquiry function.

The Telephone Company shall provide such notification at the time that an ASR is placed requesting access service. Additionally, the Telephone Company shall provide this notice in writing 30 days in advance of any change.

(A) Single Bill Option

The Single Bill Option allows the customer to receive one bill from one telephone company or its billing agent for access services.

The Telephone Company(s) that renders the bill to the customer may provide to the customer, cross references to the other Telephone Company(s) service and/or the common circuit identifiers based upon industry standards as contained in the Multiple Exchange Carrier Access Billing (MECAB) Guidelines. Should a billing dispute arise, the terms and conditions of the Billing Company(s) will apply. (T) (T)

* Meet Point Billing option guidelines, as contained in the MECAB Guidelines, may also be applied to FIA services provided by one exchange carrier in two or more states within a single LATA. (T)

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000431

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)2.7.3 Meet Point Billing (Cont'd)(A) Single Bill Option (Cont'd)

For usage rated access services the access minutes of use will be compiled by the Initial Billing Company and used by the Initial Billing Company and any subsequent Billing Company(s) for the development of access charges.

- The Initial Billing Company for FGB, FGC and FGD, BSA-B, BSA-C and BSA-D Switched Access services is normally the end user's serving office and for WATS usage the Initial Billing Company is normally the WATS serving office. When the Initial Billing Company is other than the normally designated Telephone Company, the Telephone Company will notify the customer.
- The Subsequent Billing Company(s) is any Telephone Company(s) in whose territory a segment of the Switched Transport Facility is provided and/or where the CDL is located.

The Single Bill option provides three billing alternatives, Single Bill/Single Tariff, Single Bill/Pass-Through Billing and Single Bill/Multiple Tariff which are described following:

(1) Single Bill/Single Tariff

Each Telephone Company will receive an ASR or a copy of the ASR from the customer as specified in 3.3(A)(2) and arrange to provide the service. The Initial Billing Company will:

- determine the applicable charges and bill in accordance with its tariff;
- include all recurring and nonrecurring rates and charges of its tariff; and
- forward the bill to the customer.

The customer will remit the payment to the Initial Billing Company.

(2) Single Bill/Pass-Through Billing

Each Telephone Company will receive an ASR or a copy of the ASR from the customer as specified in 3.3(A)(2) and arrange to provide the service. Each Telephone Company will:

- determine its portion of Switched Transport and/or Special Transport as in 2.7.3(C);
- determine the applicable charges and bill in accordance with its tariff;
- include all recurring and nonrecurring rates and charges of its tariff; and
- forward the bill to the Initial Billing Company for meet point billed access services.

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000432

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)2.7.3 Meet Point Billing (Cont'd)(A) Single Bill Option (Cont'd)(2) Single Bill/Pass-Through Billing (Cont'd)

The Initial Billing Company will:

- apply usage data, when needed, to the bill and calculate the charges;
- identify each involved Telephone Company's charges separately on the bill;
- combine all the bills of the involved Telephone Companies of a meet point billed access service into one access bill;
- forward the bill to the customer; and
- advise the customer how to remit the payment, either directly to each Telephone Company involved in the provision of this meet point billed service; or, as a single payment made to the Initial Billing Company. If payments are to be sent directly to the Initial Billing Company, the Subsequent Billing Company(s) will provide the customer with written authorization for the payment arrangement.

(3) Single Bill/Multiple Tariff

Each Telephone Company will receive an ASR or a copy of the ASR from the customer as specified in 3.3(A)(2) and arrange to provide the service. The Initial Billing Company will:

- determine each Telephone Company's portion of switched transport and/or special transport as set forth in 2.7.3(c);
- determine the applicable charges and bill in accordance with each Telephone Company's tariff;
- include all recurring and nonrecurring charges for each involved Telephone Company;
- identify each involved Telephone Company's charges separately on the bill;
- forward the bill to the customer; and
- advise the customer how to remit the payment, either directly to each Telephone Company involved in the provision of this meet point billed service; or, as a single payment made to the Initial Billing Company. If payments are to be sent directly to the Initial Billing Company, the Subsequent Billing Company(s) will provide the customer with written authorization for the payment arrangement.

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000433

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)2.7.3 Meet Point Billing (Cont'd)(B) Multiple Bill Option

The Multiple Bill option allows all Telephone Companies providing service to bill the customer for their portion of a jointly provided access service. Each Telephone Company will:

- determine its portion of the Switched Transport and/or Special Transport as set forth in 2.7.3(C);
- determine the applicable charges and bill in accordance with its tariff;
- include all recurring and nonrecurring rates and charges of its tariff; and
- forward the bill to the customer.

The customer will remit the payments directly to each Telephone Company.

(C) Meet Point Billing Mileage Calculation

Each Telephone Company's portion of the Switched Transport and/or Special Transport mileage will be determined as follows:

- (1) For Switched Access Tandem-Switched Transport Services, determine the appropriate Tandem-Switched Transport - Facility total miles by computing the number of miles from the access tandem to the serving wire center in the Access Area (i.e., end user serving wire center, or WATS Serving Office), using the V&H method as set forth in the NECA Tariff FCC No. 4. For Special Access Services, and Switched Access Direct-Trunked Transport determine the appropriate Special Transport or Direct-Trunked Transport total miles by computing the number of miles between the serving wire centers involved (i.e., CDL serving wire center, Hub Wire Center, WATS Serving Office, end office, or access tandem) using the V&H method as set forth in the NECA Tariff FCC No. 4. Where the calculated miles include a fraction, the value is rounded up to the next full mile.
- (2) Determine the billing percentage (BP), as set forth in the NECA Tariff FCC No. 4. This represents the portion of the Service provided by each telephone company.
- (3) For Switched Access Tandem-Switched Transport; (a) multiply the number of access minutes of use times the number of airline miles as set forth in (1), times the BP of each Telephone Company as set forth in (2), times the Tandem-Switched Transport - Facility rate; (b) multiply the Tandem-Switched Transport - Termination rate times the number of access minutes times the quantity of terminations.

(This page filed under Transmittal No. 25.)

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FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)2.7.3 Meet Point Billing (Cont'd)(C) Meet Point Billing Mileage Calculation (Cont'd)

(3) Cont'd)

Example of Billing Percentage (BP) Method Using the Multiple Bill Option:

The Tandem-Switched Transport - Facility between Office X and Office Y is jointly provided by telephone companies A and B. The following example reflects the rate for telephone company A. Rates for telephone company B would appear in its appropriate Access Tariff.

(a) Airline miles from telephone company A (office X) to telephone company B (office Y) = 50 airline miles as set forth in NECA Tariff FCC No. 4.

(b) Billing Percentage for each telephone company (from NECA Tariff FCC No. 4).

Telephone Company A = 40%

Telephone Company B = 60%

(c) Access Minutes for Telephone Company A = 9000.

(d) Tandem-Switched Transport - Facility rate for Telephone Company A = SWT FAC

(e) Tandem-Switched Transport - Termination Rate = SWT TERM

NOTE: The Tandem-Switched Transport - Termination rate does not apply in situations where there is an intermediate, non-terminating Local Exchange Carrier involved in the provision of the Switched Transport Facility.

Formula:

Access Minutes (AM) x Airline Miles (ALM) x Billing Percentage (BP) x Tandem-Switched Transport - Facility Rate (SWT FAC) + [Tandem-Switched Transport - Termination Rate (SWT TERM) x Access Minutes (AM) x Quantity of Terminations (TERMS)] = Total

Calculation:

Telephone Company A

AM ALM BP SWT FAC SWT TERM AM TERMS
9,000 x 50 x .40 x SWT FAC + [SWT TERM x 9,000 x TERMS]=TOTAL

- (4) For Special Access and for Switched Access Direct-Trunked Transport, multiply the number of airline miles as in (1), times the BP for each telephone company as in (2), times the Special Transport or Direct-Trunked Transport Facility rate elements. For DS1 and DS3 Special Transport and DS1 and DS3 Direct-Trunked Transport, multiply the Special Transport Termination or Direct-Trunked Transport Termination rate times the number of terminations provided by the Telephone Company.

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FACILITIES FOR INTERSTATE ACCESS

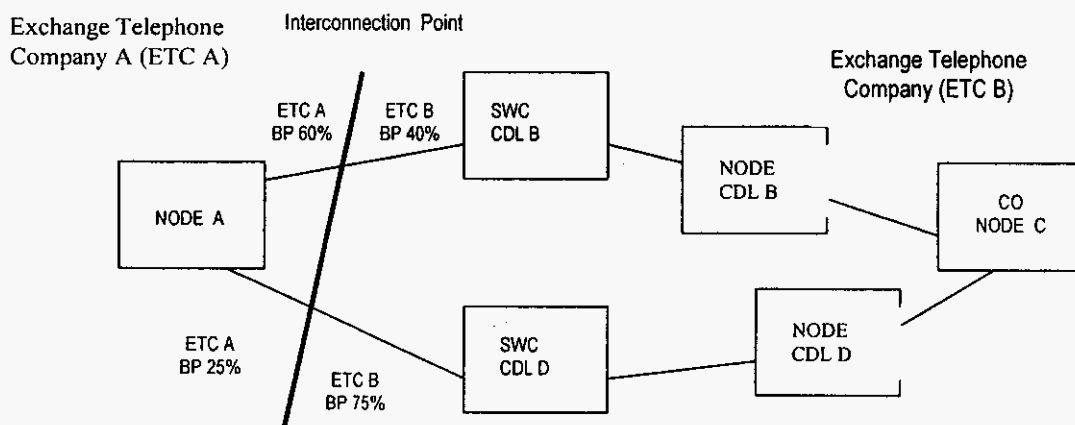
2. GENERAL REGULATIONS (Cont'd)

2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)

2.7.3 Meet Point Billing (Cont'd)

(C) Meet Point Billing Mileage Calculation (Cont'd)

- (5) For Intellilight Optical Transport Service as set forth in Section 20.1 following where the ring is provided within the operating territories of two or more telephone companies, IOTS ring mileage is determined using the methodology illustrated below.



Step 1 – Calculate the total ring mileage by summing the mileage connecting all locations and devices (Node A to SWC CDL B) + (SWC CDL B to Node CDL B) + (Node CDL B to CO Node C) + (CO Node C to Node CDL D) + (Node CDL D to SWC CDL D) + (SWC Node D to Node A). If the total ring mileage includes a fraction of a mile, the value is rounded up to the next full mile.

Step 2 – Determine the Telephone Company (ETCB) portion of the total ring mileage by first multiplying the mileage between Node A and the SWC of CDL B by the billing percentage (BP) for ETC B (40%) and between the SWC CDL D and Node A by the BP for ETCB (75%) and adding these adjusted mileage segments to the remaining mileage segments on the ring (SWC CDL B to Node CDL B) + (Node CDL B to CO Node C) + (CO Node C to Node CDL D) + (Node CDL D to SWC CDL D). If this ring mileage calculation includes a fraction of a mile, the value is rounded up to the next full mile. If the Telephone Company (ETCB) portion of the total ring mileage is 20 miles or less, utilize the process set forth in Step 3 following to determine the mileage charges for each exchange telephone company involved. If the Telephone Company (ETCB) portion of the total ring mileage is 21 miles or over, utilize the process set forth in Step 4 through Step 6 following to determine the mileage charges for each exchange telephone company involved.

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FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)

2.7.3 Meet Point Billing (Cont'd)

(C) Meet Point Billing Mileage Calculation (Cont'd)

(5) (Cont'd)

(N)

Step 3 – Develop a Ring BP by dividing the Telephone Company (ETCB) portion of the total ring miles determined in Step 2 by the total ring miles determined in Step 1. Next apply this Ring BP to the total ring mileage for ETCB determined in Step 2 and apply the rates set forth in 20.1(K) for 1-20 total ring miles.

Step 4 - If the Telephone Company (ETCB) portion of the total ring miles determined in Step 2 is 21 miles or more, apply the 1-20 ring mileage rate set forth in 20.1(K) following to the first 20 miles.

Step 5 - Determine the remaining Telephone Company (ETCB) portion of the total ring mileage by subtracting 20 miles from the Telephone Company (ETCB) portion of the total ring mileage determined in Step 2. Next apply the rates set forth in 20.1(K) for mile 21 and over up to the Telephone Company (ETCB) portion of the total ring miles.

Step 6 - The total charge for ring mileage is the sum of the charges for the first 20 miles calculated in Step 4 plus the remaining miles billed at the rate for 21 miles and over as calculated in this Step 5.

(N)

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FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)

2.7.3 Meet Point Billing (Cont'd)

- (D) All other appropriate recurring and nonrecurring charges in each telephone company's Access tariff are applicable.
- (E) Where the Tandem-Switched Transport - Facility is provided by more than one telephone company, the Tandem-Switched Transport - Termination rate applies for the termination at the Telephone Company end of the Tandem-Switched Transport (i.e., the first point of switching or the end office serving the end user). The Tandem-Switched Transport - Termination rate will not apply when the Telephone Company is the intermediate provider of the Switched Transport Facility.
- (F) The Interconnection charge for Switched Transport shall be billed by the Telephone Company in whose territory the end office is located.
- (G) The Shared Trunk Port for Tandem-Switched Transport shall be billed by the Telephone Company in whose territory the end office is located.
- (H) For tandem routed trunks, the dedicated trunk port shall be billed by the Telephone Company owning the tandem. For end office direct routed trunks, the dedicated trunk port shall be billed by the Telephone Company owning the end office on a single bill, single tariff or multiple bill, multiple tariff meet point billing arrangement.
- (I) The shared multiplexing charge will be assessed to the interexchange carrier by the Telephone Company owning the access tandem under the multiple bill, multiple tariff meet point billing option, and to the initial billing company, by the Telephone Company owning the access tandem, under the single bill, single tariff meet point billing option.

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Issued: October 29, 2002

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.7 FIA Services Provided By More Than One Telephone Company (Cont'd)2.7.4 Zone Density Meet Point Billing

When the Switched Transport facility (Direct-Trunked or Tandem-Switched Transport) and/or Special Transport is provided by more than one telephone company the following regulations apply:

(A) Switched Access

(1) End Office or Access Tandem is in Verizon Territory:

- (a) Distance sensitive transport provided by the Telephone Company will be rated according to the zone of the Telephone Company's end office or Telephone Company's access tandem.
- (b) The transport termination provided by the Telephone Company will be rated according to the zone assigned to the Telephone Company's end office or Telephone Company's access tandem.
- (c) Tandem Switching will be rated according to the zone of the Telephone Company's access tandem.

(2) Verizon is intermediate provider of the transport:

- (a) Distance sensitive transport will be rated at Zone 1/Band A rates. (T)
- (b) The transport termination rate does not apply if the Telephone Company is the intermediate provider of the transport facility.

(B) Special Access

(1) End Office or Access Tandem is in Verizon Territory

- (a) Special transport provided by the Telephone Company will be rated according to the zone of the Telephone Company's end office or Telephone Company's access tandem.
- (b) The transport termination provided by the Telephone Company will be rated according to the zone assigned to the Telephone Company's end office or Telephone Company's access tandem.

(2) Verizon is intermediate provider of the transport.

- (a) Distance Sensitive Transport will be rated at Zone 1/Band A rates. (T)
- (b) The transport termination rate does not apply if the Telephone Company is the intermediate provider of the transport facility.

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000439

Federal Communications Commission

96-325

FCC 96-325

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Implementation of the Local Competition	)	CC Docket No. 96-98
Provisions in the Telecommunications Act)	
of 1996)	
)	
Interconnection between Local Exchange	)	CC Docket No. 95-185
Carriers and Commercial Mobile Radio)	
Service Providers)	
)	

FIRST REPORT AND ORDER

Adopted: August 1, 1996

Released: August 8, 1996

By the Commission: Chairman Hundt and Commissioners Quello, Ness, and Chong issuing separate statements.

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c. Discussion**(1) Distinction between "Transport and Termination" and Access**

1033. We recognize that transport and termination of traffic, whether it originates locally or from a distant exchange, involves the same network functions. Ultimately, we believe that the rates that local carriers impose for the transport and termination of local traffic and for the transport and termination of long distance traffic should converge. We conclude, however, as a legal matter, that transport and termination of local traffic are different services than access service for long distance telecommunications. Transport and termination of local traffic for purposes of reciprocal compensation are governed by sections 251(b)(5) and 252(d)(2), while access charges for interstate long-distance traffic are governed by sections 201 and 202 of the Act. The Act preserves the legal distinctions between charges for transport and termination of local traffic and interstate and intrastate charges for terminating long-distance traffic.

1034. We conclude that section 251(b)(5) reciprocal compensation obligations should apply only to traffic that originates and terminates within a local area, as defined in the following paragraph. We disagree with Frontier's contention that section 251(b)(5) entitles an IXC to receive reciprocal compensation from a LEC when a long-distance call is passed from the LEC serving the caller to the IXC. Access charges were developed to address a situation in which three carriers -- typically, the originating LEC, the IXC, and the terminating LEC -- collaborate to complete a long-distance call. As a general matter, in the access charge regime, the long-distance caller pays long-distance charges to the IXC, and the IXC must pay both LECs for originating and terminating access service.²⁴⁷⁴ By contrast, reciprocal compensation for transport and termination of calls is intended for a situation in which two carriers collaborate to complete a local call. In this case, the local caller pays charges to the originating carrier, and the originating carrier must compensate the terminating carrier for completing the call. This reading of the statute is confirmed by section 252(d)(2)(A)(i), which establishes the pricing standards for section 251(b)(5). Section 251(d)(2)(A)(i) provides for "recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier."²⁴⁷⁵ We note that our conclusion that long distance traffic is not subject to the transport and termination provisions of section 251 does not in any way disrupt the ability of IXCs to terminate their interstate long-distance traffic on LEC networks. Pursuant to section 251(g), LECs must continue to offer tariffed interstate access services just as they did prior to enactment of the 1996 Act. We find that the reciprocal compensation provisions of section 251(b)(5) for transport and termination of traffic do not apply to the transport or termination of interstate or intrastate interexchange traffic.

²⁴⁷⁴ In addition, both the caller and the party receiving the call pay a flat-rated interstate access charge -- the end-user common line charge -- to the respective incumbent LEC to whose network each of these parties is connected.

²⁴⁷⁵ 47 U.S.C. § 252(d)(2)(A)(i).

1035. With the exception of traffic to or from a CMRS network, state commissions have the authority to determine what geographic areas should be considered "local areas" for the purpose of applying reciprocal compensation obligations under section 251(b)(5), consistent with the state commissions' historical practice of defining local service areas for wireline LECs. Traffic originating or terminating outside of the applicable local area would be subject to interstate and intrastate access charges. We expect the states to determine whether intrastate transport and termination of traffic between competing LECs, where a portion of their local service areas are not the same, should be governed by section 251(b)(5)'s reciprocal compensation obligations or whether intrastate access charges should apply to the portions of their local service areas that are different. This approach is consistent with a recently negotiated interconnection agreement between Ameritech and ICG that restricted reciprocal compensation arrangements to the local traffic area as defined by the state commission.²⁴⁷⁶ Continental Cablevision, in an *ex parte* letter, states that many incumbent LECs offer optional expanded local area calling plans, in which customers may pay an additional flat rate charge for calls within a wider area than that deemed as local, but that terminating intrastate access charges typically apply to calls that originate from competing carriers in the same wider area.²⁴⁷⁷ Continental Cablevision argues that local transport and termination rates should apply to these calls. We lack sufficient record information to address the issue of expanded local area calling plans; we expect that this issue will be considered, in the first instance, by state commissions. In addition, we expect the states to decide whether section 251(b)(5) reciprocal compensation provisions apply to the exchange of traffic between incumbent LECs that serve adjacent service areas.

1036. On the other hand, in light of this Commission's exclusive authority to define the authorized license areas of wireless carriers, we will define the local service area for calls to or from a CMRS network for the purposes of applying reciprocal compensation obligations under section 251(b)(5).²⁴⁷⁸ Different types of wireless carriers have different FCC-authorized licensed territories, the largest of which is the "Major Trading Area" (MTA).²⁴⁷⁹ Because wireless licensed territories are federally authorized, and vary in size, we conclude that the largest FCC-authorized wireless license territory (*i.e.*, MTA) serves as the most appropriate definition for local service area for CMRS traffic for purposes of reciprocal compensation under section 251(b)(5) as it avoids creating artificial distinctions between CMRS providers. Accordingly,

²⁴⁷⁶ See letter from Albert H. Kramer, Dickstein, Shapiro, Morin & Oshinsky LLP to John Nakahata, Senior Legal Advisor to the Chairman, FCC, July 11, 1996.

²⁴⁷⁷ Letter from Brenda L. Fox, Vice President, Federal Relations, Continental Cablevision, to Robert Pepper, Chief, Office of Plans and Policy, FCC, July 22, 1996, attached to Letter from Donna N. Lampert, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., to William F. Caton, Acting Secretary, FCC, July 22, 1996.

²⁴⁷⁸ See also *infra*, Section XI.A.c.3.

²⁴⁷⁹ See Rand McNally, Inc., *1992 Commercial Atlas & Marketing Guide* 88-39 (1992).

traffic to or from a CMRS network that originates and terminates within the same MTA is subject to transport and termination rates under section 251(b)(5), rather than interstate and intrastate access charges.

1037. We conclude that section 251(b)(5) obligations apply to all LECs in the same state-defined local exchange service areas, including neighboring incumbent LECs that fit within this description. Contrary to the arguments of NYNEX and Pacific Telesis, neither the plain language of the Act nor its legislative history limits this subsection to the transport and termination of telecommunications traffic between new entrants and incumbent LECs. In addition, applying section 251(b)(5) obligations to neighboring incumbent LECs in the same local exchange area is consistent with our decision that all interconnection agreements, including agreements between neighboring LECs, must be submitted to state commissions for approval pursuant to section 252(e).²⁴⁸⁰

1038. Under section 252, neighboring states may establish different rate levels for transport and termination of traffic.²⁴⁸¹ In cases in which territory in multiple states is included in a single local service area, and a local call from one carrier to another crosses state lines, we conclude that the applicable rate for any particular call should be that established by the state in which the call terminates. This provides an administratively convenient rule, and termination of the call typically occurs in the same state where the terminating carrier's end office switch is located and where the cost of terminating the call is incurred.

(2) Distinction between "Transport" and "Termination"

1039. We conclude that transport and termination should be treated as two distinct functions. We define "transport," for purposes of section 251(b)(5), as the transmission of terminating traffic that is subject to section 251(b)(5) from the interconnection point between the two carriers to the terminating carrier's end office switch that directly serves the called party (or equivalent facility provided by a non-incumbent carrier). Many alternative arrangements exist for the provision of transport between the two networks. These arrangements include: dedicated circuits provided either by the incumbent LEC, the other local service provider, separately by each, or jointly by both; facilities provided by alternative carriers; unbundled network elements provided by incumbent LECs; or similar network functions currently offered by incumbent LECs on a tariffed basis. Charges for transport subject to section 251(b)(5) should reflect the forward-looking cost of the particular provisioning method.

1040. We define "termination," for purposes of section 251(b)(5), as the switching of traffic that is subject to section 251(b)(5) at the terminating carrier's end office switch (or equivalent facility) and delivery

²⁴⁸⁰ See *supra*, Section III.D.

²⁴⁸¹ We discuss the methodology states should follow in establishing transport and termination rates *supra*, Section IX.A.3.c.(3).

SEC. 251. INTERCONNECTION.

[...]

(g) Continued Enforcement of Exchange Access and Interconnection Requirements. -- On and after the date of enactment of the Telecommunications Act of 1996, each local exchange carrier, to the extent that it provides wireline services, shall provide exchange access, information access, and exchange services for such access to interexchange carriers and information service providers in accordance with the same equal access and nondiscriminatory interconnection restrictions and obligations (including receipt of compensation) that apply to such carrier on the date immediately preceding the date of enactment of the Telecommunications Act of 1996 under any court order, consent decree, or regulation, order, or policy of the Commission, until such restrictions and obligations are explicitly superseded by regulations prescribed by the Commission after such date of enactment. During the period beginning on such date of enactment and until such restrictions and obligations are so superseded, such restrictions and obligations shall be enforceable in the same manner as regulations of the Commission.

Before the
Federal Communications Commission
Washington, D.C. 20554

Munsell
Deposition Exhibit

14

In the Matter of)	
)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
)	
Lifeline and Link Up	)	WC Docket No. 03-109
)	
Universal Service Contribution Methodology	)	WC Docket No. 06-122
)	
Numbering Resource Optimization	)	CC Docket No. 99-200
)	
Implementation of the Local Competition)	
Provisions in the Telecommunications Act of 1996	)	CC Docket No. 96-98
)	
Developing a Unified Inter-carrier Compensation)	
Regime	)	CC Docket No. 01-92
)	
Inter-carrier Compensation for ISP-Bound Traffic	)	CC Docket No. 99-68
)	
IP-Enabled Services	)	WC Docket No. 04-36

**ORDER ON REMAND AND REPORT AND ORDER
AND FURTHER NOTICE OF PROPOSED RULEMAKING**

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By the Commission: Chairman Martin issuing a separate statement; Commissioners Copps, Adelstein, Tate, and McDowell issuing a joint statement.

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I. ORDER ON REMAND – ISP-BOUND TRAFFIC

1. The actions we take in this order respond to the writ of mandamus granted by the United States Court of Appeals for the District of Columbia Circuit (D.C. Circuit) directing the Commission to respond to its prior remand of the Commission’s intercarrier compensation rules for Internet Service Provider (ISP)-bound traffic.¹ As discussed below, we conclude that we have authority to impose ISP-bound traffic rules.

A. Background

2. On February 26, 1999, the Commission issued a Declaratory Ruling and Notice of Proposed Rulemaking in which it held that ISP-bound traffic is jurisdictionally interstate because end users access websites across state lines.² Because the *Local Competition First Report and Order* concluded that the reciprocal compensation obligation in section 251(b)(5) applied only to local traffic, the Commission found in the *Declaratory Ruling* that ISP-bound traffic is not subject to section 251(b)(5).³ On March 24, 2000, in the *Bell Atlantic* decision, the D.C. Circuit vacated certain provisions of the *Declaratory Ruling*.⁴ The court did not question the Commission’s finding that ISP-bound traffic is interstate. Rather, the court held that the Commission had not adequately explained how its end-to-end jurisdictional analysis was relevant to determining whether a call to an ISP is subject to reciprocal compensation under section 251(b)(5).⁵ In particular, the court noted that a LEC serving an ISP appears

¹ *In re Core Communications, Inc.*, 531 F.3d 849, 861-62 (D.C. Cir. 2008) (directing the Commission to respond to the remand in the form of a final, appealable order which explains its legal authority to issue the pricing rules for ISP-bound traffic adopted in the *ISP Remand Order*).

² See *Inter-carrier Compensation for ISP-Bound Traffic*, CC Docket No. 99-68, Declaratory Ruling and Notice of Proposed Rulemaking, 14 FCC Rcd 3689 (1999) (*Declaratory Ruling*), vacated and remanded, *Bell Atlantic Tel. Cos. v. FCC*, 206 F.3d 1 (D.C. Cir. 2000) (*Bell Atlantic*).

³ See also *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, CC Docket Nos. 96-98, 95-185, First Report and Order, 11 FCC Rcd 15499, 16013, paras. 1033–34 (1996) (subsequent history omitted) (*Local Competition First Report and Order*).

⁴ *Bell Atlantic*, 206 F.3d at 1.

⁵ See *id.* at 5.

to perform the function of “termination” because the LEC delivers traffic from the calling party through its end office switch to the called party, the ISP.⁶

3. On April 27, 2001, the Commission released the *ISP Remand Order*, which concluded that section 251(g) excludes ISP-bound traffic from the scope of section 251(b)(5).⁷ The Commission explained that section 251(g) maintains the pre-1996 Act compensation requirements for “exchange access, information access, and exchange services for such access,” thereby excluding such traffic from the reciprocal compensation requirements that the 1996 Act imposed.⁸ The Commission concluded that ISP-bound traffic was “information access” and, therefore, was subject instead to the Commission’s section 201 jurisdiction over interstate communications.⁹ The Commission also found “convincing evidence in the record” that carriers had “targeted ISPs as customers merely to take advantage of . . . intercarrier payments” (including offering free service to ISPs, paying ISPs to be their customers, and sometimes engaging in outright fraud). It therefore adopted an ISP payment regime in order to “limit, if not end, the opportunity for regulatory arbitrage.”¹⁰ The Commission concluded that a bill-and-keep regime might eliminate incentives for arbitrage and force carriers to look to their own customers for cost recovery.¹¹ To avoid a flash cut to bill-and-keep, however, the Commission adopted a compensation regime pending completion of the *Inter-carrier Compensation* proceeding.¹² Specifically, the regime adopted by the Commission consisted of: (1) a gradually declining cap on intercarrier compensation for ISP-bound traffic, beginning at \$.0015 per minute-of-use and declining to \$.0007 per minute-of-use; (2) a growth cap on total ISP-bound minutes for which a LEC may receive this compensation; (3) a “new markets rule” requiring bill-and-keep for the exchange of this traffic if two carriers were not exchanging traffic pursuant to an interconnection agreement prior to the adoption of the regime; and (4) a “mirroring rule” that gave incumbent LECs the benefit of the rate cap only if they offered to exchange all traffic

⁶ See *id.* at 6.

⁷ See *Inter-carrier Compensation for ISP-Bound Traffic*, CC Docket Nos. 96-98, 99-68, Order on Remand and Report and Order, 16 FCC Rcd 9151, 9171-72, para. 44 (2001) (*ISP Remand Order*), remanded but not vacated by *WorldCom, Inc. v. FCC*, 288 F.3d 429, 432 (D.C. Cir. 2002) (*WorldCom*) (subsequent history omitted) (holding that section 251(g) appears to provide for the continued enforcement “of certain pre-Act regulatory ‘interconnection restrictions and obligations’”).

⁸ The term “1996 Act” refers to the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996). The term “Act” refers to the Communications Act of 1934, as amended, 47 U.S.C. § 151 *et seq.*

⁹ See *ISP Remand Order*, 16 FCC Rcd at 9175, para. 52. Thus, the Commission affirmed its prior finding in the *Declaratory Ruling* that ISP-bound traffic is jurisdictionally interstate. See *id.*; see also *Declaratory Ruling*, 14 FCC Rcd at 3710-03, paras. 18-20.

¹⁰ See *ISP Remand Order*, 16 FCC Rcd at 9187, para. 77.

¹¹ *ISP Remand Order*, 16 FCC Rcd at 9184-85, paras. 74-75. The Commission discussed at length the market distortions and regulatory arbitrage opportunities created by the application of per-minute reciprocal compensation rates to ISP-bound traffic. In particular, the Commission found that requiring compensation for this type of traffic at existing reciprocal compensation rates undermined the operation of competitive markets because competitive LECs were able to recover a disproportionate share of their costs from other carriers, thereby distorting the price signals sent to their ISP customers. See *ISP Remand Order*, 16 FCC Rcd at 9181-86, paras. 67-76.

¹² See *ISP Remand Order*, 16 FCC Rcd at 9153, para. 2 (citing *Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92, Notice of Proposed Rulemaking, 16 FCC Rcd 9610 (2001) (*Inter-carrier Compensation NPRM*)).

subject to section 251(b)(5) at the same rates.¹³ These rate caps reflected the downward trend in intercarrier compensation rates contained in then-recently negotiated interconnection agreements.¹⁴

4. On May 3, 2002, the D.C. Circuit found that the Commission had not provided an adequate legal basis for the rules it adopted in the *ISP Remand Order*.¹⁵ Once again, the court did not question the Commission's finding that ISP-bound traffic is jurisdictionally interstate. Rather, the court held that section 251(g) of the Act did not provide a basis for the Commission's decision. The court held that section 251(g) is simply a transitional device that preserved obligations that predated the 1996 Act until the Commission adopts superseding rules, and that there was no pre-1996 Act obligation with respect to intercarrier compensation for ISP-bound traffic.¹⁶ Although the court rejected the legal rationale for the compensation rules, the court remanded, but did not vacate, the *ISP Remand Order* to the Commission, and it observed that "there is plainly a non-trivial likelihood that the Commission has authority" to adopt the rules.¹⁷ Accordingly, the rules adopted in the *ISP Remand Order* have remained in effect.

5. On November 5, 2007, Core filed a petition for writ of mandamus with the D.C. Circuit seeking to compel the Commission to enter an order resolving the court's remand in the *WorldCom* decision.¹⁸ On July 8, 2008, the court granted a writ of mandamus and directed the Commission to respond to the *WorldCom* remand in the form of a final, appealable order which explains its legal authority to issue the pricing rules for ISP-bound traffic adopted in the *ISP Remand Order*.¹⁹ The court directed the Commission to respond to the writ of mandamus by November 5, 2008.²⁰

B. Discussion

6. In this order, we respond to the D.C. Circuit's remand order in *WorldCom v. FCC*,²¹ and the court's writ of mandamus in *Core Communications Inc.*²² Specifically, we hold that although ISP-bound traffic falls within the scope of section 251(b)(5), this interstate, interexchange traffic is to be afforded different treatment from other section 251(b)(5) traffic pursuant to our authority under section 201 and 251(i) of the Act.

1. Scope of Section 251(b)(5)

¹³ *ISP Remand Order*, 16 FCC Rcd at 9187-89, 9193-94, paras. 78, 80, 89. In a subsequent order, the Commission granted forbearance to all telecommunications carriers with respect to the growth caps and the new markets rule. See *Petition of Core Communications, Inc. for Forbearance Under 47 U.S.C. § 160(c) from Application of the ISP Remand Order*, WC Docket No. 03-171, Order, 19 FCC Rcd 20179 (2004) (*Core Forbearance Order*). Thus, only the rate caps and mirroring rule remain in effect today.

¹⁴ See *ISP Remand Order*, 16 FCC Rcd at 9190-91, para. 85.

¹⁵ See *WorldCom*, 288 F.3d at 429.

¹⁶ See *id.* at 433.

¹⁷ See *id.* at 434.

¹⁸ Pet. for Writ of Mandamus to the Federal Communications Commission, D.C. Cir. 07-1446 (filed Nov. 5, 2007).

¹⁹ *Core Communications, Inc.*, 531 F.3d at 861-62.

²⁰ See *id.* If the Commission fails to comply with the writ by the November 5th deadline, the rules will be vacated on November 6, 2008. See *id.* at 862.

²¹ See 288 F.3d at 434.

²² See 531 F.3d at 861-62.

7. As an initial matter, we conclude that the scope of section 251(b)(5) is broad enough to encompass ISP-bound traffic. To be sure, we acknowledge that, in the *Local Competition First Report and Order*, the Commission found that section 251(b)(5) applies only to local traffic,²³ and some commenters continue to press for such an interpretation.²⁴ As other commenters recognize, however, the Commission, in the *ISP Remand Order*, reconsidered that judgment and concluded that it was a mistake to read section 251(b)(5) as limited to local traffic, given that “local” is not a term used in section 251(b)(5).²⁵ We recognize, as the Supreme Court noted in *AT&T Corp. v. Iowa Utilities Board*, that “[i]t would be a gross understatement to say that the 1996 Act is not a model of clarity.”²⁶ Nevertheless, we find that the better view is that section 251(b)(5) is not limited to local traffic.

8. We begin by looking at the text of the statute. Section 251(b)(5) imposes on all LECs the “duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications.”²⁷ The Act broadly defines “telecommunications” as “the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received.”²⁸ Its scope is not limited geographically (“local,” “intrastate,” or “interstate”) or to particular services (“telephone exchange service,”²⁹ telephone toll service,³⁰ or “exchange access”³¹). We find that the traffic we elect to bring within this framework fits squarely within the meaning of “telecommunications.” We also observe that had Congress intended to preclude the Commission from bringing certain types of telecommunications traffic within the section

²³ *Local Competition First Report and Order*, 11 FCC Rcd at 16012-13, para. 1033.

²⁴ See, e.g., Supplemental Comments of Verizon and Verizon Wireless at 24-32; Letter from Daniel Mitchell, Vice President, Legal and Industry, National Cable and Telecommunications Association (NCTA), to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 at 9 (filed Sept. 30, 2008) (NCTA Sept. 30, 2008 *Ex Parte* Letter); Verizon *Intercarrier Compensation FNPRM* Comments at 38-42; NARUC *Intercarrier Compensation FNPRM* Comments at 6-7; Rural Alliance *Intercarrier Compensation FNPRM* Comments at 144-49; Cincinnati Bell *Intercarrier Compensation FNPRM* Comments at 5-11; Maine Public Utilities Commission and Vermont Public Service Board *Intercarrier Compensation FNPRM* Comments at 7; New York State Department of Public Service *Intercarrier Compensation FNPRM* Comments at 7; Verizon and BellSouth, Supplemental White Paper on ISP Reciprocal Compensation, CC Docket No. 96-98, 99-68 at 16-20 (filed July 20, 2004) (Verizon/BellSouth Supp. ISP White Paper); NARUC’s Initial Comments at 7 n.13 (May 23, 2004). But see, e.g., ICF *Intercarrier Compensation FNPRM* Comments at 39.

²⁵ *ISP Remand Order*, 16 FCC Rcd at 9166-67, para. 35. See also, e.g., Qwest, Legal Authority for Comprehensive Intercarrier Compensation Reform 2-4 (Qwest White Paper), attached to Letter from Melissa Newman, Counsel for Qwest, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 01-92, 06-45, 99-68, WC Docket Nos. 04-36, 05-337, 05-195, 06-122 (filed Oct. 7, 2008) (Qwest Oct. 7, 2008 *Ex Parte* Letter); Letter from Kathleen O’Brien Ham et al., Counsel for T-Mobile, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 at 9-10 (filed Oct. 3, 2008) (T-Mobile Oct. 3, 2008 *Ex Parte* Letter); Level 3 Aug. 18, 2008 *Ex Parte* Letter at 2, 15-18; AT&T Reply to Comment Sought on Missoula Plan Phantom Traffic Interim Process Call Detail Records Proposal, CC Docket No. 01-92, Public Notice, DA 06-2294 (WCB 2006) (*Missoula Phantom Traffic*) at 35-41; Brief from Gary M. Epstein, Counsel for ICF, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 at 29-35 (filed Oct. 5, 2004).

²⁶ *AT&T v. Iowa Utils. Bd.*, 525 U.S. at 397.

²⁷ 47 U.S.C. § 251(b)(5).

²⁸ 47 U.S.C. § 153(43).

²⁹ *Id.* § 153(47).

³⁰ *Id.* § 153(48).

³¹ *Id.* § 153(16).

251(b)(5) framework, it could have easily done so by incorporating restrictive terms in section 251(b)(5). Because Congress used the term “telecommunications,” the broadest of the statute’s defined terms, we conclude that section 251(b)(5) is not limited only to the transport and termination of certain types of telecommunications traffic, such as local traffic.

9. In the *Local Competition First Report and Order* the Commission concluded that section 251(b)(5) applies only to local traffic, but recognized that “[u]ltimately . . . the rates that local carriers impose for the transport and termination of local traffic and for the transport and termination of long distance traffic should converge.”³² In the *ISP Remand Order*, the Commission reversed course on the scope of section 251(b)(5), finding that “the phrase ‘local traffic’ created unnecessary ambiguities, and we correct that mistake here.”³³ The *ISP Remand Order* noted that “the term ‘local,’ not being a statutorily defined category, . . . is not a term used in section 251(b)(5).”³⁴ The Commission found that the scope of section 251(b)(5) is limited only by section 251(g), which temporarily grandfathered the pre-1996 Act rules governing “exchange access, information access, and exchange services for such access” provided to interexchange carriers and information service providers until “explicitly superseded by regulations prescribed by the Commission.”³⁵ On appeal, the D.C. Circuit left intact the Commission’s findings concerning the scope of section 251(b)(5), although it took issue with other aspects of the *ISP Remand Order*.³⁶

10. We disagree with commenters who argue that section 251(b)(5) only can be applied to traffic exchanged between LECs, and not traffic exchanged between a LEC and another carrier.³⁷ The Commission rejected that argument in the *Local Competition Order*, finding that section 251(b)(5) applies to traffic exchanged by a LEC and any other telecommunications carrier, and adopted rules implementing that finding.³⁸ In a specific application of that principle, the Commission concluded that “CMRS providers will not be classified as LECs,”³⁹ but nevertheless found that “LECs are obligated,

³² *Local Competition First Report and Order*, 11 FCC Rcd at 16012, para. 1033.

³³ *ISP Remand Order*, 16 FCC Rcd at 9173, para. 46.

³⁴ *Id.* at 9167, para. 34.

³⁵ 47 U.S.C. § 251(g).

³⁶ See *WorldCom v. FCC*, 288 F.3d at 429.

³⁷ See, e.g., Supplemental Comments of Verizon and Verizon Wireless (“The best interpretation of § 251(b)(5) – read in light of the text, structure, and history of the 1996 Act – is that the reciprocal compensation obligation applies only to intraexchange (or ‘local’) voice calls that originate on the network of one LEC (or wireless provider) and terminate on the network of another LEC (or wireless provider) operating in the same exchange (or, in the case of wireless providers, the same MTA.”); Letter from Ann D. Berkowitz, Associate Director, Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-68, 96-98, Attach. at 26 (filed May 17, 2004) (attaching white paper entitled “Internet-Bound Traffic is Not Compensable Under Sections 251(b)(5) and 252(d)(2)”) (Verizon/BellSouth White Paper) (“By its nature, ‘reciprocal compensation’ must [] apply to ‘telecommunications’ exchanged *between* LECs (or carriers, like CMRS providers, that the Commission is authorized to treat as LECs), not to traffic that is exchanged between LECs and non-LECs.”) (emphasis in original).

³⁸ See *Local Competition First Report and Order*, 11 FCC Rcd at 16013-16, paras. 1034-41. See also 47 C.F.R. 51.703(a) (“Each LEC shall establish reciprocal compensation arrangements for transport and termination of telecommunications traffic with any requesting telecommunications carrier”); *ISP Remand Order*, 16 FCC Rcd at 9193-94, para. 89 n.177 (“Section 251(b)(5) applies to telecommunications traffic between a LEC and a telecommunications carrier . . .”).

³⁹ *Local Competition First Report and Order*, 11 FCC Rcd at 15996, para. 1005.

pursuant to section 251(b)(5) (and the corresponding pricing standards of section 252(d)(2)), to enter into reciprocal compensation agreements with all CMRS providers.”⁴⁰ No one challenged that finding on appeal, and it has been settled law for the past 12 years. We see no reason to revisit that conclusion now. While section 251(b)(5) indisputably imposes the duty to establish reciprocal compensation arrangements on LECs alone, Congress did not limit the class of potential beneficiaries of that obligation to LECs.⁴¹

11. We also disagree with commenters who argue that section 252(d)(2)(A)(i) limits the scope of section 251(b)(5).⁴² Section 252(d)(2)(A)(i) provides that a state commission “shall not consider the terms and conditions for reciprocal compensation to be just and reasonable” unless “such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier’s network facilities of calls that originate on the network facilities of the other carrier.”⁴³ Verizon and others argue that this provision necessarily excludes interexchange traffic from the scope of section 251(b)(5), because at the time the 1996 Act was passed calls neither originated nor terminated on an interexchange carrier’s network.⁴⁴ We reject this reasoning because it erroneously assumes that Congress intended the pricing standards in section 252(d)(2) to limit the otherwise broad scope of section 251(b)(5). We do not believe that Congress intended the tail to wag the dog.

12. Section 251(b)(5) defines the scope of traffic that is subject to reciprocal compensation. Section 252(d)(2)(A)(i), in turn, deals with the mechanics of who owes what to whom, it does not define the scope of traffic to which section 251(b)(5) applies. Section 252(d)(2)(A)(i) provides that, at a minimum, a reciprocal compensation arrangement must provide for the recovery by each carrier of costs associated with the transport and termination on each carrier’s network of calls that originate on the network of the other carrier.⁴⁵ Section 252(d)(2)(A)(i) does not address what happens when carriers exchange traffic that originates or terminates on a third carrier’s network. This does not mean, as Verizon suggests, that section 251(b)(5) must be read as limited to traffic involving only two carriers. Rather, it means that there is a gap in the pricing rules in section 252(d)(2), and the Commission has authority under section 201(b) to adopt rules to fill that gap.

13. We also reject Verizon’s argument that a telecommunications carrier that delivers traffic to an ISP is not eligible for reciprocal compensation because the carrier does not “terminate”

⁴⁰ *Local Competition First Report and Order*, 11 FCC Rcd at 15997, para. 1008.

⁴¹ If Congress had intended to limit the class of potential beneficiaries of LECs’ duty to establish reciprocal obligation arrangements, it would have said so explicitly. See 47 U.S.C. § 251(b)(3) (describing the “duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service”).

⁴² See, e.g., Verizon/BellSouth White Paper at 41–43; New York State Department of Public Service *Intercarrier Compensation FNPRM* Comments at 8–9; TDS *Intercarrier Compensation FNPRM* Comments at 19 n.27; VeriSign *Intercarrier Compensation FNPRM* Comments, Attach B. at 9, 12, 26–28; Qwest *Intercarrier Compensation FNPRM* Comments at 39; NASUCA *Intercarrier Compensation FNPRM* Reply at 17; Leap Wireless International, Inc. *Intercarrier Compensation FNPRM* Reply, Ex. 5 at 8.

⁴³ 47 U.S.C. § 252(d)(2)(A)(i).

⁴⁴ See, e.g., Maine Public Utilities Commission and Vermont Public Service Board *Intercarrier Compensation FNPRM* Comments at 7–8; New York State Department of Public Service *Intercarrier Compensation FNPRM* Comments at 7–10; Verizon/BellSouth Supp. ISP White Paper at 16–20; NARUC *Intercarrier Compensation FNPRM* Initial Comments at 7 n.13.

⁴⁵ 47 U.S.C. § 252(d)(2)(A)(i).

telecommunications traffic at the ISP.⁴⁶ In the *Local Competition Order*, the Commission defined “termination” as “the switching of traffic that is subject to section 251(b)(5) at the terminating carrier’s end office switch ... and delivery of that traffic to the called party’s premises.”⁴⁷ As the D.C. Circuit suggested in the *Bell Atlantic* decision, “Calls to ISPs appear to fit this definition: the traffic is switched by the LEC whose customer is the ISP and then delivered to the ISP, which is clearly the ‘called party.’”⁴⁸ We agree.⁴⁹

14. Verizon also argues that the reference to reciprocal compensation in the competitive checklist in section 271,⁵⁰ which was designed to ensure that local markets are open to competition, somehow shows that Congress intended to limit the scope of section 251(b)(5) to local traffic.⁵¹ We do not see how this argument sheds any light on the scope of section 251(b)(5). Congress no doubt included the reference to reciprocal compensation in section 271 because section 251(b)(5) applies to local traffic, a point that no one disputes. That does not suggest, however, that section 251(b)(5) applies *only* to local traffic.

15. We need not respond to every other variation of the argument that the history and structure of the Act somehow demonstrate that section 251(b)(5) is limited to local traffic. At best, these arguments show that one plausible interpretation of the statute is that section 251(b)(5) applies only to local traffic, a view that the Commission embraced in the *Local Competition First Report and Order*. These arguments do not persuade us, however, that this is the only plausible reading of the statute. Moreover, many of the same arguments based on the history and context of the adoption of section 251 to limit its scope to local traffic were rejected by the D.C. Circuit in the context of section 251(c).⁵² We find

⁴⁶ See, e.g., Supplemental Comments of Verizon and Verizon Wireless at 33–34; Verizon/BellSouth White Paper at 31–32.

⁴⁷ *Local Competition Order*, 11 FCC Rcd at 16015, para. 1040. See also 47 C.F.R. § 51.701(d).

⁴⁸ 206 F.3d at 6.

⁴⁹ We reject Verizon’s argument against the application of section 251(b)(5) to ISP-bound traffic because this traffic is one-way traffic and as such is not reciprocal, see Supplemental Comments of Verizon and Verizon Wireless at 26 (Oct. 2, 2008); Verizon White Paper at 41–43 (May 17, 2004). As Level 3 points out, these arguments have been rejected by the Commission and the U.S. Court of Appeals for the Ninth Circuit. See Level 3 Aug. 18, 2008 *Ex Parte* Letter at 18; *Pacific Bell v. Cook Telecom, Inc.*, 197 F.3d 1236, 1242–44 (9th Cir. 1999) (reciprocal compensation applies to paging traffic); *TSR Wireless, LLC v. U.S. West Communications, Inc.*, 15 FCC Rcd 11166, 11178 para. 21 (2000) (the Commission’s reciprocal compensation rules “draw [] no distinction between one-way and two-way carriers”). Because our conclusion in this order concerning the scope of section 251(b)(5) is no longer tied to whether this traffic is local or long distance, we need not address arguments made by the parties as to whether ISP-bound traffic constitutes “telephone exchange service” under the Act. See e.g., Letter from John T. Nakahata, Counsel for Level 3 Communications, LLC, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket Nos. 99–68, 96–98, Attach. at 1 (filed Sept. 24, 2004).

⁵⁰ See 47 U.S.C. § 271(c)(2)(B)(xiii).

⁵¹ See Supplemental Comments of Verizon and Verizon Wireless at 26; Verizon/BellSouth White Paper at 9.

⁵² *United States Telecom Association v. FCC*, 359 F.3d 554, 592 (D.C. Cir. 2004) (*USTA II*), cert. denied sub nom., *Nat’l Ass’n of Regulatory Utility Comm’rs v. United States Telecom Ass’n*, 543 U.S. 925, 125 S. Ct. 313, 160 L.Ed.2d 223 (2004) (“Even under the deferential *Chevron* standard of review, an agency cannot, absent strong structural or contextual evidence, exclude from coverage certain items that clearly fall within the plain meaning of a statutory term. The argument that long distance services are not ‘telecommunications services’ has no support.”). In *USTA II*, the D.C. Circuit was addressing whether the term “telecommunications services” was limited to local

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that the better reading of the Act as a whole, in particular the broad language of section 251(b)(5) and the grandfather clause in section 251(g), supports our view that the transport and termination of all telecommunications exchanged with LECs is subject to the reciprocal compensation regime in sections 251(b)(5) and 252(d)(2).

16. Notwithstanding section 251(b)(5)'s broad scope, we agree with the finding in the *ISP Remand Order* that traffic encompassed by section 251(g) is excluded from section 251(b)(5) except to the extent that the Commission acts to bring that traffic within its scope. Section 251(g) preserved the pre-1996 Act regulatory regime that applies to access traffic, including rules governing "receipt of compensation."⁵³ Here, however, the D.C. Circuit has held that ISP-bound traffic did not fall within the section 251(g) carve out from section 251(b)(5) as "there had been *no* pre-Act obligation relating to intercarrier compensation for ISP-bound traffic."⁵⁴ As a result, we find that ISP-bound traffic falls within the scope of section 251(b)(5).

2. Authority Under Section 201

17. The section 251(b)(5) finding above, however, does not end our legal analysis here. That is because the ISP-bound traffic at issue here is clearly interstate in nature and thus also subject to our section 201 authority. The Commission unquestionably has authority to regulate intercarrier compensation with respect to interstate access services, rates charged by CMRS providers, and other traffic subject to Commission authority such as ISP-bound traffic. Section 2(a) of the Act establishes the Commission's jurisdiction over interstate services, for which the Commission ensures just, reasonable, and not unjustly and unreasonably discriminatory rates under section 201 and 202.⁵⁵ Likewise, the Commission has authority over the rates of CMRS providers pursuant to section 332 of the Act.⁵⁶

18. In sections 251 and 252 of the Act, Congress altered the traditional regulatory framework based on jurisdiction by expanding the applicability of national rules to historically intrastate issues and state rules to historically interstate issues.⁵⁷ In the *Local Competition First Report and Order*, the Commission found that the 1996 Act created parallel jurisdiction for the Commission and the states over interstate and intrastate matters under sections 251 and 252.⁵⁸ The Commission and the states "are to address the same matters through their parallel jurisdiction over both interstate and intrastate matters under sections 251 and 252."⁵⁹ Moreover, section 251(i) provides that "[n]othing in this section shall be construed to limit or otherwise affect the Commission's authority under section 201."⁶⁰ In the *Local Competition First Report and Order*, the Commission concluded that section 251(i) "affirms that the Commission's preexisting authority under section 201 continues to apply for purely interstate

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telecommunications services under section 251(c), while here we consider the analogous question of whether "telecommunications" is limited to local telecommunications under section 251(b).

⁵³ 47 U.S.C. 251(g).

⁵⁴ *WorldCom*, 288 F.3d at 433.

⁵⁵ 47 U.S.C. §§ 152(a), 201, 202.

⁵⁶ 47 U.S.C. § 332.

⁵⁷ *Local Competition First Report and Order*, 11 FCC Rcd at 15544, para. 83.

⁵⁸ *Id.* at 15544–45, para. 85.

⁵⁹ *Id.*

⁶⁰ 47 U.S.C. § 251(i).

activities.”⁶¹

19. In implementing sections 251 and 252 in the *Local Competition First Report and Order*, the Commission’s treatment of LEC-CMRS traffic provides an instructive example. Prior to the 1996 Act, the Commission expressly preempted “state and local regulations of the kind of interconnection to which CMRS providers are entitled” based on its authority under section 201 and 332 of the Act.⁶² Nevertheless, in the *Local Competition First Report and Order*, the Commission brought LEC-CMRS interconnection within the section 251 framework as it relates to intraMTA (including interstate intraMTA) traffic.⁶³ The Commission recognized, however, that it continued to retain separate authority over CMRS traffic.⁶⁴

20. Courts confirmed that, in permitting LEC-CMRS interconnection to be addressed through the section 251 framework, the Commission did not in any way lose its independent jurisdiction or authority to regulate that traffic under other provisions of the Act. Thus, although the Eighth Circuit invalidated the Commission’s TELRIC pricing rules in general,⁶⁵ it recognized that “because section 332(c)(1)(B) gives the FCC the authority to order LECs to interconnect with CMRS carriers, we believe that the Commission has the authority to issue the rules of special concern to the CMRS providers, [including the reciprocal compensation rules] but only as these provisions apply to CMRS providers. Thus, [the pricing] rules . . . remain in full force and effect with respect to the CMRS providers, and our order of vacation does not apply to them in the CMRS context.”⁶⁶ Subsequently, the D.C. Circuit held that CMRS providers were entitled to pursue formal complaints under section 208 of the Act for violations of the Commission’s reciprocal compensation rules.⁶⁷

21. We build upon our actions in the *Local Competition First Report and Order* and find here that addressing ISP-bound traffic through the section 251 framework does not diminish the Commission’s independent jurisdiction or authority to regulate traffic under other provisions of the Act. Specifically, we retain our authority under section 201 to regulate ISP-bound traffic, despite acknowledging that such traffic is section 251(b)(5) traffic. With respect to interstate services, the Act has long provided us with the authority to establish just and reasonable “charges, practices, classifications, and regulations.”⁶⁸ The Commission thus retains full authority to regulate charges for traffic and services subject to federal jurisdiction, even when it is within the sections 251(b)(5) and 252(d)(2) framework. Because we reaffirm our findings concerning the interstate nature of ISP-bound traffic, which have not been vacated by

⁶¹ *Local Competition First Report and Order* at 15546–47, para. 91.

⁶² *Implementation of Sections 3(n) and 332*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1498, para. 230 (1994).

⁶³ See *Local Competition First Report and Order*, 11 FCC Rcd at 16005, para. 1023.

⁶⁴ *Id.* (“By opting to proceed under sections 251 and 252, we are not finding that section 332 jurisdiction over interconnection has been repealed by implication, or rejecting it as an alternative basis for jurisdiction.”).

⁶⁵ We note that the Supreme Court later reversed this decision and affirmed the TELRIC methodology. See *Verizon Commc’ns, Inc. v. FCC*, 535 U.S. 467 (2002) (*Verizon v. FCC*).

⁶⁶ *Iowa Utils. Bd. v. FCC*, 120 F.3d 753, 800 n.21 (8th Cir. 1997) (*Iowa Utils. Bd.*) (vacated and remanded in part on other grounds, *AT&T Corp. v. Iowa Utils. Bd.*, 525 U.S. 366 (1999) (*AT&T v. Iowa Utils. Bd.*)).

⁶⁷ See *Qwest Corp. v. FCC*, 252 F.3d 462, 465–66 (D.C. Cir. 2001) (describing the Eighth Circuit’s analysis of section 332(c)(1)(B) in *Iowa Utils. Bd. v. FCC* and concluding that an attempt to relitigate the issue was barred by the doctrine of issue preclusion).

⁶⁸ 47 U.S.C. § 201(b).

any court, it follows that such traffic falls under the Commission's section 201 authority preserved by the Act and that we therefore have the authority to issue pricing rules pursuant to that section.⁶⁹ This conclusion is reinforced by section 251(i) of the Act. As the Commission explained in the *ISP Remand Order*, section 251(i) "expressly affirms the Commission's role in an evolving telecommunications marketplace, in which Congress anticipates that the Commission will continue to develop appropriate pricing and compensation mechanisms for traffic that falls within the purview of section 201."⁷⁰ It concluded that section 251(i), together with section 201, equips the Commission with the tools necessary to keep pace with regulatory developments and new technologies.⁷¹ When read together, these statutory sections preserve the Commission's authority to address new issues that fall within its section 201 authority over interstate traffic, including compensation for the exchange of ISP-bound traffic. Consequently, in the *ISP Remand Order*, the Commission properly exercised its authority under section 201(b) to issue pricing rules governing the payment of compensation between carriers for ISP-bound traffic.⁷²

22. Our result today is consistent with the D.C. Circuit's opinion in *Bell Atlantic*, which concluded that the jurisdictional nature of traffic is not dispositive of whether reciprocal compensation is owed under section 251(b)(5).⁷³ It is also consistent with the D.C. Circuit's *WorldCom* decision, in which the court rejected the Commission's view that section 251(g) excluded ISP-bound traffic from the scope

⁶⁹ We have consistently found that ISP-bound traffic is jurisdictionally interstate. ISP-bound traffic melds a traditional circuit-switched local telephone call over the PSTN to packet switched IP-based Internet communication to Web sites. See e.g., *Declaratory Ruling*, 14 FCC Rcd at 3702, para. 18; *ISP Remand Order*, 16 FCC Rcd at 9175, para. 52. This conclusion has not been questioned by the D.C. Circuit. See *WorldCom*, 288 F.3d at 431; *Bell Atlantic v. FCC*, 206 F.3d at 5 ("There is no dispute that the Commission has historically been justified in relying on this method when determining whether a particular communication is jurisdictionally interstate."). In other contexts, the Commission has likewise found that services that offer access to the Internet are jurisdictionally interstate services. In 1998, for example, the Commission found that ADSL service is jurisdictionally interstate. See *GTE Tel. Operating Cos.*, CC Docket No. 98-79, Memorandum Opinion and Order, 13 FCC Rcd 22466, 22481, para. 28 (1998) ("finding that GTE's ADSL service is subject to federal jurisdiction" and is "an interstate service"). More recently, the Commission has confirmed this ruling for a variety of broadband Internet access services. See *Inquiry Concerning High-Speed Access to the Internet Over Cable and Other Facilities*, GN Docket No. 00-185, CS Docket No. 02-52, Declaratory Ruling and Notice of Proposed Rulemaking, 17 FCC Rcd 4798, 4832, para. 59 (2002) (finding that, "on an end-to-end analysis," "cable modem service is an interstate information service"); *Wireline Broadband Internet Access Order*, 20 FCC Rcd 14853 at 14914, para. 110 (2005), *aff'd by Brand X*, 545 U.S. 967; *Appropriate Regulatory Treatment for Broadband Access to the Internet Over Wireless Networks*, WT 07-53, Declaratory Ruling, 22 FCC Rcd 5901, 5911, para. 28 (2007); *United Power Line Council's Petition for Declaratory Ruling Regarding the Classification of Broadband over Power Line Internet Access Service as an Information Service*, WC 06-10, Memorandum Opinion and Order, 21 FCC Rcd 13281, 13288, para. 11 (2006). In the *Vonage Order*, the Commission likewise found that VoIP services are jurisdictionally interstate, employing the same end-to-end analysis reflected in those other orders. *Vonage Order*, 19 FCC Rcd at 22413-14, paras. 17-18.

⁷⁰ *ISP Remand Order*, 16 FCC Rcd at 9174, para. 50.

⁷¹ See *ISP Remand Order*, at 9175, para. 51.

⁷² We thus respond to the D.C. Circuit's remand order in *WorldCom*, 288 F.3d at 434, and the court's writ of mandamus in *Core Communications*, 531 F.3d at 861-62, which directed the Commission to explain its legal authority to issue the pricing rules for ISP-bound traffic adopted in the *ISP Remand Order*. Specifically, we find, for the reasons set forth here that the Commission had the authority to adopt the pricing regime pursuant to our broad authority under section 201(b) to issue rules governing interstate traffic.

⁷³ See *Bell Atlantic*, 206 F.3d at 5.

of section 251(b)(5), but made no other findings.⁷⁴ Finally, this result does not run afoul of the Eighth Circuit's decision on remand from the Supreme Court in the *Iowa Utilities Board* litigation, which held that "the FCC does not have the authority to set the actual prices for the state commissions to use" under section 251(b)(5).⁷⁵ At the time of that decision, under the *Local Competition First Report and Order*, section 251(b)(5) applied only to local traffic. Thus, the Eighth Circuit merely held that the Commission could not set reciprocal compensation rates for local traffic. The court did not address the Commission's authority to set reciprocal compensation rates for interstate traffic.⁷⁶ In sum, the Commission plainly has authority to establish pricing rules for interstate traffic, including ISP-bound traffic, under section 201(b), and that authority was preserved by section 251(i).

3. Other Issues

23. Most commenters urge the Commission to maintain the compensation rules governing ISP-bound traffic until the Commission is able to complete comprehensive intercarrier compensation reform.⁷⁷ These parties contend that a higher compensation rate would create new opportunities for arbitrage⁷⁸ and impose substantial financial burdens on wireless companies, incumbent LECs and state

⁷⁴ See *WorldCom*, 288 F.3d at 434.

⁷⁵ *Iowa Utils. Bd. v. FCC*, 219 F.3d 744, 757 (8th Cir. 2000) (*Iowa Utils. II*), *rev'd in part sub nom. Verizon v. FCC*, 535 U.S. 467.

⁷⁶ Indeed, above, the court expressly confirmed the Commission's independent authority to set rates for CMRS traffic pursuant to section 332 and declined to vacate the Commission's pricing rules as they applied in the context of CMRS service. See *Iowa Utils. I*, 120 F.3d at 800 n.21.

⁷⁷ See, e.g., Letter from Gregory J. Vogt, Counsel for CenturyTel, Inc. to Marlene H. Dortch, Secretary, FCC, WC Docket No. 05-337; CC Docket Nos. 96-45, 01-92, Attach. at 10 (filed July 8, 2008) (asking the Commission to maintain the existing compromises reached with respect to ISP-bound traffic); Letter from Gary L. Phillips, Associate General Counsel, AT&T, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 01-92, 96-98, 99-68 at 8 (filed May 9, 2008) (asserting that the public interest would be best served by maintaining the existing transitional rates pending broader intercarrier compensation reform); Letter from L. Charles Keller, Counsel for Sage Telecom, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 99-68, 01-92, Attach. at 6 (Sage Telecom May 9, 2008 *Ex Parte* Letter) (stating that retaining the ISP rate serves broad policy goals); Letter from John T. Nakahata, Counsel for Level 3 Communications to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 01-92, 99-68 at 1 (filed May 7, 2008) (supporting continuation of the compensation rules); Letter from Joshua Seidmann, Vice President of Regulatory Affairs, Independent Telephone & Telecommunications Alliance, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-68, 96-98, Attach. at 2 (filed Apr. 28, 2008) (ITTA Apr. 28, 2008 *Ex Parte* Letter) (asking the Commission to retain the current \$0.0007 rate for ISP-bound traffic); Letter from Donna Epps, Vice President of Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-68, 96-98 (filed Apr. 7, 2008) (urging the Commission to support its earlier finding that \$0.0007 is appropriate compensation for dial-up ISP traffic); Letter from L. Charles Keller, Counsel to Verizon Wireless, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 01-92, 99-68, Attach. (filed May 1, 2008) (Verizon Wireless May 1, 2008 *Ex Parte* Letter) (describing how elimination of the existing ISP rate would create substantial burdens on a number of carriers and state commissions); Letter from Glenn Reynolds, Vice President, Policy, USTelecom, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 01-92, 99-68, 96-262, WC Docket No. 07-135 at 2 (filed Apr. 29, 2008) (USTelecom Apr. 29, 2008 *Ex Parte* Letter) (noting that the Commission's existing rules have "largely mitigated the debate around compensation for ISP-bound traffic, but there is every reason to believe the same problems would arise if the Commission were to reverse direction on this issue").

⁷⁸ See, e.g., USTelecom Apr. 29, 2008 *Ex Parte* Letter at 2; Letter from Melissa E. Newman, Vice President, Federal Regulatory, Qwest Communications International, Inc., to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-68, 96-98, WC Docket No. 07-135, Attach. at 3-5 (filed Apr. 25, 2008) (Qwest April 25, 2008 *Ex Parte* Letter); Verizon and BellSouth, Further Supplemental White Paper on ISP Reciprocal Compensation at 20

(continued....)

public utility commissions.⁷⁹ They further claim that the existing regime has simplified interconnection negotiations.⁸⁰

24. In the *ISP Remand Order*, the Commission found that the one-way nature of ISP-bound traffic creates significant arbitrage opportunities. Due to the unbalanced nature of ISP-bound traffic, the Commission observed that reciprocal compensation arrangements created enormous incentives for competitive LECs to sign up ISPs as customers.⁸¹ The Commission cited evidence that competitive LECs, on average, terminated eighteen times more traffic than they originated, resulting in annual CLEC reciprocal compensation billings of approximately two billion dollars, 90 percent of which was for ISP-bound traffic.⁸² The Commission concluded that “the record strongly suggests that CLECs target ISPs in large part because of the availability of reciprocal compensation payments.”⁸³ This undermined the operation of competitive markets because competitive LECS were able to recover a disproportionate share of their costs from other carriers.⁸⁴ To limit arbitrage opportunities that arose from “excessively high reciprocal compensation rates,”⁸⁵ the Commission adopted a gradually declining cap on intercarrier compensation for ISP-bound traffic, beginning at \$.0015 per minute of use and declining to \$.0007 per minute of use, the current cap.⁸⁶ The Commission derived the rate caps from contemporaneous interconnection agreements, in which carriers voluntarily agreed to rates comparable to the rate caps adopted by the Commission.⁸⁷ The interconnection agreements included lower rates for unbalanced traffic than for balanced traffic, and the rates declined over time, like the rate caps.⁸⁸ Although the Commission made no specific findings with regard to the actual costs associated with delivering traffic to ISPs, it noted evidence in the record that technological advances were reducing the costs incurred by carriers when handling all forms of traffic.⁸⁹ The Commission also noted that “negotiated reciprocal compensation rates continue to decline as ILECS and CLECs negotiate new agreements.”⁹⁰

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(Verizon/BellSouth Further Supp. ISP White Paper), attached to Letter from Donna Epps, Vice President, Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 96-98, 99-68 (filed Sept. 27, 2004).

⁷⁹ See, e.g., Verizon Wireless May 1, 2008 *Ex Parte* Letter, Attach.

⁸⁰ See, e.g., *id.* (stating that “the [m]irroring [r]ule simplified wireless-ILEC interconnection negotiations tremendously”); Supplemental Comments of Verizon and Verizon Wireless on Intercarrier Payments for ISP-Bound Traffic and the *WorldCom* Remand, CC Docket Nos. 01-92, 96-98, 99-68 at 38–40 (filed Oct. 2, 2008) (Supplemental Comments of Verizon and Verizon Wireless) (indicating that Verizon entered into multiple agreements using the \$.0007 rate cap established in the *ISP Remand Order*).

⁸¹ *Id.* at 9182-83, para. 68-71.

⁸² *Id.* at 9183, para. 70.

⁸³ *Id.*

⁸⁴ *Id.* at para. 71.

⁸⁵ *Id.* at 9185, para. 75.

⁸⁶ *Id.* at 9187, para. 78.

⁸⁷ *Id.* at 9190-91, para. 85.

⁸⁸ *Id.*

⁸⁹ *Id.* at 9190, para. 84.

⁹⁰ *Id.*

25. On July 14, 2003, Core Communications, Inc. ("Core") filed a petition pursuant to Section 10 of the Communications Act⁹¹ requesting that the Commission forbear from enforcing the rate caps and certain other provisions set forth in the *ISP Remand Order* with respect to the exchange of ISP-bound traffic between telecommunications carriers. In 2004, the Commission denied the petition with respect to rate caps and the mirroring rule, determining that Core had satisfied none of the three prongs of the statutory test for forbearance.⁹² First, the Commission found that forbearance from enforcement of the rate caps was not consistent with the public interest. To the contrary, the Commission concluded that rate caps remained necessary to prevent regulatory arbitrage and to promote efficient investment in telecommunications services and facilities.⁹³ Second, the Commission found limited potential for discrimination under the rate caps. The caps applied to ISP-bound traffic only to the extent that an incumbent carrier offered to exchange all traffic at the same rate under Section 251(b)(5).⁹⁴ Accordingly, the Commission concluded that Core had not proven that the rate caps resulted in impermissible discrimination against or between competitive carriers or services.⁹⁵ Finally, the Commission found that Core had not demonstrated that enforcement of the rate caps was not necessary for the protection of consumers. Core advanced speculative general claims that the caps caused artificially high rates, had forced competitive carriers from the market, and had deterred investment in telecommunications services, all to consumers' detriment. The Commission rejected these unsupported claims, explaining that the rate caps were designed to prevent the subsidization of dial-up Internet access customers at the expense of consumers of basic telephone service and to avoid regulatory arbitrage and discrimination between services.⁹⁶ For these reasons, the Commission denied Core's petition for forbearance insofar as rate caps were concerned.⁹⁷

26. In 2006, the D.C. Circuit affirmed our decision not to forbear from the rate cap (and the mirroring rule).⁹⁸ The Court found reasonable the Commission's "view that the rate caps are necessary to prevent the subsidization of dial-up Internet access consumers by consumers of basic telephone service"

⁹¹ See 47 U.S.C. § 160(a) ("[T]he Commission shall forbear from applying any regulation or any provision of [the Communications] Act to a telecommunications carrier . . . if the Commission determines that (1) enforcement of such regulation or provision is not necessary to ensure that the charges, practices, classifications or regulations by, for, or in connection with that telecommunications carrier or telecommunications service are just and reasonable, and are not unjustly or unreasonably discriminatory; (2) enforcement of such regulation or provision is not necessary for the protection of consumers; and (3) forbearance from applying such provision or regulation is consistent with the public interest.").

⁹² See *Petition of Core Communications, Inc. for Forbearance Under 47 U.S.C. § 160(C) From Application of the ISP Remand Order*, 19 FCC Rcd 20179 (2004) ("*Forbearance Order*").

⁹³ The Commission rejected as an initial matter Core's argument that the D.C. Circuit's decision in *WorldCom, Inc. v. FCC*, 288 F.3d 429 (2002), *cert. denied*, 538 U.S. 1012 (2003), compelled the agency to grant the petition, observing that the court remanded but did not vacate the rules adopted in the *ISP Remand Order* and specifically found a "non-trivial likelihood" that the Commission would be able to justify the regime it adopted. See *Forbearance Order*, 19 FCC Rcd at 20185 para. 17 (quoting *Worldcom*, 288 F.3d at 434).

⁹⁴ See 47 U.S.C. § 251(b)(5) (imposing upon local exchange carriers the "duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications").

⁹⁵ See *Forbearance Order*, 19 FCC Rcd at 20187 para. 23.

⁹⁶ *Id.* at 20188 para. 25.

⁹⁷ *Id.* at 20189 para. 29.

⁹⁸ *In re Core Communications, Inc.*, 455 F.3d 267 (D.C. Cir. 2006).

that would occur if reciprocal compensation rates applied to one-way ISP-bound traffic.⁹⁹ The Court likewise rejected Core's contention that the rate cap was "unreasonably discriminatory," both because one-way ISP-bound calls were fundamentally different from other forms of traffic and because the mirroring rule ensures that "the caps apply to ISP-bound traffic only if an incumbent LEC offers to exchange all Section 251(b)(5) traffic at the same rate."¹⁰⁰ Finally, the Court concluded that the Commission's concern that the rate cap was necessary to prevent "regulatory arbitrage" and "distorted economic incentives" was reasonable.¹⁰¹

27. The policy justifications provided by the Commission in 2001 for the rules at issue here have not been questioned by any court. In addition, the policy justifications provided by the Commission for refusing to forbear from enforcement of these rules were upheld by the D.C. Circuit in 2006. We therefore disagree with parties who suggest that the Commission, in responding to the D.C. Circuit's remand in *WorldCom*, must offer detailed new justifications for the ISP intercarrier payment regime¹⁰²; We have already offered our justifications for that regime. Moreover, both the *Worldcom* remand and *Core* writ of mandamus focused on the issue of legal authority. We also reject arguments that the Commission unlawfully delegated its authority in the *ISP Remand Order* and arguments that the Commission addressed previously in the *Core Forbearance Order*.¹⁰³

28. The Commission long has stated its intention to move to a more unified intercarrier compensation regime. Progress is difficult due to competing priorities, such as competition, innovation, universal service, and other goals. The Commission recognized in 2001 that ISP-bound traffic represented a unique arbitrage problem that required immediate attention, based on the policy concerns discussed above. The Commission remains committed to moving towards a more unified intercarrier compensation regime, as evidenced by the Further Notice issued in conjunction with this order.

29. In sum, we maintain the \$.0007 cap and the mirroring rule pursuant to our section 201 authority. These rules shall remain in place until we adopt more comprehensive intercarrier compensation reform.

II. REPORT AND ORDER – REFORM OF HIGH-COST UNIVERSAL SERVICE SUPPORT

30. In this report and order, we address the "Recommended Decision" of the Federal-State Joint Board on Universal Service (Joint Board), which was released on November 20, 2007.¹⁰⁴ As

⁹⁹ *Id.* at 278.

¹⁰⁰ *Id.* (citing *Forbearance Order*, 19 FCC Rcd at 20187, para. 23).

¹⁰¹ *Id.* at 279.

¹⁰² See Letter from Michael B. Hazzard, Counsel to Core Communications, to Marlene H. Dortch, FCC, CC Docket Nos. 99-68, 01-92, Attach. at 20-26 (May 14, 2008).

¹⁰³ See Core May 14, 2008 Response at 18 & n.8, 19-20. The Commission did not delegate its authority in the *ISP Remand Order*, but rather provided options that were not mandatory. See, e.g., *ISP Remand Order*, 16 FCC Rcd at 9193, para. 89. Additionally, Core argues that the Commission provided no reasoned explanation for the growth cap and new markets rules adopted in the *ISP Remand Order* and never provided notice or an opportunity for comment on those specific rules. These rules, as applicable to all carriers, were forbore from in the *Core Forbearance Order*. See *Core Forbearance Order*, 19 FCC Rcd at 20186-87, paras. 20-21. As such, this argument is moot.

¹⁰⁴ *High-Cost Universal Service Support, Federal-State Joint Board on Universal Service*, WC Docket No. 05-337, CC Docket No. 96-45, Recommended Decision, 22 FCC Rcd 20477 (JB 2007) (*Comprehensive Reform Recommended Decision*).

DOCKET NO. 090501-TP

EXHIBIT _____ (TJG-1)

CV of Timothy Gates

on behalf of

Bright House Networks Information Services (Florida), LLC

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP **EXHIBIT** 15

COMPANY BRIGHT HOUSE NETWORKS

WITNESS TIMOTHY J. GATES (TJG-1)

DATE 05/25/10

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Biography

Mr. Gates is a QSI partner and currently serves as Senior Vice President, managing some of QSI's largest clients. Before joining QSI, Mr. Gates held key management positions over a 15-year period with MCI, Inc.'s Law and Public Policy Group. Mr. Gates has focused on telecommunications issues ranging from costing, pricing, alternative forms of regulation, local entry, and universal service to strategic planning, legislation, and merger and network issues over a telecommunications career spanning 25 years. He has extensive experience working with attorneys, analysts, external consultants, regulators, lobbyists, and company executives on issues associated with the convergence of competition, technologies, services, and companies. Mr. Gates has developed policy positions and advocated those positions before regulatory commissions and legislatures across the nation. During his tenure with MCI, Mr. Gates managed its many external consultants and the associated budget. He has testified in more than 200 proceedings in 45 states and Puerto Rico and before the FCC and the Department of Justice. Mr. Gates is widely recognized in the telecommunications industry as one of the most talented witnesses and witness trainers.

Before joining MCI, Mr. Gates was employed by the Texas Public Utility Commission as a Telephone Rate Analyst in the Telecommunications Division's Engineering Department. Prior to joining the Texas staff, Mr. Gates was employed by the Oregon Public Utility Commission as an Economic Analyst in the Telecommunications Division. Mr. Gates also has experience in the energy industry, having worked with the Bonneville Power Administration (United States Department of Energy), where he was employed as a Financial Analyst. Mr. Gates also spent 10 years in the forest industry in the Northwest, where he held numerous positions of increasing responsibility for International Paper, Weyerhaeuser and the Oregon Department of Forestry.

Educational Background

Master of Management, Emphasis in Finance and Quantitative Methods
Willamette University's Atkinson Graduate School of Management, Salem, Oregon

Bachelor of Science, Forest Management
Oregon State University, Corvallis, Oregon





Timothy J Gates

Professional Experience

QSI Consulting, Inc.

2000 – Current
Senior Vice President
Denver, Colorado

MCI WorldCom

1996 – 2000
Senior Executive Staff Member
National Public Policy Group
Denver, Colorado

MCI Telecommunications

1994 – 1996
Executive Staff Member II
World Headquarters, Washington D.C.

MCI Telecommunications

1992 – 1994
Senior Manager
National Public Policy Group
Chicago, Illinois

MCI Telecommunications

1988 – 1992
Senior Manager – Legal and Regulatory
Affairs -- Midwest Division
Chicago, Illinois

MCI Telecommunications

1986 – 1988
Manager of Tariffs and Economic Analysis –
West Division
Denver, Colorado

MCI Telecommunications

1985 – 1986
Financial Analyst III and Senior Staff
Specialist – Southwest Division
Austin, Texas

Public Utility Commission of Texas

1984 – 1985
Engineering Division
Telephone Rate Analyst
Austin, Texas

Public Utility Commission of Oregon

1983 – 1984
Economic Analyst
Salem, Oregon

Bonneville Power Administration

1982 – 1983
Financial Analyst
Portland, Oregon

Timothy J Gates



Expert Testimony – Profile

The information below is Mr. Gates' best effort to identify proceedings wherein he has either provided pre-filed written testimony or provided live testimony or formal comments. This information does not reflect all proceedings, cases, projects or other work done by Mr. Gates.

Before the Alabama Public Service Commission

Docket No. 27867

Adelphia Business Solutions Arbitration with BellSouth Telecommunications

Direct

October 18, 2000

Rebuttal

January 31, 2001

Before the Arizona Corporation Commission

Docket No. T-03654-05-0350, T-01051B-05-0350

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corp.

On Behalf of Level 3

Direct

July 15, 2005

Rebuttal

August 15, 2005

Before the Arizona Corporation Commission

Docket No. T-01051B-0454

In the Matter of Qwest Corporation's Amended Renewed Price Regulation Plan

On Behalf of Time Warner Telecom, Inc.

Direct

November 18, 2004

Before the Arizona Corporation Commission

Docket No. T-00000A-03-0369

In the Matter of ILEC Unbundling Obligations as a Result of the Federal Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 9, 2004

Before the Arizona Corporation Commission

Docket No. T-00000A-00-0194

Phase II – A: Investigation into Qwest's Compliance with Wholesale Pricing Requirements for Unbundled Network Elements and Resale Discounts

On Behalf of WorldCom, Inc.

Rebuttal

September 2, 2001

Before the Superior Court of Arizona

Case CV 99-20649

Superior Court of Arizona; Count of Maricopa; ESI Ergonomic Solutions, LLC, Plaintiff, vs. United Artists Theatre Circuit

On Behalf of United Artists Theatre Circuit

Affidavit

February 20, 2001



Timothy J Gates

Before the Arizona Corporation Commission

Docket Nos. T-03654A-00-0882, T-01051B-00-0882

Petition of Level 3 Communications, LLC, for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

January 8, 2001

Before the Arizona Corporation Commission

Docket No. T-00000B-97-238

USWC OSS Workshop

On Behalf of MCI WorldCom, Inc.

Comments

September 20, 1999

Before the Arizona Corporation Commission

Docket No. T-03175A-97-0251

Application of MCI metro Access Transmission Services, Inc. to Expand It's CCN to Provide IntraLATA Services and to Determine that Its IntraLATA Services are Competitive

On Behalf of MCI WorldCom, Inc.

Direct

November 9, 1998

Before the Arizona Corporation Commission

Arizona Corporation Commission Workshop on Special Access Services

On Behalf of MCI

Comments

September 23, 1987

Before the Arizona Corporation Commission

Docket No. R-0000-97-137

Comments to the Universal Service Fund Working Group

On Behalf of MCI

Comments

October 24, 1997

Comments

May 8, 1998

Before the Arizona Corporation Commission

Judgment; Nos. CV 95-14284, CV-96-03355, CV-96-03356, (consolidated).

Affidavit in Opposition to USWC Motion for Partial Summary

On Behalf of MCI

Affidavit

August 21, 1996

Before the Arkansas Public Service Commission

Docket No. 04-0999-U

In the Matter of Level 3 Petition for Arbitration with Southwestern Bell Telephone, L.P. D/B/A

SBC Arkansas

On Behalf of Level 3

Direct

September 7, 2004



Timothy J Gates

Before the California Public Utilities Commission

Case No. C.07-03-008

Complaint of Neutral Tandem, Inc. v. Level 3 Communications, LLC

On Behalf of Level 3

Declaration

Direct

May 7, 2007

May 25, 2007

Before the California Public Utilities Commission

Docket No. A.04-06-004

Petition of Level 3 Communications for Arbitration with SBC

On Behalf of Level 3 Communications LLC

Direct

June 1, 2004

Before the California Public Utilities Commission

Application 00-04-037

Petition of Level 3 Communications for Arbitration of an Interconnection Agreement with Pacific Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

June 5, 2000

Before the California Public Utilities Commission

Application No. 96-09-012

MCI Petition for Arbitration with GTE California, Inc.

On Behalf of MCI

Direct

September 10, 1996

Before the California Public Utilities Commission

Application No. 96-08-068

MCI Petition for Arbitration with Pacific Bell

On Behalf of MCI

Direct

August 30, 1996

Before the Colorado Public Utilities Commission

Docket No. 06F-039T

Adams County E-911 Emergency Telephone Service Authority Complaint Against Qwest

On Behalf of Adams, Arapahoe, Douglas, El Paso, Teller, Jefferson, Larimer Counties & the City of Aurora

Direct

October 24, 2007

Before the Colorado Public Utilities Commission

Docket No. 05B-210T

Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

July 11, 2005

Rebuttal

December 19, 2005



Timothy J Gates

Before the Colorado Public Utilities Commission

Docket No. 04A-411T

Regarding Application of Qwest for Reclassification and Deregulation of Certain Products and Services

On Behalf of Time Warner Telecom

Direct

February 18, 2005

Before the Colorado Public Utilities Commission

Docket No. 03I-478T

Regarding the Unbundling Obligations of ILECs Pursuant to the Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 26, 2004

Before the Colorado Public Utilities Commission

Docket No. 99I-577T

US WEST Statement of Generally Available Terms and Conditions

On Behalf of Covad Communications Company, Rhythms Links, Inc., and New Edge Networks, Inc.

Direct

June 27, 2001

Before the District Court, City and County of Denver, State of Colorado

Case No. 99CV8252

Qwest Corporation, Inc., Plaintiff, v. IP Telephony, Inc., Defendant. District Court, City and County of Denver, State of Colorado

On Behalf of IP Telephony

Direct

January 29, 2001

Before the Colorado Public Utilities Commission

Docket No. 00B-601T

Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

January 4, 2001

Rebuttal

January 16, 2001

Before the Colorado Public Utilities Commission

Docket No. 99R-128T

Proposed Amendments to the Rules on Local Calling Area Standards

On Behalf of MCI WorldCom

Oral Comments before the Commissioners

May 13, 1999

Before the Colorado Public Utilities Commission

Docket No. 98R-426T

Proposed Amendments to the Rules Prescribing IntraLATA Equal Access

On Behalf of MCI WorldCom and AT&T Communications of the Mountain States, Inc.

Comments

November 4, 1998



Timothy J Gates

Before the Colorado Public Utilities Commission

Docket No. 97A-494T

Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.

Affidavit in Response to GTE

May 8, 1998

Before the Colorado Public Utilities Commission

Docket No. 97A-494T

Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.

On Behalf of MCI.

Supplemental Direct

March 10, 1998

Rebuttal

March 26, 1998

Before the Colorado Public Utilities Commission

Docket Nos. 97K-237T, 97F-175T (consolidated) and 97F-212T (consolidated)

Complaint of MCI to Reduce USWC Access Charges to Economic Cost

On Behalf of MCI

Direct

July 18, 1997

Rebuttal

August 15, 1997

Before the Colorado Public Utilities Commission

Docket No. 90A-665T (consolidated)

Application of U S WEST Communications, Inc. To Modify Its Rate and Service Regulation Plan

On Behalf of MCI

Direct

September 26, 1996

Rebuttal

October 7, 1996

Before the Colorado Public Utilities Commission

Docket No. 96A-366T (consolidated)

MCI metro Petition for Arbitration wit U S WEST Communications, Inc.

On Behalf of MCI

Direct

September 6, 1996

Rebuttal

September 17, 1996

Before the Colorado Public Utilities Commission

Docket No. 1766

Investigation and Suspension; Mountain States Telephone and Telegraph Company's Local

Calling Access Plan

On Behalf of MCI

Direct

October 26, 1988

Before the Colorado Public Utilities Commission

Docket No. 1720

Investigation and Suspension; Rate Case of Mountain States Telephone and Telegraph Company

On Behalf of MCI

Direct

December 1, 1986



Timothy J Gates

Before the Connecticut Department of Public Utility Control

Docket No. 07-02-29

Petition of Neutral Tandem, Inc., for Interconnection with Level 3 Communications and Request for Interim Order

On Behalf of Level 3

Direct

May 1, 2007

Before the Connecticut Department of Public Utility Control

Petition of Level 3 Communications, LLC for Arbitration Pursuant to Section 252(b) with Southern New England Telephone Company d/b/a/ SBC Connecticut; Level 3/SNET Arbitration

On Behalf of Level 3 Communications, LLC

Direct

November 2, 2004

Before the Delaware Public Service Commission

Docket No. 92-47

Diamond State Telephone Company's Application for a Rate Increase

On Behalf of MCI

Direct

February 12, 1993

Before the Florida Public Service Commission

Case No. 000475-TP

In Re: Complaint by BellSouth Telecommunications, Inc. Against Thrifty Call, Inc. Regarding Practices in the Reporting of Percent Interstate Usage for Compensation for Jurisdictional Access Service.

On Behalf of Thrifty Call

Direct

February 7, 2008

Rebuttal

March 3, 2008

Before the Florida Public Service Commission

Docket Nos. 050119-TP/050125-TP

Petition and Complaint for Suspension and Cancellation of Transit Traffic Service Tariff No. FL2004-284 filed by BellSouth Telecommunications, Inc., by AT&T Communications of the Southern States, LLC

On Behalf of CompSouth

Direct

December 19, 2005

Rebuttal

January 30, 2006

Before the Florida Public Service Commission

Docket No. 031047-TP

Petition of KMC Telecom for Arbitration with Sprint Communications: On Behalf of KMC Telecom III, L.L.C., KMC Telecom V, Inc., and KMC Data, L.L.C.

Direct

June 11, 2004

Rebuttal

July 9, 2004



Timothy J Gates

Before the Florida Public Service Commission

Docket No. 000084-TP

Petition of BellSouth for Arbitration with US LEC of Florida Inc.

On Behalf of US LEC

Direct

October 13, 2000

Rebuttal

October 27, 2000

Before the Florida Public Service Commission

Docket No. 000907-TP

Petition of Level 3 for Arbitration with BellSouth

On Behalf of Level 3.

Direct

October 5, 2000

Rebuttal

November 1, 2000

Before the Florida Public Service Commission

Docket No. 930330-TP

Investigation into IntraLATA Presubscription

On Behalf of MCI

Direct

July 1, 1994

Before the Georgia Public Service Commission

Docket No. 27830-U

Petition of Charter Fiberlink – Georgia, LLC for Arbitration of Interconnection Rates, Terms and Conditions Pursuant to 47 U.S.C. §252(b)

On Behalf of Charter Fiberlink

Direct

November 20, 2009

Rebuttal

December 18, 2009

Before the Georgia Public Service Commission

Docket No. 24844

Petition of Neutral Tandem for the Establishment of Interconnection with Level 3

On Behalf of Level 3

Direct

April 13, 2007

Rebuttal

April 24, 2007

Before the Georgia Public Service Commission

Docket No. 12645-U

Petition of Level 3 for Arbitration with BellSouth

On Behalf of Level 3

Direct

December 6, 2000

Rebuttal

December 20, 2000

Before the Idaho Public Utilities Commission

Case No. QWE-T-05-11

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

August 12, 2005

Rebuttal

September 16, 2005



Timothy J Gates

Before the Idaho Public Utilities Commission

Case No. GNR-T-02-16

Petition of Potlatch, CenturyTel, the Idaho Telephone Association for Declaratory Order Prohibiting the Use of "Virtual NXX Calling"

On Behalf of Level 3, AT&T, WorldCom, and Time Warner Telecom
Comments/Presentation

November 25, 2002

Before the Idaho Public Utilities Commission

Case No. U-1500-177

Investigation of the Universal Local Access Service Tariff

On Behalf of MCI

Direct

March 17, 1988

Rebuttal

April 26, 1988

Before the Idaho Public Utilities Commission

Case No. U-1150-1

Petition of MCI for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

November 20, 1987

Before the Illinois Commerce Commission

Docket No. 07-0277

Complaint of Neutral Tandem, Inc. v. Level 3 Communications, LLC

On Behalf of Level 3

Direct

May 15, 2007

Before the Illinois Commerce Commission

Docket No. 04-0428

Level 3 Petition for Arbitration to Establish an Interconnection Agreement with Illinois Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

June 22, 2004

Direct

September 3, 2004

Before the Illinois Commerce Commission

Docket No. 00-0332

Level 3 Petition for Arbitration to Establish and Interconnection Agreement with Illinois Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

May 30, 2000

Supplemental Verified Statement

July 11, 2000

Before the Illinois Commerce Commission

Docket No. 93-0044

Complaint of MCI and LDDS re Illinois Bell Additional Aggregated Discount and Growth Incentive Discount Services

On Behalf of MCI and LDDS.

Direct

November 18, 1993

Rebuttal

January 10, 1994



Timothy J Gates

Before the Illinois Commerce Commission

Case No. 90-0425

Presentation to the Industry Regarding MCI's Position on Imputation.

July 29, 1991

Before the Illinois Commerce Commission

Docket No. 83-0142

Industry presentation to the Commission re Docket No. 83-0142 and issues for next generic access docket re the Imputation Trial and Unitary Pricing/Building Blocks

On Behalf of MCI

Comments

November 19, 1990

Before the Illinois Commerce Commission

Docket No. 88-0091

IntraMSA Dialing Arrangements

On Behalf of MCI

Direct

November 22, 1989

Rebuttal

February 9, 1990

Before the Illinois Commerce Commission

Docket No. 89-0033

Illinois Bell Telephone Company's Rate Restructuring

On Behalf of MCI

Direct

May 3, 1989

Rebuttal

July 14, 1989

Before the Illinois Commerce Commission

Docket No. 83-0142

Appropriate Methodology for Intrastate Access Charges Regarding ICTC's Access Charge Proposal

On Behalf of MCI

Surrebuttal

February 16, 1989

Before the Illinois Commerce Commission

Docket No. 83-0142

Appropriate Methodology for Intrastate Access Charges Regarding Toll Access

On Behalf of MCI

Rebuttal

January 16, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 43462

Petition of Comcast Phone of Central Indiana, LLC for Arbitration with United Telephone

Companies of Indiana (DBA Embarq);

On Behalf of Comcast

Direct

May 23, 2008

Rebuttal

June 12, 2008



Timothy J Gates

Before the Indiana Utility Regulatory Commission

Cause No. 43299

Complaint of Neutral Tandem, Inc. and Neutral Tandem - Indiana, LLC Against Level 3 Communications, LLC, Concerning Interconnection with Level 3 Communications, LLC

On Behalf of Level 3

Reply

July 23, 2007

Before the Indiana Utility Regulatory Commission

Cause No. 42663-INT-01

In the Matter of Level 3 Communications, LLC Petition for Arbitration with SBC Indiana

On Behalf of Level 3 Communications, LLC

Direct

September 2, 2004

Rebuttal

October 5, 2004

Before the Indiana Utility Regulatory Commission

Cause No. 39032

MCI Request for IntraLATA Authority

On Behalf of MCI

Direct

October 25, 1990

Rebuttal

April 4, 1991

Before the Indiana Utility Regulatory Commission

Cause No. 38560

Reseller Complaint Regarding 1+ IntraLATA Calling

On Behalf of MCI

Direct

June 29, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 37905

Intrastate Access Tariffs -- Parity with Federal Rates

On Behalf of MCI

Direct

June 21, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 38561

Deregulation of Customer Specific Offerings of Indiana Telephone Companies

On Behalf of MCI Regarding Staff Reports.

Direct

April 14, 1989

Before the Indiana Utility Regulatory Commission

Cause No. 38561

Deregulation of Customer Specific Offerings of Indiana Telephone Companies

On Behalf of MCI Regarding GTE

Direct

December 16, 1988



Timothy J Gates

Before the Indiana Utility Regulatory Commission

Cause No. 38561

Deregulation of Customer Specific Offerings of Indiana Telephone Companies

On Behalf of MCI

Direct

October 28, 1988

Before the Iowa Utilities Board

Docket No. INU-08-2

In the Matter of 360networks (USA), Inc., LH Telecom, Inc. and McLeod Telecommunications Services, Inc. Against Qwest Corporation re Wire Center Impairment

On Behalf of the CLECs

Direct

February 23, 2009

Before the Iowa Utilities Board

Docket No. FCU-06-42

In the Matter of Coon Creek Telecommunications Corp. Complaint Against Iowa Telecommunications Services

On Behalf of CCTC

Direct

July 14, 2006

Rebuttal

August 21, 2006

Before the Iowa Utilities Board

Docket No. ARB-05-4

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest

On Behalf of Level 3

Direct

July 20, 2005

Rebuttal

August 12, 2005

Surrebuttal

August 24, 2005

Before the Iowa Utilities Board

Docket Nos. INU-03-4, WRU-03-61

In Re: Qwest Corporation

Sworn Counter Statement of Position on Behalf of MCI

December 15, 2003

Before the Iowa Utilities Board

Docket Nos. INU-03-4, WRU-03-61

In Re: Qwest Corporation

Sworn Statement of Position on Behalf of MCI

November 14, 2003

Before the Iowa Utilities Board

Docket NOI-99-1

Universal Service Workshop; Responded to questions posed by the Staff of the Board during one day workshop

On Behalf of MCIW and AT&T

Comments

October 27, 1999



Timothy J Gates

Before the Iowa Utilities Board

Docket NOI-99-1

Universal Service Workshop; Participated on numerous panels during two day workshop

On Behalf of MCI WorldCom

Comments

June 8, 1999

Before the Iowa Utilities Board

Docket No. NOI-90-1

Presentation on Imputation of Access Charges and the Other Costs of Providing Toll Services

On Behalf of MCI

Presentation

October 3, 1991

Before the Iowa Utilities Board

Docket No. RPU-91-4

Investigation of the Earnings of U S WEST Communications, Inc.

On Behalf of MCI

Direct

September 25, 1991

Rebuttal

November 5, 1991

Supplemental

December 23, 1991

Rebuttal

January 10, 1992

Surrebuttal

January 20, 1992

Before the Iowa Utilities Board

Docket No. RPU-88-1

Regarding the Access Charges of Northwestern Bell Telephone Company

On Behalf of MCI

Direct

September 20, 1988

Before the Iowa Utilities Board

Docket No. RPU 88-6

IntraLATA Competition in Iowa

On Behalf of MCI

Direct

September 1, 1988

Before the Kansas Corporation Commission

Docket No. 04-L3CT-1046-ARB

In the Matter of Arbitration Between Level 3 Communications LLC and SBC Communications

On Behalf of Level 3 Communications, LLC

Direct

August 31, 2004

Before the Kansas Corporation Commission

Docket No. 181,097-U

General Investigation into IntraLATA Competition within the State of Kansas

On Behalf of MCI

Direct

June 10, 1992

Rebuttal

September 16, 1992



Timothy J Gates

Before the Kentucky Public Service Commission

Case No. 2000-477

Petition of Adelphia Business Solutions for Arbitration with BellSouth

On Behalf of Adelphia

Direct

January 12, 2001

Before the Kentucky Public Service Commission

Case No. 2000-404

Petition of Level 3 Communications, LLC for Arbitration with BellSouth

On Behalf of Level 3

Direct

December 21, 2000

Before the Kentucky Public Service Commission

Administrative Case No. 323

Phase I: An Inquiry into IntraLATA Toll Competition, an Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality

On Behalf of MCI

Direct

May 20, 1993

Before the Louisiana Public Service Commission

Docket No. U-25301

Petition of Adelphia Business Solutions for Arbitration with BellSouth

On Behalf of Adelphia

Direct

December 28, 2000

Rebuttal

January 5, 2001

Before the Maryland Public Service Commission

Case No. 8879

Rates for Unbundled Network Elements Pursuant to the Telecommunications Act of 1996

Testimony on behalf of the Staff of the Public Service Commission of Maryland

Rebuttal

September 5, 2001

Surrebuttal

October 15, 2001

Before the Maryland Public Service Commission

Case No. 8585

Competitive Safeguards Required re C&P's Centrex Extend Service

On Behalf of MCI

Rebuttal

June 2, 1994

Before the Maryland Public Service Commission

Case No. 8585

Re Bell Atlantic Maryland, Inc.'s Transmittal No. 878

On Behalf of MCI

Direct

May 19, 1994



Timothy J Gates

Before the Maryland Public Service Commission

Case No. 8585

Competitive Safeguards Required re C&P's Centrex Extend Service

On Behalf of MCI

Direct

November 12, 1993

Rebuttal

January 14, 1994

Before the Massachusetts Department of Telecommunications and Energy

D.P.U. 93-45

New England Telephone Implementation of Interchangeable NPAs

On Behalf of MCI

Direct

April 22, 1993

Rebuttal

May 10, 1993

Before the Michigan Public Service Commission

Case No. U-15230

Complaint and Application for Emergency Relief by Neutral Tandem Inc. for Interconnection with Level 3 Communications

On Behalf of Level 3

Direct

June 26, 2007

Before the Michigan Public Service Commission

Case No. U-14152

Petition of Level 3 Communications LLC for Arbitration with SBC Michigan

On Behalf of Level 3 Communications, LLC

Direct

June 1, 2004

Before the Michigan Public Service Commission

Case No. U-12528

In the Matter of the Implementation of the Local Calling Area Provisions of the MTA

On Behalf of Focal Communications, Inc.

Rebuttal

September 27, 2000

Before the Michigan Public Service Commission

Case No. U-12460

Petition of Level 3 Communications for Arbitration to Establish an Interconnection Agreement with Ameritech Michigan

On Behalf of Level (3) Communications, LLC

Direct

June 8, 2000

Before the Michigan Public Service Commission

Case No. U-12321

AT&T Communications of Michigan, Inc. Complainant v. GTE North Inc. and Contel of the South, Inc., d/b/a GTE Systems of Michigan

On Behalf of AT&T.

Direct (Adopted Testimony of Michael Starkey)

February 16, 2000

Rebuttal

May 11, 2000



Timothy J Gates

Before the Michigan Public Service Commission

Case No. U-10138 (Reopener)

MCI v Michigan Bell and GTE re IntraLATA Equal Access

On Behalf of MCI

Direct

July 22, 1993

Before the Michigan Public Service Commission

Case No. U-10138

MCI v Michigan Bell and GTE re IntraLATA Equal Access

On Behalf of MCI

Direct

July 31, 1992

Rebuttal

November 17, 1992

Before the Michigan Public Service Commission

Case No. U-8987

Michigan Bell Telephone Company Incentive Regulation Plan

On Behalf of MCI

Direct

June 30, 1989

Before the Michigan Public Service Commission

Case Nos. U-9004, U-9006, U-9007 (Consolidated)

Industry Framework for IntraLATA Toll Competition

On Behalf of MCI

Direct

September 29, 1988

Rebuttal

November 30, 1988

United States District Court; District of Minnesota; Fourth Division – Minneapolis

Tekstar Communications, Inc., Plaintiff v. Sprint Communications Company L.P., Defendant.

Court File No. 08-cv-1130 (JNE/RLE); Complaint of Tekstar against Sprint for Nonpayment of Tariffed Charges.

On Behalf of Tekstar

Expert Report

April 20, 2009

Before the Minnesota Public Utilities Commission

PUC Docket No. P-5535, 421/M-08-952

In the Matter of a Petition of Charter Fiberlink LLC for Arbitration with Qwest

On Behalf of Charter Fiberlink LLC

Direct

October 24, 2008

Rebuttal

December 12, 2008

Before the Minnesota Public Utilities Commission

Docket No. P-3123, 430/M-08-570

In the Matter of a Petition of Comcast Phone of Minnesota, Inc., for Arbitration of an

Interconnection Agreement with Embarq

On Behalf of Comcast

Direct

August 5, 2008

Reply

August 26, 2008



Timothy J Gates

Before the Minnesota Public Utilities Commission

Docket No. P-5733/C-07-296

In the Matter of a Complaint and Request for Expedited Hearing of Neutral Tandem, Inc. Against Level 3 Communications, LLC & In the Matter of the Application of Level 3 Communications, LLC to Terminate Services to Neutral Tandem, Inc. (Consolidated)

On Behalf of Level 3

Direct

June 14, 2007

Reply

July 24, 2007

Before the Minnesota Public Utilities Commission

Docket No.: P-999/CI-03-961

In the Matter of the Commission Investigation into ILEC Unbundling Obligations as a Result of the Federal Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 23, 2004

Before the Minnesota Public Utilities Commission

Docket Nos. P-442, 421, 3012/M-01-1916; P-421/CI-01-1375; OAH Docket No. 12-2500-14490

Commission Investigation of Qwest's Pricing of Certain Unbundled Network Elements

On Behalf of McLeod USA Telecommunications Services, Inc., Eschelon Telecom of Minnesota, Inc., US Link, Inc., Northstar Access, LLC, Otter Tail Telecomm LLC, VAL-Ed Joint Venture, LLP, dba 702 Communications

Rebuttal

April 18, 2002

Before the Minnesota Public Utilities Commission

Docket No. P-999/R-97-609

Universal Service Group

On Behalf of MCI WorldCom, Inc. and AT&T Communications

Comments

September 28, 1999

Before the Minnesota Public Utilities Commission

USWC OSS Workshop; re OSS Issues

On Behalf of MCI WorldCom, Inc.

Comments

September 14-16, 1999

Before the Minnesota Public Utilities Commission

Docket No. P-442, 421/M-96-855; P-5321, 421/M-96-909; and P-3167, 421/M-96-729

(consolidated)

Petition for Arbitration with US WEST Communications, Inc

On Behalf of MCI

Direct

September 20, 1996

Rebuttal

September 30, 1996



Timothy J Gates

Before the Minnesota Public Utilities Commission

Docket Nos. P-999/CI-85-582, P-999/CI-87-697 and P-999/CI-87-695

In the Matter of an Investigation into IntraLATA Equal Access and Presubscription: Comments of MCI on the Report of the Equal Access and Presubscription Study Committee

On Behalf of MCI

Comments

September 7, 1993

Before the Minnesota Public Utilities Commission

Docket No. P-421/CI-86-88

Summary Investigation into Alternative Methods for Recovery of Non-traffic Sensitive Costs

On Behalf of MCI

Comments to the Commission

January 30, 1987

Before the Mississippi Public Service Commission

Docket No. 2000-AD-846

Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications

On Behalf of Adelphia

Direct

February 2, 2001

Rebuttal

February 16, 2001

Before the Missouri Public Service Commission

Case No. TO-2009-0037

Petition of Charter Fiberlink Missouri, LLC for Arbitration of an Interconnection Agreement with CenturyTel of Missouri, LLC.

On Behalf of Charter Fiberlink LLC

Direct

September 30, 2008

Rebuttal

October 21, 2008

Before the Montana Public Service Commission

Docket No. D97.10.191

Application of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.

On Behalf of MCI

Rebuttal

May 12, 1998

Amended Rebuttal

June 1, 1998

Before the Montana Public Service Commission

Docket No. 88.1.2

Rate Case of Mountain States Telephone and Telegraph Company

On Behalf of MCI

Direct

September 12, 1988

Before the Montana Public Service Commission

Docket No. 86.12.67

Rate Case of AT&T Communications of the Mountain States, Inc.

On Behalf of MCI

Direct

May 1, 1987



Timothy J Gates

Before the Nebraska Public Service Commission

Application No. C-749

Application of United Telephone Long Distance Company of the Midwest for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

March 31, 1988

Before the Nebraska Public Service Commission

Application No. C-627

Nebraska Telephone Association Access Charge Proceeding

On Behalf of MCI

Direct

November 6, 1986

Before the New Hampshire Public Utilities Commission

Docket No. DT 00-223

Investigation Into Whether Certain Calls are Local

On Behalf of BayRing Communications

Direct

January 12, 2001

Rebuttal

April 5, 2002

Before the New Hampshire Public Utilities Commission

Docket DE 93-003

Investigation into New England Telephone's Proposal to Implement Seven Digit Dialing for

Intrastate Toll Calls

On Behalf of MCI

Direct

April 30, 1993

Before the New Jersey Board of Public Utilities

Docket Nos. TX90050349, TE92111047, and TE93060211

Petitions of MCI, Sprint and AT&T for Authorization of IntraLATA Competition and Elimination of Compensation

On Behalf of MCI

Direct

April 7, 1994

Rebuttal

April 25, 1994

Before the New Jersey Board of Public Utilities

Docket No. TX93060259

Notice of Pre-Proposal re IntraLATA Competition; Response to the Board of Regulatory

Commissioners

On Behalf of MCI

Comments

September 15, 1993

Reply Comments

October 1, 1993

Before the New Mexico Public Regulation Commission

Case Nos. 09-00094-UT

Development of an Alternative Form of Regulation Plan for Qwest Corporation

On Behalf of the New Mexico Attorney General

Direct

May 22, 2009

Response

June 24, 2009



Timothy J Gates

Before the New Mexico Public Regulation Commission

Case Nos. 08-00326-UT/08-00197-UT

Objections to Qwest Residence and Business Competitive Response Program

On Behalf of the New Mexico Attorney General

Direct

December 5, 2008

Before the New Mexico Public Regulation Commission

Case No. 06-00325-UT

Settlement Agreement

On Behalf of the New Mexico Attorney General

Direct

December 15, 2006

Before the New Mexico Public Regulation Commission

Case No. 05-00094-UT (Phase II)

In the Matter of the Implementation and Enforcement of Qwest Corporation's Amended Alternative Form of Regulation

On Behalf of the New Mexico Attorney General

Direct

July 24, 2006

Direct (on proposed settlement agreement)

September 25, 2006

Before the New Mexico Public Regulation Commission

Case No. 05-00466-UT

In the Matter of the Development of an Alternative Form of Regulation for Qwest Corporation

On Behalf of the New Mexico Attorney General

Direct

February 24, 2006

Rebuttal

March 31, 2006

Before the New Mexico Public Regulation Commission

Case No. 05-00484-UT

In the Matter of Level 3 Communications, LLC's Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

December 15, 2005

Before the New Mexico Public Regulation Commission

Case No. 05-00094-UT

In the Matter of the Implementation and Enforcement of Qwest Corporation's Amended Alternative Form of Regulation

On Behalf of the New Mexico Attorney General

Direct

December 5, 2005

Before the New Mexico Public Regulation Commission

Case No. 05-00211-UT

In the Matter of a Notice of Inquiry to Develop a Rule to Implement House Bill 776, Relating to Access Charge Reform

On Behalf of MCI

Oral Comments

September 14, 2005



Timothy J Gates

Before the New Mexico Public Regulation Commission

Case No. 00108-UT

Regarding Unfiled Agreements between Qwest Corporation and Competitive Local Exchange Carriers

On Behalf of Time Warner Telecom

Direct

May 11, 2004

Before the New Mexico Public Regulation Commission

Case Nos. 03-00403-UT and 03-00404-UT

Triennial Review Proceedings (Batch Hot Cut and Local Circuit Switching)

On Behalf of WorldCom, Inc. (MCI).

Direct

February 9, 2004

Before the New Mexico Public Regulation Commission

Utility Case No. 3495, Phase B

Consideration of Costing and Pricing Rules for OSS, Collocation, Shared Transport, Nonrecurring Charges, Spot Frames, Combination of Network Elements and Switching

On Behalf of the Staff of the New Mexico Public Regulation Commission

Direct

September 16, 2002

Before the New Mexico Public Regulation Commission

Docket No. 95-572-TC

Petition of AT&T for IntraLATA Equal Access

On Behalf of MCI

Rebuttal

August 30, 1996

Before the New Mexico Public Regulation Commission

Docket No. 87-61-TC

Application of MCI for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

September 28, 1987

Before the New York Public Service Commission

Case No. 07-C-0233

Petition of Neutral Tandem for Interconnection with Level 3 Communications, LLC and Request for Interim Order

On Behalf of Level 3

Direct

March 23, 2007

Before the New York Public Service Commission

Case No. 28425

Comments of MCI Telecommunications Corporation on IntraLATA Presubscription

On Behalf of MCI

Initial Comments

April 30, 1992

Reply Comments

June 8, 1992



Timothy J Gates

Before the North Carolina Public Utilities Commission

Docket No. P-886, SUB 1

Petition of Adelphia Business Solutions or North Carolina, LP for Arbitration with BellSouth

On Behalf of Adelphia

Direct

October 18, 2000

Rebuttal

December 8, 2000

Before the North Carolina Public Utilities Commission

Docket No. P779 SUB4

Petition of Level (3) Communications, LLC for Arbitration with Bell South

On Behalf of Level (3) Communications, LLC

Direct

August 4, 2000

Rebuttal

September 18, 2000

Before the North Dakota Public Service Commission

Case No. PU-08-97

Midcontinent Communications v. Consolidated Telecom -- Arbitration

On Behalf of Midcontinent

Direct

July 21, 2008

Before the North Dakota Public Service Commission

Case Nos. PU-08-61, PU-08-176, Consolidated

Midcontinent Communications v. Missouri Valley Communications, Inc. -- Arbitration

On Behalf of Midcontinent

Direct

July 2, 2008

Before the North Dakota Public Service Commission

Case No. PU-05-451

Midcontinent Communications v. North Dakota Telephone Company

On Behalf of Midcontinent

Direct

December 21, 2005

Rebuttal

January 16, 2006

Before the North Dakota Public Service Commission

Case No. PU-2342-01-296

Qwest Corporation Price Investigation

On Behalf of the CLEC Coalition (US Link, Inc., VAL-ED Joint Venture LLP d/b/a 702

Communications, McLeodUSA Telecommunications, Inc. and IdeaOne Telecom Group, LLC)

Direct

May 2, 2003

Before the North Dakota Public Service Commission

Case No. PU-2065-02-465

Petition of Level 3 for Arbitration with SRT Communications Cooperative

On Behalf of Level (3) Communications, LLC

Direct

December 4, 2002



Timothy J Gates

Before the North Dakota Public Service Commission

Case No. PU-2320-90-183

Implementation of SB 2320 -- Subsidy Investigation

On Behalf of MCI

Direct

Rebuttal

June 24, 1991
October 24, 1991

Before the Public Utilities Commission of Ohio

Case No. 04-35-TP-COI

In the Matter of the Implementation of the FCC's Triennial Review Regarding Local Circuit

Switching in the Cincinnati Bell Telephone Company's Mass Market

On Behalf of AT&T

Direct

February 26, 2004

Before the Oklahoma Corporation Commission

Cause No. 28713

Application of MCI for Additional CCN Authority to Provide IntraLATA Services

On Behalf of MCI

Direct

Rebuttal

April 2, 1992
June 22, 1992

Before the Oregon Public Utility Commission

Docket No. ARB 665

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

Rebuttal

August 12, 2005
September 6, 2005

Before the Oregon Public Utility Commission

Docket No. UM 1058

Investigation into the Use of Virtual NPA/NXX Calling Patterns

On Behalf of Level (3) Communications, LLC

Comments/Presentation

November 6, 2002

Before the Oregon Public Utility Commission

Docket No. ARB 9

Interconnection Contract Negotiations Between MCImetro and GTE

On Behalf of MCI

Direct

Rebuttal

October 11, 1996
November 5, 1996

Before the Oregon Public Utility Commission

Docket ARB3/ARB6

Petition of MCI for Arbitration with U S WEST Communications, Inc

On Behalf of MCI

Direct

September 6, 1996



Timothy J Gates

Before the Oregon Public Utility Commission

Docket No. AR 154

Administrative Rules Relating to the Universal Service Protection Plan

On Behalf of MCI

Rebuttal

October 31, 1986

Before the Oregon Public Utility Commission

Docket No. UT 17

Pacific Northwest Bell Telephone Company Business Measured Service

On Behalf of the Public Utility Commissioner of Oregon

Direct

Rebuttal

April 23, 1984

May 7, 1984

Before the Oregon Public Utility Commission

Docket No. UT 9

Pacific Northwest Bell Telephone Company Business Measured Service

On Behalf of the Public Utility Commissioner of Oregon

Direct

October 27, 1983

Before the Pennsylvania Public Utility Commission

Docket No. A-310190

Petition of Comcast Business Communications, LLC d/b/a Comcast Long Distance for Arbitration of an Interconnection Agreement with The United Telephone Company of Pennsylvania LLC d/b/a Embarq Pennsylvania Pursuant to Section 252 of the Federal Communications Act of 1934 as Amended, and Applicable State Law

On Behalf of Comcast

Direct

Rebuttal

June 6, 2008

July 9, 2008

Before the Pennsylvania Public Utility Commission

Docket Nos. A-310922F7003/A-310922F7038

Petition of Core Communications, Inc. for Arbitration of Interconnection Rates, Terms and Conditions with the RTCC, the PTA and the Frontier Companies

On Behalf of Core

Direct

Rebuttal

Surrebuttal

December 7, 2007

February 5, 2008

March 4, 2008

Before the Pennsylvania Public Utility Commission

Docket No. A-310922F7004

Petition of Core Communications, Inc. for Arbitration of Interconnection Rates, Terms and Conditions Pursuant to 47 USC §252(b) with Windstream Pennsylvania, Inc. f/k/a Alltel

On Behalf of Core

Direct

Rebuttal

August 17, 2007

September 6, 2007



Timothy J Gates

Before the Pennsylvania Public Utility Commission

Docket No. A-310922F7002

Petition of Core Communications, Inc. for Arbitration with the United Telephone Company of Pennsylvania d/b/a Embarq

On Behalf of Core

Direct

Rebuttal

April 27, 2007

June 4, 2007

Before the Pennsylvania Public Utility Commission

Docket No. C-20028114

Level 3 Communications, LLC v. Marianna & Scenery Hill Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

September 5, 2002

Before the Pennsylvania Public Utility Commission

Docket No. I-00940034

Investigation Into IntraLATA Interconnection Arrangements (Presubscription)

On Behalf of MCI

Direct

December 9, 1994

Puerto Rico Telecommunications Board

Case No. JRT-2003-SC-2002

In the Matter of Regulation of Transit Traffic Service in Puerto Rico

On Behalf of Centennial Puerto Rico License Corp.

Affidavit

December 15, 2008

Puerto Rico Telecommunications Board

Case Nos. JRT-2008-AR-0001

Petition of Centennial Puerto Rico License Corp. for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Puerto Rico Telephone Company.

On Behalf of Centennial Puerto Rico License Corp.

Direct

June 9, 2008

Rebuttal

July 7, 2008

Puerto Rico Telecommunications Board

Case Nos. JRT-2005-Q-0121, JRT-2005-Q-0128, JRT-2003-Q-0297, JRT-2004-Q-0068

Telefonica Larga Distancia de Puerto Rico, Inc., Worldnet Telecommunications, Inc., Sprint Communications Company, LP, and AT&T of Puerto Rico, Inc. v. Puerto Rico Telephone Company, Inc.

On Behalf of Centennial Puerto Rico License Corporation

Direct

January 19, 2006

Before the Rhode Island Public Utilities Commission

Docket No. 2089

Dialing Pattern Proposal Made by the New England Telephone Company

On Behalf of MCI

Direct

April 30, 1993



Timothy J Gates

Before the South Carolina Public Service Commission

Docket No. 2000-516-C

Adelphia Business Solutions of South Carolina, Inc. Arbitration with BellSouth Telecommunications

On Behalf of Adelphia

Direct

November 22, 2000

Rebuttal

December 14, 2000

Before the South Carolina Public Service Commission

Docket No. 2000-0446-C

US LEC of South Carolina Inc. Arbitration with BellSouth Telecommunications

On Behalf of US LEC

Direct

October 20, 2000

Before the South Dakota Public Utilities Commission

Docket No. TC01-098

Determining Prices for Unbundled Network Elements (UNEs) in Qwest's Statement of Generally Available Terms (SGAT)

On Behalf of the Staff of the Public Utilities Commission

Direct

June 16, 2003

Before the South Dakota Public Utilities Commission

Docket No. TC03-057

Application of Qwest to Reclassify Local Exchange Services as Fully Competitive

On Behalf of WorldCom, Inc., Black Hills FiberCom and Midcontinent Communications

Direct

May 27, 2003

Before the South Dakota Public Utilities Commission

Docket No. F-3652-12

Application of Northwestern Bell Telephone Company to Introduce Its Contract Toll Plan

On Behalf of MCI

Direct

November 11, 1987

Before the Tennessee Regulatory Authority

Docket No. 00-00927

Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications

On Behalf of Adelphia

Direct

January 31, 2001

Rebuttal

February 7, 2001

Before the Texas Public Utilities Commission

PUC Case No. 35869

Petition of Charter Fiberlink TX-CCO, LLC for Arbitration of Interconnection Agreement with CenturyTel of Lake Dallas, Inc.

On Behalf of Charter Fiberlink LLC

Direct

October 3, 2008

Rebuttal

October 17, 2008



Timothy J Gates

Before the Texas Public Utilities Commission

PUC Docket No. 35402

Petition of Comcast Phone of Texas, LLC for Arbitration with United Telephone Company of Texas, Inc. d/b/a Embarq Pursuant to Section 252 of the Federal Communications Act of 1934, as Amended, and Applicable State Laws.

On Behalf of Comcast

Direct

April 14, 2008

Rebuttal

April 28, 2008

Before the Texas Public Utilities Commission

PUC Docket No. 28821

Arbitration of Non-costing Issues for Successor Interconnection Agreement to the Texas 271 Agreement

On Behalf of KMC Telecom III, LLC, KMC Telecom V, Inc. (d/b/a KMC Network Services, Inc.), and KMC Data, LLC

Direct

July 19, 2004

Rebuttal

August 23, 2004

Before the Texas Public Utilities Commission

PUC Docket No. 26431

Petition of Level 3 for Arbitration with CenturyTel of Lake Dallas, Inc. and CenturyTel of San Marcos, Inc.

On Behalf of Level (3) Communications, LLC

Direct

October 10, 2002

Reply

October 16, 2002

Before the Texas Public Utilities Commission

PUC Docket No. 22441

Petition of Level 3 for Arbitration with Southwestern Bell Telephone Company

On Behalf of Level (3) Communications, LLC

Direct

June 5, 2000

Rebuttal

June 12, 2000

Before the Utah Public Service Commission

Docket No. 03-999-04

In the Matter of a Proceeding to Address Actions Necessary to Respond to the FCC's Triennial Review Order

On Behalf of WorldCom, Inc. (MCI)

Direct

January 13, 2004

Before the Utah Public Service Commission

Docket No. 00-999-05

In the Matter of the Investigation of Inter-Carrier Compensation for Exchanged ESP Traffic

On Behalf of Level 3 Communications, LLP

Direct

February 2, 2001



Timothy J Gates

Before the Utah Public Service Commission

Docket No. 97-049-08

USWC Rate Case

On Behalf of MCI

Surrebuttal

Revised Direct

September 3, 1997

September 29, 1997

Before the Utah Public Service Commission

Docket No. 96-095-01

MCImetro Petition for Arbitration with USWC Pursuant to 47 U.S.C. Section 252

On Behalf of MCI

Direct

Rebuttal

November 8, 1996

November 22, 1996

Before the Utah Public Service Commission

Case No. 83-999-11

Investigation of Access Charges for Intrastate InterLATA and IntraLATA Telephone Services

On Behalf of MCI

Direct

July 7, 1988

Before the Utah Public Service Commission

Case No. 87-049-05

Petition of the Mountain State Telephone and Telegraph Company for Exemption from

Regulation of Various Transport Services

On Behalf of MCI

Direct

November 16, 1987

Before the Washington Utilities and Transportation Commission

Docket No. UT-083041

In the Matter of Petition of Charter Fiberlink WA, CCVII, LLC for Arbitration of an

Interconnection Agreement with Qwest Corporation

On Behalf of Charter

Direct

Rebuttal

October 8, 2008

November 17, 2008

Before the Washington Utilities and Transportation Commission

Docket No. UT-083025

In the Matter of Comcast Phone of Washington v. Embarg; Arbitration for Interconnection

On Behalf of Comcast

Direct

Rebuttal

July 2, 2008

August 1, 2008

Before the Washington Utilities and Transportation Commission

Docket No. UT-033011

In the Matter of Washington Utilities and Transportation Commission, Petitioners, v. Advanced

Telecom Group, Inc., et al, Respondents

On Behalf of Time Warner Telecom of Washington, LLC

Direct

September 13, 2004



Timothy J Gates

Before the Washington Utilities and Transportation Commission

Docket No. UT-030614

In the Matter of the Petition of Qwest Corporation for Competitive Classification of Basic Exchange Telecommunications Services

On Behalf of MCI, Inc.

Direct

August 13, 2003

Rebuttal

August 29, 2003

Before the Washington Utilities and Transportation Commission

Docket No. UT-021569

Developing an Interpretive or Policy Statement relating to the Use of Virtual NPA/NXX Calling Patterns

On Behalf of MCI, KMC Telecom, and Level (3) Communications, LLC

Workshop Participation

May 1, 2003

Before the Washington Utilities and Transportation Commission

Docket No. UT-021569

Developing an Interpretive or Policy Statement relating to the Use of Virtual NPA/NXX Calling Patterns

On Behalf of WorldCom, Inc. and KMC Telecom

Comments

January 31, 2003

Before the Washington Utilities and Transportation Commission

Docket No. UT-023043

Petition of Level 3 for Arbitration with CenturyTel of Washington, Inc.

On Behalf of Level (3) Communications, LLC

Direct

October 18, 2002

Rebuttal

November 1, 2002

Before the Washington Utilities and Transportation Commission

Docket No. UT-003013, Part D

Continued Costing and Pricing of Unbundled Network Elements, Transport, and Termination

On Behalf of WorldCom, Inc.

Direct

December 21, 2001

Before the Washington Utilities and Transportation Commission

Docket No. UT-970325

Rulemaking Workshop re Access Charge Reform and the Cost of Universal Service

On Behalf of MCI

Comments and Presentation

January 13, 1998

Before the Washington Utilities and Transportation Commission

Docket No. UT-960338

Petition of MCI Metro for Arbitration with GTE Northwest, Inc., Pursuant to 47 U.S.C. 252

On Behalf of MCI

Direct

October 11, 1996

Rebuttal

November 20, 1996



Timothy J Gates

Before the Washington Utilities and Transportation Commission

Docket No. U-88-2052-P

Petition of Pacific Northwest Bell Telephone Company for Classification of Services as Competitive

On Behalf of MCI

Direct

September 27, 1988

Before the West Virginia Public Service Commission

Case No. 97-1338-T-PC

Petition of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.

On Behalf of MCI

Rebuttal

June 18, 1998

Before the West Virginia Public Service Commission

Case No. 94-0725-T-PC

Bell Atlantic - West Virginia Incentive Regulation Plan

On Behalf of MCI

Direct

October 11, 1994

Before the Wisconsin Public Service Commission

Docket Nos. 05-MA-148 and 05-MA-149

Petition of Charter Fiberlink LLC for Arbitration with CenturyTel Rural and Non-Rural Telephone Companies of Wisconsin

On Behalf of Charter Fiberlink LLC

Direct

Rebuttal

November 7, 2008

November 24, 2008

Before the Wisconsin Public Service Commission

Docket No. 05-MA-135

Petition of Level 3 for Arbitration with Wisconsin Bell, Inc. d/b/a/ SBC Wisconsin

On Behalf of Level (3) Communications, LLC

Direct

September 1, 2004

Before the Wisconsin Public Service Commission

Docket No. 05-MA-130

Petition of Level 3 for Arbitration with CenturyTel

On Behalf of Level (3) Communications, LLC

Direct

Reply

September 30, 2002

October 9, 2002

Before the Wisconsin Public Service Commission

Docket No. 05-NC-102

Petition of MCI for IntraLATA 10XXX 1+ Authority

On Behalf of MCI

Direct

April 3, 1992



Timothy J Gates

Before the Wisconsin Public Service Commission

Docket No. 05-TR-103

Investigation of Intrastate Access Costs and Intrastate Access Charges

On Behalf of MCI

Direct

November 15, 1990

Before the Wisconsin Public Service Commission

Docket No. 2180-TR-102

GTE Rate Case and Request for Alternative Regulatory Plan

On Behalf of MCI

Direct

October 1, 1990

Rebuttal

October 15, 1990

Before the Wisconsin Public Service Commission

Docket No. 6720-TR-104

Wisconsin Bell Rate Case

On Behalf of MCI

Direct

April 16, 1990

Before the Wisconsin Public Service Commission

Docket No. 05-TR-102

Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges

On Behalf of MCI

Direct

December 1, 1989

Before the Wisconsin Public Service Commission

Docket No. 6720-TI-102

Review of the WBI Rate Moratorium

On Behalf of MCI

Direct

October 9, 1989

Rebuttal

November 17, 1989

Before the Wisconsin Public Service Commission

Docket No. 05-TI-112

Disconnection of Local and Toll Services for Nonpayment -- Part A: Examination of Industry

Wide Billing and Collection Practices -- Part B

On Behalf of MCI

Direct

July 5, 1989

Rebuttal

July 12, 1989

Before the Wisconsin Public Service Commission

Docket No. 6720-TR-103

Investigation Into the Financial Data and Regulation of Wisconsin Bell, Inc.

On Behalf of MCI

Rebuttal

May 11, 1989



Timothy J Gates

Before the Wisconsin Public Service Commission

Docket No. 05-NC-100

Amendment of MCI's CCN for Authority to Provide IntraLATA Dedicated Access Services

On Behalf of MCI

Direct

May 1, 1989

Before the Wisconsin Public Service Commission

Docket No. 6720-TI-102

Review of Financial Data Filed by Wisconsin Bell, Inc.

On Behalf of MCI

Direct

March 6, 1989

Before the Wisconsin Public Service Commission

Docket No. 05-TI-116

In the Matter of Provision of Operator Services

On Behalf of MCI

Rebuttal

December 12, 1988

Before the Wisconsin Public Service Commission

Docket No. 05-TR-102

Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges

On Behalf of MCI

Direct

October 31, 1988

Rebuttal

November 14, 1988

Before the Wyoming Public Service Commission

In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation

On Behalf of Level 3

Direct

September 8, 2005

Rebuttal

November 18, 2005

Before the Wyoming Public Service Commission

Docket No. 9746 Sub 1

Application of MCI for a Certificate of Public Convenience and Necessity

On Behalf of MCI

Direct

June 17, 1987

Before the Wyoming Public Service Commission

Docket No. 72000-TC-97-99

In the Matter of Compliance with Federal Regulations of Payphones

On Behalf of MCI

Oral Testimony

May 19, 1997

Comments Submitted to the Federal Communications Commission and/or the Department of Justice

Comments to the Department of Justice (Task Force on Telecommunications) on the Status of OSS Testing in Arizona and the USWC Collaborative on Behalf of MCI WorldCom, Inc.

November 9, 1999



Timothy J Gates

Comments to FCC Staff of Common Carrier Bureau on the Status of OSS Testing in Arizona on Behalf of MCI WorldCom, Inc.

November 9, 1999

Presentation to FCC Staff on the Status of Intrastate Competition on Behalf of MCI.

February 16, 1995

Ameritech Transmittal No. 650

Petition to Suspend and Investigate on Behalf of MCI re Ameritech 64 Clear Channel Capability Service.

September 4, 1992

Ameritech Transmittal No. 578

Petition to Suspend and Investigate on Behalf of MCI re Ameritech Directory Search Service.

November 27, 1991

CC Docket No. 91-215

Opposition to Direct Cases of Ameritech and United (Ameritech Transmittal No. 518; United Transmittal No. 273) on Behalf of MCI re the introduction of 64 Kbps Special Access Service.

October 15, 1991

Ameritech Transmittal No. 562

Petition to Suspend and Investigate on Behalf of MCI re Proposed Rates and Possible MFJ Violations Associated with Ameritech's OPTINET Reconfiguration Service (AORS).

September 30, 1991

Ameritech Transmittal No. 555

Petition to Suspend and Investigate on Behalf of MCI re Ameritech Directory Search Service.

August 30, 1991

Ameritech Transmittal No. 526

Petition to Suspend and Investigate on Behalf of MCI re Proposed Flexible ANI Service.

April 17, 1991

Ameritech Transmittal No. 518

Petition to Suspend and Investigate on Behalf of MCI re Proposed Rates for OPTINET 64 Kbps Service.

March 6, 1991

Selected Reports, Presentations and Publications

COMPTTEL PLUS Spring 2009 Regulatory Workshop; Sponsored by Davis Wright Tremaine LLP; "Critical Telecom Issues Now and On the Horizon"; March 5, 2009.

CLE International 10th Annual Conference, "Telecommunications Law," "Technology Update - The State of Wireless Technologies in Canada - A Comparison of Wireless Technologies in Canada and the United States of America." December 13-14, 2007

"The State of Wireless Technologies in Canada - A Comparison of Wireless Technologies in Canada and the United States of America"; Presented to Bell Canada Enterprises. May 25, 2007.



Timothy J Gates

CLE International 8th Annual Conference, "Telecommunications Law," "VoIP and Brand X – Legal and Regulatory Developments."
December 8-9, 2005

QSI Technical Report No. 012605A "IP-Enabled Voice Services: Impact of Applying Switched Access Charges to IP-PSTN Voice Services"
Ex Parte filing in FCC dockets WC Dockets No. 04-36 (*In the Matter of IP-Enabled Services*), 03-266 (*In the Matter of Level 3 Communications LLC Petition for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of 47 U.S.C. § 251(g), Rule 51.701(b)(1), and Rule 69.5(b); IP Enabled Services*)
Washington DC, January 27, 2005

QSI Report to the Wyoming Legislature "The Wyoming Universal Service Fund. *An Evaluation of the Basis and Qualifications for Funding*" December 3, 2004.

Presentation to the Iowa Senate Committee Regarding House Study Bill 622/Senate Study Bill 3035; Comments on Behalf of MCI
February 19, 2004

National Association of Regulatory Utility Commissioners Summer Committee Meetings; Participated in Panel regarding "Wireless Substitution of Wireline – Policy Implications."
July 25, 2003

Seminar for the New York State Department of Public Service entitled "Emerging Technologies and Convergence in the Telecommunications Network". Presented with Ken Wilson of Boulder Telecommunications Consultants, LLC
February 19-20, 2003

"Litigating Telecommunications Cost Cases and Other Sources of Enlightenment"; Educational Seminar for State Commission and Attorney General Employees on Litigating TELRIC Cases; Denver, Colorado.
February 5-6, 2002

Illinois; Presentation to the Environment & Energy Senate Committee re Emerging Technologies and Their Impact on Public Policy, on Behalf of MCI WorldCom, Inc.
March 8, 2000

"Interpreting the FCC Rules of 1997"; The Annenberg School for Communication at the University of Southern California; Panel Presentation on Universal Service and Access Reform.
October 23, 1997

"NECA/Century Access Conference"; Panel Presentation on Local Exchange Competition.
December 13-14, 1995

"TDS Annual Regulatory Meeting"; Panel Presentation on Local Competition Issues.
August 29, 1995



Timothy J Gates

"Phone+ Supershow '95"; Playing Fair: An Update on IntraLATA Equal Access; Panel Presentation.
August 28-30, 1995

"The LEC-IXC Conference"; Sponsored by Telecommunications Reports and Telco Competition Report; Panel on Redefining the IntraLATA Service Market -- Toll Competition, Extended Area Calling and Local Resale.
March 14-15, 1995

The 12th Annual National Telecommunications Forecasting Conference; Represented IXC's in Special Town Meeting Segment Regarding the Convergence of CATV and Telecommunications and other Local Competition Issues.
May 23-26, 1994

TeleStrategies Conference -- "IntraLATA Toll Competition -- Gaining the Competitive Edge"; Presentation on Carriers and IntraLATA Toll Competition on Behalf of MCI.
May 13-14, 1993

NARUC Introductory Regulatory Training Program; Panel Presentation on Competition in Telecommunications on Behalf of MCI.
March 14-17, 1993

TeleStrategies Conference -- "IntraLATA Toll Competition -- A Multi-Billion Dollar Market Opportunity." Presentations on the interexchange carriers' position on intraLATA dialing parity and presubscription and on technical considerations on behalf of MCI.
December 2-3, 1992

North Dakota Association of Telephone Cooperatives Summer Conference, July 8-10, 1992. Panel presentations on "Equal Access in North Dakota: Implementation of PSC Mandate" and "Open Network Access in North Dakota" on Behalf of MCI.
July 9, 1992

TeleStrategies Conference -- "Local Exchange Competition: The \$70 Billion Opportunity." Presentation as part of a panel on "IntraLATA 1+ Presubscription" on Behalf of MCI.
November 19, 1991

Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation Course; May 13-16, 1991; Participated in IntraLATA Toll Competition Debate on Behalf of MCI.
May 16, 1991

Michigan; Presentation to the Michigan Senate Technology and Energy Commission and the House Public Utilities Committee re MCI's Building Blocks Proposal and SB 124/HB 4343.
May 15, 1991

Wisconsin; Comments Before the Wisconsin Assembly Utilities Committee Regarding the Wisconsin Bell Plan for Flexible Regulation, on Behalf of MCI.
May 16, 1990



Timothy J Gates

Michigan; Presentation to the Michigan Senate Technology and Energy Committee re SB 124 on behalf of MCI.
March 20, 1991

Illinois Telecommunications Sunset Review Forum; Two Panel Presentations: Discussion of the Illinois Commerce Commission's Decision in Docket No. 88-0091 for the Technology Working Group; and, Discussion of the Treatment of Competitive Services for the Rate of Return Regulation Working Group; Comments on Behalf of MCI.
October 29, 1990

Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation; May 14-18, 1990; Presentation on Alternative Forms of Regulation.
May 16, 1990

Michigan; Presentation Before the Michigan House and Senate Staff Working Group on Telecommunications; "A First Look at Nebraska, Incentive Rates and Price Caps," Comments on Behalf of MCI.
October 30, 1989

National Association of Regulatory Utility Commissioners -- Summer Committee Meeting, San Francisco, California. Panel Presentation -- Specific IntraLATA Market Concerns of Interexchange Carriers; Comments on Behalf of MCI.
July 24, 1989

Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation; May 15-18, 1989; Panel Presentation -- Interexchange Service Pricing Practices Under Price Cap Regulation; Comments on Behalf of MCI.
May 17, 1989

Minnesota; Senate File 677; Proposed Deregulation Legislation; Comments before the House Committee on Telecommunications.
April 8, 1987

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
1.	<p>Should tariffed rates and associated terms apply to services ordered under or provided in accordance with the ICA?</p> <p><i>[Parties have agreed to procedure to minimize disputes on this issue]</i></p> <p>General Terms § 1.1 (tariffs not part of ICA)</p> <p>General Terms § 1.2 (tariffs don't apply to services ordered under ICA)</p> <p>General Terms § 2.4 (tariffs not part of ICA)</p> <p>General Terms § 4.6.1 (role of tariffs if applicable law changes)</p> <p>General Terms § 41.1 (remove reference to tariffs)</p> <p>Glossary § 2.116 (clarify definition of "Tariff" to eliminate notion that a tariff might be "applicable" to performance under the ICA)</p> <p>Interconnection § 5.4 (eliminate reference to "tariff" regarding SS7 signaling for interconnection)</p> <p>Interconnection § 6.1.1 (ensure that tariffed rates do not apply to traffic exchanged under ICA unless specified)</p> <p>Interconnection § 8.2 (elimination of references to tariffs and extension of tariffs to reciprocal compensation traffic)</p> <p>Resale § 1 (remove reference to "applicable tariffs")</p> <p>UNEs § 1.1 (ensure tariffs don't govern UNE rates; no "applicable tariffs" under ICA)</p> <p>UNEs § 1.5 (ensure tariffs don't apply to "customer not ready" situations; Verizon may include applicable charge in pricing appendix)</p> <p>Pricing § 1.2 (eliminate ambiguity regarding application of tariffs versus ICA rates)</p> <p>Pricing § 1.3 (eliminate importation of tariff rates to ICA)</p> <p>Pricing § 1.5 (confirm that prices are not affected by tariff changes; eliminate automatic updates due to regulatory action)</p> <p>Pricing § 1.6 (delete now-unnecessary material)</p>

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 090501-TP EXHIBIT 16
COMPANY BRIGHT HOUSE NETWORKS
WITNESS TIMOTHY J. GATES (TJG-2)
DATE 05/25/10

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
2.	<p>Should all charges under the ICA be expressly stated? If not, what payment obligations arise when a party renders a service to the other party for which the ICA does not specify a particular rate?</p> <p><i>[Parties have agreed to procedure to minimize disputes on this issue]</i></p> <p>General Terms § 51 (clarify that the only monetary charges are those specifically stated; clarify that if no charge stated, service provided at no monetary charge; clarify that placing an “order” does not imply the “ordered” function is chargeable; clarify that Verizon’s standard “Pricing Attachment” functions as a reference list of prices and does not independently create any payment obligations)</p> <p>Pricing § 1.4 (ensure that no charges apply unless specifically stated in ICA)</p>
3	<p>Should traffic not specifically addressed in the ICA be treated as required under the Parties’ respective tariffs or on a bill-and-keep basis?</p> <p>Interconnection § 8.4 (establish rule that traffic types with no specified rate are exchanged at bill and keep; eliminates disputes)</p>
4(a)	<p>How should the ICA define and use the terms “Customer” and “End User”?</p> <p>Glossary § 2.30 (clarify that “Customer” includes downstream “customers,” including VoIP end users of Bright House’s cable affiliate)</p> <p>Glossary § 2.46 (add definition of “End User” to refer to both direct customers and indirect/downstream customers, including VoIP end users of Bright House’s cable affiliate, but not entities acting as carriers)</p> <p>Glossary § 2.87 (clarify that “911/E911 Calls” covers 911 calls from end users of Bright House’s cable affiliate are covered)</p> <p>Interconnection § 9.1 (clarify reference to cable affiliates’ end users)</p> <p>Interconnection § 15.2.1 (clarify LNP-related rights of cable affiliate’s End Users)</p> <p>Interconnection § 15.3 (clarify that cable affiliate’s end users are not disadvantaged in whole-NXX porting scenario)</p> <p>Resale § 4.2 (conform use of the now-defined term “End User” in context of Verizon resale customers)</p> <p>911 Attachment §§ 2.2.1, 2.2.2, 2.3.1, 2.3.2, 2.3.3, 2.4, 2.3.5, 3.1 (conform use of now-defined term “End User” to ensure that cable</p>

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
	affiliate's end users receive proper 911 service)
4(b)	Settled
5.	Is Verizon entitled to access Bright House's poles, ducts, conduits and rights-of-way?
	Additional Services § 9.2 (delete provision re: Bright House providing pole/conduit access to Verizon, not called for by applicable law)
6.	If during the term of this agreement Verizon becomes required to offer a service under the ICA, may the parties be required to enter into good faith negotiations concerning the implementation of that service?
	General Terms § 18 (eliminate language implying that Verizon not strictly bound by commitments in ICA)
	Additional Services § 13 (eliminate language implying that Verizon not strictly bound by commitments in ICA)
	Interconnection § 16 (eliminate language implying that Verizon not strictly bound by commitments in ICA)
	Resale § 7 (eliminate language implying that Verizon not strictly bound by commitments in ICA)
	UNEs § 19 (eliminate language implying that Verizon not strictly bound by commitments in ICA)
	911 Attachment, § 5 (eliminate language implying that Verizon not strictly bound by commitments in ICA)
7.	Should Verizon be allowed to cease performing duties provided for in this agreement that are not required by applicable law?
	General Terms § 50 (eliminate language purporting to allow Verizon to withdraw services at will if not literally required by Applicable Law)
8.	Should the ICA include terms that prohibit Verizon from selling its territory unless the buyer assumes the ICA?
	General Terms § 43.2 (Verizon can't walk away from contract obligations by selling territory; must assign duties to any purchaser)
9	Settled

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
<u>ISSUE</u>	<u>ISSUE/AGREEMENT PROVISIONS</u>
10	Settled
11.	Should the ICA state that “ordering” a service does not mean a charge will apply?
	General Terms § 51
12.	When the rate for a service is modified by the Florida Public Service Commission or the FCC, should the new rate be implemented and if so, how?
	Pricing §§ 1.5-1.7 (modify language re: changes in rates ordered by regulators)
13.	What time limits should apply to the Parties' right to bill for services and dispute charges for billed services?
	General Terms § 9.5 (establish one-year contractual “statute of limitations” regarding both disputes and back-billing)
14	Settled
15	Settled
16.	Should Bright House be required to provide assurance of payment? If so, under what circumstances, and what remedies are available to Verizon if assurance of payment is not forthcoming?
	General Terms § 6 (eliminate Verizon's unilateral ability to demand “assurance of payment”)
17.	Settled
18.	Settled
19.	Settled
20.	(a) What obligations, if any, does Verizon have to reconcile its network architecture with Bright House's ? (b) What obligations, if any, does Bright House have to reconcile its network architecture with Verizon's ?
	General Terms § 42 (make obligation to deal with each other's technology upgrades mutual)

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
21.	<p>What contractual limits should apply to the parties' use of information gained through their dealings with the other party?</p> <p>General Terms, § 10.1.6 (specifically include information in Bright House-submitted LSRs to Verizon as confidential information) General Terms, § 10.2.1 (prohibit Verizon's retail/sales operations from using Bright House confidential information)</p> <p>Additional Services § 4.5 (specifically include directory-related information as confidential information, until it becomes public) Additional Services § 8.7 (expand scope of reference to 47 U.S.C. § 222 to include carrier confidential information) Additional Services, § 8.9 (confirm status of Bright House's ordering information as confidential)</p>
22.	<p>(a) Under what circumstances, if any, may Bright House use Verizon's Operations Support Systems for purposes other than the provision of telecom munications s ervices to its customers? (b) What constraints, if any, should the ICA place on Verizon's ability to modify its OSS?</p> <p>Additional Services § 8.2.1 (oblige Verizon to provide electronic OSS ordering for any service provided under the ICA) Additional Services § 8.2.3 (require Verizon to provide commercial reasonable advance notice of OSS changes) Additional Services § 8.4.2 (delete restriction on use of Verizon OSS that is not consistent with applicable law) Additional Services § 8.8.2 (clarify that any limitations Verizon imposes on volume of use of OSS are commercially reasonable)</p>
23.	<p>(a) What description, if any, of Verizon's general obligation to provide directory listings, should be included in the ICA? (b) What rate, if any, should apply to Verizon's inclusion and modification of Bright House directory listings? (c) To what extent, if any, should the ICA require Verizon to facilitate Bright House's negotiating a separate agreement with Verizon's directory publishing company?</p> <p><i>[Issue #23(b) and Issue #23(c) have been resolved by the parties.]</i> Additional Services § 4 (clarify that Verizon must provide directory listing functions on just, reasonable and nondiscriminatory terms as provided by law)</p>

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
24.	<p>Is Verizon obliged to provide facilities from Bright House's network to the point of inter connection at TELRIC rates?</p> <p>Interconnection § 2.1.1.3 (clarify that Verizon is obliged to provide interconnection facilities to Bright House at TELRIC rates)</p>
25.	Settled.
26	<p>May Bright House require Verizon to interconnect using a fiber meet arrangement?</p> <p>Interconnection § 3.1.1 (clarify BHN right to establish fiber meets and clear dispute resolution if need be) Interconnection § 4.2 (conforming change reflecting availability of fiber meets)</p>
27	<p>How far, if at all, should Verizon be required to build out its network to accommodate a fiber meet?</p> <p>Interconnection § 3.1.2 (loosen unreasonable and arbitrary restrictions on where fiber meets may be established) Fiber Meet § 2.1 (remove unnecessary/unreasonable restriction on location of fiber meets)</p>
28	<p>What types of traffic may be exchanged over a fiber meet, and what terms should govern the exchange of that traffic?</p> <p>Interconnection § 3.1.3 (any traffic may flow over a fiber meet arrangement) Interconnection § 3.1.4 (delete unneeded restrictions on use of fiber meets; clarify cost responsibility for fiber meet arrangements)</p>
29.	<p>To what extent, if any, should parties be required to establish separate trunk groups for different types of traffic?</p> <p>Interconnection § 2.2.2 (require parties to negotiate establishment of separate trunk groups for billing, upon request of either party) Interconnection § 2.2.1.1 (conforming change per § 2.2.1.4 to remove inbound transit traffic from general Interconnection Trunks, to facilitate billing of transit traffic)</p>
30.	<p>May Bright House unilaterally determine whether the Parties will use one-way or two-way interconnection trunks?</p> <p>Interconnection § 2.2.3 (per applicable law, Bright House may elect either one-way or two-way trunks)</p>
31.	Which party has administrative control over which interconnection trunks, and what responsibilities, if any, flow from that

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
	<p>control?</p> <p>Interconnection § 2.2.4 (clarify that trunks between Bright House and a Verizon tandem are required either if Bright House sends traffic to end offices subtending the tandem, or if Verizon end offices subtending the tandem send traffic to Bright House)</p> <p>Interconnection § 5.2.1 (conforming change to reflect potential higher-data-rate interconnections, per § 2.4.6)</p>
32.	<p>May Bright House require Verizon to accept trunking at DS-3 level or above?</p> <p>Interconnection § 2.4.6 (interconnection can occur at higher than DS1 or DS3 levels)</p>
33.	<p>May charges be assessed for the establishment or provision of local interconnection trunks or trunk groups?</p> <p>Interconnection § 2.2.9 (clarify that use of industry-standard ASR to "order" trunks does not imply any payment obligation, since trunks have two symmetrical ends and transport obligations are reciprocal)</p> <p>Interconnection § 2.3.2 (administration of trunk groups; elimination of Verizon right to charge)</p> <p>Interconnection § 2.4.12 (eliminate right to charge for unused trunks; simple disconnection sufficient)</p>
34.	<p>Should performance measures apply to two-way trunks that are outside of Verizon's administrative control?</p> <p>Interconnection § 2.4.13 (delete provision exempting Verizon from being subject to performance standards regarding trunks)</p>
35.	Settled

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
36.	<p>What terms should apply to meet-point billing, including Bright House's provision of tandem functionality for exchange access services?</p> <p>(a) Should Bright House remain financially responsible for the traffic of its affiliates or other third parties when it delivers that traffic for termination by Verizon?</p> <p>(b) To what extent, if any, should the ICA require Bright House to pay Verizon for Verizon-provided facilities used to carry traffic between interexchange carriers and Bright House's network?</p> <p>Glossary § 2.50 (clarify the term "Exchange Access" to distinguish between meet-point-billing traffic (access billed to IXC) and toll traffic provided by a party (access billed to party))</p> <p>Glossary § 2.82 (add definition of "Meet Point Billing Traffic," to clarify that for such traffic access charges apply to IXC, not to parties)</p> <p>Glossary § 2.123 (clarify definition of "Toll Traffic" to tie to appropriate statutory terminology and to distinguish toll services provided to end users by a party (which may result in the parties charging each other access charges) and such services provided by third party IXCs (which will result in access charges to the IXCs but no inter-party charging))</p> <p>Interconnection § 2.2.1.2 (clarify that access toll connecting trunks may carry meet point billing traffic where either party provides tandem functionality)</p> <p>Interconnection § 8.3 (provision redundant/inaccurate given treatment of meet point billing and transit traffic)</p> <p>Interconnection § 9.2.1 (clarify language regarding Bright House switch subtending Verizon tandem for purposes of meet point billing to IXCs who do not directly connect to Bright House)</p> <p>Interconnection § 9.2.2 (modify language to accommodate mutuality of meet point billing arrangements)</p> <p>Interconnection § 9.2.3 (modify language to accommodate mutuality of meet point billing arrangements)</p> <p>Interconnection § 9.2.5 (new) (clarify that there is no inter-party charging in meet point billing situation)</p> <p>Interconnection § 10 (<i>passim, all subsections</i>) (modify language to reflect the fact that either party may perform tandem transport functionality in meet point billing arrangements)</p> <p>Interconnection § 10.6 (clarify that charges in meet point billing situation are to IXC, not each other)</p>

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
37.	<p>How should the types of traffic (e.g. local, ISP, access) that are exchanged be defined and what rates should apply?</p> <p>Glossary § 2.60 (clarify definition of "Information Access" to conform with applicable law) Glossary § 2.63 (clarify definition of "Internet Traffic for application of mirroring rule and transport charges) Glossary § 2.79 (clarify definition of "Measured Internet Traffic" to comply with applicable law for of mirroring rule and transport charges) Glossary § 2.106 (modify definition of "Reciprocal Compensation Traffic" to reflect FCC's ruling from November 2008)</p> <p>Interconnection § 6.2 (clarity in pricing of traffic, including ISP-bound traffic) Interconnection § 7.1 (clarity in application of rates for transport and termination) Interconnection § 7.2 (clarify application of reciprocal compensation to all appropriate traffic, mirroring rule, and transport charges) Interconnection § 7.2.1 (clarify limitation on reciprocal compensation) Interconnection § 7.2.2 (delete; clarifies application of mirroring rule and transport charges) Interconnection §§ 7.2.3 – 7.2.8 (conforming changes to reflect new introductory language to § 7.2) Interconnection § 7.2.8 (clarity in application of reciprocal compensation) Interconnection § 7.3 (delete; moot in light of agreement on \$0.0007 rate) Interconnection § 8.2 (delete; language confuses of reciprocal compensation and access rates under ICA, in part by reference to tariffs) Interconnection § 8.5 (delete; language subject to interpretation and ambiguity)</p>
38.	<p>Should there be a limit on the amount and type of traffic that Bright House can exchange with third parties when it uses Verizon's network to transit that traffic?</p> <p>Interconnection § 2.1.1 (clarify that obligation to provide facilities to the POI applies for traffic originating on a parties' network, or transiting that party's network from a third party) Interconnection § 12.6 (description of volume limits and other issues)</p>

BRIGHT HOUSE – VERIZON ARBITRATION: Docket No. 090501-TP :: ISSUES LIST AND CONTRACT PROVISIONS	
ISSUE	ISSUE/AGREEMENT PROVISIONS
39	Does Bright House remain financially responsible for traffic that it terminates to third parties when it uses Verizon's network to transit the traffic?
	Interconnection § 8.3 (provision redundant/inaccurate given treatment of meet point billing and transit traffic) Interconnection § 12.4 (delete unworkable provision regarding transit traffic) Interconnection § 12.5 (delete language purporting to allow Verizon to charge Bright House whatever charges a third party carrier might impose of Verizon for transit traffic originating with Bright House)
40.	To what extent, if any, should the ICA require Verizon to facilitate negotiations for direct interconnection between Bright House and Verizon's affiliates?
	Interconnection § 2.2.1.4 (require separate trunks for inbound transit traffic, to facilitate billing of such traffic) Interconnection § 16 (Bright House Version) (oblige Verizon to provide reasonable assistance to Bright House in establishing direct connections with Verizon affiliates)
41.	Should the ICA contain specific procedures to govern the process of transferring a customer between the parties and the process of LNP provisioning? If so, what should those procedures be?
	Interconnection § 15.2 (clarify obligations regarding porting intervals, no charge for porting, classification of ports as simple or complex) Interconnection § 15.2.4 (clarify procedures regarding retaining 10-digit trigger to accommodate possible missed ports) Interconnection § 15.2.5 (require coordinated ports, at no charge, for customers with 12 or more lines) Transfer Attachment (<i>passim</i>) (provide clear procedures for customer transfers) UNEs § 9.8.2 (confirm that Bright House or its cable affiliate may access NIDs without charge and without prior notice)
42.	Is Bright House entitled to open a Verizon NID and remove wiring from the customer side?
	UNEs § 9.8.1 (confirm that Bright House or its cable affiliate may access NIDs without charge and without prior notice) UNEs § 9.8.1 (confirm that Bright House or its cable affiliate may access NIDs without charge and without prior notice)

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43.	Should the ICA require negotiation of procedures to remove Presubscribed Interexchange Carrier freezes? Additional Services § 12 (add provision obliging parties to negotiate reasonable means to clear PIC freezes)
44.	What terms should apply to locking and unlocking E911 records? 911 Attachment § 2.3.5 (require that parties comply with NANC guidelines regarding unlocking E911 records after transfer of customer)
45.	Should Verizon's collocation terms be included in the ICA or should the ICA refer to Verizon's collocation tariffs? Collocation Attachment (<i>passim</i>) (entire section needs to be fleshed out rather than simply cross-referencing tariffs)
46.	Should Verizon be required to make available to Bright House access to house and riser cable that Verizon does not own or control but to which it has a legal right of access? If so, under what terms? UNEs § 7.1.1 (clarify Verizon's obligation to provide access to house/riser cable whenever it controls such cable)
47	Settled
48	Settled
49.	Are special access circuits that Verizon sells to end users at retail subject to resale at a discounted rate? Are special access services eligible for resale at the wholesale discount? Pricing § 2.1.5.2 (clarify that "special access" circuits sold at retail are subject to a resale discount)

AGREEMENT

by and between

BRIGHT HOUSE NETWORKS INFORMATION SERVICES (FLORIDA) LLC

and

VERIZON FLORIDA, LLC

FOR THE STATE OF

FLORIDA

03-10-10 Version w/Agreed Changes Accepted

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090451

EXHIBIT 17

COMPANY BRIGHT HOUSE NETWORKS

WITNESS TIMOTHY J. GATES (TJG-3)

DATE 05/25/10

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AGREEMENT

PREFACE

This Agreement ("Agreement") shall be deemed effective as of ***Date DT*** (the "Effective Date"), between BRIGHT HOUSE NETWORKS INFORMATION SERVICES (FLORIDA) LLC ("Bright House") a limited liability corporation organized under the laws of the Delaware, with offices at 12985 Telecom Parkway, Temple Terrace, Florida, 33637, and VERIZON FLORIDA, LLC ("Verizon"), a corporation organized under the laws of the ***Incorporation State-Commonwealth TXT*** of ***Incorporation State TXT*** with offices at ***Verizon Address TXT*** (Verizon and Bright House may be referred to hereinafter, each, individually as a "Party", and, collectively, as the "Parties").

GENERAL TERMS AND CONDITIONS

In consideration of the mutual promises contained in this Agreement, and intending to be legally bound, pursuant to Section 252 of the Act, Verizon and Bright House hereby agree as follows:

1. The Agreement

- 1.1 This Agreement includes: (a) the Principal Document; and (b) an Order by a Party that has been accepted by the other Party.
- 1.2 Except as otherwise expressly provided in the Principal Document (including, but not limited to, the Pricing Attachment), conflicts among provisions in the Principal Document and an Order by a Party that has been accepted by the other Party, shall be resolved in accordance with the following order of precedence, where the document identified in subsection "(a)" shall have the highest precedence: (a) the Principal Document; and (b) an Order by a Party that has been accepted by the other Party. Nothing in this Agreement shall be construed to prohibit a Party from purchasing a service under the terms of the other Party's Tariff. A Party's Order or request for a Service that is offered by the other Party both under this Agreement and under the other Party's Tariff shall be deemed to be an Order or request governed entirely by the terms of this Agreement, and not by any Tariff, unless such Order or request specifically states that it is an Order for a service under the other Party's Tariff. No terms of any Party's Tariff(s) shall apply to any Service provided or to be provided under this Agreement except to the extent that this Agreement expressly states that the terms of such Tariff apply. No Tariffed charge for any Service provided or to be provided under this Agreement shall apply except to the extent that this Agreement expressly states that such Tariffed charge(s) shall apply.
- 1.3 This Agreement constitutes the entire agreement between the Parties on the subject matter hereof, and supersedes any prior or contemporaneous agreement, understanding, or representation, on the subject matter hereof. This Agreement is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction with respect to any prior interconnection or resale agreements. All monetary obligations of the Parties to one another under any prior interconnection or resale agreements shall remain in full force and effect subject to the terms of such prior agreement. In connection with the foregoing, each Party expressly reserves all of its rights under the Bankruptcy Code and Applicable Law to seek or oppose any relief in respect of the assumption, assumption and assignment, or rejection of any interconnection or resale agreements between Verizon and Bright House.

Deleted: the Tariffs of each Party applicable to the Services that are offered for sale by it in the Principal Document (which Tariffs are incorporated into and made a part of this Agreement by reference); and, (c)

Deleted: , Tariffs.

Deleted: the Tariffs; and, (c)

Deleted: The fact that a provision appears in the Principal Document but not in a Tariff, or in a Tariff but not in the Principal Document, shall not be interpreted as, or deemed grounds for finding, a conflict for the purposes of this Section 1.2.

- 1.4 Except as otherwise provided in the Principal Document, the Principal Document may not be waived or modified except by a written document that is signed by the Parties. Subject to the requirements of Applicable Law, a Party shall have the right to add, modify, or withdraw, its Tariff(s) at any time, without the consent of, or notice to, the other Party.

2. Term and Termination

- 2.1 This Agreement shall be effective as of the Effective Date and, unless cancelled or terminated earlier in accordance with the terms hereof, shall continue in effect until April 30, 2013 (the "Initial Term"). Thereafter, this Agreement shall continue in force and effect unless and until cancelled or terminated as provided in this Agreement.
- 2.2 Either Bright House or Verizon may terminate this Agreement effective upon the expiration of the Initial Term or effective upon any date after expiration of the Initial Term by providing written notice of termination at least ninety (90) days in advance of the date of termination.
- 2.3 If either Bright House or Verizon provides notice of termination pursuant to Section 2.2 and on or before the proposed date of termination either Bright House or Verizon has requested negotiation of a new interconnection agreement, unless this Agreement is cancelled or terminated earlier in accordance with the terms hereof (including, but not limited to, pursuant to Section 12), this Agreement shall remain in effect until the earlier of: (a) the effective date of a new interconnection agreement between Bright House and Verizon; or, (b) the date one (1) year after the proposed date of termination, except that (c) if on the date one (1) year after the proposed date of termination, either Party has filed an arbitration proceeding at the Commission to establish a new agreement and such proceeding remains pending at the Commission, either Party may petition the Commission to extend this Agreement until the Commission, in such proceeding, establishes a new agreement.
- 2.4 If either Bright House or Verizon provides notice of termination pursuant to Section 2.2 and by 11:59 PM Eastern Time on the proposed date of termination neither Bright House nor Verizon has requested negotiation of a new interconnection agreement, (a) this Agreement will terminate at 11:59 PM Eastern Time on the proposed date of termination, and (b) the Services being provided under this Agreement at the time of termination will be terminated, except to the extent that the Purchasing Party has requested that functionally equivalent services continue to be provided pursuant to a Tariff or Statement of Generally Available Terms (SGAT).
- 2.5 Other than termination for default as provided for in Section 12 hereof, or termination based on the other Party's abandonment of the Agreement, neither Party may terminate this Agreement with an effective date of termination earlier than the expiration of the Initial Term. For purposes of this section, "abandonment" means that for a period of sixty (60) continuous days, a Party has sent no traffic to and received no traffic from the other Party and has neither provided nor received any other Service under this Agreement. If a Party believes that the other Party has abandoned this Agreement, the Party may terminate this Agreement upon thirty (30) days written notice to the other Party.

Deleted: such Services

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Deleted: n applicable

3. Glossary and Attachments

The Glossary and the following Attachments are a part of this Agreement:

Additional Services Attachment

Interconnection Attachment

Resale Attachment

Procedures For Transferring Customers/End Users Between Verizon And Bright House

Network Elements Attachment

Collocation Attachment

911 Attachment

Pricing Attachment

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4. Applicable Law

- 4.1 The construction, interpretation and performance of this Agreement shall be governed by (a) the laws of the United States of America and (b) the laws of the State of Florida, without regard to its conflicts of laws rules. All disputes relating to this Agreement shall be resolved through the application of such laws.
- 4.2 Each Party shall remain in compliance with Applicable Law in the course of performing this Agreement.
- 4.3 Neither Party shall be liable for any delay or failure in performance by it that results from requirements of Applicable Law, or acts or failures to act of any governmental entity or official.
- 4.4 Each Party shall promptly notify the other Party in writing of any governmental action that limits, suspends, cancels, withdraws, or otherwise materially affects, the notifying Party's ability to perform its obligations under this Agreement.
- 4.5 If any provision of this Agreement shall be invalid or unenforceable under Applicable Law, such invalidity or unenforceability shall not invalidate or render unenforceable any other provision of this Agreement, and this Agreement shall be construed as if it did not contain such invalid or unenforceable provision; provided, that if the invalid or unenforceable provision is a material provision of this Agreement, or the invalidity or unenforceability materially affects the rights or obligations of a Party hereunder or the ability of a Party to perform any material provision of this Agreement, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law.
- 4.6 In the event of any Change in Applicable Law, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law. If within thirty (30) days of the effective date of such Change in Applicable Law, the Parties are unable to agree in writing upon mutually acceptable revisions to this Agreement, either Party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction, without first pursuing dispute resolution in accordance with Section 14 of this Agreement.

4.6.1 Notwithstanding Section 4.6 above, to the extent Verizon is required by a Change in Applicable Law to provide to Bright House a Service that is not offered under this Agreement to Bright House, but where the terms, conditions and prices for such Service (including, but not limited to, the terms and conditions defining the Service and stating when and where the Service will be available and how it will be used, and terms, conditions and prices for pre-ordering, ordering, provisioning, repair, maintenance and billing) are provided in a Verizon Tariff, then the terms and conditions of such Tariff shall apply on an interim basis while the Parties negotiate permanent terms and conditions applicable to such Service, with any payments for such Service made pursuant to the terms of such Tariff subject to retroactive true-up to conform to the final terms and conditions. In the absence of a such a Tariff, the Parties shall mutually agree on applicable terms and conditions in a written amendment to the Agreement that, upon the request of either Party, the Parties shall negotiate in accordance with the requirements of Section 252 of the Act. In no event shall Verizon be required to provide any such Service in the absence of such a Verizon Tariff or amendment, except to the extent specifically required by Applicable Law.

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4.7 Notwithstanding anything in this Agreement to the contrary, if, as a result of any Change in Applicable Law, Verizon is not required by Applicable Law to provide any Service, payment or benefit, otherwise required to be provided to Bright House hereunder, then Verizon may discontinue the provision of any such Service, payment or benefit. Any retroactive liability from Bright House to Verizon with respect to any Service, payment or benefit provided by Verizon prior to such Change in Applicable Law shall be determined based on Applicable law, including the order, decision or ruling that changed Applicable Law. Verizon will provide thirty (30) days prior written notice to Bright House of any such discontinuance of a Service, unless a different notice period or different conditions are specified in this Agreement (including, but not limited to, in the Networks Element Attachment), or by Applicable Law for termination of such Service in which event such period and/or conditions shall apply. For the avoidance of any doubt, this Section 4.7 is self-effectuating and no amendment to this Agreement shall be required to implement it.

Deleted: Assurance of Payment

Deleted: Upon request by Verizon, Bright House shall, at any time and from time to time, provide to Verizon adequate assurance of payment of amounts due (or to become due) to Verizon hereunder.

5. Assignment

Neither Party may assign this Agreement or any right or interest under this Agreement, nor delegate any obligation under this Agreement, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Any attempted assignment or delegation in violation of this Section 5 shall be void and ineffective and constitute default of this Agreement. In the event that a Party seeks to assign this Agreement to an Affiliate of that Party as part of a corporate or similar reorganization or refinancing in which there is no substantial change in ultimate ownership or control, such Party's request for consent hereunder shall be deemed granted unless the other Party objects within thirty (30) days after receipt by the other Party of the assigning Party's written request.

Deleted: Assurance of payment of charges may be requested by Verizon if Bright House: (a) prior to the Effective Date, has failed to timely pay a bill rendered to ***CLEC Acronym TE*** by Verizon or its Affiliates, (b) on or after the Effective Date, fails to timely pay a bill rendered to Bright House by Verizon or its Affiliates, (c) in Verizon's reasonable judgment, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, or (d) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding.

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7. Audits

7.1 Except as may be otherwise specifically provided in this Agreement, either Party ("Auditing Party") may audit the other Party's ("Audited Party") books, records, documents, facilities and systems for the purpose of evaluating the accuracy of the Audited Party's bills. Such audits may be performed once in each Calendar Year; provided, however, that audits may be conducted more frequently (but no more frequently than once in each Calendar Quarter) if the immediately preceding audit found previously uncorrected net inaccuracies in billing in favor of the Audited Party having an aggregate value of at least \$1,000,000.

7.2 The audit shall be performed by independent certified public accountants, assisted by such other persons with specialized knowledge or expertise as such accountants reasonably deem necessary, selected and paid by the Auditing Party. The accountants shall be reasonably acceptable to the Audited Party. Prior to commencing the audit, the accountants shall execute an agreement with the Audited Party in a form reasonably acceptable to the Audited Party that protects the confidentiality of the information disclosed by the Audited Party to the accountants. The audit shall take place at a time and place agreed upon by the Parties; provided, that, except in exigent circumstances, the Auditing Party shall require that the audit commence no earlier than sixty (60) days and no later than ninety (90) days after the Auditing Party has given notice of the audit to the Audited Party.

7.3 Each Party shall cooperate fully in any such audit, providing reasonable access to any and all employees, books, records, documents, facilities and systems, reasonably necessary to assess the accuracy of the Audited Party's bills.

7.4 Audits shall be performed at the Auditing Party's expense, provided that there shall be no charge for reasonable access to the Audited Party's employees, books, records, documents, facilities and systems necessary to assess the accuracy of the Audited Party's bills.

8. Authorization

8.1 Verizon represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the ***Incorporation State-Commonwealth TXT*** of ***Incorporation State TXT*** and has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.

8.2 Bright House represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware,

Deleted: Unless otherwise agreed by the Parties, the assurance of payment shall consist of an unconditional, irrevocable standby letter of credit naming Verizon as the beneficiary thereof and otherwise in form and substance satisfactory to Verizon from a financial institution acceptable to Verizon. The letter of credit shall be in an amount equal to two (2) months anticipated charges (including, but not limited to, both recurring and non-recurring charges), as reasonably determined by Verizon, for the Services to be provided by Verizon to ***CLEC Acronym TE*** in connection with this Agreement. If Bright House meets the condition in subsection 6.2(d) above or has failed to timely pay two or more bills rendered by Verizon or a Verizon Affiliate in any twelve (12)-month period, Verizon may, at its option, demand (and Bright House shall provide) additional assurance of payment, consisting of monthly advanced payments of estimated charges as reasonably determined by Verizon, with appropriate true-U ... [1]

Deleted: Verizon may (but is not obligated to) draw on the letter of credit upon notice to Bright House in respect of any amounts to be paid by Bright House hereunder that are not paid within thirty (30) days of the date that payment of such amounts is required by this Agreement.

Deleted: If Verizon draws on the letter of credit, upon request by Verizon, Bright House shall provide a replacement or supplemental letter of credit conforming to the requirements of Section 6.3.

Deleted: Notwithstanding anything else set forth in this Agreement, if Verizon makes a request for assurance of payment in accordance with the terms of this Section, then Verizon shall have no obligation thereafter to perform under this Agreement until such time as Bright House has provided Verizon with such assurance of payment.

Deleted: The fact that a letter of credit is requested by Verizon hereunder shall in no way relieve Bright House from compliance with the requirements of this Agreement (including, but not limited to, any applicable Tariffs) as to advance payments and payment for Services, nor constitute a waiver or modification of the terms herein pertaining to the discontinuance of Services for nonpayment of any amounts payment of which is required by this ... [2]

and has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.

8.3 Bright House Certification.

Bright House represents and warrants that as of the Effective Date, it has obtained such FCC and Commission authorization as may be required by Applicable Law for conducting business in the State of Florida. It shall be a material breach of this agreement if Bright House orders service or exchanges traffic with Verizon if it lacks such authorization. Any dispute regarding Bright House's authorization to operate and to place orders under this Agreement shall be subject to the dispute resolution provisions of Section 14.

8.4 [Intentionally Left Blank].

9. **Billing and Payment; Disputed Amounts**

- 9.1 Except as otherwise provided in this Agreement, each Party shall submit to the other Party on a monthly basis in an itemized form, statement(s) of charges incurred by the other Party under this Agreement.
- 9.2 Except as otherwise provided in this Agreement, payment of amounts billed for Services provided under this Agreement, whether billed on a monthly basis or as otherwise provided in this Agreement, shall be due, in immediately available U.S. funds, on the later of the following dates (the "Due Date"): (a) the due date specified on the billing Party's statement; or (b) twenty (20) days after the date the statement is received by the billed Party. Payments shall be transmitted by electronic funds transfer. The due date specified in a billing Party's statement in accordance with subsection (a) preceding generally shall be one month after the date that such bill is actually issued..
- 9.3 If any portion of an amount billed by a Party under this Agreement is subject to a good faith dispute between the Parties, the billed Party shall give notice to the billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the services, dollar amounts and time periods at issue, and an explanation of the Party's dispute, setting forth in a commercially reasonable level of detail the reasons for disputing each item. For the avoidance of any doubt, Bright House shall be deemed to have complied with the notice requirements of the preceding sentence to the extent that it uses Verizon's standard electronic claims submission process. A Party may also dispute prospectively with a single notice a class of charges that it disputes. Notice of a dispute may be given by a Party at any time, either before or after an amount is paid, and a Party's payment of an amount shall not constitute a waiver of such Party's right to subsequently dispute its obligation to pay such amount or to seek a refund of any amount paid. The billed Party shall pay by the Due Date all undisputed amounts. Billing disputes shall be subject to the terms of Section 14, Dispute Resolution.
- 9.4 Charges due to the billing Party that are not paid by the Due Date, shall be subject to a late payment charge. The late payment charge shall be in an amount specified by the billing Party which shall not exceed a rate of one-and-one-half percent (1.5%) of the overdue amount (including any unpaid previously billed late payment charges) per month.
- 9.5 Although it is the intent of both Parties to submit timely statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and, except for

assertion of a provision of Applicable Law that limits the period in which a suit or other proceeding can be brought before a court or other governmental entity of appropriate jurisdiction to collect amounts due, the billed Party shall not be entitled to dispute the billing Party's statement(s) based on the billing Party's failure to submit them in a timely fashion. Notwithstanding the foregoing, it is expressly agreed that (a) neither Party may submit a bill to the other Party for any Service hereunder more than one (1) year after the Service was provided, it being expressly agreed that any right to bill or collect any payment for Services not billed within one year of their being rendered is irrevocably waived, and (b) neither Party may dispute any charges on any bill more than one (1) year after such bill is received, irrespective of the merits of the dispute, it being expressly agreed that any right to dispute any bill more than one (1) year after such bill is received, is irrevocably waived.

10. Confidentiality

10.1 As used in this Section 10, "Confidential Information" means the following information that is disclosed by one Party ("Disclosing Party") to the other Party ("Receiving Party") in connection with, or anticipation of, this Agreement:

- 10.1.1 Books, records, documents and other information disclosed in an audit pursuant to Section 7;
- 10.1.2 Any forecasting information provided pursuant to this Agreement;
- 10.1.3 Customer Information (except to the extent that (a) the Customer information is published in a directory, (b) the Customer information is disclosed through or in the course of furnishing a Telecommunications Service, such as directory assistance, operator service, Caller ID or similar service, or LIDB service, or (c) the Customer to whom the Customer Information is related has authorized the Receiving Party to use and/or disclose the Customer Information);
- 10.1.4 information related to specific facilities or equipment (including, but not limited to, cable and pair information);
- 10.1.5 any information that is in written, graphic, electromagnetic, or other tangible form, and marked at the time of disclosure as "Confidential" or "Proprietary";
- 10.1.6 any information regarding or contained in any Orders placed by a Party, including information relating to specific Customers who are choosing to obtain any goods, services, arrangements, or facilities from a Party, the dates on which Customer(s) will cease taking service from one Party and/or begin taking service from another Party, until and unless it becomes publicly known that such specific Customers have already begun to receive such goods, services, arrangements, and/or facilities; and
- 10.1.7 any information that is communicated orally or visually and declared to the Receiving Party at the time of disclosure, and by written notice with a statement of the information given to the Receiving Party within ten (10) days after disclosure, to be "Confidential" or "Proprietary".

Notwithstanding any other provision of this Agreement, a Party shall have the right to refuse to accept receipt of information which the other Party has identified as Confidential Information pursuant to Sections 10.1.5 or 10.1.7.

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- 10.2 Except as otherwise provided in this Agreement, the Party shall:
- 10.2.1 use the Confidential Information received from the Disclosing Party only in performance of this Agreement, including, without limitation, preventing the Receiving Party's retail or sales operations from learning any information provided by the Disclosing Party to the Receiving Party's wholesale operations; and
- 10.2.2 using the same degree of care that it uses with similar confidential information of its own (but in no case a degree of care that is less than commercially reasonable), hold Confidential Information received from the Disclosing Party in confidence and restrict disclosure of the Confidential Information solely to those of the Receiving Party's Affiliates and the directors, officers, employees, Agents and contractors of the Receiving Party and the Receiving Party's Affiliates, that have a need to receive such Confidential Information in order to perform the Receiving Party's obligations under this Agreement. The Receiving Party's Affiliates and the directors, officers, employees, Agents and contractors of the Receiving Party and the Receiving Party's Affiliates, shall be required by the Receiving Party to comply with the provisions of this Section 10 in the same manner as the Receiving Party. The Receiving Party shall be liable for any failure of the Receiving Party's Affiliates or the directors, officers, employees, Agents or contractors of the Receiving Party or the Receiving Party's Affiliates, to comply with the provisions of this Section 10.
- 10.3 The Receiving Party shall return or destroy all Confidential Information received from the Disclosing Party, including any copies made by the Receiving Party, within thirty (30) days after a written request by the Disclosing Party is delivered to the Receiving Party, except for (a) Confidential Information that the Receiving Party reasonably requires to perform its obligations under this Agreement, and (b) one copy for archival purposes only.
- 10.4 Unless otherwise agreed, the obligations of Sections 10.2 and 10.3 do not apply to information that:
- 10.4.1 was, at the time of receipt, already in the possession of or known to the Receiving Party free of any obligation of confidentiality and restriction on use;
- 10.4.2 is or becomes publicly available or known through no wrongful act of the Receiving Party, the Receiving Party's Affiliates, or the directors, officers, employees, Agents or contractors of the Receiving Party or the Receiving Party's Affiliates;
- 10.4.3 is rightfully received from a third person having no direct or indirect obligation of confidentiality or restriction on use to the Disclosing Party with respect to such information;
- 10.4.4 is independently developed by the Receiving Party;
- 10.4.5 is approved for disclosure or use by written authorization of the Disclosing Party (including, but not limited to, in this Agreement); or
- 10.4.6 is required to be disclosed by the Receiving Party pursuant to Applicable Law, provided that the Receiving Party shall have made

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commercially reasonable efforts to give adequate notice of the requirement to the Disclosing Party in order to enable the Disclosing Party to seek protective arrangements.

- 10.5 Notwithstanding the provisions of Sections 10.1 through 10.4, the Receiving Party may use and disclose Confidential Information received from the Disclosing Party to the extent necessary to enforce the Receiving Party's rights under this Agreement or Applicable Law. In making any such disclosure, the Receiving Party shall make reasonable efforts to preserve the confidentiality and restrict the use of the Confidential Information while it is in the possession of any person to whom it is disclosed, including, but not limited to, by requesting any governmental entity to whom the Confidential Information is disclosed to treat it as confidential and restrict its use to purposes related to the proceeding pending before it.
- 10.6 The Disclosing Party shall retain all of the Disclosing Party's right, title and interest in any Confidential Information disclosed by the Disclosing Party to the Receiving Party. Except as otherwise expressly provided in this Agreement, no license is granted by this Agreement with respect to any Confidential Information (including, but not limited to, under any patent, trademark or copyright), nor is any such license to be implied solely by virtue of the disclosure of Confidential Information.
- 10.7 The provisions of this Section 10 shall be in addition to and not in derogation of any provisions of Applicable Law, including, but not limited to, 47 U.S.C. § 222, and are not intended to constitute a waiver by a Party of any right with regard to the use, or protection of the confidentiality of carrier proprietary information or CPNI provided by Applicable Law.
- 10.8 Each Party's obligations under this Section 10 shall survive expiration, cancellation or termination of this Agreement.

11. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

12. Default

(a) Default is defined as (i) a Party's failure to make any payment required under this Agreement (including in accordance with Section 9); (ii) a Party's material breach of any other material term or condition of this Agreement; or (iii) any other event specifically identified as a Default in this Agreement.

(b) In the event of Default, the non-defaulting Party may suspend its performance under this Agreement (including its provision of any or all Services hereunder) or may terminate this Agreement, in whole or in part, if such Default remains uncured not less than thirty (30) days after delivery of notice to the defaulting party setting forth the nature of the default. In the event that the alleged defaulting party disputes such allegation of Default, such dispute will be subject to the dispute resolution provisions of Section 14 of this Agreement.

13. Discontinuance of Service

- 13.1 If a Party proposes to discontinue, or actually discontinues, its provision of service to all or substantially all of its Customers, whether voluntarily, as a result of bankruptcy, or for any other reason, that Party shall comply with all Applicable Law regarding such discontinuance, and shall provide notice to the other Party of such discontinuance.
- 13.2 In the event of a service discontinuance by Bright House as set forth in Section 13.1, the following provisions shall also apply only if and to the extent that the discontinued Customers include Customers that are served by resale arrangements obtained under the Resale Attachment of this Agreement:
 - 13.2.1 Bright House shall provide notice of such discontinuance to Verizon, the Commission, and each of Bright House's resale Customers, not less than thirty (30) days prior to its discontinuance of service, or such greater period as may be required by Applicable Law.
 - 13.2.2 Such notice must advise each such Bright House resale Customer that unless action is taken by such Customer to switch to a different carrier prior to Bright House's proposed discontinuance of service, the Bright House Customer will be without the service provided by Bright House to such Customer.

14. Dispute Resolution

- 14.1 Except as otherwise provided in this Agreement, any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the Parties. To initiate such negotiation, a Party must provide to the other Party written notice of the dispute that includes (a) a description in commercially reasonable detail, considering the circumstances (including, as appropriate, such detail as may be required under Section 9.3), of the dispute or alleged nonperformance and (b) the name of an individual who will serve as the initiating Party's representative in the negotiation. The other Party shall have ten Business Days to designate its own representative in the negotiation. The Parties' representatives shall meet at least once within 45 days after the date of the initiating Party's written notice in an attempt to reach a good faith resolution of the dispute. Upon mutual agreement, the Parties' representatives may utilize other alternative dispute resolution procedures such as private mediation to assist in the negotiations.
- 14.2 If the Parties have been unable to resolve the dispute within 45 days of the date of the initiating Party's written notice, either Party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction.

15. Force Majeure

- 15.1 Neither Party shall be responsible for any delay or failure in performance which results from causes beyond its reasonable control ("Force Majeure Events"), whether or not foreseeable by such Party. Such Force Majeure Events include, but are not limited to, adverse weather conditions, flood, fire, explosion, earthquake, volcanic action, power failure, embargo, boycott, war, revolution, civil commotion, act of public enemies, labor unrest (including, but not limited to, strikes, work stoppages, slowdowns, picketing or boycotts), inability to obtain equipment, parts, software or repairs thereof, acts or omissions of the other Party, and acts of God.

- 15.2 If a Force Majeure Event occurs, the non-performing Party shall give prompt notification of its inability to perform to the other Party. During the period that the non-performing Party is unable to perform, the other Party shall also be excused from performance of its obligations to the extent such obligations are reciprocal to, or depend upon, the performance of the non-performing Party that has been prevented by the Force Majeure Event. The non-performing Party shall use commercially reasonable efforts to avoid or remove the cause(s) of its non-performance and both Parties shall proceed to perform once the cause(s) are removed or cease.
- 15.3 Notwithstanding the provisions of Sections 15.1 and 15.2, in no case shall a Force Majeure Event excuse either Party from an obligation to pay money as required by this Agreement.
- 15.4 Nothing in this Agreement shall require the non-performing Party to settle any labor dispute except as the non-performing Party, in its sole discretion, determines appropriate.

16. Forecasts

In addition to any other forecasts required by this Agreement, upon reasonable request by Verizon, Bright House shall provide to Verizon reasonable, nonbinding forecasts regarding the Services that Bright House expects to obtain from Verizon, including, but not limited to, reasonable, nonbinding forecasts regarding the types and volumes of Services that Bright House expects to obtain and the locations where such Services will be obtained.

17. [Intentionally Left Blank]

18. Good Faith Performance

The Parties shall act in good faith in their performance of this Agreement. Except as otherwise expressly stated in this Agreement (including, but not limited to, where consent, approval, agreement or a similar action is stated to be within a Party's sole discretion), where consent, approval, mutual agreement or a similar action is required by any provision of this Agreement, such action shall not be unreasonably withheld, conditioned or delayed.

Deleted: Bright House assumes responsibility for all fraud associated with its Customers and accounts. Verizon shall bear no responsibility for, and shall have no obligation to investigate or make adjustments to Bright House's account in cases of, fraud by Bright House's Customers or other third parties.¶

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19. Headings

The headings used in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement.

Deleted: If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the State of [State] a Service offered under this Agreement, Verizon reserves the right to negotiate in good faith with ***CLEC Acronym TE*** reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.

20. Indemnification

- 20.1 Each Party ("Indemnifying Party") shall indemnify, defend and hold harmless the other Party ("Indemnified Party"), the Indemnified Party's Affiliates, and the directors, officers and employees of the Indemnified Party and the Indemnified Party's Affiliates, from and against any and all Claims that arise out of bodily injury to or death of any person, or damage to, or destruction or loss of, tangible real and/or personal property of any person, to the extent such injury, death, damage, destruction or loss, was proximately caused by the grossly negligent or intentionally wrongful acts or omissions of the Indemnifying Party, the Indemnifying Party's Affiliates, or the directors, officers, employees, Agents or contractors (excluding the Indemnified Party) of the Indemnifying Party or the Indemnifying Party's Affiliates, in connection with this Agreement.

20.2 Indemnification Process.

- 20.2.1 As used in this Section 20, "Indemnified Person" means a person whom an Indemnifying Party is obligated to indemnify, defend and/or hold harmless under Section 20.1.
- 20.2.2 An Indemnifying Party's obligations under Section 20.1 shall be conditioned upon the following:
- 20.2.3 The Indemnified Person: (a) shall give the Indemnifying Party notice of the Claim promptly after becoming aware thereof (including a statement of facts known to the Indemnified Person related to the Claim and an estimate of the amount thereof); (b) prior to taking any material action with respect to a Third Party Claim, shall consult with the Indemnifying Party as to the procedure to be followed in defending, settling, or compromising the Claim; (c) shall not consent to any settlement or compromise of a Third Party Claim without the written consent of the Indemnifying Party; (d) shall permit the Indemnifying Party to assume the defense of a Third Party Claim (including, except as provided below, the compromise or settlement thereof) at the Indemnifying Party's own cost and expense, provided, however, that the Indemnified Person shall have the right to approve the Indemnifying Party's choice of legal counsel.
- 20.2.4 If the Indemnified Person fails to comply with Section 20.2.3 with respect to a Claim, to the extent such failure shall have a material adverse effect upon the Indemnifying Party, the Indemnifying Party shall be relieved of its obligation to indemnify, defend and hold harmless the Indemnified Person with respect to such Claim under this Agreement.
- 20.2.5 Subject to 20.2.6 and 20.2.7, below, the Indemnifying Party shall have the authority to defend and settle any Third Party Claim.
- 20.2.6 With respect to any Third Party Claim, the Indemnified Person shall be entitled to participate with the Indemnifying Party in the defense of the Claim if the Claim requests equitable relief or other relief that could affect the rights of the Indemnified Person. In so participating, the Indemnified Person shall be entitled to employ separate counsel for the defense at the Indemnified Person's expense. The Indemnified Person shall also be entitled to participate, at its own expense, in the defense of any Claim, as to any portion of the Claim as to which it is not entitled to be indemnified, defended and held harmless by the Indemnifying Party.
- 20.2.7 In no event shall the Indemnifying Party settle a Third Party Claim or consent to any judgment with regard to a Third Party Claim without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed. In the event the settlement or judgment requires a contribution from or affects the rights of an Indemnified Person, the Indemnified Person shall have the right to refuse such settlement or judgment with respect to itself and, at its own cost and expense, take over the defense against the Third Party Claim, provided that in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify or hold

harmless the Indemnified Person against, the Third Party Claim for any amount in excess of such refused settlement or judgment.

- 20.2.8 The Indemnified Person shall, in all cases, assert any and all provisions in applicable Tariffs and Customer contracts that limit liability to third persons as a bar to, or limitation on, any recovery by a third-person claimant.
- 20.2.9 The Indemnifying Party and the Indemnified Person shall offer each other all reasonable cooperation and assistance in the defense of any Third Party Claim.
- 20.3 In light of the indemnification provided for in this Section 20, each Party agrees that it will not implead or bring any action against the other Party, the other Party's Affiliates, or any of the directors, officers or employees of the other Party or the other Party's Affiliates, based on any claim by any person for personal injury or death that occurs in the course or scope of employment of such person by the other Party or the other Party's Affiliate and that arises out of performance of this Agreement.
- 20.4 Each Party's obligations under this Section 20 shall survive expiration, cancellation or termination of this Agreement.

21. Insurance

- 21.1 Each Party shall maintain during the term of this Agreement and for a period of two years thereafter all insurance required to satisfy its obligations under this Agreement (including, but not limited to, its obligations set forth in Section 20 hereof) and all insurance required by Applicable Law. The insurance shall be obtained from an insurer having an A.M. Best insurance rating of at least A-, financial size category VII or greater. At a minimum and without limiting the foregoing undertaking, the Party obtaining insurance shall maintain the following insurance:
 - 21.1.1 Commercial General Liability Insurance, on an occurrence basis, including but not limited to, premises-operations, broad form property damage, products/completed operations, contractual liability, independent contractors, and personal injury, with limits of at least \$2,000,000 combined single limit for each occurrence.
 - 21.1.2 Commercial Motor Vehicle Liability Insurance covering all owned, hired and non-owned vehicles, with limits of at least \$2,000,000 combined single limit for each occurrence.
 - 21.1.3 Excess Liability Insurance, in the umbrella form, with limits of at least \$10,000,000 combined single limit for each occurrence.
 - 21.1.4 Worker's Compensation Insurance as required by Applicable Law and Employer's Liability Insurance with limits of not less than \$2,000,000 per occurrence.
 - 21.1.5 For Bright House, all risk property insurance on a full replacement cost basis for all of Bright House's real and personal property located at any Collocation site or otherwise located on or in any Verizon premises (whether owned, leased or otherwise occupied by Verizon), facility, equipment or right-of-way.

- 21.2 Any deductibles, self-insured retentions or loss limits ("Retentions") for the foregoing insurance must be disclosed on the certificates of insurance to be provided pursuant to Sections 21.4 and 21.5, and the Party receiving such certificates reserves the right to reject any such Retentions in its reasonable discretion. All Retentions shall be the responsibility of the Party obtaining such insurance.
- 21.3 Each Party shall name the other Party as an additional insured on the foregoing liability insurance.
- 21.4 Each Party shall, within two (2) weeks of the Effective Date hereof at the time of each renewal of, or material change in, such Party's insurance policies, and at such other times as the other Party may reasonably specify, furnish certificates or other proof of the foregoing insurance reasonably acceptable to the other Party. In the case of Bright House as insuring Party, the certificates or other proof of the foregoing insurance shall be sent to: Director-Negotiations, Verizon Partner Solutions, 600 Hidden Ridge, HQEWMNOTICES, Irving, TX 75038. In the case of Verizon as insuring Party, the certificates or other proof of the foregoing insurance shall be sent to: [specify address]
- 21.5 Each Party shall require its contractors, if any, that may enter upon the premises or access the facilities or equipment of the other Party or the other Party's affiliates to maintain insurance in accordance with Sections 21.1 through 21.3 and, if requested, to furnish the other Party certificates or other adequate proof of such insurance reasonably acceptable to the other Party in accordance with Section 21.4.
- 21.6 Failure of a Party or its contractors to maintain insurance and provide certificates of insurance as required in Sections 21.1 through 21.5, above, shall be deemed a material breach of this Agreement.
- 21.7 Certificates furnished by Bright House or Bright House's contractors shall contain a clause stating: "****Verizon Company Full Name 1 TXT*** shall be notified in writing at least thirty (30) days prior to cancellation of, or any material change in, the insurance." Certificates furnished by Verizon or Verizon's contractors shall contain a clause stating: "Bright House Networks Information Services (Florida) LLC shall be notified in writing at least thirty (30) days prior to cancellation of, or any material change in, the insurance."
- 21.8 The Parties agree that Verizon may satisfy the requirements of this Section 21 through self-insurance.

22. Intellectual Property

- 22.1 Except as expressly stated in this Agreement, this Agreement shall not be construed as granting a license with respect to any patent, copyright, trade name, trademark, service mark, trade secret or any other intellectual property, now or hereafter owned, controlled or licensable by either Party. Except as expressly stated in this Agreement, neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right, of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.
- 22.2 Except as stated in Section 22.4, neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its

Affiliates or Customers based on or arising from any Third Party Claim alleging or asserting that the provision or use of any service, facility, arrangement, or software by either Party under this Agreement, or the performance of any service or method, either alone or in combination with the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, or misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third person. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

- 22.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY EACH PARTY OF THE OTHER'S SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT.
- 22.4 Each Party agrees that the Services provided by the other Party hereunder shall be subject to the terms, conditions and restrictions contained in any applicable agreements (including, but not limited to software or other intellectual property license agreements) between the other Party and the other Party's vendors. Each Party agrees to advise the other Party, directly or through a third party, of any such terms, conditions or restrictions that may limit any use by the other Party of a Service provided by a Party that is otherwise permitted by this Agreement. At a Party's written request, to the extent required by Applicable Law, the other Party will use its best efforts, as commercially practicable, to obtain intellectual property rights from its vendor to allow the Party to use the Service in the same manner as the other Party that are coextensive with the other Party's intellectual property rights, on terms and conditions that are equal in quality to the terms and conditions under which the Party has obtained its intellectual property rights. The other Party shall reimburse the Party for the cost of obtaining such rights.

23. Joint Work Product

This Agreement is the joint work product of the Parties, has been negotiated by the Parties, and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.

24. Law Enforcement

- 24.1 Each Party may cooperate with law enforcement authorities and national security authorities to the full extent required or permitted by Applicable Law in matters related to Services provided by it under this Agreement, including, but not limited to, the production of records, the establishment of new lines or the installation of new services on an existing line in order to support law enforcement and/or national security operations, and, the installation of wiretaps, trap-and-trace facilities and equipment, and dialed number recording facilities and equipment.
- 24.2 A Party shall not have the obligation to inform the other Party or the Customers of the other Party of actions taken in cooperating with law enforcement or national security authorities, except to the extent required by Applicable Law.
- 24.3 Where a law enforcement or national security request relates to the establishment of lines (including, but not limited to, lines established to support

interception of communications on other lines), or the installation of other services, facilities or arrangements, a Party may act to prevent the other Party from obtaining access to information concerning such lines, services, facilities and arrangements, through operations support system interfaces.

25. Liability

- 25.1 As used in this Section 25, "Service Failure" means a failure to comply with a direction to install, restore or terminate Services under this Agreement, a failure to provide Services under this Agreement, and failures, mistakes, omissions, interruptions, delays, errors, defects or the like, occurring in the course of the provision of any Services under this Agreement.
- 25.2 Except as otherwise stated in Section 25.5, the liability, if any, of a Party, a Party's Affiliates, and the directors, officers and employees of a Party and a Party's Affiliates, to the other Party, the other Party's Customers, and to any other person, for Claims arising out of a Service Failure shall not exceed an amount equal to the pro rata applicable monthly charge for the Services that are subject to the Service Failure for the period in which such Service Failure occurs.
- 25.3 Except as otherwise stated in Section 25.5, a Party, a Party's Affiliates, and the directors, officers and employees of a Party and a Party's Affiliates, shall not be liable to the other Party, the other Party's Customers, or to any other person, in connection with this Agreement (including, but not limited to, in connection with a Service Failure or any breach, delay or failure in performance, of this Agreement) for special, indirect, incidental, consequential, reliance, exemplary, punitive, or like damages, including, but not limited to, damages for lost revenues, profits or savings, or other commercial or economic loss, even if the person whose liability is excluded by this Section has been advised of the possibility of such damages.
- 25.4 The limitations and exclusions of liability stated in Sections 25.1 through 25.3 shall apply regardless of the form of a claim or action, whether statutory, in contract, warranty, strict liability, tort (including, but not limited to, negligence of a Party), or otherwise.
- 25.5 Nothing contained in Sections 25.1 through 25.4 shall exclude or limit liability:
 - 25.5.1 under Sections 20, Indemnification, or 41, Taxes.
 - 25.5.2 for any obligation to indemnify, defend and/or hold harmless that a Party may have under this Agreement.
 - 25.5.3 for damages arising out of or resulting from bodily injury to or death of any person, or damage to, or destruction or loss of, tangible real and/or personal property of any person, or Toxic or Hazardous Substances, to the extent such damages are otherwise recoverable under Applicable Law;
 - 25.5.4 for a claim for infringement of any patent, copyright, trade name, trade mark, service mark, or other intellectual property interest;
 - 25.5.5 under Section 258 of the Act or any order of FCC or the Commission implementing Section 258;
 - 25.5.6 for damages arising out of the intentional misconduct of a Party; or

25.5.7 under the financial incentive or remedy provisions of any service quality plan required by the FCC or the Commission.

25.6 In the event that the liability of a Party, a Party's Affiliate, or a director, officer or employee of a Party or a Party's Affiliate, is limited and/or excluded under both this Section 25 and a provision of an applicable Tariff, the liability of the Party or other person shall be limited to the smaller of the amounts for which such Party or other person would be liable under this Section or the Tariff provision.

25.7 Each Party shall, in its Tariffs and other contracts with its Customers, provide that in no case shall the other Party, the other Party's Affiliates, or the directors, officers or employees of the other Party or the other Party's Affiliates, be liable to such Customers or other third-persons for any special, indirect, incidental, consequential, reliance, exemplary, punitive or other damages, arising out of a Service Failure.

26. Network Management

26.1 Cooperation. The Parties will work cooperatively in a commercially reasonable manner to install and maintain a reliable network. Bright House and Verizon will exchange appropriate information (e.g., network information, maintenance contact numbers, escalation procedures, and information required to comply with requirements of law enforcement and national security agencies) to achieve this desired reliability. In addition, the Parties will work cooperatively in a commercially reasonable manner to apply sound network management principles to alleviate or to prevent traffic congestion and subject to Section 17, to minimize fraud associated with third number billed calls, calling card calls, and other services related to this Agreement.

26.2 Responsibility for Following Standards. Each Party recognizes a responsibility to follow the standards that may be agreed to between the Parties and to employ characteristics and methods of operation that will not interfere with or impair the service, network or facilities of the other Party or any third parties connected with or involved directly in the network or facilities of the other.

26.3 Interference or Impairment. If a Party ("Impaired Party") reasonably determines that the services, network, facilities, or methods of operation, of the other Party ("Interfering Party") will or are likely to interfere with or impair the Impaired Party's provision of services or the operation of the Impaired Party's network or facilities, the Impaired Party may interrupt or suspend any Service provided to the Interfering Party to the extent necessary to prevent such interference or impairment, subject to the following:

26.3.1 Except in emergency situations (e.g., situations involving a risk of bodily injury to persons or damage to tangible property, or a substantial interruption in Customer service) or as otherwise provided in this Agreement, the Impaired Party shall have given the Interfering Party at least ten (10) days' prior written notice of the interference or impairment or potential interference or impairment and the need to correct the condition within said time period; and taken other actions, if any, required by Applicable Law; and,

26.3.2 Upon correction of the interference or impairment, the Impaired Party will promptly restore the interrupted or suspended Service. The Impaired Party shall not be obligated to provide an out-of-service

credit allowance or other compensation to the Interfering Party in connection with the suspended Service.

- 26.4 Outage Repair Standard. In the event of an outage or trouble in any Service being provided by a Party hereunder, the Providing Party will follow industry standard procedures for isolating and clearing the outage or trouble.

27. Non-Exclusive Remedies

Except as otherwise expressly provided in this Agreement, each of the remedies provided under this Agreement is cumulative and is in addition to any other remedies that may be available under this Agreement or at law or in equity.

28. Notice of Network Changes

If a Party makes a change in the information necessary for the transmission and routing of services using that Party's facilities or network, or any other change in its facilities or network that will materially affect the interoperability of its facilities or network with the other Party's facilities or network, the Party making the change shall publish notice of the change at least ninety (90) days in advance of such change, and shall use reasonable efforts, as commercially practicable, to publish such notice at least one hundred eighty (180) days in advance of the change; provided, however, that if an earlier publication of notice of a change is required by Applicable Law (including, but not limited to, 47 CFR 51.325 through 51.335) notice shall be given at the time required by Applicable Law.

29. Notices

- 29.1 Except as otherwise provided in this Agreement, notices given by one Party to the other Party under this Agreement:

29.1.1 shall be in writing;

29.1.2 shall be delivered (a) personally, (b) by express delivery service with next Business Day delivery, (c) by certified or registered first class U.S. mail, postage prepaid, or (d) by facsimile telecopy, with a copy delivered in accordance with (a), (b) or (c), preceding; and

29.1.3 shall be delivered to the following addresses of the Parties:

To Bright House:

[specify addresses]

To Verizon:

Director-Negotiations
Verizon Partner Solutions
600 Hidden Ridge
HQEWMNOTICES
Irving, TX 75038
Facsimile Number: (972) 719-1519
Internet Address: wmnotices@verizon.com

with a copy to:

Vice President and Deputy General Counsel
Verizon Partner Solutions
1320 North Court House Road
9th Floor
Arlington, VA 22201
Facsimile: (703) 351-3656

or to such other address as either Party shall designate by proper notice.

Notices will be deemed given as of the earlier of (a) where there is personal delivery of the notice, the date of actual receipt, (b) where the notice is sent via express delivery service for next Business Day delivery, the next Business Day after the notice is sent, (c) where the notice is sent via First Class U.S. Mail, three (3) Business Days after mailing, (d) where notice is sent via certified or registered U.S. mail, the date of receipt shown on the Postal Service receipt, and (e) where the notice is sent via facsimile telecopy, if the notice is sent on a Business Day and before 5 PM. in the time zone where it is received, on the date set forth on the telecopy confirmation, or if the notice is sent on a non-Business Day or if the notice is sent after 5 PM in the time zone where it is received, the next Business Day after the date set forth on the telecopy confirmation.

Bright House shall notify Verizon, by written notice pursuant to this Section 29, of any changes in the addresses or other Bright House contact information identified under Section 29.1.3 above.

29.1.4 In addition to the formal Notice procedure provided above, each Party shall endeavor to provide the other Party with duplicate notification via email (which shall not constitute formal notice under this Agreement) of all communications which are provided via formal notice. Verizon shall be under no obligation to provide, or to endeavor to provide, email copies of notices that are sent simultaneously to five or more carriers, and in any event a failure to deliver email notice hereunder shall not constitute a breach of this Agreement. For purposes of email notification, the Parties shall use the following email addresses (which may be changed by Notice as provided in this section 29):

Bright House: [email addresses]

Verizon: [email addresses]

30. Ordering and Maintenance

Bright House shall use Verizon's electronic Operations Support System access platforms to submit Orders and requests for maintenance and repair of Services, and to engage in other pre-ordering, ordering, provisioning, maintenance and repair transactions involving the facilities or Services provided by Verizon. Verizon may agree to use Bright House's electronic ordering platforms if such system meets Verizon's technical requirements.

31. Performance Standards

- 31.1 Verizon shall provide Services under this Agreement in accordance with the performance standards required by Applicable Law, including, but not limited to, Section 251(c) of the Act.
- 31.2 Bright House shall provide Services under this Agreement in accordance with the performance standards required by Applicable Law.

32. Point of Contact for Bright House Customers

- 32.1 Bright House shall establish telephone numbers and mailing addresses at which Bright House Customers may communicate with Bright House and shall advise Bright House Customers of these telephone numbers and mailing addresses.
- 32.2 Except as otherwise agreed to by Verizon, Verizon shall have no obligation, and may decline, to accept a communication from a Bright House Customer, including, but not limited to, a Bright House Customer request for repair or maintenance of a Verizon Service provided to Bright House.

33. Predecessor Agreements

- 33.1 Except as stated in Section 33.2 or as otherwise agreed in writing by the Parties:
 - 33.1.1 [Intentionally left blank]
 - 33.1.2 any Services that were being purchased by one Party from the other Party under a prior interconnection or resale agreement between the Parties for the State of Florida pursuant to Section 252 of the Act and in effect prior to the Effective Date, shall as of the Effective Date be subject to and purchased under this Agreement.
- 33.2 Except as otherwise agreed in writing by the Parties, if a Service purchased by a Party under a prior interconnection or resale agreement between the Parties pursuant to Section 252 of the Act was subject to a contractual commitment that it would be purchased for a period of longer than one month, and such period had not yet expired as of the Effective Date and the Service had not been terminated prior to the Effective Date, to the extent not inconsistent with this Agreement, such commitment shall remain in effect and the Service will be purchased under this Agreement; provided, that if this Agreement would materially alter the terms of the commitment, either Party may elect to cancel the commitment.
- 33.3 If either Party elects to cancel the commitment pursuant to the proviso in Section 33.2, the Purchasing Party shall not be liable for any termination charge that would otherwise have applied. However, if the commitment was cancelled by the Purchasing Party, the Providing Party shall be entitled to payment from the Purchasing Party of the difference between the price of the Service that was actually paid by the Purchasing Party under the commitment and the price of the Service that would have applied if the commitment had been to purchase the Service only until the time that the commitment was cancelled.

34. Publicity and Use of Trademarks or Service Marks

- 34.1 A Party, its Affiliates, and their respective contractors and Agents, shall not use the other Party's trademarks, service marks, logos or other proprietary trade dress, in connection with the sale of products or services, or in any advertising, press releases, publicity matters or other promotional materials, unless the other Party has given its written consent for such use, which consent the other Party may grant or withhold in its sole discretion.
- 34.2 Neither Party may imply any direct or indirect affiliation with or sponsorship or endorsement of it or its services or products by the other Party.

- 34.3 Any violation of this Section 34 shall be considered a material breach of this Agreement.

35. References

- 35.1 All references to Sections, Appendices and Exhibits shall be deemed to be references to Sections, Appendices and Exhibits of this Agreement unless the context shall otherwise require.
- 35.2 Unless the context shall otherwise require, any reference to a Tariff, agreement, technical or other document (including Verizon or third party guides, practices or handbooks), or provision of Applicable Law, is to such Tariff, agreement, document, or provision of Applicable Law, as amended and supplemented from time to time (and, in the case of a Tariff or provision of Applicable Law, to any successor Tariff or provision).

36. Relationship of the Parties

- 36.1 The relationship of the Parties under this Agreement shall be that of independent contractors and nothing herein shall be construed as creating any other relationship between the Parties.
- 36.2 Nothing contained in this Agreement shall make either Party the employee of the other, create a partnership, joint venture, or other similar relationship between the Parties, or grant to either Party a franchise, distributorship or similar interest.
- 36.3 Except for provisions herein expressly authorizing a Party to act for another Party, nothing in this Agreement shall constitute a Party as a legal representative or Agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party in writing, which permission may be granted or withheld by the other Party in its sole discretion.
- 36.4 Each Party shall have sole authority and responsibility to hire, fire, compensate, supervise, and otherwise control its employees, Agents and contractors. Each Party shall be solely responsible for payment of any Social Security or other taxes that it is required by Applicable Law to pay in conjunction with its employees, Agents and contractors, and for withholding and remitting to the applicable taxing authorities any taxes that it is required by Applicable Law to collect from its employees.
- 36.5 Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.
- 36.6 The relationship of the Parties under this Agreement is a non-exclusive relationship.

37. Reservation of Rights

- 37.1 Notwithstanding anything to the contrary in this Agreement, neither Party waives, and each Party hereby expressly reserves, its rights: (a) to appeal or otherwise seek the reversal of and changes in any arbitration decision associated with this Agreement; (b) to challenge the lawfulness of this Agreement and any provision of this Agreement; (c) to seek changes in this Agreement (including, but not limited to, changes in rates, charges and the Services that must be offered)

through a Change in Applicable Law; (d) to challenge the lawfulness and propriety of, and to seek to change, any Applicable Law, including, but not limited to any rule, regulation, order or decision of the Commission, the FCC, or a court of applicable jurisdiction; and (e) to collect debts owed to it under any prior interconnection or resale agreements. Nothing in this Agreement shall be deemed to limit or prejudice any position a Party has taken or may take before the Commission, the FCC, any other state or federal regulatory or legislative bodies, courts of applicable jurisdiction, or industry fora. The provisions of this Section shall survive the expiration, cancellation or termination of this Agreement.

37.2 [Intentionally left blank]

38. Subcontractors

A Party may use a contractor of the Party (including, but not limited to, an Affiliate of the Party) to perform the Party's obligations under this Agreement; provided, that a Party's use of a contractor shall not release the Party from any duty or liability to fulfill the Party's obligations under this Agreement.

39. Successors and Assigns

This Agreement shall be binding on and inure to the benefit of the Parties and their respective legal successors and permitted assigns.

40. Survival

The rights, liabilities and obligations of a Party for acts or omissions occurring prior to the expiration, cancellation or termination of this Agreement, the rights, liabilities and obligations of a Party under any provision of this Agreement regarding confidential information (including but not limited to, Section 10), indemnification or defense (including, but not limited to, Section 20), or limitation or exclusion of liability (including, but not limited to, Section 25), and the rights, liabilities and obligations of a Party under any provision of this Agreement which by its terms or nature is intended to continue beyond or to be performed after the expiration, cancellation or termination of this Agreement, shall survive the expiration, cancellation or termination of this Agreement.

41. Taxes

41.1 In General. With respect to any purchase of Services under this Agreement, if any federal, state or local tax, fee, surcharge or other tax-like charge, excluding any tax levied on property or net income, (a "Tax") is required or permitted by Applicable Law to be collected from the Purchasing Party by the Providing Party, then (a) the Providing Party shall bill the Purchasing Party for such Tax, as a separately stated item on the invoice, (b) the Purchasing Party shall timely remit such Tax to the Providing Party and (c) the Providing Party shall timely remit such collected Tax to the applicable taxing authority as and to the extent required by Applicable Law.

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41.2 Taxes Imposed on the Providing Party or Receipts. With respect to any purchase of Services under this Agreement, if any federal, state or local Tax is imposed by Applicable Law on the receipts of the Providing Party, and such Applicable Law permits the Providing Party to exclude certain receipts received from sales to a public utility, distributor, telephone company, local exchange carrier, telecommunications company or other communications company ("Telecommunications Company"), such exclusion being based on the fact that

the Purchasing Party is also subject to a tax based upon receipts ("Receipts Tax"), then the Purchasing Party shall pay and remit the Receipts Tax as required by Applicable Law.

- 41.3 Taxes Imposed on Subscriber. With respect to any purchase of Services under this Agreement that are resold to a third party, if any federal, state or local Tax is imposed by Applicable Law on the subscriber, end-user, customer or ultimate consumer ("Subscriber") in connection with any such purchase, which a Telecommunications Company is required to impose and/or collect from a Subscriber, or if any federal, state or local Tax is imposed on the Providing Party and required by Applicable Law to be passed through to the Subscriber, then the Purchasing Party (a) shall impose and/or collect such Tax from the Subscriber and (b) shall timely remit such Tax to the applicable taxing authority.
- 41.4 Tax Exemptions and Exemption Certificates. If Applicable Law clearly exempts a purchase hereunder from a Tax, and if such Applicable Law also provides an exemption procedure, such as an exemption certificate requirement, then, if the Purchasing Party complies with such procedure, the Providing Party shall not collect such Tax during the effective period of such exemption. Such exemption shall be effective upon receipt of the exemption certificate or affidavit in accordance with the terms set forth in Section 41.7. If Applicable Law clearly exempts a purchase hereunder from a Tax, but does not also provide an exemption procedure, then the Providing Party shall not collect such Tax if the Purchasing Party (a) furnishes the Providing Party with a letter signed by an officer requesting such an exemption and citing the provision in the Applicable Law which clearly allows such exemption and (b) supplies the Providing Party with an indemnification agreement, acceptable to the Providing Party, which holds the Providing Party harmless on an after-tax basis with respect to its forbearing to collect such Tax.
- 41.5 Liability for Uncollected Tax, Interest and Penalty.
- 41.5.1 If the Providing Party has not received an exemption certificate from the Purchasing Party and the Providing Party fails to bill the Purchasing Party for any Tax as required by Section 41.1, then, as between the Providing Party and the Purchasing Party, (a) the Purchasing Party shall remain liable for such unbilled Tax and any interest assessed thereon and (b) the Providing Party shall be liable for any penalty assessed with respect to such unbilled Tax by a taxing authority.
- 41.5.2 If the Providing Party properly bills the Purchasing Party for any Tax but the Purchasing Party fails to remit such Tax to the Providing Party as required by Section 41.2, then, as between the Providing Party and the Purchasing Party, the Purchasing Party shall be liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority.
- 41.5.3 If the Providing Party does not collect any Tax as required by Section 41.1 because the Purchasing Party has provided such Providing Party with an exemption certificate that is later found to be inadequate, invalid or inapplicable by a taxing authority, then, as between the Providing Party and the Purchasing Party, the Purchasing Party shall be liable for such uncollected Tax and any interest assessed thereon,

as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority.

- 41.5.4 If the Purchasing Party fails to pay the Receipts Tax as required by Section 41.2, then, as between the Providing Party and the Purchasing Party, (a) the Providing Party shall be liable for any Tax imposed on its receipts and (b) the Purchasing Party shall be liable for any interest assessed thereon and any penalty assessed upon the Providing Party with respect to such Tax by the applicable taxing authority.
- 41.5.5 If the Purchasing Party fails to impose and/or collect any Tax from Subscribers as required by Section 41.3, then, as between the Providing Party and the Purchasing Party, the Purchasing Party shall remain liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority. With respect to any Tax that the Purchasing Party has agreed to pay, or is required to impose on and/or collect from Subscribers, the Purchasing Party agrees to indemnify and hold the Providing Party harmless on an after-tax basis for any costs incurred by the Providing Party as a result of actions taken by the applicable taxing authority to recover the Tax from the Providing Party due to the failure of the Purchasing Party to timely pay, or collect and timely remit, such Tax to such authority.
- 41.6 Audit Cooperation. In the event either Party is audited by a taxing authority, the other Party agrees to cooperate reasonably with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.
- 41.7 Notices. All notices, affidavits, exemption-certificates or other communications required or permitted to be given by either Party to the other, for purposes of this Section 41, shall be made in writing and shall be delivered in person or sent by certified mail, return receipt requested, or registered mail, or a courier service providing proof of service, and sent to the addressees set forth in Section 29 as well as to the following:

To Verizon:

Verizon Communications
Tax Department
One Verizon Way, VC53S-221
Basking Ridge, NJ 07920

To Bright House:

CLEC Tax Notification Contact TE

Each Party may from time to time designate another address or other addressees by giving notice in accordance with the terms of this Section. Any notice or other communication shall be deemed to be given when received.

42. Technology Upgrades

Notwithstanding any other provision of this Agreement, each Party shall have the right to deploy, upgrade, migrate and maintain its network at its discretion. Each Party acknowledges that a Party, at its election, may deploy fiber throughout its network and that such fiber deployment may materially affect the other Party's ability to provide service using certain technologies. Nothing in this Agreement shall limit a Party's ability to modify its network through the incorporation of new equipment or software or otherwise. Each Party shall be solely responsible for the cost and activities associated with accommodating, in its own network, such changes in the other Party's network.

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43. Territory

43.1 This Agreement applies to the territory in which Verizon operates as an Incumbent Local Exchange Carrier in the State of Florida. Verizon shall be obligated to provide Services under this Agreement only within this territory.

43.2 Notwithstanding any other provision of this Agreement, Verizon may terminate this Agreement as to a specific operating territory or portion thereof if Verizon sells or otherwise transfers its operations in such territory or portion thereof to a third-person, provided, however, that such termination shall be permissible only if Verizon assigns its duties and obligations under this Agreement, in accordance with Section 5 of this Agreement, to the third person and the third person agrees in writing to assume all of Verizon's duties and obligations hereunder with respect to such territory or portion thereof. Verizon shall provide Bright House with at least 90 calendar days prior written notice of such termination, which notice shall not be effective unless it is accompanied by the written assignment and acknowledgement by the third person noted above.

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44. Third Party Beneficiaries

Except as expressly set forth in this Agreement, this Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein shall create or be construed to provide any third-persons (including, but not limited to, Customers or contractors of a Party) with any rights (including, but not limited to, any third-party beneficiary rights) hereunder. Except as expressly set forth in this Agreement, a Party shall have no liability under this Agreement to the Customers of the other Party or to any other third person.

45. [This Section Intentionally Left Blank]

46. 252(i) Obligations

To the extent required by Applicable Law, each Party shall comply with Section 252(i) of the Act. To the extent that the exercise by Bright House of any rights it may have under Section 252(i) results in the rearrangement of Services by Verizon, Bright House shall be solely liable for all otherwise-applicable charges associated therewith, as well as for any otherwise-applicable termination charges associated with the termination of existing Verizon services.

47. Use of Service

Each Party shall make commercially reasonable efforts to ensure that its Customers comply with the provisions of this Agreement applicable to the use of Services obtained by it under this Agreement.

Deleted: (including, but not limited to the provisions of applicable Tariffs)

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48. Waiver

A failure or delay of either Party to enforce any of the provisions of this Agreement, or any right or remedy available under this Agreement or at law or in equity, or to require performance of any of the provisions of this Agreement, or to exercise any option which is provided under this Agreement, shall in no way be construed to be a waiver of such provisions, rights, remedies or options.

49. **Warranties**

EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES PROVIDED, OR TO BE PROVIDED, UNDER THIS AGREEMENT AND THE PARTIES DISCLAIM ANY OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO, **WARRANTIES OF MERCHANTABILITY, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE** WARRANTIES AGAINST INFRINGEMENT, AND WARRANTIES ARISING BY TRADE CUSTOM, TRADE USAGE, COURSE OF DEALING OR PERFORMANCE, OR OTHERWISE.

50. **[Intentionally Left Blank]**

51. **Payment for Services**

- 51.1 This Agreement contains numerous provisions requiring performance of multiple functions by each Party that provide benefits to the other Party and/or the other Party's Customers and End Users. By way of example and not limitation, each Party provides the other Party with interconnection arrangements, transport and termination of traffic, number portability, and dialing parity.
- 51.2 Because of these multiple offsetting obligations, no performance of an obligation by one Party under this Agreement shall be construed to create an obligation on the other Party to pay the performing Party for performing that obligation, including without limitation the provision of any Service, activity, function, or performance under or relating to this Agreement. Any and all payment obligations that exist or arise under this Agreement are expressly set forth in this Agreement using language that expressly states that payment for the particular activity is required and that states what specific payment is required
- 51.3 For the avoidance of doubt, the fact that a Party places an Order under this Agreement, whether by means of an LSR, an ASR, or otherwise, shall not be construed to mean or imply that the Party placing the Order has an obligation under this Agreement, or at all, to make any payments to the other Party in compensation for the Service. Any payment obligations that exist under this Agreement are expressly stated in this Agreement.
- 51.4 For the convenience of Verizon, the Pricing Attachment to this Agreement is Verizon's standard Pricing Attachment as of the Effective Date of this Agreement for Florida. The Parties acknowledge that they have made no effort to eliminate from the Pricing Attachment references to or prices for activities, functions, and/or Services that are not chargeable or otherwise subject to any payment obligation under this Agreement. For avoidance of doubt, notwithstanding anything in the Pricing Attachment to the contrary, nothing in the Pricing Appendix creates or shall be construed to create any obligation on the part of either Party to pay for any particular activity, function, performance, or Service under this Agreement. Instead, the Pricing Attachment is for reference only, and the fact that the Pricing Attachment may contain a price for a particular activity, function, performance and/or Service shall not be construed to create any payment obligation. Instead, as provided in Section 50.2, each and every

Deleted: <#>Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may terminate its offering and/or provision of any Service under this Agreement upon thirty (30) days prior written notice to ***CLEC Acronym TE***.¶
<#>Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may with thirty (30) days prior written notice to ***CLEC Acronym TE*** terminate any provision of this Agreement that provides for the payment by Verizon to ***CLEC Acronym TE*** of compensation related to traffic, including, but not limited to, Reciprocal Compensation and other types of compensation for termination of traffic delivered by Verizon to ***CLEC Acronym TE***. Following such termination, except as otherwise agreed in writing by the Parties, Verizon shall be obligated to provide compensation to ***CLEC Acronym TE*** related to traffic only to the extent required by Applicable Law. If Verizon exercises its right of termination under this Section, the Parties shall negotiate in good faith appropriate substitute provisions for compensation related to traffic; provided, however, that except as otherwise voluntarily agreed by Verizon in writing in its sole discretion, Verizon shall be obligated to provide compensation to ***CLEC Acronym TE*** related to traffic only to the extent required by Applicable Law. If within thirty (30) days after Verizon's notice of termination the Parties are unable to agree in writing upon mutually acceptable substitute provisions for compensation related to traffic, either Party may submit their disagreement to dispute resolution in accordance with Section 14 of this Agreement.¶

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payment obligation established in this Agreement is expressly stated in the
substantive terms of this Agreement.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

*****CLEC Full Name TE*****

*****VERIZON COMPANY FULL NAME 1 TXT*****

By: _____

By: _____

Printed: *****CLEC Signing Party TE*****

Printed: *****Verizon Signing Party's Name MC*****

Title: *****CLEC Signing Party's Title TE*****

Title: *****Verizon Signing Party's Title MC*****

GLOSSARY

1. General Rule

- 1.1 The provisions of Sections 1.2 through 1.4 and Section 2 apply with regard to the Principal Document.
- 1.2 Unless the context clearly indicates otherwise, when a term listed in this Glossary is used in the Principal Document, the term shall have the meaning stated in this Glossary. A defined term intended to convey the meaning stated in this Glossary is capitalized when used. Other terms that are capitalized, and not defined in this Glossary or elsewhere in the Principal Document, shall have the meaning stated in the Act, or, if applicable, in Parts 51 and 52 of Title 47 of the Code of Federal Regulations. Additional definitions that are specific to the matters covered in a particular provision of the Principal Document may appear in that provision. To the extent that there may be any conflict between a definition set forth in this Glossary and any definition in a specific provision, the definition set forth in the specific provision shall control with respect to that provision. Otherwise, words shall be given their normal English language meaning, except that terms with a specialized or generally understood meaning or application within the United States telecommunications industry as of the Effective Date shall be interpreted in light of that meaning.
- 1.3 Unless the context clearly indicates otherwise, any term defined in this Glossary which is defined or used in the singular shall include the plural, and any term defined in this Glossary which is defined or used in the plural shall include the singular.
- 1.4 The words "shall" and "will" are used interchangeably throughout the Principal Document and the use of either indicates a mandatory requirement. The use of one or the other shall not confer a different degree of right or obligation for either Party.

2. Definitions

- 2.1 Act.
The Communications Act of 1934 (47 U.S.C. §151 et seq.), as from time to time amended (including, but not limited to, by the Telecommunications Act of 1996).
- 2.2 [Intentionally left blank].
- 2.3 Affiliate.
Shall have the meaning set forth in the Act.
- 2.4 Agent.
An agent or servant.
- 2.5 Agreement.
This Agreement, as defined in Section 1 of the General Terms and Conditions.
- 2.6 ALI (Automatic Location Identification) Database.

The emergency services (E-911) database controlled by Verizon containing caller address/location information including the carrier name, National Emergency Numbering Administration ("NENA") ID, Call Back Number, and other carrier information used to process caller location records.

2.7 Ancillary Traffic.

All traffic that is destined for ancillary services, or that may have special billing or routing requirements, including but not limited to the following: directory assistance, 911/E-911, operator services (IntraLATA call completion), IntraLATA third party, collect and calling card, 800/888 database query and LIDB.

2.8 ANI (Automatic Number Identification).

The signaling parameter that refers to the number transmitted through the network identifying the billing number of the calling party.

2.9 Applicable Law.

All effective laws, government regulations and government orders, including, without limitation, orders of the FCC and the Commission, applicable to each Party's performance of its obligations under this Agreement. For the avoidance of any doubt, when used in relation to unbundled Network Elements or Combinations of unbundled Network Elements, the term "Applicable Law" includes the Federal Unbundling Rules.

2.10 ASR (Access Service Request).

An industry standard form, which contains data elements and usage rules used by the Parties to add, establish, change or disconnect services or trunks for the purposes of interconnection.

2.11 ATIS.

The Alliance for Telecommunications Industry Solutions.

2.12 BFR (Bona Fide Request).

The process described in the Network Element Attachment that prescribes the terms and conditions relating to a Party's request that the other Party provide a UNE that it is not otherwise required to provide under the terms of this Agreement.

2.13 Business Day.

Any day other than: (i) a Saturday or Sunday, (ii) a legal holiday in the state of Florida, or (iii) any other day on which commercial banks in Florida are authorized by law or government decree to close.

2.14 Calendar Quarter.

January through March, April through June, July through September, or October through December.

2.15 Calendar Year.

January through December.

2.16 [Intentionally Left Blank].

2.17 Call Back Number.

A telephone number that can be used by the PSAP to re-contact the location from which a 911/E-911 Call was placed. The telephone number may or may not be the telephone number of the station used to originate the 911/E-911 Call.

2.18 CCS (Common Channel Signaling).

A method of transmitting call set-up and network control data over a digital signaling network separate from the public switched telephone network facilities that carry the actual voice or data content of the call.

2.19 Central Office.

An End Office or Tandem. Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.

2.20 Change in Applicable Law.

Any legislative, regulatory, judicial or other governmental decision, order, determination or action, that changes Applicable Law, and that materially affects any material provision of this Agreement, the rights or obligations of a Party hereunder, or the ability of a Party to perform any material provision of this Agreement.

2.21 Claims.

Any and all claims, demands, suits, actions, settlements, judgments, fines, penalties, liabilities, injuries, damages, losses, costs (including, but not limited to, court costs), and expenses (including, but not limited to, reasonable attorney's fees).

2.22 CLEC (Competitive Local Exchange Carrier).

Any Local Exchange Carrier other than Verizon that is operating as a Local Exchange Carrier in the territory in which Verizon operates as an ILEC in the State of Florida. Bright House is a CLEC.

2.23 CLLI Codes.

Common Language Location Identifier Codes.

2.24 CMDS (Centralized Message Distribution System).

The billing record and clearing house transport system that LECs use to exchange out collects and in collects as well as Carrier Access Billing System (CABS) records.

2.25 Commission.

The Florida Public Service Commission

2.26 Controlling 911 Authority.

The duly authorized state, county or local government agency empowered by law to oversee the 911/E-911 services, operations and systems within a defined jurisdiction.

2.27 CPN (Calling Party Number).

A CCS parameter that identifies the calling party's telephone number.

2.28 CPNI (Customer Proprietary Network Information).

Shall have the meaning set forth in Section 222 of the Act, 47 U.S.C. § 222.

2.29 Cross Connection.

Within a collocation arrangement, facilities between a collocating Party's equipment and either (a) the equipment or facilities of the housing Party (such as the housing Party's digital signal cross connect, Main Distribution Frame, or other suitable frame or panel) or (b) the equipment or facilities of another collocating party.

2.30 Customer.

A subscriber to a Party's Telecommunications Services or to the services of an Affiliate of a Party, or a third party, that provides interconnected VoIP services where such interconnected VoIP services are connected to the public switched telephone network via a Party's Telecommunications Services. For avoidance of doubt, the term "Customer" includes third party residence, business or governmental End Users who receive interconnected VoIP Service from an affiliate of a Party, and also includes resellers or other entities to which a Party provides Telecommunications Services on a wholesale basis that are then used in connection with the provision by such entity of voice communications services to End Users.

Deleted: A third party residence or business end-user subscriber to Telephone Exchange Services provided by either of the Parties.¶

2.31 Dark Fiber Loop.

Consists of fiber optic strand(s) in a Verizon fiber optic cable between Verizon's accessible terminal, such as the fiber distribution frame, or its functional equivalent, located within a Verizon End Office, and Verizon's accessible terminal located in Verizon's main termination point at a Customer premises, such as a fiber patch panel, and that Verizon has not activated through connection to electronics that "light" it and render it capable of carrying Telecommunications Services.

2.32 Dark Fiber Transport.

An optical transmission facility, within a LATA, that Verizon has not activated by attaching multiplexing, aggregation or other electronics, between Verizon switches (as identified in the LERG) or UNE Wire Centers.

2.33 Dedicated Transport.

A DS0-, DS1-, or DS3-capacity transmission facility between Verizon switches (as identified in the LERG) or UNE Wire Centers, within a LATA, that is dedicated to a particular end user or carrier. Dedicated Transport is sometimes referred to

as dedicated interoffice facilities ("IOF"). Dedicated Transport does not include any facility that does not connect a pair of Verizon UNE Wire Centers.

2.34 Default PSAP.

The PSAP designated by the Controlling 911 Authority to receive a 911/E-911 Call when it cannot be selectively routed, due to an ANI/key failure, or other cause, to the Designated PSAP.

2.35 Designated PSAP.

The primary PSAP designated by the Controlling 911 Authority to receive a 911/E-911 Call based upon the selective routing assigned to the geographic location of the End User.

2.36 Digital Signal Level.

One of several transmission rates in the time-division multiplex hierarchy.

2.37 Discontinued Facility.

Any facility, element, arrangement or the like that the Federal Unbundling Rules do not require Verizon to provide on an unbundled basis to Bright House, whether because the facility was never subject to an unbundling requirement under the Federal Unbundling Rules, because the facility by operation of law has ceased or ceases to be subject to an unbundling requirement under the Federal Unbundling Rules, or otherwise.

2.38 DS0 (Digital Signal Level 0).

The 64kbps zero-level signal in the time-division multiplex hierarchy.

2.39 DS1 (Digital Signal Level 1).

The 1.544 Mbps first-level signal in the time-division multiplex hierarchy.

2.40 DS1 Dedicated Transport.

Dedicated Transport having a total digital signal speed of 1.544 Mbps.

2.41 DS3 (Digital Signal Level 3).

The 44.736 Mbps third-level signal in the time-division multiplex hierarchy.

2.42 DS3 Dedicated Transport.

Dedicated Transport having a total digital signal speed of 44.736 Mbps.

2.43 DS3 Loop.

A digital transmission channel, between the main distribution frame (or its equivalent) in an end user's serving UNE Wire Center and the demarcation point at the end user customer's premises, suitable for the transport of isochronous bipolar serial data at a rate of 44.736 Mbps (the equivalent of 28 DS1 channels). This Loop type is more fully described in Verizon TR 72575, as revised from time

to time. A DS3 Loop requires the electronics necessary to provide the DS3 transmission rate.

2.44 EMI (Exchange Message Interface).

Standard used for the interexchange of telecommunications message information between local exchange carriers and interexchange carriers for billable, non-billable, sample, settlement and study data. Data is provided between companies via a unique record layout that contains Customer billing information, account summary and tracking analysis. EMI format is contained in document SR-320 published by ATIS.

2.45 End Office.

A switching entity that is used for connecting lines to lines or lines to trunks, or that provides equivalent switching functions using different technology, for the purpose of originating/terminating voice calls or comparable traffic (e.g. facsimile transmissions). Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.

2.46 End User.

A business, governmental, consumer/residential or other entity that is not acting in the capacity of a Telecommunications Carrier that subscribes to a Telecommunications Service of a Telecommunications Carrier (including but not limited to a Party) and/or subscribes to an interconnected VoIP Service offered by a provider of such service (including but not limited to a Party or an affiliate of a Party). For avoidance of doubt, references to a "Bright House End User" refer to End Users that obtain connectivity to the PSTN directly or indirectly through Bright House's network, and references to a "Verizon End User" refer to End Users that obtain connectivity to the PSTN directly or indirectly through Verizon's network.

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2.47 Exchange Access.

Shall have the meaning set forth in the Act. For purposes of this Agreement, "Exchange Access" traffic shall fall into one of two exhaustive and mutually exclusive categories: "Toll Traffic," as defined herein, in which one of the Parties is the IXC; and "Meet Point Billing Traffic" as defined herein in which the Parties jointly provide exchange access service to a third-party IXC.

2.48 Extended Local Calling Scope Arrangement.

An arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange serving area. "Non-Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under a non-optional Extended Local Calling Scope Arrangement, ordered by the Commission, terminates outside of the Customer's basic exchange serving area.

2.49 FCC.

The Federal Communications Commission.

2.50 FCC Internet Orders.

The following FCC orders: (a) Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68, 16 FCC Rcd 9151 (adopted April 18, 2001) (hereinafter the "April 18, 2001 FCC Internet Order"); and, (b) Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of High-Cost Universal Service Support; Federal-State Joint Board on Universal Service; Lifeline and Link Up; Universal Service Contribution Methodology; Numbering Resource Optimization; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Developing a Unified Intercarrier Compensation Regime; Intercarrier Compensation for ISP-Bound Traffic; IP-Enabled Services*, FCC 08-262, CC Docket Nos. 96-45, 96-98, 99-68, 99-200, 01-92, WC Docket Nos. 03-109, 04-36, 05-337, 06-122 (adopted November 5, 2008) (hereinafter the "November 5, 2008 FCC Internet Order").

2.51 FCC Regulations/Rulings.

The unstayed, effective regulations promulgated by the FCC, as amended from time to time, including both FCC rules and regulations formally codified in the Code of Federal Regulations and, to the extent unstayed and effective, valid FCC requirements imposed in FCC orders and rulings but not so codified (including, by way of example but without limitation, the FCC Internet Orders).

2.52 Federal Unbundling Rules.

Any lawful requirement to provide access to unbundled Network Elements or Combinations of unbundled Network Elements that is imposed upon Verizon by the FCC pursuant to both 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51. Any reference in this Agreement to "Federal Unbundling Rules" shall not include an unbundling requirement if the unbundling requirement does not exist under both 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51.

2.53 Feeder.

The fiber optic cable (lit or unlit) or metallic portion of a Loop between a serving End Office and a remote terminal or feeder/distribution interface.

2.54 FNID (Fiber Network Interface Device).

A passive fiber optic demarcation unit designed for the interconnection and demarcation of optical fibers between two separate network providers.

2.55 FTTP Loop.

A Loop consisting entirely of fiber optic cable, whether dark or lit, that extends from the main distribution frame (or its equivalent) in an end user's serving End Office to the demarcation point at the end user's customer premises or to a serving area interface at which the fiber optic cable connects to copper or coaxial distribution facilities that extend to the end user's customer premises demarcation point, provided that all copper or coaxial distribution facilities extending from such serving area interface are not more than 500 feet from the demarcation point at the respective end users' customer premises; provided, however, that in the case of predominantly residential multiple dwelling units

(MDUs), an FTTP Loop is a Loop consisting entirely of fiber optic cable, whether dark or lit, that extends from the main distribution frame (or its equivalent) in the End Office that serves the multiunit premises: (a) to or beyond the multiunit premises' minimum point of entry (MPOE), as defined in 47 C.F.R. § 68.105; or (b) to a serving area interface at which the fiber optic cable connects to copper or coaxial distribution facilities that extend to or beyond the multiunit premises' MPOE, provided that all copper or coaxial distribution facilities extending from such serving area interface are not more than 500 feet from the MPOE at the multiunit premises.

2.56 House and Riser Cable.

A two-wire metallic distribution facility in Verizon's network between the minimum point of entry for a building where a premises of a Customer is located (such as a point, an "MPOE") and the Rate Demarcation Point for such facility (or NID) if the NID is located at such Rate Demarcation Point).

2.57 Hybrid Loop.

A Loop composed of both fiber optic cable and copper wire or cable. An FTTP Loop is not a Hybrid Loop.

2.58 IDLC (Integrated Digital Loop Carrier).

A subscriber Loop carrier system that integrates within the switch at a DS1 level, which is twenty-four (24) Loop transmission paths combined into a 1.544 Mbps digital signal.

2.59 ILEC (Incumbent Local Exchange Carrier).

Shall have the meaning stated in the Act.

2.60 [Intentionally left blank]

2.61 Inside Wire or Inside Wiring.

All wire, cable, terminals, hardware, and other equipment or materials, on the Customer's side of the Rate Demarcation Point.

2.62 Interconnection Wire Center.

A building or portion thereof which serves as the premises for one or more End Offices, Tandems and related facilities.

2.63 Internet Traffic.

Traffic in which a Customer or End User of a Party establishes a dial-up connection to the modems or functionally equivalent equipment or facilities of an Internet Service Provider by means of connections to the public switched telephone network provided to the Internet Service Provider by the other Party.

2.64 InterLATA Service.

Shall have the meaning set forth in the Act.

Deleted: Information Access.

Deleted: The provision of specialized exchange telecommunications services in a LATA in connection with the origination, termination, transmission, switching, forwarding or routing of telecommunications traffic to or from the facilities of a provider of information services

Deleted: , including a provider of Internet access or Internet transmission services

Deleted: . Such specialized exchange telecommunications services include, where necessary, the provision of network control signaling, answer supervision, automatic calling number identification, carrier access codes, testing and maintenance of facilities, and the provision of information necessary to bill customers.

Deleted: Any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.[]

- 2.65 IntraLATA.
Telecommunications that originate and terminate within the same LATA.
- 2.66 [Intentionally Left Blank].
- 2.67 ISDN (Integrated Services Digital Network).
A switched network service providing end-to-end digital connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN (BRI-ISDN) provides for digital transmission of two (2) 64 kbps bearer channels and one (1) 16 kbps data and signaling channel (2B+D). Primary Rate Interface-ISDN (PRI-ISDN) provides for digital transmission of twenty-three (23) 64 kbps bearer channels and one (1) 64 kbps data and signaling channel (23B+D).
- 2.68 IXC (Interexchange Carrier).
A Telecommunications Carrier that provides, directly or indirectly, InterLATA or IntraLATA Telephone Toll Services.
- 2.69 LATA (Local Access and Transport Area).
Shall have the meaning set forth in the Act.
- 2.70 LEC (Local Exchange Carrier).
Shall have the meaning set forth in the Act.
- 2.71 LERG (Local Exchange Routing Guide).
A Telcordia Technologies reference containing NPA/NXX routing and homing information.
- 2.72 LIDB (Line Information Data Base).
Line Information databases which provide, among other things, calling card validation functionality for telephone line number cards issued by Verizon and other entities and validation data for collect and third number-billed calls (e.g., data for billed number screening).
- 2.73 [Intentionally Left Blank].
- 2.74 [Intentionally left blank]
- 2.75 Loop.
A transmission path that extends from a Main Distribution Frame or functionally comparable piece of equipment in a Customer's serving End Office, to the Rate Demarcation Point (or NID if installed at the Rate Demarcation Point) in or at the Customer's premises. The actual transmission facilities used to provide a Loop may utilize any of several technologies.
- 2.76 LSR (Local Service Request).
An industry standard form, which contains data elements and usage rules, used by the Parties to establish, add, change or disconnect certain Services provided

under this Agreement, including without limitation resold Telecommunications Services, Network Elements, requests for number porting, the establishment of Directory Listings, and other functions.

2.77 Maintenance Control Office.

Either Party's center responsible for control of the maintenance and repair of a circuit.

2.78 MDF (Main Distribution Frame).

The primary point at which outside plant facilities terminate within an Interconnection Wire Center, for interconnection to other facilities within the Interconnection Wire Center. The distribution frame used to interconnect cable pairs and line trunk equipment terminating on a switching system.

2.79 Measured Internet Traffic.

Internet Traffic originated by a Customer of one Party on that Party's network at a point in that Party's local calling area, and delivered to the modems or functionally equivalent equipment or facilities of an Internet Service Provider served by the other Party at a point in the same local calling area. For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement. Calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis, are not considered Measured Internet Traffic. For the avoidance of any doubt, Virtual Foreign Exchange Traffic (i.e., V/FX Traffic) (as defined in the Interconnection Attachment) does not constitute Measured Internet Traffic. For avoidance of doubt, the Parties expressly acknowledge that in the November 5, 2008 FCC Internet Order, the FCC ruled that Internet Traffic is subject to Reciprocal Compensation and that, as a result, Reciprocal Compensation Traffic includes Internet Traffic, subject to the FCC's rules and rulings regarding intercarrier compensation applicable to such traffic.

Deleted: Dial-up, switched

Deleted: a Verizon

Deleted: a Customer

Deleted: , on that other Party's network

Deleted: Verizon

Deleted: Verizon local calling areas shall be as defined by Verizon.

2.80 MECAB (Multiple Exchange Carrier Access Billing).

A document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of ATIS. The MECAB document, published by ATIS as "ATIS/OBF-MECAB", as revised from time to time, contains the recommended guidelines for the billing of an Exchange Access Service provided by two or more LECs, or by one LEC in two or more states, within a single LATA.

2.81 MECOD (Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface).

A document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of ATIS. The MECOD document, published by ATIS as "ATIS/OBF-MECOD", as revised from time to time, establishes methods for processing orders for Exchange Access Service that is to be provided by two or more LECs.

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2.82 Meet Point Billing Traffic.

Traffic that (a) originates on the network of one Party, is exchanged with the other Party at a POI established under this Agreement, and is delivered by the other Party to an Interexchange Carrier or (b) is delivered by an Interexchange Carrier to one Party, is exchanged with the other Party at a POI established under this Agreement, and terminates on the network of the other Party.

2.83 Mobile Wireless Services.

Any mobile wireless Telecommunications Service, including any commercial mobile radio service.

2.84 NANP (North American Numbering Plan).

The system of telephone numbering employed in the United States, Canada, Bermuda, Puerto Rico and certain Caribbean islands. The NANP format is a 10-digit number that consist of a 3-digit NPA Code (commonly referred to as the area code), followed by a 3-digit NXX code and 4 digit line number.

2.85 Network Element.

Shall have the meaning stated in the Act.

2.86 NID (Network Interface Device).

An interface provided by a Party terminating that Party's communications network on the property where the Customer's service is located, at a point determined by the Party placing the NID. A Verizon NID shall contain an FCC Part 68 registered jack from which Inside Wire may be connected to Verizon's network.

2.87 911/E-911 Call(s).

Call(s) made by the Bright House End User by dialing the three digit telephone number "911" to facilitate the reporting of an emergency requiring response by a public safety agency.

Deleted: ***CLEC Acronym TE***
end user

2.88 911/E-911 Service Provider.

An entity authorized to provide 911/E-911 network and database services within a particular jurisdiction.

2.89 Non-Revertive.

Where traffic is redirected to a protection line because of failure of a working line and the working line is repaired, traffic will remain on the protection line until there is either manual intervention or a failure of the protection line.

2.90 NPA (Numbering Plan Area).

Also sometimes referred to as an area code, is the first three-digit indicator of each 10-digit telephone number within the NANP. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A Geographic NPA is associated with a defined geographic area, and telephone numbers bearing such NPA are typically associated with services provided within

that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code" is typically associated with a specialized Telecommunications Service that may be provided across multiple geographic NPA areas. 500, 700, 800, 888 and 900 are examples of Non-Geographic NPAs.

2.91 NXX, NXX Code, Central Office Code or CO Code.

The three-digit switch entity indicator (i.e. the first three digits of a seven-digit telephone number).

2.92 Order.

An order or application to provide, change, obtain maintenance with respect to, or terminate a Service (including, but not limited to, a commitment to obtain a stated number or minimum number of lines or other Services for a stated period or minimum period of time).

2.93 Originating Switched Access Detail Usage Data.

A category 1101XX record as defined in the EMI Telcordia Practice BR-010-200-010.

2.94 POI (Point of Interconnection).

The physical location where the Parties' respective facilities physically interconnect for the purpose of mutually exchanging their traffic. POIs include (i) a technically feasible point on Verizon's network in a LATA and/or (ii) a fiber meet point to which the Parties mutually agree under the terms of this Agreement. The Interconnection Attachment sets forth the Parties' obligations with respect to the establishment of POIs.

2.95 Primary Reference Source.

Equipment that provides a timing signal that may be used as the basis of reference for the control of other clocks within a network.

2.96 Principal Document.

This document, including, but not limited to, the Title Page, the Table of Contents, the Preface, the General Terms and Conditions, the signature page, this Glossary, the Attachments, and the Appendices to the Attachments.

2.97 Providing Party.

A Party offering or providing a Service to the other Party under this Agreement.

2.98 PSAP.

Public Safety Answering Point.

2.99 Purchasing Party.

A Party requesting or receiving a Service from the other Party under this Agreement. For the avoidance of doubt, the use of the term "Purchasing Party" does not necessarily indicate that the Service requested or received by such

Party gives rise to a payment obligation, if no such obligation otherwise exists under this Agreement or Applicable Law.

2.100 Qualifying UNE.

An unbundled Network Element or a combination of unbundled Network Elements obtained, pursuant to the Federal Unbundling Rules, under this Agreement or a Verizon UNE Tariff.

2.101 Qualifying Wholesale Services.

Wholesale services obtained from Verizon under a Verizon access Tariff or a separate wholesale agreement.

2.102 Rate Center Area.

The geographic area that has been identified by a given LEC as being associated with a particular NPA-NXX code assigned to the LEC for its provision of Telephone Exchange Services.

2.103 Rate Center Point.

A specific geographic point, defined by a V&H coordinate, located within the Rate Center Area and used to measure distance for the purpose of billing for distance-sensitive Telephone Exchange Services and Toll Traffic. Pursuant to Telcordia Practice BR-795-100-100, the Rate Center Point may be an End Office location, or a "LEC Consortium Point of Interconnection".

2.104 Rate Demarcation Point.

The physical point in a Verizon provided network facility at which Verizon's responsibility for maintaining that network facility ends and the Customer's responsibility for maintaining the remainder of the facility begins, as set forth in this Agreement, Verizon's applicable Tariffs, if any, or as otherwise prescribed under Applicable Law.

2.105 Reciprocal Compensation.

The arrangement for recovering, in accordance with Section 251(b)(5) of the Act, the FCC Internet Orders, and other applicable FCC orders and FCC Regulations/Rulings, costs incurred for the transport and termination of Reciprocal Compensation Traffic originating on one Party's network and terminating on the other Party's network (as set forth in Section 7 of the Interconnection Attachment).

2.106 Reciprocal Compensation Traffic.

Telecommunications traffic exchanged between the Parties and subject to Reciprocal Compensation under Applicable Law. For avoidance of doubt, the Parties expressly acknowledge that in the November 5, 2008 FCC Internet Order, the FCC ruled that Internet Traffic is subject to Reciprocal Compensation and that, as a result, Reciprocal Compensation Traffic includes Internet Traffic, subject to the FCC's rules and rulings regarding intercarrier compensation applicable to such traffic.

2.107 Retail Prices.

Deleted: originated by a Customer of one Party on that Party's network

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Deleted: a Customer of the other Party on that other Party's network, except for Telecommunications traffic that is interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access. The determination of whether Telecommunications traffic is Exchange Access or Information Access shall be based upon Verizon's local calling areas as defined by Verizon.

Deleted: Traffic does not include the following traffic (it being understood that certain traffic types will fall into more than one (1) of the categories below that do not constitute Reciprocal Compensation Traffic): (1) any Internet Traffic; (2) traffic that does not originate and terminate within the same Verizon local calling area as defined by Verizon, and based on the actual originating and terminating points of the complete end-to-end communication; (3) Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis; (4) Optional Extended Local Calling Scope Arrangement Traffic; (5) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (6) Tandem Transit Traffic; (7) Voice Information Service Traffic (as defined in Section 5 of the Additional Services Attachment); or, (8) Virtual Foreign Exchange Traffic (or VFX Traffic) (as defined in the Interconnection Attachment). For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement.

The prices at which a Service is provided by Verizon at retail to subscribers who are not Telecommunications Carriers.

2.108 Routing Point.

A specific geographic point identified by a specific V&H coordinate. The Routing Point is used to route inbound traffic to specified NPA-NXXs. The Routing Point must be located within the LATA in which the corresponding NPA-NXX is located. However, the Routing Point associated with each NPA-NXX need not be the same as the corresponding Rate Center Point, nor must it be located within the corresponding Rate Center Area, nor must there be a unique and separate Routing Point corresponding to each unique and separate Rate Center Area.

2.109 Service.

Any Interconnection arrangement, Network Element, Telecommunications Service, collocation arrangement, or other service, facility or arrangement, offered or provided by a Party under this Agreement.

2.110 [Intentionally Left Blank].

2.111 SS7 (Signaling System 7).

The common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI). Verizon and Bright House utilize this out-of-band signaling protocol in relation to their routing and completion of traffic.

2.112 Subsidiary.

A corporation or other person that is controlled by a Party.

2.113 Sub-Loop Distribution Facility.

A two-wire or four-wire metallic distribution facility in Verizon's network between a Verizon feeder distribution interface ("FDI") and the Rate Demarcation Point for such facility (or NID if the NID is located at such Rate Demarcation Point).

2.114 Switched Exchange Access Service.

The offering of transmission and switching services for the purpose of the origination or termination of Toll Traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 800 access, 888 access and 900 access.

2.115 Tandem.

A switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Offices and between and among End Offices and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services. Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.

2.116 Tariff.

2.116.1 Any ~~Federal~~ or state tariff of a Party, as amended from time to time; or

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2.116.2 Any standard agreement or other document, as amended from time to time, that sets forth the generally available terms, conditions and prices under which a Party offers to provide a service, function, or arrangement.

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2.116.3 For avoidance of doubt, no Service offered or provided under this Agreement shall be subject to either Party's Tariff except to the extent that this Agreement expressly states that a Party's Tariff, rather than, or in addition to, the provisions of this Agreement, shall apply to such Service.

The term "Tariff" does not include any Verizon Statement of Generally Available Terms (SGAT) which has been approved or is pending approval by the Commission pursuant to Section 252(f) of the Act.

2.117 Telcordia Technologies.

Telcordia Technologies, Inc., formerly known as Bell Communications Research, Inc. (Bellcore).

2.118 Telecommunications Carrier.

Shall have the meaning set forth in the Act.

2.119 Telecommunications Services.

Shall have the meaning set forth in the Act.

2.120 Telephone Exchange Service.

Shall have the meaning set forth in the Act.

2.121 Terminating Switched Access Detail Usage Data.

A category 1101XX record as defined in the EMI Telcordia Practice BR-010-200-010.

2.122 Third Party Claim.

A Claim where there is (a) a claim, demand, suit or action by a person who is not a Party, (b) a settlement with, judgment by, or liability to, a person who is not a Party, or (c) a fine or penalty imposed by a person who is not a Party.

2.123 Toll Traffic.

Traffic that meets the definition set forth in the Act for the term "Telephone Toll Service" and as to which one of the Parties is providing the service to the affected End User(s) and imposing on such End User(s) the separate charge referred to in that definition. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic", depending on whether the originating and terminating points are within the same LATA. For avoidance of doubt, traffic that meets the definition set forth in the Act for the term "Telephone Toll Service" but as to which

Deleted: is originated by a Customer of one Party on that Party's network

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Deleted: a Customer of the other Party on that other Party's network

Deleted: is not Reciprocal Compensation Traffic, Measured Internet Traffic, or Ancillary Traffic.

a third party carrier provides the service to the affected End User(s) and imposes on such End User(s) the separate charge referred to in that definition shall be treated as Meet Point Billing Traffic for purposes of this Agreement.

2.124 Toxic or Hazardous Substance.

Any substance designated or defined as toxic or hazardous under any "Environmental Law" or that poses a risk to human health or safety, or the environment, and products and materials containing such substance.

"Environmental Laws" means the Comprehensive Environmental Response, Compensation, and Liability Act, the Emergency Planning and Community Right-to-Know Act, the Water Pollution Control Act, the Air Pollution Control Act, the Toxic Substances Control Act, the Resource Conservation and Recovery Act, the Occupational Safety and Health Act, and all other Federal, State or local laws or governmental regulations or requirements, that are similar to the above-referenced laws or that otherwise govern releases, chemicals, products, materials or wastes that may pose risks to human health or safety, or the environment, or that relate to the protection of wetlands or other natural resources.

2.125 Traffic Factor 1. -

For traffic exchanged via Interconnection Trunks, a percentage calculated by dividing the number of minutes of interstate traffic (excluding Measured Internet Traffic) by the total number of minutes of interstate and intrastate traffic. $\{[Interstate Traffic Total Minutes of Use \div (Interstate Traffic Total Minutes of Use + Intrastate Traffic Total Minutes of Use)] \times 100\}$. Until the form of a Party's bills is updated to use the term "Traffic Factor 1", the term "Traffic Factor 1" may be referred to on the Party's bills and in billing related communications as "Percent Interstate Usage" or "PIU".

2.126 Traffic Factor 2.

For traffic exchanged via Interconnection Trunks, a percentage calculated by dividing the combined total number of minutes of Reciprocal Compensation Traffic and (to the extent not already counted) Measured Internet Traffic by the combined total number of minutes of intrastate traffic and Measured Internet Traffic. $\{[(Reciprocal Compensation Traffic Total Minutes of Use + Measured Internet Traffic Total Minutes of Use) \div (Intrastate Traffic Total Minutes of Use + Measured Internet Traffic Total Minutes of Use)] \times 100\}$. Until the form of a Party's bills is updated to use the term "Traffic Factor 2", the term "Traffic Factor 2" may be referred to on the Party's bills and in billing related communications as "Percent Local Usage" or "PLU".

2.127 Triennial Review Remand Order (TRRO).

The FCC's Order on Remand in WC Docket No. 04-313 and CC Docket No. 01-338, released on February 4, 2005.

2.128 Trunk Side.

A Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity, for example, to another carrier's network. Trunk side connections offer those transmission and

signaling features appropriate for the connection of switching entities and cannot be used for the direct connection of ordinary telephone station sets.

2.129 UDLC (Universal Digital Loop Carrier).

UDLC arrangements consist of a Central Office Terminal and a Remote Terminal located in the outside plant or at a Customer premises. The Central Office and the Remote Terminal units perform analog to digital conversions to allow the feeding facility to be digital. UDLC is deployed where the types of services to be provisioned by the systems cannot be integrated such as non-switched services and UNE Loops.

2.130 UNE Wire Center.

Shall have the same meaning as "Wire Center" set forth in 47 C.F.R. § 51.5.

2.131 V and H Coordinates Method.

A method of computing airline miles between two points by utilizing an established formula that is based on the vertical and horizontal coordinates of the two points.

2.132 Voice Grade.

Either an analog signal of 300 to 3000 Hz or a digital signal of 56/64 kilobits per second. When referring to digital Voice Grade service (a 56-64 kbps channel), the terms "DS0" or "sub-DS1" may also be used.

2.133 Voice over Internet Protocol Service or VoIP Service

Shall have the meaning set forth for the term "Interconnected VoIP Service" in 47 C.F.R. § 9.3.

2.134 xDSL.

As defined and offered in this Agreement. The small "x" before the letters DSL signifies reference to DSL as a generic transmission technology, as opposed to a specific DSL "flavor".

ADDITIONAL SERVICES ATTACHMENT

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1. **Alternate Billed Calls**

- 1.1 The Parties will engage in settlements of intraLATA intrastate alternate-billed calls (e.g., collect, calling card, and third-party billed calls) originated or authorized by their respective Customers in accordance with an arrangement mutually agreed to by the Parties.

2. **Dialing Parity - Section 251(b)(3)**

Each Party shall provide the other Party with nondiscriminatory access to such services and information as are necessary to allow the other Party to implement local Dialing Parity in accordance with the requirements of Section 251(b)(3) of the Act.

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4. **Directory Listing and Directory Distribution**

Verizon will provide directory and listing services to Bright House on a just, reasonable and nondiscriminatory basis as required by Applicable Law and as specified herein.

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Such services will be provided in accordance with the terms set forth

4.1 **Listing Information.**

As used herein, "Listing Information" means a Bright House Customer's primary name, address (including city, state and zip code), telephone number(s), the delivery address and number of directories to be delivered, and, in the case of a business Customer, the primary business heading under which the business Customer desires to be placed, and any other information Verizon deems necessary for the publication and delivery of directories.

4.2 **Listing Information Supply.**

Bright House shall provide to Verizon on a regularly scheduled basis, at no charge, and in a format reasonably required by Verizon or by a mutually agreed upon industry standard (e.g., Ordering and Billing Forum developed) all Listing Information (including additions, changes and deletions) and the service address for each Bright House Customer whose service address location falls within the geographic area covered by the relevant Verizon directory and who wishes to be included in a Verizon directory or directory listing database. Bright House shall also provide to Verizon as promptly as commercially reasonable, but no less frequently than daily: (a) information showing Bright House Customers listed in a Verizon directory or included in a Verizon directory information database who have disconnected or terminated their service with Bright House; and (b) delivery information for each Bright House Customer not included in a Verizon directory or directory information database, to enable Verizon to perform its directory distribution responsibilities. Verizon shall distribute directories to Bright House End Users on the same basis and on the same schedule as Verizon distributed directories to its own End Users. Verizon shall promptly provide to Bright House (normally within forty-eight (48) hours of receipt by Verizon, excluding non-business days) a query on any listing that is not acceptable. Bright House shall impose no charges on Verizon for providing this information, and Verizon shall impose no charges of any nature on Bright House for including this information in its directories and databases, it being acknowledged by both Parties that each Party benefits from the mutual provision of these functions.

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CLEC Acronym TE

4.3 Listing Inclusion and Distribution.

Verizon shall include at no nonrecurring, monthly recurring, ordering or order processing, or other charge either to Bright House or Bright House's Customers or End Users, the primary listing, in the appropriate alphabetical directory and, for business Customers, in the appropriate classified (Yellow Pages) directory in accordance with the directory configuration, scope and schedules determined by Verizon in its sole discretion, for each Bright House Customer/End User who wishes to be included in Verizon's directories, and shall provide initial distribution of such directories to such Bright House Customers in the same manner it provides initial distribution of such directories to its own Customers. "Primary Listing" means a Customer's primary name, address, and telephone number. Listings of Bright House's Customers shall be interfiled with listings of Verizon's Customers and the Customers of other LECs included in the Verizon directories. Bright House shall be entitled to direct Verizon to provide, for Bright House Customers/End Users, any additional, foreign, and other listings products as may be available to Verizon's Customers under a Verizon Tariff. If and to the extent that Bright House orders such additional, foreign or other listings products, Verizon shall bill, and Bright House shall pay, the same rates for such listing products as would apply to a Verizon Customer ordering the such a service. Other than the same tariffed charges that would apply to a Verizon End User ordering such a directory service, Verizon shall impose no charges of any nature on Bright House for including any Bright House information in Verizon's directories and databases or for distributing its directories.

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4.4 Verizon Information.

Upon request by Bright House, Verizon shall make available to Bright House the following information to the extent that Verizon provides such information to its own business offices: a directory list of relevant NXX codes, directory and Customer Guide close dates, and Yellow Pages headings. Verizon shall also make available to Bright House, on Verizon's Wholesale website (or, at Verizon's option, in writing) Verizon's directory listings standards and specifications.

4.5 Confidentiality of Listing Information.

(a) Subject to subsection (b), below, Verizon shall accord Bright House Listing Information the same level of confidentiality that Verizon accords its own listing information, and shall use such Listing Information solely for the purpose of providing directory-related services; provided, however, that except as provided in (b) below, should Verizon elect to do so, it may use or license Bright House Listing Information for directory publishing, direct marketing, or any other purpose for which Verizon uses or licenses its own listing information, so long as Bright House Customers are not separately identified as such; and provided further that Bright House may identify those of its Customers who request that their names not be sold for direct marketing purposes and Verizon shall honor such requests to the same extent that it does for its own Customers. Verizon shall not be obligated to compensate Bright House for Verizon's use or licensing of Bright House Listing Information.

(b) Information regarding the name and/or location of Bright House customers provided to Verizon in connection with facilitating the establishment of directory listings and/or delivery of directories shall be treated as Confidential Information and shall be used by Verizon solely for the purpose of establishing a listing and/or delivery of directories, as the case may be. For the avoidance of

doubt, until such time as the information becomes publicly available by being included in a directory or directory database, it shall be a material breach of this Agreement for Verizon to provide information obtained from Bright House in connection with the establishment of listings or the delivery of directories to any person, division, unit, or operation within Verizon or any affiliate or contractor of Verizon other than such persons, divisions, units or operations involved establishing/maintaining directories and/or the distribution of directories, including without limitation any persons, divisions, units or operations with a role in or responsibility for the sale or marketing of Verizon services to End Users. Verizon expressly agrees that in the event of an actual or threatened breach of this provision, and without limiting or excluding any other remedies that Bright House may have under this Agreement or under Applicable Law, Bright House shall be entitled to an immediate injunction prohibiting Verizon from providing such information to any such person, division, unit or operation within Verizon or any affiliate or contractor of Verizon and directing the immediate return or destruction of any such information that was previously so provided.

4.6 Accuracy.

Both Parties shall use commercially reasonable efforts to ensure the accurate publication of Bright House Customer listings. At Bright House's request, Verizon shall provide Bright House with a report of all Bright House Customer listings in a reasonable timeframe prior to the service order close date for the applicable directory. Verizon shall process any corrections made by Bright House with respect to its listings, provided such corrections are received prior to the close date of the particular directory.

4.7 Indemnification.

Bright House shall adhere to all generally applicable practices, standards, and ethical requirements established by Verizon with regard to listings. By providing Verizon with Listing Information, Bright House warrants to Verizon that Bright House has the right to provide such Listing Information to Verizon on behalf of its Customers. Bright House shall make commercially reasonable efforts to ensure that any business or person to be listed is authorized and has the right (a) to provide the product or service offered, and (b) to use any personal or corporate name, trade name, trademark, service mark or language used in the listing. Bright House agrees to release, defend, hold harmless and indemnify Verizon, in accordance with Section 20 of the General Terms and Conditions, from and against any and all claims, losses, damages, suits, or other actions, or any liability whatsoever, suffered, made, instituted, or asserted by any person arising out of Verizon's publication or dissemination of the Listing Information as provided by Bright House hereunder.

4.8 Liability.

In accordance with Section 25 of the General Terms and Conditions, Verizon's liability to Bright House in the event of a Verizon error in or omission of a Bright House Customer listing shall not exceed the amount actually paid by Bright House to Verizon for such listing. Bright House agrees to take all reasonable steps, including, but not limited to, entering into appropriate contractual provisions with its Customers, to ensure that its and Verizon's liability to Bright House's Customers in the event of a Verizon error in or omission of a listing shall be subject to the same limitations of liability applicable between Verizon and its own Customers as set forth in Verizon's Tariffs.

4.9 Service Information Pages.

Verizon shall include all Bright House NXX codes associated with the geographic areas to which each directory pertains, to the extent it does so for Verizon's own NXX codes, in any lists of such codes that are contained in the general reference portion of each directory. Bright House's NXX codes shall appear in such lists in the same manner as Verizon's NXX information. In addition, when Bright House is authorized to, and is offering, local service to Customers located within the geographic area covered by a specific directory, at Bright House's request, Verizon shall include, at no charge, in the "Customer Guide" or comparable section of the applicable alphabetical directories, Bright House's critical contact information for Bright House's installation, repair and Customer service, as provided by Bright House. Such critical contact information shall appear alphabetically by local exchange carrier and in accordance with Verizon's generally applicable policies. Bright House shall be responsible for providing the necessary information to Verizon by the applicable close date for each affected directory.

4.10 Directory Publication.

Nothing in this Agreement shall require Verizon to publish a directory where it would not otherwise do so.

4.11 Other Directory Services.

Bright House acknowledges that if Bright House desires directory services in addition to those described herein and that Verizon is not otherwise required to provide under Applicable Law, such additional services shall be obtained under separate agreement with Verizon's directory publishing company. In such event, Verizon shall provide commercially reasonable cooperation to Bright House, including without limitation the provision of appropriate contact information for such directory publishing company, to facilitate Bright House in negotiating such a separate agreement.

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5. Voice Information Service Traffic

5.1 For purposes of this Section 5, (a) Voice Information Service means a service that provides [i] recorded voice announcement information or [ii] a vocal discussion program open to the public, and (b) Voice Information Service Traffic means intraLATA switched voice traffic, delivered to a Voice Information Service. Voice Information Service Traffic does not include any form of Internet Traffic. Voice Information Service Traffic also does not include 555 traffic or similar traffic with AIN service interfaces, which traffic shall be subject to separate arrangements between the Parties. Voice Information Service Traffic is not subject to Reciprocal Compensation charges under Section 7 of the Interconnection Attachment.

5.2 If a Bright House Customer is served by resold Verizon dial tone line Telecommunications Service, to the extent reasonably feasible, Verizon will route Voice Information Service Traffic originating from such Service to the appropriate Voice Information Service connected to Verizon's network unless a feature blocking such Voice Information Service Traffic has been installed. For such Voice Information Service Traffic, Bright House shall pay to Verizon without discount any Voice Information Service provider charges billed by Verizon to Bright House. Bright House shall pay Verizon such charges in full regardless of whether or not Bright House collects such charges from its Customer.

- 5.3 Bright House shall have the option to route Voice Information Service Traffic that originates on its own network to the appropriate Voice Information Service connected to Verizon's network. In the event Bright House exercises such option, Bright House will establish, at its own expense, a dedicated trunk group to the Verizon Voice Information Service serving switch. This trunk group will be utilized to allow Bright House to route Voice Information Service Traffic originated on its network to Verizon. For such Voice Information Service Traffic, unless Bright House has entered into a written agreement with Verizon under which Bright House will collect from Bright House's Customer and remit to Verizon the Voice Information Service provider's charges, Bright House shall pay to Verizon without discount any Voice Information Service provider charges billed by Verizon to Bright House. Bright House shall pay Verizon such charges in full regardless of whether or not Bright House collects such charges from its own Customer.

6. Intercept and Referral Announcements

Neither Party shall have an obligation, under the terms of this Agreement, to provide any intercepts or referral announcements in connection with an End User of one Party transferring service to the other Party while simultaneously changing their telephone number. Nothing in this Section 6 shall be construed to limit any obligation that a Party may have to provide referral announcements under Applicable Law.

7. Originating Line Number Screening (OLNS)

Upon Bright House's request, Verizon will update its database used to provide originating line number screening (the database of information which indicates to an operator the acceptable billing methods for calls originating from the calling number (e.g., penal institutions, COCOTS).

8. Operations Support Systems (OSS) Services

8.1 Definitions.

The terms listed below shall have the meanings stated below:

- 8.1.1 Verizon Operations Support Systems: Verizon systems for pre-ordering, ordering, provisioning, maintenance and repair, and billing of any Verizon Service provided under or in connection with this Agreement.
- 8.1.2 Verizon OSS Services: Access to Verizon Operations Support Systems functions. The term "Verizon OSS Services" includes, but is not limited to: (a) Verizon's provision of Bright House Usage Information to Bright House pursuant to Section 8.3 of this Attachment; and, (b) "Verizon OSS Information", as defined in Section 8.1.4 of this Attachment.
- 8.1.3 Verizon OSS Facilities: Any gateways, interfaces, databases, facilities, equipment, software, or systems, used by Verizon to provide Verizon OSS Services to Bright House.
- 8.1.4 Verizon OSS Information: Any information accessed by, or disclosed or provided to, Bright House through or as a part of Verizon OSS Services. The term "Verizon OSS Information" includes, but is not

limited to: (a) any Customer Information related to a Verizon Customer or a Bright House Customer accessed by, or disclosed or provided to, Bright House through or as a part of Verizon OSS Services; and, (b) any Bright House Usage Information (as defined in Section 8.1.6 of this Attachment) accessed by, or disclosed or provided to, Bright House. Notwithstanding the foregoing, nothing in this Section 8 shall restrict Bright House's right to make use of any information of which Bright House is or becomes aware by means other than access to Verizon OSS, Verizon OSS Services, or Verizon OSS Facilities.

- 8.1.5 Verizon Retail Telecommunications Service: Any Telecommunications Service that Verizon provides at retail to subscribers that are not Telecommunications Carriers. The term "Verizon Retail Telecommunications Service" does not include any Exchange Access service (as defined in Section 3(16) of the Act, 47 U.S.C. § 153(16)) provided by Verizon.
- 8.1.6 Bright House Usage Information: For a Verizon Retail Telecommunications Service purchased by Bright House pursuant to the Resale Attachment, the usage information that Verizon would record if Verizon was furnishing such Verizon Retail Telecommunications Service to a Verizon end-user retail Customer.
- 8.1.7 Customer Information: CPNI of a Customer and any other non-public, individually identifiable information about a Customer or the purchase by a Customer of the services or products of a Party.

8.2 Verizon OSS Services.

- 8.2.1 Upon request by Bright House, Verizon shall provide to Bright House Verizon OSS Services. Such Verizon OSS Services will be provided in accordance with, but only to the extent required by, Applicable Law, except that, to the extent that Applicable Law requires Verizon to provide a Service to Bright House, Verizon shall make Verizon OSS Services available to Bright House to the extent reasonably necessary to allow Bright House to efficiently and effectively Order such Service and communicate with Verizon regarding necessary maintenance with respect to it.
- 8.2.2 Subject to the requirements of Applicable Law, Verizon Operations Support Systems, Verizon Operations Support Systems functions, Verizon OSS Facilities, Verizon OSS Information, and the Verizon OSS Services that will be offered by Verizon, shall be as determined by Verizon. Subject to the requirements of Applicable Law, Verizon shall have the right to change Verizon Operations Support Systems, Verizon Operations Support Systems functions, Verizon OSS Facilities, Verizon OSS Information, and the Verizon OSS Services, from time-to-time, without the consent of Bright House.
- 8.2.3 Notwithstanding any other provision of this Agreement, Verizon shall provide Bright House with such advance notice as is commercially reasonable in the circumstances of any material change to any Verizon OSS Services provided to Bright House. Without limiting the foregoing, and by way of illustration and example, Verizon will comply with Verizon's applicable OSS Change Management Guidelines, as

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such Guidelines are modified from time-to-time, including, but not limited to, the provisions of the Guidelines related to furnishing notice of changes in Verizon OSS Services. Verizon's OSS Change Management Guidelines will be set out on a Verizon website. No change by Verizon to its OSS shall have the effect of causing any service, function or transaction which is not chargeable to Bright House as of the Effective Date, to become a chargeable function hereunder.

8.3 Bright House Usage Information.

- 8.3.1 Upon request by Bright House, Verizon shall provide to Bright House Bright House Usage Information. Such Bright House Usage Information will be provided in accordance with, but only to the extent required by, Applicable Law.
- 8.3.2 Bright House Usage Information will be available to Bright House through Network Data Mover (NDM) or other such media as mutually agreed by both Parties.
- 8.3.3 Bright House Usage Information will be provided in an ATIS EMI format.
- 8.3.4 Except as stated in this Section 8.3, subject to the requirements of Applicable Law, the manner in which, and the frequency with which, Bright House Usage Information will be provided to Bright House shall be determined by Verizon.

8.4 Access to and Use of Verizon OSS Facilities.

- 8.4.1 Verizon OSS Facilities may be accessed and used by Bright House only to the extent necessary for Bright House's access to and use of Verizon OSS Services pursuant to this Agreement.
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- 8.4.3 Bright House shall restrict access to and use of Verizon OSS Facilities to Bright House. This Section 8 does not grant to Bright House any right or license to grant sublicenses to other persons, or permission to other persons (except Bright House's employees, agents and contractors, in accordance with Section 8.4.7 of this Attachment), to access or use Verizon OSS Facilities.
- 8.4.4 Bright House shall not (a) alter, modify or damage the Verizon OSS Facilities (including, but not limited to, Verizon software), (b) copy, remove, derive, reverse engineer, or decompile, software from the Verizon OSS Facilities, or (c) obtain access through Verizon OSS Facilities to Verizon databases, facilities, equipment, software, or systems, which are not offered for Bright House's use under this Section 8.
- 8.4.5 Bright House shall comply with all commercially reasonable practices and procedures established by Verizon for access to and use of Verizon OSS Facilities (including, but not limited to, Verizon practices and procedures with regard to security and use of access and user identification codes).

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CLEC Acronym TE

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- 8.4.6 All practices and procedures for access to and use of Verizon OSS Facilities, and all access and user identification codes for Verizon OSS Facilities: (a) shall remain the property of Verizon; (b) shall be used by Bright House only in connection with Bright House's use of Verizon OSS Facilities permitted by this Section 8; (c) shall be treated by Bright House as Confidential Information of Verizon pursuant to Section 10 of the General Terms and Conditions; and, (d) shall be destroyed or returned by Bright House to Verizon upon the earlier of request by Verizon or the expiration or termination of this Agreement.
- 8.4.7 Bright House's employees, agents and contractors may access and use Verizon OSS Facilities only to the extent necessary for Bright House's access to and use of the Verizon OSS Facilities permitted by this Agreement. Any access to or use of Verizon OSS Facilities by Bright House's employees, agents, or contractors, shall be subject to the provisions of this Agreement, including, but not limited to, Section 10 of the General Terms and Conditions and Section 8.5.3.2 of this Attachment.
- 8.5 Verizon OSS Information.
 - 8.5.1 Subject to the provisions of this Section 8, in accordance with, but only to the extent required by, Applicable Law, Verizon grants to Bright House a non-exclusive license to use Verizon OSS Information.
 - 8.5.2 Subject to Section 8.1.4, all Verizon OSS Information shall at all times remain the property of Verizon. Except as expressly stated in this Section 8, Bright House shall acquire no rights in or to any Verizon OSS Information.
 - 8.5.3 The provisions of this Section 8.5.3 shall apply to all Verizon OSS Information, except (a) Bright House Usage Information, (b) CPNI of Bright House, and (c) CPNI of a Verizon Customer or a Bright House Customer, to the extent the Customer has authorized Bright House to use the CPNI.
 - 8.5.3.1 Verizon OSS Information may be accessed and used by Bright House only to provide Telecommunications Services to Bright House Customers.
 - 8.5.3.2 Bright House shall treat Verizon OSS Information that is designated by Verizon, through written or electronic notice (including, but not limited to, through the Verizon OSS Services), as "Confidential" or "Proprietary" as Confidential Information of Verizon pursuant to Section 10 of the General Terms and Conditions.
 - 8.5.3.3 Except as expressly stated in this Section 8, this Agreement does not grant to Bright House any right or license to grant sublicenses to other persons, or permission to other persons (except Bright House's employees, agents or contractors, in accordance with Section 8.5.3.4 of this Attachment), to access, use or disclose Verizon OSS Information.

- 8.5.3.4 Bright House's employees, agents and contractors may access, use and disclose Verizon OSS Information only to the extent necessary for Bright House's access to, and use and disclosure of, Verizon OSS Information permitted by this Section 8. Any access to, or use or disclosure of, Verizon OSS Information by Bright House's employees, agents or contractors, shall be subject to the provisions of this Agreement, including, but not limited to, Section 10 of the General Terms and Conditions and Section 8.5.3.2 of this Attachment.
- 8.5.3.5 Bright House's license to use Verizon OSS Information shall expire upon the earliest of: (a) the time when the Verizon OSS Information is no longer needed by Bright House to provide Telecommunications Services to Bright House Customers; (b) termination of the license in accordance with this Section 8; or (c) expiration or termination of this Agreement.
- 8.5.3.6 All Verizon OSS Information received by Bright House shall be destroyed or returned by Bright House to Verizon, upon expiration, suspension or termination of the license to use such Verizon OSS Information.
- 8.5.4 Unless sooner terminated or suspended in accordance with this Agreement or this Section 8 (including, but not limited to, Section 2.2 of the General Terms and Conditions and Section 8.6.1 of this Attachment), Bright House's access to Verizon OSS Information through Verizon OSS Services shall terminate upon the expiration or termination of this Agreement.
- 8.5.5 Audits.
 - 8.5.5.1 Verizon shall have the right (but not the obligation) to audit Bright House to ascertain whether Bright House is complying with the requirements of Applicable Law and this Agreement with regard to Bright House's access to, and use and disclosure of, Verizon OSS Information.
 - 8.5.5.2 Without in any way limiting any other rights Verizon may have under this Agreement or Applicable Law, Verizon shall have the right (but not the obligation) to monitor Bright House's access to and use of Verizon OSS Information which is made available by Verizon to Bright House pursuant to this Agreement, to ascertain whether Bright House is complying with the requirements of Applicable Law and this Agreement, with regard to Bright House's access to, and use and disclosure of, such Verizon OSS Information. The foregoing right shall include, but not be limited to, the right (but not the obligation) to electronically monitor Bright House's access to and use of Verizon OSS Information which is made available by Verizon to Bright House through Verizon OSS Facilities.
 - 8.5.5.3 Information obtained by Verizon pursuant to this Section 8.5.5 shall be treated by Verizon as Confidential Information

of Bright House pursuant to Section 10 of the General Terms and Conditions; provided that, Verizon shall have the right (but not the obligation) to use and disclose information obtained by Verizon pursuant to Section 8.5.5 of this Attachment to enforce Verizon's rights under this Agreement or Applicable Law.

- 8.5.6 Bright House acknowledges that the Verizon OSS Information, by its nature, is updated and corrected on a continuous basis by Verizon, and therefore that Verizon OSS Information is subject to change from time to time.

8.6 Liabilities and Remedies.

- 8.6.1 Any breach by Bright House, or Bright House's employees, agents or contractors, of the provisions of Sections 8.4 or 8.5 of this Attachment shall be deemed a material breach of this Agreement. In addition, if Bright House or an employee, agent or contractor of Bright House at any time breaches a provision of Sections 8.4 or 8.5 of this Attachment and such breach continues for more than ten (10) days after written notice thereof from Verizon, then, except as otherwise required by Applicable Law, Verizon shall have the right, upon notice to Bright House, to suspend the license to use Verizon OSS Information granted by Section 8.5.1 of this Attachment and/or the provision of Verizon OSS Services, in whole or in part. If the Parties disagree as to whether a material breach has occurred, the matter shall be treated as a dispute pursuant to Section 14 of the General Terms and Conditions.

- 8.6.2 Bright House agrees that Verizon would be irreparably injured by a breach of Sections 8.4 or 8.5 of this Attachment by Bright House or the employees, agents or contractors of Bright House, and that Verizon shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any such breach. Such remedies shall not be deemed to be the exclusive remedies for any such breach, but shall be in addition to any other remedies available under this Agreement or at law or in equity.

8.7 Relation to Applicable Law.

The provisions of Sections 8.4, 8.5 and 8.6 of this Attachment with regard to the confidentiality of information shall be in addition to and not in derogation of any provisions of Applicable Law with regard to the confidentiality of information and the use of confidential information disclosed by one Party to the other, including, but not limited to, 47 U.S.C. § 222, and nothing in this Agreement is intended to constitute a waiver by either Party of any right with regard to protection of the confidentiality of, or limitations on the use of, the information of such Party or such Party's Customers provided by Applicable Law. Each Party agrees to abide by all requirements of 47 U.S.C. 222 in connection with the performance of their obligations, and the exercise of their rights, under this Agreement, and each Party agrees that the other Party would be irreparably injured by a breach of this Section 8.7 by the Party or its employees, agents or contractors, and that each Party shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any such breach. Such remedies shall not be deemed to be the exclusive remedies for any such breach, but shall be in

addition to any other remedies available under this Agreement or at law or in equity.

8.8 Cooperation.

Bright House, at Bright House's expense, shall reasonably cooperate with Verizon in using Verizon OSS Services. Such cooperation shall include, but not be limited to, the following:

- 8.8.1 Upon request by Verizon, Bright House shall by no later than the fifteenth (15th) day of the last month of each Calendar Quarter submit to Verizon reasonable, non-binding, good faith estimates of the volume of each type of OSS transaction that Bright House anticipates submitting in each month of the next Calendar Quarter.
- 8.8.2 Bright House shall reasonably cooperate with Verizon in submitting orders for Verizon Services and otherwise using the Verizon OSS Services, in order to avoid exceeding commercially reasonable limitations on the capacity or capabilities of such Verizon OSS Services.
- 8.8.3 Bright House shall participate in cooperative testing of Verizon OSS Services and shall provide assistance to Verizon in identifying and correcting mistakes, omissions, interruptions, delays, errors, defects, faults, failures, or other deficiencies, in Verizon OSS Services.

8.9 Verizon Access to Information Related to Bright House Customers.

- 8.9.1 Verizon shall have the right to access, use and disclose information related to Bright House Customers that is in Verizon's possession (including, but not limited to, in Verizon OSS Facilities) to the extent such access, use and/or disclosure has been authorized in the manner required by Applicable Law. Notwithstanding the foregoing or anything else in this Agreement, all information regarding the name, address, or other identifying information of Customers who have chosen to take service from Bright House or a Bright House affiliate but have not yet begun receiving such service, as well as all advance information regarding the timing of any such Customer's becoming a Bright House Customer, that Verizon may possess or come to possess as a result of either Party performing any obligations or exercising any rights under this Agreement, shall be deemed to be Bright House Confidential Information, and Verizon shall not use any such information it may possess except in accordance with Applicable Law, including 47 U.S.C. § 222(b) and FCC rules and rulings relating to 47 U.S.C. § 222(b).
- 8.9.2 As of the Effective Date, the Parties acknowledge that they have executed a separate agreement permitting Verizon to access Bright House's OSS in order to facilitate Verizon's receipt of Services from Bright House hereunder.

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TE*** Customer

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8.11 Cancellations

Verizon may cancel orders for service for which Verizon has previously notified Bright House that Bright House must take certain action in connection with such orders (e.g., correct order error or provide additional information) and there has been no Bright House activity in connection with such orders within thirty-one (31) consecutive calendar days after the original service due date.

9. Poles, Ducts, Conduits and Rights-of-Way

9.1 Verizon shall afford Bright House non-discriminatory access to poles, ducts, conduits and rights-of-way owned or controlled by Verizon. The Parties acknowledge that as of the Effective Date hereof, they have entered into a separate agreement setting out the terms and conditions under which Bright House may access Verizon's poles, ducts, conduits and rights-of-way.

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10. Telephone Numbers

- 10.1 This Section applies in connection with Bright House Customers served by Telecommunications Services provided by Verizon to Bright House for resale.
- 10.2 Bright House's use of telephone numbers shall be subject to Applicable Law and the rules of the North American Numbering Council, the North American Numbering Plan Administrator, the applicable provisions of this Agreement (including, but not limited to, this Section 10), and Verizon's practices and procedures for use and assignment of telephone numbers, as amended from time-to-time.
- 10.3 Subject to Sections 10.2 and 10.4 of this Attachment, if a Customer of either Verizon or Bright House who is served by a Verizon Telecommunications Service ("VTS") changes the LEC that serves the Customer using such VTS (including a change from Verizon to Bright House, from Bright House to Verizon, or from Bright House to a LEC other than Verizon), after such change, the Customer may continue to use with such VTS the telephone numbers that were assigned to the VTS for the use of such Customer by Verizon immediately prior to the change.
- 10.4 Verizon shall have the right to change the telephone numbers used by a Customer if at any time: (a) the Customer requests service at a new location, that is not served by the Verizon switch and the Verizon rate center from which the Customer previously had service; (b) continued use of the telephone numbers is not technically feasible; or, (c) in the case of Telecommunications Service provided by Verizon to Bright House for resale, the type or class of service subscribed to by the Customer changes.
- 10.5 If service on a VTS provided by Verizon to Bright House under this Agreement is terminated and the telephone numbers associated with such VTS have not been ported to a Bright House switch, the telephone numbers shall be available for reassignment by Verizon to any person to whom Verizon elects to assign the telephone numbers, including, but not limited to, Verizon, Verizon Customers, Bright House, or Telecommunications Carriers other than Verizon and Bright House.
- 10.6 Bright House may reserve telephone numbers only to the extent Verizon's Customers may reserve telephone numbers.

11. Routing for Operator Services and Directory Assistance Traffic

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For a Verizon Telecommunications Service dial tone line purchased by Bright House for resale pursuant to the Resale Attachment, upon request by Bright House, Verizon will establish an arrangement that will permit Bright House to route the Bright House Customer's calls for operator and directory assistance services to a provider of operator and directory assistance services selected by Bright House. Verizon will provide this routing arrangement in accordance with, but only to the extent required by, Applicable Law. Verizon will provide this routing arrangement pursuant to an appropriate written request submitted by Bright House and a mutually agreed-upon schedule. This routing arrangement will be implemented at Bright House's expense, with charges determined on an individual case basis. In addition to charges for initially establishing the routing arrangement, Bright House will be responsible for ongoing monthly and/or usage charges for the routing arrangement. Bright House shall arrange, at its own expense, the trunking and other facilities required to transport traffic to Bright House's selected provider of operator and directory assistance services.

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12. Unauthorized Carrier Change Charges

In the event either Party requests that the other Party install, provide, change, or terminate a Customer's Telecommunications Service (including, but not limited to, a Customer's selection of a primary Telephone Exchange Service Provider) without having obtained authorization from the Customer for such installation, provision, selection, change or termination in accordance with Applicable Laws, the requesting Party shall be liable to the other Party for all charges that would be applicable to the Customer for the initial change in the Customer's Telecommunications Service and any charges for restoring the Customer's Telecommunications Service to its Customer-authorized condition (all such charges together, the "Carrier Change Charges"), including to the appropriate primary Telephone Exchange Service provider. Such Carrier Change Charges may be assessed on the requesting Party by the other Party at any time after the Customer is restored to its Customer-authorized condition. Notwithstanding the foregoing, the Parties agree to negotiate in good faith to establish a commercially reasonable means by which a Customer of one Party who has chosen to obtain service from the other Party may promptly remove any "PIC Freeze" or similar arrangement such Customer may have established.

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If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the State of [State] a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with ***CLEC Acronym TE*** reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.¶

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INTERCONNECTION ATTACHMENT

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1. General

1.1 Each party shall provide to the other Party, in accordance with this Agreement and with Applicable Law, interconnection at (i) any technically feasible Point(s) of Interconnection on Verizon's network in a LATA and/or (ii) a fiber meet point to which the Parties mutually agree under the terms of this Agreement, for the transmission and routing of Telephone Exchange Service and Exchange Access, and such other Telecommunications traffic as is provided for herein. By way of example, a technically feasible Point of Interconnection on Verizon's network in a LATA would include an applicable Verizon Tandem Interconnection Wire Center or Verizon End Office Interconnection Wire Center but, notwithstanding any other provision of this Agreement or otherwise, would not include a Bright House Interconnection Wire Center, Bright House switch or any portion of a transport facility provided by Verizon to Bright House or another party between (x) a Verizon Interconnection Wire Center or switch and (y) the Interconnection Wire Center or switch of Bright House or another party. For brevity's sake, the foregoing examples of locations that, respectively, are and are not "on Verizon's network" shall apply (and are hereby incorporated by reference) each time the term "on Verizon's network" is used in this Agreement.

2. Points of Interconnection And Interconnection Format

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2.1 Point(s) of Interconnection.

2.1.1 Each Party, at its own expense, shall provide transport facilities as required to deliver traffic originating on, or transiting through, its network to the technically feasible Point of Interconnection on Verizon's network in a LATA selected by Bright House. To meet this obligation, a Party may:

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2.1.1.1 provide its own facilities for delivery of the traffic to the technically feasible Point(s) of Interconnection on Verizon's network in a LATA; and/or

2.1.1.2 obtain transport for delivery of the traffic to the technically feasible Point(s) of Interconnection on Verizon's network in a LATA (a) from a third party, or, (b) if the other Party offers such transport pursuant to a Tariff, from the other Party under the terms of such Tariff.

2.1.2 Interconnection Format

At Bright House's option, the Parties shall interconnect their networks using either TDM (older standard PSTN signaling format) or Internet Protocol (IP) (modern signaling format). IP-based arrangements are described in Section 3.2 of this Interconnection Attachment.

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2.2 Trunk Types And Trunk Administration.

2.2.1 In interconnecting their networks pursuant to this Attachment, the Parties will use, as appropriate, the following separate and distinct trunk groups:

2.2.1.1 Interconnection Trunks for the transmission and routing of Reciprocal Compensation Traffic, translated LEC IntraLATA

toll free service access code (e.g., 800/888/877) traffic, and IntraLATA Toll Traffic, between their respective Telephone Exchange Service Customers, and, Measured Internet Traffic, all in accordance with Sections 5 through 8 of this Attachment;

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2.2.1.2 Access Toll Connecting Trunks for the transmission and routing of Exchange Access traffic, including translated InterLATA toll free service access code (e.g., 800/888/877) traffic, between Bright House's End Users and purchasers of Switched Exchange Access Service via a Verizon access Tandem in accordance with Sections 9 through 11 of this Attachment;

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2.2.1.3 Bright House Third Party Access Trunks for the transmission and routing of Exchange Access traffic, including translated InterLATA toll free service access code (e.g., 800/888/877) traffic, between Verizon's End Users and purchasers of Switched Exchange Access Service via Bright House's network, in accordance with Sections 9 through 11 of this Attachment.

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2.2.1.4 Miscellaneous Trunk Groups as mutually agreed to by the Parties, including, but not limited to: (a) choke trunks for traffic congestion and testing; and, (b) untranslated IntraLATA/InterLATA toll free service access code (e.g. 800/888/877) traffic; and.

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2.2.1.5 A trunk group for Tandem Transit Traffic inbound from Verizon to Bright House.

2.2.2 Other types of trunk groups may be used by the Parties as provided in other Attachments to this Agreement (e.g., 911/E-911 Trunks) or in other separate agreements between the Parties (e.g., directory assistance trunks, operator services trunks, BLV/BLVI trunks or trunks for 500/555 traffic). In addition, either Party may request the establishment of a separate trunk group for the exchange of any type of traffic whose technical or billing requirements make such a separate trunk group commercially reasonable. If the Parties cannot agree within a period not to exceed sixty (60) days on the establishment of a requested separate trunk group, then either Party may invoke the Dispute Resolution provisions of Section 14 of the General Terms.

2.2.3 In accordance with the terms of this Agreement, as Bright House may elect, the Parties will deploy One-Way Interconnection Trunks (trunks with traffic going in one direction, including one-way trunks and uni-directional two-way trunks) and/or Two-Way Interconnection Trunks (trunks with traffic going in both directions).

2.2.4 The Parties shall establish, at the technically feasible Point(s) of Interconnection on Verizon's network in a LATA, separate Interconnection Trunk group(s) between such POI(s) and each Verizon Tandem in a LATA with a subtending End Office(s) to which Bright House originates calls for Verizon to terminate.

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- 2.2.5 In the event the volume of traffic between a Verizon End Office and a technically feasible Point of Interconnection on Verizon's network in a LATA, which is carried by a Final Tandem Interconnection Trunk group, exceeds (a) the Centum Call Seconds (Hundred Call Seconds) busy hour equivalent of one (1) DS1 at any time within a month for three consecutive months; (b) 200,000 minutes of use during each month for three consecutive months; and/or; (c) 600 busy hour Centum Call Seconds (BHCCS) of use during each month for three consecutive months: (i) if One-Way Interconnection Trunks are used, the originating Party shall promptly establish new or augment existing End Office One-Way Interconnection Trunk groups between the Verizon End Office and the technically feasible Point of Interconnection on Verizon's network; or, (ii) if Two-Way Interconnection Trunks are used, Bright House shall promptly submit an ASR to Verizon to establish new or augment existing End Office Two-Way Interconnection Trunk group(s) between that Verizon End Office and the technically feasible Point of Interconnection on Verizon's network.
- 2.2.6 Except as otherwise agreed in writing by the Parties, the total number of Tandem Interconnection Trunks between a technically feasible Point of Interconnection on Verizon's network and a Verizon Tandem will be limited to a maximum of 240 trunks. In the event that the volume of traffic between a technically feasible Point of Interconnection on Verizon's network and a Verizon Tandem exceeds, or reasonably can be expected to exceed, the capacity of the 240 trunks, Bright House shall promptly submit an ASR to Verizon to establish new or additional End Office Trunks to insure that the volume of traffic between the technically feasible Point of Interconnection on Verizon's network and the Verizon Tandem does not exceed the capacity of the 240 trunks.
- 2.2.7 In the case of a One-Way Interconnection Trunk group, the Party originating traffic over the trunk group shall have administrative responsibility for initiating requests to establish such a trunk group, add trunks to it, or remove trunks from it. Bright House shall have administrative responsibility for initiating request to establish a Two-Way Interconnection Trunk group and for initiating requests to add trunks to or remove trunks from it.
- 2.2.8 Trunk Forecasts. The Parties acknowledge that as of the Effective Date they are routinely sending in excess of twenty-five million (25,000,000) minutes of traffic per month to each other. As long as the volume of traffic each Party sends to the other Party has exceeded seventy-five million (75,000,000) minutes over the preceding ninety (90) days, then the Parties' forecasting obligation with regard to trunks shall be met by each Party advising the other Party of any anticipated trunking needs that would constitute a material change from the trend established over the prior six (6) month period. If the amount of traffic either Party sends to the other Party falls below the level set forth in the preceding sentence, then upon the request of either Party, the Parties shall negotiate reasonable and appropriate forecasting requirements. If the Parties cannot agree on such requirements, their disagreement shall be subject to the dispute resolution procedures of Section 14 of the General Terms and Conditions.

- 2.2.9 A Party shall initiate requests to establish, add trunks to, or remove trunks from, a trunk group by sending the other Party an ASR, completed in accordance with OBF Guidelines as in effect from time to time. The use of the industry-standard ASR form for this purpose shall not be construed as establishing any obligation on the part of either Party to compensate the other Party for any activity in connection with the affected trunks or trunk groups. There shall be no charges assessed by one Party to the other with respect to trunks or trunk groups established under this Agreement.
- 2.3 One-Way Interconnection Trunks.
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- 2.3.1.1 [Intentionally left blank]
- 2.3.1.2 [Intentionally left blank]
- 2.3.2 For each Tandem or End Office One-Way Interconnection Trunk group for delivery of traffic from one Party to the other Party with a utilization level of less than sixty percent (60%) for final trunk groups and eighty-five percent (85%) for high usage trunk groups, unless the Parties agree otherwise, the Party with administrative responsibility for the trunk group will promptly initiate a request to the other Party to disconnect a sufficient number of Interconnection Trunks to attain a utilization level of approximately sixty percent (60%) for all final trunk groups and eighty-five percent (85%) for all high usage trunk groups. If the Party with administrative responsibility for the trunk group fails to initiate the request as required by this section, then, on no less than thirty (30) days written notice, the other Party may disconnect the excess Interconnection Trunks.
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- 2.4 Two-Way Interconnection Trunks.
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- 2.4.1.1 [Intentionally left blank]
- 2.4.1.2 [Intentionally left blank]
- 2.4.2 [Intentionally left blank]
- 2.4.3 Prior to establishing any Two-Way Interconnection Trunks, Bright House shall meet with Verizon to conduct a joint planning meeting ("Joint Planning Meeting"). At that Joint Planning Meeting, each Party shall provide to the other Party originating Centum Call Seconds (Hundred Call Seconds) information, and the Parties shall mutually agree on the appropriate initial number of End Office and Tandem Two-Way Interconnection Trunks and the interface specifications at the technically feasible Point(s) of Interconnection on Verizon's network in a LATA at which the Parties interconnect for the exchange of traffic. Where the Parties have agreed to convert existing One-Way Interconnection Trunks to Two-Way Interconnection Trunks, at the Joint Planning Meeting, the Parties shall also mutually agree on the

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conversion process and project intervals for conversion of such One-Way Interconnection Trunks to Two-Way Interconnection Trunks.

2.4.4 [Intentionally left blank]

2.4.5 The Parties shall meet (telephonically or in person) from time to time, as needed, to review data on End Office and Tandem Two-Way Interconnection Trunks to determine the need for new trunk groups and to plan any necessary changes in the number of Two-Way Interconnection Trunks.

2.4.6 Two-Way Interconnection Trunks shall have SS7 Common Channel Signaling. The Parties shall utilize, at Bright House's option, B8ZS and Extended Super Frame (ESF) trunking at the DS3 level or above (including OC-3, OC-12, or OC-48, as traffic levels dictate), using, at Bright House's option, copper or fiber physical transport facilities for DS3-level connections.

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2.4.7 With respect to End Office Two-Way Interconnection Trunks, both Parties shall use an economic Centum Call Seconds (Hundred Call Seconds) equal to five (5). Either Party may disconnect End Office Two-Way Interconnection Trunks that, based on reasonable engineering criteria and capacity constraints, are not warranted by the actual traffic volume experienced.

2.4.8 Two-Way Interconnection Trunk groups that connect to a Verizon access Tandem shall be engineered using a design blocking objective of Neal-Wilkinson B.005 during the average time consistent busy hour. Two-Way Interconnection Trunk groups that connect to a Verizon local Tandem shall be engineered using a design blocking objective of Neal-Wilkinson B.01 during the average time consistent busy hour. Verizon and Bright House shall engineer Two-Way Interconnection Trunks using Telcordia Notes on the Networks SR 2275 (formerly known as BOC Notes on the LEC Networks SR-TSV-002275).

2.4.9 The performance standard for final Two-Way Interconnection Trunk groups shall be that no such Interconnection Trunk group will exceed its design blocking objective (B.005 or B.01, as applicable) for three (3) consecutive calendar traffic study months.

2.4.10 Bright House shall determine the number of Two-Way Interconnection Trunks that are required to meet the applicable design blocking objective for all traffic carried on each Two-Way Interconnection Trunk group. Bright House shall have administrative responsibility for establishing Two-Way Interconnection Trunk groups and shall initiate additions of trunks to or removal of trunks from such trunk groups by submitting ASRs to Verizon setting forth the number of Two-Way Interconnection Trunks to be installed and the requested installation dates.. Verizon's activity in establishing, adding trunks to, or removing trunks from such trunk groups shall be consistent with Verizon's effective standard intervals or negotiated intervals, as appropriate.

2.4.11 Verizon may (but shall not be obligated to) monitor Two-Way Interconnection Trunk groups using service results for the applicable design blocking objective. If Verizon observes blocking in excess of the applicable design objective on any Tandem Two-Way

Interconnection Trunk group and Bright House has not notified Verizon that it has corrected such blocking, Verizon may submit to Bright House a Trunk Group Service Request directing Bright House to remedy the blocking. Upon receipt of a Trunk Group Service Request, Bright House will complete an ASR to establish or augment the End Office Two-Way Interconnection Trunk group(s), or, if mutually agreed, to augment the Tandem Two-Way Interconnection Trunk group with excessive blocking and submit the ASR to Verizon within a commercially reasonable time.

- 2.4.12 The Parties will review all Tandem Two-Way Interconnection Trunk groups that reach a utilization level of seventy percent (70%), or greater, to determine whether those groups should be augmented. Bright House will promptly augment all Tandem Two-Way Interconnection Trunk groups that reach a utilization level of eighty percent (80%) by submitting ASRs for additional trunks sufficient to attain a utilization level of approximately seventy percent (70%), unless the Parties agree that additional trunking is not required. For each Tandem Two-Way Interconnection Trunk group with a utilization level of less than sixty percent (60%), unless the Parties agree otherwise, Bright House will promptly submit ASRs to disconnect a sufficient number of Interconnection Trunks to attain a utilization level of approximately sixty percent (60%) for each respective group, unless the Parties agree that the Two-Way Interconnection Trunks should not be disconnected. In the event Bright House fails to submit an ASR for Two-Way Interconnection Trunks in conformance with this Section, Verizon may, on no less than thirty (30) days written notice to the other Party, disconnect the excess Interconnection Trunks.
- 2.4.13 [Intentionally left blank]
- 2.4.14 Bright House will route its traffic to Verizon over the End Office and Tandem Two-Way Interconnection Trunks in accordance with SR-TAP-000191, including but not limited to those standards requiring that a call from Bright House to a Verizon End Office will first be routed to the End Office Interconnection Trunk group between Bright House and the Verizon End Office.

3. Alternative Interconnection Arrangements

3.1 Fiber Meet Arrangement Provisions.

- 3.1.1 A Fiber Meet arrangement shall be established at the request of Bright House, and may be established at the request of Verizon, upon written notice to the other Party, if the Parties have consistently been exchanging an amount of applicable traffic (as set forth in Section 3.1.3 below) in the relevant exchanges equal to at least one (1) DS-3. Any such Fiber Meet arrangement shall be subject to the terms of this Agreement. In addition, the establishment of any Fiber Meet arrangement is expressly conditioned upon the Parties mutually agreeing to the technical specifications and requirements for such Fiber Meet arrangement, such agreement not to be unreasonably conditioned, withheld, denied or delayed, including, but not limited to, the location of the Fiber Meet points, routing, equipment (e.g., specifications of Add/Drop Multiplexers, number of strands of fiber, etc.), software, ordering, provisioning, maintenance, repair, testing,

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Deleted: <#>Because Verizon will not be in control of when and how many Two-Way Interconnection Trunks are established between its network and ***CLEC Acronym TE***'s network, Verizon's performance in connection with these Two-Way Interconnection Trunk groups shall not be subject to any performance measurements and remedies under this Agreement, and, except as otherwise required by Applicable Law, under any FCC or Commission approved carrier-to-carrier performance assurance guidelines or plan.¶
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Deleted: Each Party may request a Fiber Meet arrangement by providing written notice thereof to the other Party if each of the following conditions has been met: (a)

Deleted: and (b) neither ***CLEC Acronym TE*** nor any of ***CLEC Acronym TE***'s affiliates has an overdue balance on any bill rendered to ***CLEC Acronym TE*** or ***CLEC Acronym TE***'s affiliates for charges that are not subject to a good faith dispute

augment and on any other technical specifications or requirements reasonably necessary to implement the Fiber Meet arrangement. Any dispute regarding the establishment or operation of a Fiber Meet arrangement shall be subject to the Dispute Resolution provisions of Section 14 of the General Terms and Conditions of the Agreement. For each Fiber Meet arrangement the Parties agree to implement, the Parties will complete and sign a Technical Specifications and Requirements document, the form of which is attached hereto as Exhibit A to Section 3 of the Interconnection Attachment Fiber Meet Arrangement Provisions. Each such document will be treated as Confidential Information.

3.1.2 The Parties agree to consider the possibility of using existing fiber cable with spare capacity, where available, to implement any such request for a Fiber Meet arrangement. If existing fiber cable with spare capacity is not available, the Parties agree to minimize the construction and deployment of fiber cable necessary for any Fiber Meet arrangement to which they agree. Except as otherwise agreed by the Parties, Verizon shall not be required to construct or deploy more than two thousand five hundred (2500) feet of fiber cable for a Fiber Meet arrangement.

3.1.3 A Fiber Meet arrangement established under this Agreement may be used for the transmission and routing of any traffic that they may lawfully exchange in accordance with Applicable Law.

3.1.4 Each Party shall bear its own costs and expenses in establishing a Fiber Meet arrangement. Other than per-minute intercarrier compensation charges as specified in this Interconnection Attachment, neither Party shall impose any charges on the other Party in connection with the establishment or use of a Fiber Meet arrangement.

3.1.5 Each Party will include traffic to be exchanged over Fiber Meet arrangements in its forecasts provided to the other Party under the Agreement.

3.2 IP-Based Interconnection

(a) At Bright House's option, Bright House and Verizon shall interconnect their networks using IP format and signaling arrangements.

(b) To initiate IP-based interconnection, Bright House shall send a written request for such interconnection in accordance with the provisions of Section 29 of the General Terms and Conditions.

(c) Promptly following Verizon's receipt of such written request, the Parties shall negotiate in good faith and in a commercially reasonable manner to establish the technical and operational terms necessary to establish IP-format interconnection between their networks, including a commercially reasonable schedule for the establishment of such interconnection. If the Parties are not able to agree on any such matters, the disagreements shall be resolved as provided for in Section 14 of the General Terms and Conditions of this Agreement, except that either Party shall be permitted to bring any disagreement regarding the terms of IP-format interconnection to the Commission or other appropriate forum at any time after the day which is sixty (60) days from the date on which Bright House's written

Deleted: any and all Fiber Meet points established between the Parties shall extend no further than three (3) miles from an applicable Verizon Tandem or End Office and

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<#>Translated LEC IntraLATA toll free service access code (e.g., 800/888/877) traffic between the Parties' respective Telephone Exchange Service Customers;]]
<#>IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers;]]
<#>Tandem Transit Traffic; and]]
<#>Measured Internet Traffic.]]
To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the types set forth in Sections 3.1.3.1 and/or 3.1.3.5, other than the obligation to pay intercarrier compensation charges pursuant to the terms of the Agreement, neither Party shall have any obligation to pay the other Party any charges in connection with any Fiber Meet arrangements established under this Agreement. To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the type set forth in Section 3.1.3.2, the transport and termination of such traffic shall be subject to the rates and charges set forth in the Agreement and applicable Tariffs. To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the type set forth in Section 3.1.3.3, the Party originating such traffic shall compensate the terminating Party for the transport and termination of such traffic at the rates and charges set forth in the Agreement and applicable Tariffs. To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the type set forth in Section 3.1.3.4, Verizon shall charge (and ***CLEC Acronym TE*** shall pay) Verizon's applicable rates and charges as set forth in the Agreement and Verizon's applicable Tariffs, including tra[... [3]

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request is deemed to have been received by Verizon in accordance with Section 29 of the General Terms and Conditions.

4. Initiating Interconnection

- 4.1 If Bright House determines to offer Telephone Exchange Services and/or Exchange Access and to interconnect with Verizon in any LATA in which Verizon offers Telephone Exchange Services and in which the Parties are not already interconnected pursuant to this Agreement, Bright House shall provide written notice to Verizon of the need to establish Interconnection in such LATA pursuant to this Agreement.
- 4.2 The notice provided in Section 4.1 of this Attachment shall include (a) the initial Routing Point(s); (b) the applicable technically feasible Point(s) of Interconnection on Verizon's network to be established in the relevant LATA (including, in accordance with the terms of this Agreement, a designation of a Fiber Meet arrangement as a means of interconnection); (c) Bright House's intended Interconnection activation date; (d) a forecast of Bright House's trunking requirements conforming to Section 14.2 of this Attachment; and (e) such other information as Verizon shall reasonably request in order to facilitate Interconnection.
- 4.3 The interconnection activation date in the new LATA shall be mutually agreed to by the Parties after receipt by Verizon of all necessary information as indicated above. Within ten (10) Business Days of Verizon's receipt of Bright House's notice provided for in Section 4.1 of this Attachment, Verizon and Bright House shall confirm the technically feasible Point of Interconnection on Verizon's network in the new LATA and the mutually agreed upon Interconnection activation date for the new LATA.

5. Transmission and Routing of Traffic

5.1 Scope of Traffic.

Section 5 prescribes parameters for Interconnection Trunks used for Interconnection pursuant to Sections 2 through 4 of this Attachment.

5.2 Trunk Group Connections and Ordering.

- 5.2.1 For both One-Way and Two-Way Interconnection Trunks, if Bright House elects to establish an OC-level or SIP interface at the POI, the Parties shall negotiate reasonable terms and conditions (including, without limitation, rates (if applicable) and implementation timeframes) for such arrangement; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates (if applicable) and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.
- 5.2.2 When One-Way or Two-Way Interconnection Trunks are provisioned using a DS3 interface facility, if Bright House calls for the establishment of multiplexed DS3 facilities to a Verizon Central Office that is not designated in the NECA 4 Tariff as the appropriate Intermediate Hub location (i.e., the Intermediate Hub location in the appropriate Tandem subtending area based on the LERG), and the provision of such facilities to the subject Central Office is technically

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(b) SIP interconnection shall be provided by means of fiber or copper-based physical interconnection facilities, at Bright House's option.¶
(c) The minimum data rate for SIP interconnection shall be 100 Megabits per second, in Ethernet format.¶
(d) In a SIP-based interconnection, the Parties shall exchange all signaling information necessary to allow the Party receiving the traffic to convert it, if necessary, into TDM format, including all signaling information necessary to populate all relevant fields of standard PSTN SS7 signaling messages.¶
(e) To the extent that either Party sends the other Party traffic that originated on the network of a third party (such as an IXC, wireless carrier, or third party LEC), that Party shall be responsible for converting such third party traffic into SIP format and for sending all PSTN signaling information that such Party receives from the third party, including without limitation ANI, CNAM, and OCN information, to the Party receiving the traffic. In addition, for Meet Point Billing traffic sent via an SIP interconnection, the Party providing the tandem functionality for the third party IXC shall record all information necessary to allow the Party receiving the traffic to bill such third party IXC and provide that information to the other Party, to the same extent as would apply to a TDM format interconnection, as specified in Section 10 of this Attachment.¶
(f) The Parties shall negotiate in good faith and in a commercially reasonable manner to establish any other technical or other matters necessary to establish a SIP-based interconnection. If the Parties are not able to agree on any such matters, the disagreements shall be resolved as provided for in Section 14 of the General Terms and Conditions of this Agreement.

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feasible, the Parties shall negotiate in good faith reasonable terms and conditions (including, without limitation, rates (if applicable) and implementation timeframes) for such arrangement; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates (if applicable) and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.

- 5.2.3 Each Party will identify its Carrier Identification Code, a three or four digit numeric code obtained from Telcordia, to the other Party when ordering a trunk group.
- 5.2.4 [Intentionally left blank]
- 5.2.5 Each Party will use commercially reasonable efforts to monitor trunk groups under its control and to augment those groups using generally accepted trunk-engineering standards so as to not exceed blocking objectives. Each Party agrees to use modular trunk-engineering techniques for trunks subject to this Attachment.

5.3 Switching System Hierarchy and Trunking Requirements.

For purposes of routing Bright House traffic to Verizon, the subtending arrangements between Verizon Tandems and Verizon End Offices shall be the same as the Tandem/End Office subtending arrangements Verizon maintains for the routing of its own or other carriers' traffic (i.e., traffic will be routed to the appropriate Verizon Tandem subtended by the terminating End Office serving the Verizon Customer). For purposes of routing Verizon traffic to Bright House, the subtending arrangements between Bright House Tandems and Bright House End Offices shall be the same as the Tandem/End Office subtending arrangements that Bright House maintains for the routing of its own or other carriers' traffic.

5.4 Signaling.

5.4.1 The Parties shall configure all trunks to use SS7 signaling. If a Party's technical limitations require the use of multi-frequency (MF) signaling on any trunk(s), for such trunks each Party will out pulse ten (10) digits to the other Party, unless the Parties mutually agree otherwise. Each Party will provide the other Party with access to its databases and associated signaling necessary for the routing and completion of the other Party's traffic.

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5.4.2 The Parties shall furnish each other with the Jurisdiction Information Parameter (JIP) in the Initial Address Message (IAM), according to industry standards.

5.5 Grades of Service.

The Parties shall initially engineer and shall monitor and augment all trunk groups consistent with the Joint Process as set forth in Section 14.1 of this Attachment.

6. Traffic Measurement and Billing over Interconnection Trunks

- 6.1 For billing purposes, each Party shall pass Calling Party Number (CPN) information on at least ninety-five percent (95%) of calls carried over the Interconnection Trunks.

- 6.1.1 As used in this Section 6, "Traffic Rate" means the applicable Reciprocal Compensation Traffic rate, Measured Internet Traffic rate, intrastate Switched Exchange Access Service rate, interstate Switched Exchange Access Service rate, or intrastate/interstate Tandem Transit Traffic rate, as provided in the Pricing Attachment.
- 6.1.2 If the originating Party passes CPN on ninety-five percent (95%) or more of its calls, the receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at the Traffic Rate applicable to each relevant minute of traffic, in direct proportion to the minutes of use of calls passed with CPN information.
- 6.1.3 If the originating Party passes CPN on less than ninety-five percent (95%) of its calls and the originating Party chooses to combine Reciprocal Compensation Traffic and Toll Traffic on the same trunk group, the receiving Party shall bill the higher of its interstate Switched Exchange Access Service rates or its intrastate Switched Exchange Access Services rates for all traffic that is passed without CPN, unless the Parties agree that other rates should apply to such traffic.

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6.2. As of the Effective Date of this Agreement, both Parties have the capability, on an automated basis, to use such CPN to classify traffic delivered over Interconnection Trunks by the other Party by Traffic Rate type (e.g., Reciprocal Compensation Traffic/Measured Internet Traffic, intrastate Switched Exchange Access Service, interstate Switched Exchange Access Service, or intrastate/interstate Tandem Transit Traffic) and therefore, each receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. If the Parties establish interconnection in any LATA in which the receiving Party lacks the capability, on an automated basis, to use CPN information on an automated basis to classify traffic delivered by the other Party by Traffic Rate type, the originating Party will supply Traffic Factor 1 and Traffic Factor 2. The Traffic Factors shall be supplied in writing by the originating Party within thirty (30) days of the Effective Date and shall be updated in writing by the originating Party quarterly. Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds (the time in seconds that the Parties equipment is used for a completed call, measured from the receipt of answer supervision to the receipt of disconnect supervision). Measurement of billing minutes for originating toll free service access code (e.g., 800/888/877) calls shall be in the same manner specified in the applicable Party's Tariffs establishing terms and conditions associated with providing exchange access services in connection with toll-free calls. For purposes of this Agreement, and pursuant to the "mirroring rule" established by the FCC in the April 18, 2001 FCC Internet Order and re-affirmed in the November 5, 2008 FCC Internet Order, the Parties shall exchange all Reciprocal Compensation Traffic, including Measured Internet Traffic, at the \$0.0007 integrated transport and termination rate established by the FCC and specified in the Pricing Appendix.

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6.3 Each Party reserves the right to audit all Traffic, up to a maximum of one audit per Calendar Year, to be conducted in accordance with Section 7 of the General Terms and Conditions, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit

disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner.

6.4 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

6.5 Each Party represents that the amount of traffic exchanged hereunder that originates on V/FX numbers (as defined below) on such Party's network, or terminates to V/FX numbers on such Party's network (such traffic, a Party's "V/FX Traffic") is not material in light of the volume of traffic exchanged between the Parties. Based on the accuracy of this mutual representation, the Parties agree that they shall classify and rate all traffic exchanged over local interconnection trunks based on calling party number and called party number or equivalent information sent in connection with the traffic, as provided for in, and subject to, Section 6.1, above.

6.5.1 If a Party's V/FX Traffic becomes material in light of the volume of traffic exchanged between the Parties, such Party will promptly notify the other Party, and the Parties will promptly implement arrangements to classify and rate such V/FX Traffic based on the actual geographic end-points of the communication. Not more than twice per calendar year, a Party may request, and the other Party shall provide, additional assurance that the total volume of such Party's V/FX Traffic is not material.

6.5.2 A "V/FX Number" is a telephone number assigned or otherwise provided to the Customer of a Party where the rate center associated with the NPA/NXX Code (as set forth in the LERG) is outside the Verizon local calling area (including mandatory EAS) of the physical location of the Customer to whom the number is assigned.

7. Reciprocal Compensation Arrangements Pursuant to Section 251(b)(5) of the Act

7.1 Reciprocal Compensation.

The Parties shall exchange Reciprocal Compensation Traffic at the technically feasible Point(s) of Interconnection on Verizon's network in a LATA designated in accordance with the terms of this Agreement. The Party originating Reciprocal Compensation Traffic shall compensate the terminating Party for the transport and termination of such traffic to its Customer at the rate of \$0.0007, as specified in the Pricing Appendix.

No additional charges shall be assessed by the terminating Party for the transport and termination of such traffic from the technically feasible Point(s) of Interconnection on Verizon's network in a LATA to its Customer; provided, however, for the avoidance of any doubt, Bright House shall also pay Verizon, at the rates set forth in the Pricing Attachment, for any collocation Services that Bright House obtains from Verizon, including any cross-connects or multiplexing that Bright House obtains in connection with a collocation arrangement.

The determination of whether traffic begins and ends in different local calling areas ("exchange areas") for purposes of its designation as Toll Traffic shall be based on the actual originating and terminating points of the complete end-to-end communication.

7.2 Traffic Not Subject to Reciprocal Compensation.

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Reciprocal Compensation shall apply to all traffic to which Section 251(b)(5) of the Act applies, but only to such traffic, as determined by the rules and rulings of the FCC. For avoidance of doubt, for purposes of this Agreement and in the absence of any Change in Applicable Law, Reciprocal Compensation shall not apply to the following types of traffic:

- 7.2.1 Interstate or intrastate Exchange Access.
- 7.2.2 [Intentionally Left Blank]
- 7.2.3 Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis.
- 7.2.4 Traffic originated by a Customer of a Party's Optional Extended Local Calling Scope Arrangement.
- 7.2.5 Special access, private line, or any other traffic that is not switched by the terminating Party.
- 7.2.6 Tandem Transit Traffic.
- 7.2.7 Voice Information Service Traffic (as defined in Section 5 of the Additional Services Attachment).
- 7.2.8 [Intentionally left blank]
- 7.2.9 Virtual Foreign Exchange Traffic (i.e., V/FX Traffic) shall be treated as provided for in Section 6.5 of this Interconnection Attachment.

7.3 [Intentionally left blank].

8. Other Types of Traffic

- 8.1 Notwithstanding any other provision of this Agreement or any Tariff: (a) the Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the FCC Internet Orders and other applicable FCC orders and FCC Regulations/Rulings; and, (b) a Party shall not be obligated to pay any intercarrier compensation for Internet Traffic that is in excess of the intercarrier compensation for Internet Traffic that such Party is required to pay under the FCC Internet Orders and other applicable FCC orders and FCC Regulations/Rulings. For the avoidance of doubt, the Parties agree and acknowledge that in accordance with the November 5, 2008 FCC Internet Order, Measured Internet Traffic is subject to Section 251(b)(5) and is therefore subject to Reciprocal Compensation, subject, however, to the rules regarding compensation for such traffic (including the rate cap and mirroring rule) set forth in the FCC Internet Orders and reaffirmed by the FCC in the November 5, 2008 FCC Internet Order.
- 8.2 [Intentionally left blank]
- 8.3 [Intentionally left blank]
- 8.4 Any traffic not specifically addressed in this Agreement shall be exchanged on a "bill-and-keep" basis, with no intercarrier compensation as between the Parties with respect to it. Either Party may request negotiation of an amendment to this Attachment to specify intercarrier compensation other than bill-and-keep for any

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type of traffic not specifically addressed in this Agreement and of which the Parties exchange at least a DS1's worth of traffic for a period of no less than three (3) consecutive months. If the Parties cannot agree on such an amendment either Party may invoke the Dispute Resolution procedures of Section 14 of the General Terms and Conditions of this Agreement.

8.5 [Intentionally left blank].

8.6 VOIP Traffic. The Parties agree that for purposes of this Agreement, either Party may exchange VOIP Traffic (as defined below) with the other Party, and that such VOIP Traffic will be exchanged according to the same terms and conditions and at the same rates that would apply under this Agreement to the same type of traffic (e.g. Reciprocal Compensation Traffic, Exchange Access Service traffic, or other traffic types, as such traffic types are defined herein, but without consideration of whether such traffic is originated, routed or switched according to Internet Protocol or some other protocol) that is not VOIP Traffic.

8.6.1 Certain Definitions. As used in this Section 8.6, the following terms shall have their stated meanings.

8.6.1.1 "VOIP Traffic" means voice communications and such other applications (e.g., fax transmissions) that (a) originate in Internet protocol ("IP") format at the end user's customer premises, are transmitted over a broadband connection to an IP service provider (including a Party or a third party) in IP format, are converted from IP format to circuit switched format (before delivery to the Terminating Party, or, as otherwise may be provided under this Agreement or separate agreement, after delivery to the Terminating Party), and are delivered by the Originating Party to the Terminating Party for termination by a circuit switch on the public switched telephone network ("VOIP-to-PSTN Traffic"); (b) originate in circuit-switched format on the public switched telephone network, are delivered to the Terminating Party, are converted from circuit-switched format to IP format (after delivery to the Terminating Party, or, as otherwise may be provided under this Agreement or separate agreement, before delivery to the Terminating Party), and terminated by an IP service provider (including a Party or a third party) in IP format over a broadband connection to the end user's customer premises ("PSTN-to-VOIP Traffic"); or (c) originate in IP format at the end user's customer premises, are transmitted over a broadband connection to an IP service provider (including a Party or a third party), are converted to circuit-switched format before delivery to the Terminating Party (or, as otherwise may be provided under this Agreement or separate agreement, such conversion may not take place), and are delivered (via interconnection trunks established in accordance with this Agreement) to the Terminating Party, for termination by an IP service provider (including a Party or a third party) in IP format over a broadband connection to the end user's customer premises ("VOIP-to-VOIP Traffic"); in each case including such traffic that is originated by a Party or by a third party; provided, however, that VOIP Traffic does not include Phone-to-Phone VOIP Traffic or toll free access code (8YY) traffic. For the avoidance of doubt, nothing in this Section 8.6 shall be construed to impose any obligation to exchange traffic in IP format, or to alter or affect any such obligation that otherwise may be imposed by this Agreement or separate agreement.

8.6.1.2 "Phone-to-Phone VOIP Traffic" means communications that originate and terminate on the public switched telephone network but are transmitted by Internet Protocol at some point in the middle, as set forth in

the FCC's Order, *In the Matter of Petition for Declaratory Ruling that AT&T's Phone-to-Phone IP Telephony Services are Exempt from Access Charges*, FCC 04-97, WC Docket No. 02-361 (rel. April 21, 2004).

8.6.1.3 "Originating Party" means a Party that delivers traffic (including traffic that originates on the Originating Party's network and third-party traffic) to the other Party for termination on the other Party's network.

8.6.1.4 "Terminating Party" means a Party that terminates, on its network, traffic delivered by the Originating Party.

8.6.2 FCC VOIP Order. If the FCC issues an order on or after March 1, 2010 that specifies what compensation is due for the exchange of VOIP Traffic, or other such terms and conditions that apply to the exchange of VOIP Traffic, the terms of such order shall apply prospectively according to the implementation dates set forth in such order without the need for amendment to the Agreement; provided that if such order is modified, stayed, or set aside by the FCC or a court of competent jurisdiction, the Parties shall modify, stay, or set aside their implementation thereof accordingly. Neither Party shall be deemed under this subsection to have waived its right to dispute the specific effect of such terms on the specific circumstances presented (e.g. whether particular traffic qualifies for a particular treatment under the terms of such order). Such disputes, if any, shall be resolved in accordance with Section 14 of the Agreement.

8.6.3 Reservation. The terms of this Section 8.6 represent a negotiated compromise between the Parties. Nothing in this Section 8.6 shall be construed by an admission by either Party that, the terms of this Section 8.6 are required by Applicable Law, or that absent and apart from the terms of this Agreement, VOIP Traffic is or ought to be defined or treated in any particular way. By way of example and not of limitation, this section does not constitute an admission by either Party that VOIP Traffic is or is not Telecommunications Traffic, or that the exchange of VOIP Traffic constitutes the exchange of Telephone Exchange Service or Exchange Access. Notwithstanding the foregoing, each Party hereby agrees to abide by the terms of this Section 8.6.

9. Transmission and Routing of Exchange Access Traffic

9.1 Scope of Traffic.

Section 9 prescribes parameters for certain trunks to be established over the Interconnections specified in Sections 2 through 5 of this Attachment for the transmission and routing of traffic between Bright House End Users and Interexchange Carriers ("Access Toll Connecting Trunks"), in any case where Bright House elects to have its End Office Switch subtend a Verizon Tandem and between Verizon End Users and Interexchange Carriers ("Bright House Third Party Access Trunks"), in any case where an IXC elects to use Bright House's network to carry access traffic between the IXC and a Verizon End Office elects to have its End Office Switch subtend a Verizon Tandem. (This includes, in each case, casually-dialed (1010XXX and 101XXXX) traffic).

9.2 Access Toll Connecting Trunk Group Architecture.

9.2.1 Bright House shall subtend one or more Verizon access Tandems. Bright House shall assign NPA/NXXs to subtend the same Verizon access Tandem that a Verizon NPA/NXX serving the same Rate Center Area subtends as identified in the LERG.

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- 9.2.2 ~~Bright House shall have administrative responsibility to establish Access Toll Connecting Trunks between Bright House's network and Verizon's network. Where Verizon provides tandem functionality, Bright House shall use these trunks to provide its portion of Switched Exchange Access Services to Interexchange Carriers to enable such Interexchange Carriers to originate and terminate traffic to and from Bright House's Customers via Verizon's tandem.~~
- 9.2.3 The Access Toll Connecting Trunks shall be two-way trunks. Such trunks shall connect the End Office Bright House utilizes to provide Telephone Exchange Service and Switched Exchange Access to its Customers in a given LATA to the access Tandem(s) Verizon utilizes to provide Exchange Access in such LATA.
- 9.2.4 Access Toll Connecting Trunks shall be used solely for the transmission and routing of Exchange Access to allow Bright House's Customers to connect to or be connected to the interexchange trunks of any Interexchange Carrier which is connected to a Verizon access Tandem.
- 9.2.5 ~~Nothing in this Section 9.2 of this Interconnection Attachment, or in any tariff, shall be construed to impose upon Bright House any obligation to compensate Verizon for any Verizon facilities or services that Verizon might provide in connection with the delivery of Switched Exchange Access traffic between Bright House's network and Interexchange Carriers, it being understood and acknowledged that Verizon shall recover any such compensation from such Interexchange Carriers, as provided in Section 10 of this Interconnection Attachment.~~

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9.3 Bright House Third Party Access Trunk Group Architecture

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- 9.3.1 ~~Verizon shall permit Bright House to route third-party-IXC access traffic from between Bright House's network and Verizon's End Offices via separate trunk groups established to carry such traffic.~~
- 9.3.2 ~~Bright House shall have administrative responsibility to establish Bright House Third Party Access Trunks. Where Bright House provides tandem functionality, Verizon shall use these trunks to provide its portion of Switched Exchange Access Services to Interexchange Carriers to enable such Interexchange Carriers to originate and terminate traffic to and from Verizon's Customers via Bright House's network.~~
- 9.3.3 ~~The Bright House Third Party Access Trunks shall be two-way trunks. Such trunks shall connect the End Office Verizon utilizes to provide Telephone Exchange Service and Switched Exchange Access to its Customers in a given LATA to Bright House's network in such LATA.~~
- 9.3.4 ~~Bright House Third Party Access Trunks shall be used solely for the transmission and routing of Exchange Access to allow Verizon's Customers to connect to or be connected to the interexchange trunks of any Interexchange Carrier which is connected to Bright House's network.~~

9.3.5 Nothing in this Section 9.3 of this Interconnection Attachment, or in any tariff, shall be construed to impose upon Verizon any obligation to compensate Bright House for any Bright House facilities or services that Bright House might provide in connection with the delivery of Switched Exchange Access traffic between Verizon's House's network and Interexchange Carriers, it being understood and acknowledged that Bright House shall recover any such compensation from such Interexchange Carriers, as provided in Section 10 of this Interconnection Attachment.

10. Meet-Point Billing (MPB) Arrangements

10.1 The Parties shall establish Meet Point Billing arrangements under which they shall jointly provide Switched Exchange Access services to third-party IXC's. To the extent not inconsistent with this Section 10, such Meet Point Billing arrangements shall comply with the provisions of the MECOD and MECAB documents published by the Alliance for Telecommunications Industry Solutions ("ATIS"), and, to the extent not inconsistent with the MECOD and MECAB documents, with each Party's Tariffs.

10.2 For Meet Point Billing arrangements established under this Agreement, the Parties shall use the "Multiple Bill Option," under which each Party bills the third-party IXC for those portions of Switched Exchange Access service that Party provides to the IXC. The Parties shall exchange, at no charge, any administrative or billing information reasonably necessary to allow each Party to appropriately bill the IXC.

10.3 For avoidance of doubt, in connection with any Meet Point Billing arrangement established under this Agreement:

(a) Subject to the Parties' obligations under Section 2.1 of this Interconnection Attachment, neither Party shall impose any charges on the other Party for any facilities, trunking, services, or serving arrangements. Instead, each Party shall bill the IXC for all such facilities, trunking, or services.

(b) Each Party shall make available to third-party IXC's a jointly-provided Tandem-Switched Transport service, under which transport is provided between the tandem or equivalent switch of one Party to the end office of the other Party, with the rating of the service to the IXC in accordance with each Party's respective Tariffs governing such Tandem-Switched Transport service.

10.4 Subject to the provisions of Sections 10.2 and 10.3 hereof, the Parties shall, by mutual agreement, determine to route Meet Point Billing traffic over (a) interconnection facilities and trunks used to carry Reciprocal Compensation and other traffic; (b) the same interconnection facilities used to carry Reciprocal Compensation and other traffic, but isolate such Meet Point Billing traffic on separate trunk groups; (c) separate facilities and trunks; or (d) some combination of (a), (b) and (c) above. If the Parties are unable, through good faith negotiations undertaken for a commercially reasonable period, to determine the facility and trunking arrangements applicable to Meet Point Billing traffic, then the dispute resolution provisions of Section 14 of the General Terms and Conditions shall apply.

10.5 All usage data to be provided pursuant to Sections 9 and 9 of this Attachment shall be sent to the following addresses:

To Bright House:

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Hanging: 0.5"

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Deleted: Verizon

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Deleted: Verizon access

Deleted: , unless otherwise a ... [19]

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Deleted: Verizon

Deleted: Serving Interconne ... [21]

Deleted: ***CLEC Acronym TE***

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Deleted: Verizon

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Deleted: The Party providing ... [24]

Deleted: ***CLEC Acronym TE***

Deleted: the other Party with ... [25]

Deleted: ***CLEC Acronym TE***

Deleted: The Party providing ... [26]

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Deleted: the other Party with ... [27]

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[insert address]

For Verizon:

Verizon Data Services
ATTN: MPB
1 East Telecom Parkway
Dock D
Temple Terrace, FL 33637

Either Party may change its address for receiving usage data by notifying the other Party in writing pursuant to Section 29 of the General Terms and Conditions.

11. Toll Free Service Access Code (e.g., 800/888/877) Traffic

The following terms shall apply when either Party delivers toll free service access code (e.g., 800/877/888) ("8YY") calls to the other Party. For the purposes of this Section 11, the terms "translated" and "untranslated" refers to those toll free service access code calls that have been queried ("translated") or have not been queried ("untranslated") to an 8YY database. Except as otherwise agreed to by the Parties, all Bright House originating "untranslated" 8YY traffic will be routed over a separate One-Way miscellaneous Trunk group.

11.1 When Bright House delivers translated 8YY calls to Verizon to be completed by

11.1.1 an IXC:

- 11.1.1.1 Bright House will provide an appropriate EMI record to Verizon;
- 11.1.1.2 Bright House will bill the IXC Bright House's applicable Switched Exchange Access Tariff charges and Bright House's applicable Tariff query charges; and
- 11.1.1.3 Verizon will bill the IXC Verizon's applicable Switched Exchange Access Tariff charges.

11.1.2 Verizon:

- 11.1.2.1 Bright House will provide an appropriate EMI record to Verizon; and
- 11.1.2.2 Bright House will bill Verizon Bright House's Switched Exchange Access Tariff charges and Bright House's applicable Tariff query charge.

11.1.3 a toll free service access code service provider in that LATA:

- 11.1.3.1 Bright House will provide an appropriate EMI record to Verizon and the toll free service access code service provider;
- 11.1.3.2 Bright House will bill the toll free service access code service provider Bright House's applicable Switched

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Bright House and Verizon shall coordinate and exchange the billing account reference (BAR) and billing account cross reference (BACR) numbers or Operating Company Number ("OCN"), as appropriate, for the MPB arrangements described in this Section 10. Each Party shall notify the other if the level of billing or other BAR/BACR elements change, resulting in a new BAR/BACR number, or if the OCN changes.¶
Each Party agrees to provide the other Party with notification of any errors it discovers in MPB data within thirty (30) calendar days of the receipt of the original data. The other Party shall attempt to correct the error and resubmit the data within ten (10) Business Days of the notification. In the event the errors cannot be corrected within such ten- (10) Business-Day period, the erroneous data will be considered lost. In the event of a loss of data, whether due to uncorrectable errors or otherwise, both Parties shall cooperate to reconstruct the lost data and, if such reconstruction is not possible, shall accept a reasonable estimate of the lost data based upon prior usage data.¶

Either Party may request a review or audit of the various components of access recording up to a maximum of two (2) audits per calendar year. All costs associated with each review and audit shall be borne by the ... [28]

Deleted: ***CLEC Acronym TE*** shall inform Verizon of each LATA in which it intends to offer Telephone Exchange Services and its calculation of the billing percentages which ... [29]

Deleted: In cases where Bright House performs the tandem switching functionality, the same formula shall be used to determine the Parties' respective billing percentages. ... [30]

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Deleted: Serving Interconnection Wire Center

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Deleted: combinations and billing percentages.

Exchange Access Tariff charges and Bright House's applicable Tariff query charges; and

- 11.1.3.3 Verizon will bill the toll free service access code service provider Verizon's applicable Switched Exchange Access Tariff charges.
- 11.2 When Verizon performs the query and delivers translated 8YY calls, originated by Verizon's Customer or another LEC's Customer to Bright House to be completed by
 - 11.2.1 Bright House:
 - 11.2.1.1 Verizon will provide an appropriate EMI record to Bright House; and
 - 11.2.1.2 Verizon will bill Bright House Verizon's applicable Switched Exchange Access Tariff charges and Verizon's applicable Tariff query charges.
 - 11.2.2 a toll free service access code service provider in that LATA:
 - 11.2.2.1 Verizon will provide an appropriate EMI record to Bright House and the toll free service access code service provider;
 - 11.2.2.2 Verizon will bill the toll free service access code service provider Verizon's applicable Switched Exchange Access Tariff charges and Verizon's applicable Tariff query charges; and
 - 11.2.2.3 Bright House will bill the toll free service access code service provider Bright House's applicable Switched Exchange Access Tariff charges.
- 11.3 When Bright House delivers untranslated 8YY calls to Verizon to be completed by
 - 11.3.1 an IXC:
 - 11.3.1.1 Verizon will query the call and route the call to the appropriate IXC;
 - 11.3.1.2 Verizon will provide an appropriate EMI record to Bright House;
 - 11.3.1.3 Verizon will bill the IXC Verizon's applicable Switched Exchange Access Tariff charges and Verizon's applicable Tariff query charges; and
 - 11.3.1.4 Bright House will bill the IXC Bright House's applicable Switched Exchange Access Tariff charges.
 - 11.3.2 Verizon:
 - 11.3.2.1 Verizon will query the call and complete the call;

- 11.3.2.2 Verizon will provide an appropriate EMI record to Bright House;
- 11.3.2.3 Bright House will bill Verizon Bright House's applicable Switched Exchange Access Tariff charges.
- 11.3.3 a toll free service access code service provider in that LATA:
 - 11.3.3.1 Verizon will query the call and route the call to the appropriate toll free service access code service provider;
 - 11.3.3.2 Verizon will provide an appropriate EMI record to Bright House and the toll free service access code service provider;
 - 11.3.3.3 Verizon will bill the toll free service access code service provider Verizon's applicable Switched Exchange Access Tariff and Verizon's applicable Tariff query charges; and
 - 11.3.3.4 Bright House will bill the toll free service access code service provider Bright House's applicable Switched Exchange Access Tariff charges.
- 11.4 Verizon will not direct untranslated toll free service access code calls to Bright House.

12. Tandem Transit Traffic

- 12.1 As used in this Section, Tandem Transit Traffic is Telephone Exchange Service traffic that originates on Bright House's network, and is transported through Verizon's Tandem to the subtending End Office or its equivalent of another carrier (CLEC, ILEC other than Verizon, Commercial Mobile Radio Service (CMRS) carrier, or other LEC ("Other Carrier"). Neither the originating nor terminating customer is a Customer of Verizon. Subtending End Offices shall be determined in accordance with and as identified in the Local Exchange Routing Guide (LERG). For the avoidance of any doubt, under no circumstances shall Verizon be required to transit traffic through a Verizon Tandem to a Central Office that the LERG does not identify as subtending that particular Verizon Tandem. Switched Exchange Access Service traffic is not Tandem Transit Traffic.
- 12.2 Tandem Transit Traffic Service provides Bright House with the transport of Tandem Transit Traffic as provided below.
- 12.3 Tandem Transit Traffic may be routed over the Interconnection Trunks described in Sections 2 through 6 of this Attachment. Bright House shall deliver each Tandem Transit Traffic call to Verizon's Tandem with CCS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of CLASS Features and billing functions.
- 12.4 [Intentionally left blank]
- 12.5 Bright House shall pay Verizon for Tandem Transit Traffic Service at the rates specified in the Pricing Attachment. Verizon will not be liable for compensation to any Other Carrier for any traffic that is transported through Verizon's Tandem.

Deleted: <#>***CLEC Acronym TE*** may use Tandem Transit Traffic Service only for traffic that originates on ***CLEC Acronym TE***'s network and only to send traffic to an Other Carrier with whom ***CLEC Acronym TE*** has a reciprocal traffic exchange arrangement (either via written agreement or mutual tariffs) that provides for the Other Carrier, to terminate or complete traffic originated by ***CLEC Acronym TE*** and to bill ***CLEC Acronym TE***, and not to bill Verizon, for such traffic. ***CLEC Acronym TE*** agrees not to use Verizon's Tandem Transit Traffic Service to send traffic to an Other Carrier with whom ***CLEC Acronym TE*** does not have such a reciprocal traffic exchange arrangement or to send traffic that does not originate on ***CLEC Acronym TE***'s network.¶
CLEC Acronym TE

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Deleted: and Verizon reserves the right to assess to ***CLEC Acronym TE*** any additional charges or costs any Other Carrier imposes or levies on Verizon for the delivery or termination of such traffic, including any Switched Exchange Access Service charges.

- 12.6 If Bright House uses Tandem Transit Traffic Service for traffic volumes that exceed the Centum Call Seconds (Hundred Call Seconds) busy hour equivalent of 200,000 combined minutes of use per month (a DS1 equivalent) to the subtending End Office of a particular Other Carrier for any month (the "Threshold Level"), Bright House shall use good faith efforts to establish direct interconnection with such Other Carrier and reduce such traffic volumes below the Threshold Level. If Verizon believes that Bright House has not exercised good faith efforts promptly to obtain such direct interconnection, either Party may use the Dispute Resolution processes of this Agreement.
- 12.7 If Bright House fails to comply with Section 12 of this Attachment, such failure shall be a material breach of a material provision of this Agreement and Verizon may exercise any and all remedies under this Agreement and Applicable Law for such breach.
- 12.8 If or when a third party carrier plans to subtend a Bright House switch, then Bright House shall provide written notice to Verizon at least ninety (90) days before such subtending service arrangement becomes effective so that Verizon may negotiate and establish direct interconnection with such third party carrier. Upon written request from Verizon, Bright House shall offer to Verizon a service arrangement equivalent to or the same as Tandem Transit Traffic Service provided by Verizon to Bright House as defined in this Section such that Verizon may terminate calls to a Central Office or its equivalent of a CLEC, ILEC other than Verizon, CMRS carrier, or other LEC, that subtends a Bright House Central Office or its equivalent ("Reciprocal Tandem Transit Service"). Bright House shall offer such Reciprocal Transit Service arrangements under terms and conditions of an amendment to this Agreement or a separate agreement no less favorable than those provided in this Section.
- 12.9 Neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal traffic exchange arrangement with any carrier to which it originates, or from which it terminates, traffic.
13. **Number Resources, Rate Center Areas and Routing Points**
- 13.1 Nothing in this Agreement shall be construed to limit or otherwise adversely affect in any manner either Party's right to employ or to request and be assigned any Central Office Codes ("NXX") pursuant to the Central Office Code Assignment Guidelines and any relevant FCC or Commission orders, as may be amended from time to time, or to establish, by Tariff or otherwise, Rate Center Areas and Routing Points corresponding to such NXX codes.
- 13.2 It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to information provided on ASRs as well as the LERG in order to recognize and route traffic to the other Party's assigned NXXs/1000s blocks. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities.
- 13.3 Unless otherwise required by Commission order, the Rate Center Areas will be the same for each Party. During the term of this Agreement, Bright House shall adopt the Rate Center Area and Rate Center Points that the Commission has approved for Verizon within the LATA and Tandem serving area. Bright House shall assign whole 1000s blocks to each Rate Center Area unless otherwise ordered by the FCC, the Commission or another governmental entity of appropriate jurisdiction, or the LEC industry adopts alternative methods of utilizing NXXs/1000s blocks.

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Deleted: Verizon is billed by any Other Carrier for any traffic originated by ***CLEC Acronym TE***. Verizon may provide notice to ***CLEC Acronym TE*** of such billing. Upon receipt of such notice, ***CLEC Acronym TE*** shall immediately stop using Verizon's Tandem Transit Traffic Service to send any traffic to such Other Carrier until it has provided to Verizon certification that the Other Carrier has removed such billed charges from its bill to Verizon and that the Other Carrier will not bill Verizon for any traffic originated by ***CLEC Acronym TE***. Such certification must be signed by an authorized officer or agent of the Other Carrier and must be in a form acceptable to Verizon.¶
If ***CLEC Acronym TE***

- 13.4 Bright House will also designate a Routing Point for each NXX code or 1000s block assigned to it. Bright House shall designate one location for each Rate Center Area in which the Bright House has established NXX code(s) or 1000s blocks as the Routing Point for the NPA-NXXs/1000s blocks associated with that Rate Center Area, and such Routing Point shall be within the same LATA as the Rate Center Area but not necessarily within the Rate Center Area itself. Unless specified otherwise, calls to subsequent NXXs/1000s blocks of Bright House will be routed in the same manner as calls to Bright House's initial NXXs/1000s blocks.
- 13.5 Notwithstanding anything to the contrary contained herein, nothing in this Agreement is intended, and nothing in this Agreement shall be construed, to in any way constrain Bright House's choices regarding the size of the local calling area(s) that Bright House may establish for its Customers, which local calling areas may be larger than, smaller than, or identical to Verizon's local calling areas.
- 14. Joint Network Implementation and Grooming Process; Forecasting**
- 14.1 Joint Network Implementation and Grooming Process.
- Upon request of either Party, the Parties shall jointly develop an implementation and grooming process (the "Joint Grooming Process" or "Joint Process") which may define and detail, inter alia:
- 14.1.1 standards to ensure that Interconnection Trunks experience a grade of service, availability and quality which is comparable to that achieved on interoffice trunks within Verizon's network and in accord with all appropriate relevant industry-accepted quality, reliability and availability standards. Except as otherwise stated in this Agreement, trunks provided by either Party for Interconnection services will be engineered using a design-blocking objective of B.01.
 - 14.1.2 the respective duties and responsibilities of the Parties with respect to the administration and maintenance of the trunk groups, including, but not limited to, standards and procedures for notification and discoveries of trunk disconnects;
 - 14.1.3 disaster recovery provision escalations;
 - 14.1.4 additional technically feasible Point(s) of Interconnection on Verizon's network in a LATA as provided in Section 2 of this Attachment; and
 - 14.1.5 such other matters as the Parties may agree, including, e.g., End Office to End Office high usage trunks as good engineering practices may dictate.
- 14.2 Trunk Forecasting Requirements.
- 14.2.1 Initial Trunk Forecast Requirements. If Bright House has not initiated interconnection with Verizon in a LATA, then at least ninety (90) days before initiating interconnection in such LATA, Bright House shall provide Verizon with a one (1) -year traffic forecast that complies with the Verizon Interconnection Trunking Forecast Guide, as revised from time to time. This initial traffic forecast will provide Bright House's estimate of the amount of traffic to be delivered between the Parties, in

each direction, over each of the Interconnection Trunk groups in the LATA over the following four (4) quarters.

14.2.2 [Intentionally left blank]

14.2.3 Use of Trunk Forecasts. Trunk forecasts provided pursuant to this Agreement must be prepared in good faith but are not otherwise binding on Bright House or Verizon.

15. Number Portability - Section 251(B)(2)

15.1 Scope.

The Parties shall provide Number Portability (NP) in accordance with rules and regulations as from time to time prescribed by the FCC.

15.2 Procedures for Providing LNP ("Local Number Portability").

The Parties will follow the LNP provisioning process, including all established intervals and rules for distinguishing simple from complex ports, adopted by the FCC (including those recommended by the North American Numbering Council (NANC) and the Industry Numbering Council (INC)). In addition, the Parties agree to follow the LNP ordering procedures established at the OBF. The Parties shall provide LNP on a reciprocal basis. For avoidance of doubt, the presence of a Verizon DSL or similar service on a line does not convert an otherwise simple port into a complex port. LNP shall be available with respect to all of a Party's Customers/End Users, irrespective of the status of such Customer/End User as a government, business, or residence customer. There shall be no charges between the Parties for any LNP-related services or functions they may provide to each other and/or to each other's Customers/End Users, including without limitation coordinated ports or ports involving multiple lines or numbers of a single Customer/End User. Upon request, a Party shall provide the other Party with a description, in commercially reasonable detail, of that Party's procedures and policies for reserving numbers for customers so that such reserved numbers may be ported as appropriate.

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15.2.1 A Customer of one Party ("Party A") elects to become a Customer of the other Party ("Party B"). The Customer elects to utilize the original telephone number(s) corresponding to the service(s) it previously received from Party A, in conjunction with the service(s) it will now receive from Party B. After Party B has received authorization from the Customer in accordance with Applicable Law and sends an LSR to Party A, Parties A and B will work together to port the Customer's telephone number(s) from Party A's network to Party B's network. In accordance with this Agreement, and Applicable Law a Party, and the Party's End User obtaining interconnected VoIP Service with PSTN connectivity provided by a Party, shall be entitled to full number portability rights, and the Party losing the customer shall have full responsibilities regarding LNP.

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15.2.2 When a telephone number is ported out of Party A's network, Party A will remove any non-proprietary line based calling card(s) associated with the ported number(s) from its Line Information Database (LIDB). Reactivation of the line-based calling card in another LIDB, if desired, is the responsibility of Party B or Party B's Customer.

- 15.2.3 When a Customer of Party A ports their telephone numbers to Party B and the Customer has previously secured a reservation of line numbers from Party A for possible activation at a future point, these reserved but inactive numbers may be ported along with the active numbers to be ported provided the numbers have been reserved for the Customer. Party B may request that Party A port all reserved numbers assigned to the Customer or that Party A port only those numbers listed by Party B. As long as Party B maintains reserved but inactive numbers ported for the Customer, Party A shall not reassign those numbers. Party B shall not reassign the reserved numbers to another Customer.
- 15.2.4 When a Customer of Party A ports their telephone numbers to Party B, in the process of porting the Customer's telephone numbers, Party A shall implement the ten-digit trigger feature where it is available. When Party A receives the porting request, the unconditional trigger shall be applied to the Customer's line before the due date of the porting activity and shall remain in place for at least ten (10) days following the firm order commitment date associated with the port. Translations tear-downs shall not be implemented in Party A's network until after the port is completed. When the ten-digit unconditional trigger is not available, Party A and Party B must coordinate the disconnect activity.
- 15.2.5 When a Customer of Party A is porting 12 or more telephone numbers to Party B, then at Party B's request, and at no charge to either Party or either Party's Customer, the Parties shall coordinate the cutover.
- 15.2.6 Where LNP is commercially available, the NXXs in the office shall be defined as portable, except as noted in 15.2.7, and translations will be changed in the Parties' switches to open those NXXs for database queries in all applicable LNP capable offices within the LATA of the given switch(es). On a prospective basis, all newly deployed switches will be equipped with LNP capability and so noted in the LERG.
- 15.2.7 All NXXs assigned to LNP capable switches are to be designated as portable unless a code is not portable in accordance with Applicable Law. NXX codes assigned to mass calling on a choked network may not be ported using LNP technology but are portable using methods established by the NANC and adopted by the FCC. On a prospective basis, newly assigned codes in switches capable of porting shall become commercially available for porting with the effective date in the network.
- 15.2.8 Both Parties' use of LNP shall meet the performance criteria specified by the FCC. Both Parties will act as the default carrier for the other Party in the event that either Party is unable to perform the routing necessary for LNP.

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15.3 Procedures for Providing NP Through Full NXX Code Migration.

Where a Party has activated an entire NXX for a single Customer, or activated at least eighty percent (80%) of an NXX for a single Customer, with the remaining numbers in that NXX either reserved for future use by that Customer or otherwise unused, if such Customer chooses to receive service from the other Party, the first Party shall cooperate with the second Party to have the entire NXX

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reassigned in the LERG (and associated industry databases, routing tables, etc.) to an End Office operated by the second Party. Such transfer will be accomplished with appropriate coordination between the Parties and subject to appropriate industry lead times for movements of NXXs from one switch to another. Neither Party shall charge the other in connection with this coordinated transfer.

15.4 Procedures for LNP Request.

The Parties shall provide for the requesting of End Office LNP capability on a reciprocal basis through a written request. The Parties acknowledge that Verizon has deployed LNP throughout its network in compliance with FCC 96-286 and other applicable FCC Regulations/Rulings.

15.4.1 If Party B desires to have LNP capability deployed in an End Office of Party A, which is not currently capable, Party B shall issue a LNP request to Party A. Party A will respond to the Party B, within ten (10) days of receipt of the request, with a date for which LNP will be available in the requested End Office. Party A shall proceed to provide for LNP in compliance with the procedures and timelines set forth in FCC 96-286, Paragraph 80, and FCC 97-74, Paragraphs 65 through 67.

15.4.2 The Parties acknowledge that each can determine the LNP-capable End Offices of the other through the Local Exchange Routing Guide (LERG). In addition, the Parties shall make information available upon request showing their respective LNP-capable End Offices, as set forth in this Section 15.4.

15.5 Bright House shall submit orders to port numbers electronically using an LSR via the Verizon web Graphical User Interface ("GUI") or Electronic Data Interface ("EDI") pursuant to the instructions, business rules and guidelines set forth on the Verizon Partner Solutions website (formerly referred to as the Verizon wholesale website).

16. **Facilitation of Direct Connections with Affiliates**

Notwithstanding anything to the contrary in this Agreement, Verizon shall use commercially reasonable efforts, for a period not less than three (3) months (if agreement is not reached by that time), including access to Verizon premises and/or facilities on commercially reasonable terms, to facilitate Bright House's efforts to establish suitably sized direct physical connections to any carrier affiliated with Verizon, including without limitation, Verizon Wireless. If and to the extent that Verizon does not meet the requirement of the preceding sentence, then Verizon shall provide transit service for traffic between Bright House's network and the affected affiliated Carrier(s) at no charge or cost to Bright House for the term of this Agreement.

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If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the State of [State] a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with ***CLEC Acronym TE*** reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.]]

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**PROCEDURES FOR TRANSFERRING CUSTOMERS/END USERS
BETWEEN VERIZON AND BRIGHT HOUSE**

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1. Scope

1.1 This Attachment deals with situations in which Bright House wins a Customer/End User from Verizon and will serve that Customer/End User on a full facilities basis, or in which Verizon wins a Customer/End User from Bright House and will serve that Customer/End User on a full facilities basis.

1.2 For purposes of this Attachment, Bright House will be treated as serving a Customer/End User on a full facilities basis if either (a) Bright House uses or will use no UNEs in serving the Customer/End User or (b) the only UNEs Bright house uses or will use to serve such Customer/End User are either (i) a Verizon NID as provided for in Section 9 of the UNE Attachment and/or (ii) Verizon's on-premises subloops for Multi-Tenant environments, as provided for in Section 7 of the UNE Attachment.

2. Procedures

2.1 When a Party wins a Customer/End User from the other Party, that Party shall be referred to here as the "New Provider." The Party losing the Customer/End User shall be referred to here as the "Old Provider."

2.2 The New Provider shall send an LSR to the Old Provider to accomplish the following tasks: (a) termination of the Customer's/End User's service with the Old Provider; (b) porting of the Customer/End User's number to the New Provider, in accordance with the requirements of Section 15 of the Interconnection Attachment, if the Customer/End User desires to retain their number; (c) any requisite modifications (including, at the New Provider's option, deletion) of the Customer/End User's directory-related records, as provided for in Section 4 of the Additional Services Attachment; and (d) in the case of Bright House as New Provider, any Verizon UNEs required under Sections 7 and/or 9 of the UNE Attachment.

2.3 From the time that the Old Provider receives the LSR until the Customer/End User has transferred service to the New Provider, the Old Provider shall strictly adhere to the requirements of Applicable Law banning retention marketing, as provided for in 47 U.S.C. § 222 and associated rules and rulings of the FCC and the courts. This requirement shall be in addition to, and not a substitute for or in derogation of, the providing Party's obligations under Section 107 of the General Terms and Conditions and Sections 8.7 and 8.9.1 of the Additional Services Attachment.

2.4 The Parties expressly acknowledge that in order to transfer a Customer/End User from one Party to the other on a full facilities basis, it may, depending on the specific service configurations and bundles of services being provided by the New Provider and the Old Provider and their respective affiliates, be necessary for the New Provider to ensure that the Customer's/End User's premises wiring used by the Old Provider to be disconnected from the Old Provider's network. With respect to any such disconnection:

2.4.1 The New Provider shall ensure that any of its personnel performing such disconnections are fully and adequately trained to be able to do so without creating any potentially unsafe or hazardous conditions, including without limitation creating a situation in which the Old Provider's facilities previously used to serve the Customer/End User are not adequately grounded. Each Party shall specifically ensure that any of its personnel performing such disconnections are

fully and adequately trained, and directed, to ensure that no such situations of ungrounded facilities will exist.

2.4.2 The New Provider shall ensure that any of its personnel performing such disconnections are fully and adequately trained to do so in a manner that does not effect a disconnection of, impairment of, or disruption to, any services provided by the Old Provider and/or its affiliates using the same physical wiring, cabling, fiber optic cable, or other similar facilities but that are not intended by the Customer/End User to be disconnected from the Old Provider.

2.4.3 The New Provider shall ensure that any of its personnel performing such disconnections are fully and adequately trained to do so in a manner that does not harm or damage any of the facilities of the Old Provider and/or its affiliates, beyond the minimum alterations of such facilities as are reasonably necessary to permit the New Provider and/or its affiliates to properly provide to the Customer/End User the services that the Customer/End User has chosen to receive from the New Provider.

3. Compensation For Correcting Unsafe Conditions or Harm to Facilities

3.1 Each Party shall instruct its personnel involved in transferring Customers/End Users from one Party to the Other to report any instances in which such personnel have failed to meet the requirements of Section 2.3 hereof.

3.2 No less frequently than weekly, each Party shall report to the other Party any such instances, including the specific address of the Customer/End User where such instance occurred. The address shall be sufficiently specific so that the Old Provider can, with reasonable effort, visit the location at which the problem has arisen. In addition, and to the extent that a Party becomes aware of situations in which the other Party has failed to meet the requirements of Section 2.3 hereof, that Party shall promptly inform the other Party of such instances.

3.3 The Old Provider shall have administrative responsibility for correcting any situations arising from a violation by the New Provider of the requirements of Section 2.3 hereof. At the Old Provider's sole option, the Old Provider may: (a) require that the New Provider correct any such situations at the New Provider's sole cost and expense; (b) correct such situations using its own personnel, and bill the New Provider commercially reasonable time and materials charges for correcting such situations; or (c) use a third-party contractor to correct such situations, and bill the New Provider the full amount of such contractor's commercially reasonable charges.

4. Good Faith Consultations And Negotiations

At the reasonable request of either Party, the Parties shall meet to discuss any other issues arising from the need to reasonably, efficiently, and safely transfer a Customer/End User's service from one Party to the other on a full facilities basis, and shall negotiate in good faith regarding any such issues. If a Party requests such a negotiation and the other Party refuses to participate, or if such negotiations continue without resolution for a period of sixty (60) days, then either Party may treat the matter as a dispute under this Agreement, to be resolved in accordance with Section 14 of the General Terms and Conditions.

RESALE ATTACHMENT

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1. General

Verizon shall provide to Bright House, in accordance with this Agreement and the requirements of Applicable Law, Verizon's Telecommunications Services for resale by Bright House; provided, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide Telecommunications Services to Bright House only to the extent required by Applicable Law and may decline to provide a Telecommunications Service to Bright House to the extent that provision of such Telecommunications Service is not required by Applicable Law.

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2. Use of Verizon Telecommunications Services

2.1 Verizon Telecommunications Services may be purchased by Bright House under this Resale Attachment only for the purpose of resale by Bright House as a Telecommunications Carrier. Verizon Telecommunications Services to be purchased by Bright House for other purposes (including, but not limited to, Bright House's own use) must be purchased by Bright House pursuant to other applicable Attachments to this Agreement (if any), or separate written agreements, including, but not limited to, applicable Verizon Tariffs.

2.2 Bright House shall not resell:

2.2.1 Residential service to persons not eligible to subscribe to such service from Verizon (including, but not limited to, business or other nonresidential Customers);

2.2.2 Lifeline, Link Up America, or other means-tested service offerings, to persons not eligible to subscribe to such service offerings from Verizon;

2.2.3 Grandfathered or discontinued service offerings to persons not eligible to subscribe to such service offerings from Verizon; or

2.2.4 Any other Verizon service in violation of a restriction stated in this Agreement (including, but not limited to, a Verizon Tariff) that is not prohibited by Applicable Law.

2.2.5 In addition to any other actions taken by Bright House to comply with this Section 2.2, Bright House shall take those actions required by Applicable Law to determine the eligibility of Bright House Customers to purchase a service, including, but not limited to, obtaining any proof or certification of eligibility to purchase Lifeline, Link Up America, or other means-tested services, required by Applicable Law. Bright House shall indemnify Verizon from any Claims resulting from Bright House's failure to take such actions required by Applicable Law.

2.2.6 Verizon may perform audits to confirm Bright House's conformity to the provisions of this Section 2.2. Such audits may be performed once per calendar year unless a material discrepancy was found in the previous audit, and shall be performed in accordance with Section 7 of the General Terms and Conditions.

- 2.3 Bright House shall be subject to the same limitations that Verizon's Customers are subject to with respect to any Telecommunications Service that Verizon grandfathers or discontinues offering. Without limiting the foregoing, except to the extent that Verizon follows a different practice for Verizon Customers in regard to a grandfathered Telecommunications Service, such grandfathered Telecommunications Service: (a) shall be available only to a Customer that already has such Telecommunications Service; (b) may not be moved to a new service location; and (c) will be furnished only to the extent that facilities continue to be available to provide such Telecommunications Service.
 - 2.4 Bright House shall not be eligible to participate in any Verizon plan or program under which Verizon Customers may obtain products or services, which are not Verizon Telecommunications Services, in return for trying, agreeing to purchase, purchasing, or using Verizon Telecommunications Services.
 - 2.5 In accordance with 47 CFR § 51.617(b), Verizon shall be entitled to all charges for Verizon Exchange Access services used by interexchange carriers to provide service to Bright House Customers.
 - 2.6 Bright House assumes responsibility for all fraud associated with its Customers and accounts. Verizon shall bear no responsibility for, and shall have no obligation to investigate or make adjustments to Bright House's account in cases of, fraud by Bright House's Customers or other third parties.
- 3. Availability of Verizon Telecommunications Services**
- 3.1 Verizon will provide a Verizon Telecommunications Service to Bright House for resale pursuant to this Attachment where and to the same extent, but only where and to the same extent that such Verizon Telecommunications Service is provided to Verizon's Customers.
 - 3.2 Except as otherwise required by Applicable Law, subject to Section 3.1 of this Attachment, Verizon shall have the right to add, modify, grandfather, discontinue or withdraw Verizon Telecommunications Services at any time, without the consent of Bright House.
 - 3.3 To the extent required by Applicable Law, the Verizon Telecommunications Services to be provided to Bright House for resale pursuant to this Attachment will include a Verizon Telecommunications Service customer-specific contract service arrangement ("CSA") (such as a customer specific pricing arrangement or individual case based pricing arrangement) that Verizon is providing to a Verizon Customer at the time the CSA is requested by Bright House.
- 4. Responsibility for Charges**
- 4.1 Bright House shall be responsible for and pay to Verizon all valid charges for any Telecommunications Services provided by Verizon or provided by persons other than Verizon and billed for by Verizon, that are ordered, activated or used by Bright House, Bright House Customers or any other persons, through, by means of, or in association with, Telecommunications Services provided by Verizon to Bright House pursuant to this Resale Attachment.
 - 4.2 Upon request by Bright House, Verizon will provide for use on resold Verizon retail Telecommunications Service dial tone lines purchased by Bright House such Verizon retail Telecommunications Service call blocking and call screening services as Verizon provides to its own End User retail Customers, where and to

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the extent Verizon provides such Verizon retail Telecommunications Service call blocking services to Verizon's own End User retail Customers. Bright House understands and agrees that certain of Verizon's call blocking and call screening services are not guaranteed to block or screen all calls and that notwithstanding Bright House's purchase of such blocking or screening services, Bright House's End User Customers or other persons ordering, activating or using Telecommunications Services on the resold dial tone lines may complete or accept calls which Bright House intended to block. Notwithstanding the foregoing, Bright House shall be responsible for and shall pay Verizon all charges for Telecommunications Services provided by Verizon or provided by persons other than Verizon and billed for by Verizon in accordance with the terms of Section 4.1 above.

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5. Operations Matters

5.1 Facilities.

- 5.1.1 Verizon and its suppliers shall retain all of their right, title and interest in all facilities, equipment, software, information, and wiring used to provide Verizon Telecommunications Services.
- 5.1.2 Verizon shall have access at all reasonable times to Bright House Customer locations for the purpose of installing, inspecting, maintaining, repairing, and removing, facilities, equipment, software, and wiring used to provide the Verizon Telecommunications Services. Bright House shall, at Bright House's expense, obtain any rights and authorizations necessary for such access.
- 5.1.3 Except as otherwise agreed to in writing by Verizon, Verizon shall not be responsible for the installation, inspection, repair, maintenance, or removal of facilities, equipment, software, or wiring provided by Bright House or Bright House Customers for use with Verizon Telecommunications Services.

5.2 Branding.

- 5.2.1 Except as stated in Section 5.2.2 of this Attachment, in providing Verizon Telecommunications Services to Bright House, Verizon shall have the right (but not the obligation) to identify the Verizon Telecommunications Services with Verizon's trade names, trademarks and service marks ("Verizon Marks"), to the same extent that these Services are identified with Verizon's Marks when they are provided to Verizon's Customers. Any such identification of Verizon's Telecommunications Services shall not constitute the grant of a license or other right to Bright House to use Verizon's Marks.
- 5.2.2 To the extent required by Applicable Law, upon request by Bright House and at prices, terms and conditions to be negotiated by Bright House and Verizon, Verizon shall provide Verizon Telecommunications Services for resale that are identified by Bright House's trade name, or that are not identified by trade name, trademark or service mark.
- 5.2.3 If Verizon uses a third-party contractor to provide Verizon operator services or Verizon directory assistance, Bright House will be responsible for entering into a direct contractual arrangement with the

third-party contractor at Bright House's expense (a) to obtain identification of Verizon operator services or Verizon directory assistance purchased by Bright House for resale with Bright House's trade name, or (b) to obtain removal of Verizon Marks from Verizon operator services or Verizon directory assistance purchased by Bright House for resale.

6. Rates and Charges

The rates and charges for Verizon Telecommunication Services purchased by Bright House for resale pursuant to this Attachment shall be as provided in this Attachment and the Pricing Attachment.

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If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the State of [State] a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with ***CLEC Acronym TE*** reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.¶

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NETWORK ELEMENTS ATTACHMENT

1. General

- 1.1 Verizon shall provide to Bright House, in accordance with this Agreement and the requirements of the Federal Unbundling Rules, access to Verizon's Network Elements on an unbundled basis and in combinations (Combinations), and UNEs commingled with wholesale services ("Commingling"); provided, however, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide access to unbundled Network Elements (UNEs), Combinations, and Commingling to Bright House under the terms of this Agreement only to the extent required by the Federal Unbundling Rules and may decline to provide access to UNEs, Combinations, or Commingling to Bright House to the extent that provision of such UNEs, Combinations, or Commingling is not required by the Federal Unbundling Rules.
- 1.2 Verizon shall be obligated to combine UNEs that are not already combined in Verizon's network only to the extent required by the Federal Unbundling Rules. Except as otherwise required by this Agreement and the Federal Unbundling Rules: (a) Verizon shall be obligated to provide a UNE or Combination pursuant to this Agreement only to the extent such UNE or Combination, and the equipment and facilities necessary to provide such UNE or Combination, are already available in Verizon's network; and (b) Verizon shall have no obligation to construct, modify, or deploy facilities or equipment to offer any UNE or Combination.
- 1.3 Bright House may use a UNE or Combination only for those purposes for which Verizon is required by the Federal Unbundling Rules to provide such UNE or Combination. Without limiting the foregoing, Bright House may not access a UNE or Combination for the exclusive provision of Mobile Wireless Services or Interexchange Services. For purposes of this section, "Interexchange Services" shall have the meaning set forth in the Triennial Review Remand Order and subsequent applicable FCC orders.
- 1.3.1 Verizon shall not be obligated to provide to Bright House, and Bright House shall not request from Verizon, access to a proprietary advanced intelligent network service.
- 1.4 [Intentionally left blank].
- 1.5 If as the result of Bright House Customer actions (e.g., Customer Not Ready ("CNR")), Verizon cannot complete requested work activity when a technician has been dispatched to the Bright House Customer premises, Bright House will be assessed a non-recurring charge associated with this visit. This charge will be the sum of the applicable Service Order charge as provided in the Pricing Attachment and the Customer Not Ready Charge provided for in the Pricing Attachment (or, in the absence of a Customer Not Ready Charge, the Premises Visit Charge as provided in the Pricing Attachment).
- 1.6 Absence or Cessation of Unbundling Obligation and Related Provisions. The following provisions shall apply notwithstanding any other provision of this Agreement or any Verizon Tariff or SGAT:
- 1.6.1 Discontinued Facilities.

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Deleted: <#>Nothing contained in this Agreement shall be deemed to constitute an agreement by Verizon that any item identified in this Agreement as a Network Element is (i) a Network Element under the Federal Unbundling Rules, or (ii) a Network Element Verizon is required by the Federal Unbundling Rules to provide to ***CLEC Acronym TE*** on an unbundled basis or in combination with other Network Elements.[]

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- 1.6.1.1 Verizon may cease offering or providing Bright House with access on an unbundled basis at rates prescribed under Section 251 of the Act to any facility that is or becomes a Discontinued Facility, whether as a stand-alone UNE, as part of a Combination, or otherwise. To the extent Verizon has not already ceased offering or providing unbundled access to a particular Discontinued Facility that is a Discontinued Facility as of the Effective Date, Verizon may cease offering or providing unbundled access to such Discontinued Facility immediately upon the Effective Date without further notice to Bright House. Subject to Section 1.7 below, if a facility on or at any time after the Effective Date is or becomes a Discontinued Facility, Verizon, to the extent it has not already ceased providing unbundled access to such Discontinued Facility, and provided it has given at least ninety (90) days written notice of discontinuance in cases where it has not already ceased providing such access, will continue to provide unbundled access to such Discontinued Facility under the Agreement only through the effective date of the notice of discontinuance, and not beyond that date.
- 1.6.1.2 Where Verizon is permitted to cease providing a Discontinued Facility pursuant to Section 1.6.1 above and Bright House has not submitted an LSR or ASR, as appropriate, to Verizon requesting disconnection of the Discontinued Facility and has not separately secured from Verizon an alternative arrangement to replace the Discontinued Facility, then Verizon, to the extent it has not already done so, may disconnect the subject Discontinued Facility without further notice to Bright House. In lieu of disconnecting the subject Discontinued Facility in the foregoing circumstances, Verizon, in its sole discretion, may elect to: (a) convert the subject Discontinued Facility to an arrangement available under a Verizon access tariff (in which case month-to-month rates shall apply unless a different rate applies under an applicable special access term/volume plan or other special access tariff arrangement in which Bright House is then enrolled), a resale arrangement, or other analogous arrangement that Verizon shall identify or has identified in writing to Bright House, or (b) in lieu of such a conversion, reprice the subject Discontinued Facility by application of a new rate (or, in Verizon's sole discretion, by application of a surcharge to an existing rate) to be equivalent to an arrangement available under a Verizon access tariff (at month-to-month rates unless a different rate applies under an applicable special access term/volume plan or other special access tariff arrangement in which Bright House is then enrolled), a resale arrangement, or other analogous arrangement that Verizon shall identify or has identified in writing to Bright House; provided, however, that Verizon may disconnect the subject Discontinued Facility (or the replacement service to which the Discontinued Facility has been converted) if

Bright House fails to pay when due any applicable new rate or surcharge billed by Verizon.

1.7 TRRO Certification and Related Provisions.

1.7.1 **TRRO Certification.** Before requesting unbundled access to a DS1 Loop, a DS3 Loop, DS1 Dedicated Transport, DS3 Dedicated Transport, or Dark Fiber Transport, including, but not limited to, any of the foregoing elements that constitute part of a Combination or that Bright House seeks to convert from another wholesale service to an unbundled network element (collectively, "TRRO Certification Elements"), Bright House must undertake a reasonably diligent inquiry and, based on that inquiry, certify that, to the best of its knowledge, Bright House's request is consistent with the requirements of the TRRO and that Bright House is entitled to unbundled access to the subject element pursuant to section 251(c)(3) of the Act. Bright House shall provide such certification using the automated method that Verizon makes available for that purpose. Bright House's reasonably diligent inquiry must include, at a minimum, consideration of any list of non-impaired UNE Wire Centers that Verizon makes or has made available to Bright House by notice and/or by publication on Verizon's wholesale website (the "Wire Center List") and any back-up data that Verizon provides or has provided to Bright House under a non-disclosure agreement or that is otherwise available to Bright House.

1.7.2 Provision-then-Dispute Requirements.

1.7.2.1 Upon receiving a request from Bright House for unbundled access to a TRRO Certification Element and the certification required by Section 1.7.1 above, and except as provided in Section 1.7.2.3 below, Verizon shall process the request in accordance with any applicable standard intervals. If Verizon wishes to challenge Bright House's right to obtain unbundled access to the subject element pursuant to 47 U.S.C. § 251(c)(3), then (except as provided in Section 1.7.2.3 below) Verizon must provision the subject element as a UNE and then seek resolution of the dispute by the Commission or the FCC, or through such other dispute resolution process that Verizon elects to invoke under the dispute resolution provisions of this Agreement.

1.7.2.2 If a dispute pursuant to section 1.7.2.1 above is resolved in Verizon's favor, then Bright House shall compensate Verizon for the additional charges that would apply if Bright House had ordered the subject facility or service on a month-to-month term under Verizon's interstate special access tariff (except as provided in section 1.7.2.2.1 below as to Dark Fiber Transport) and any other applicable charges, applicable back to the date of provisioning (including, but not limited to, late payment charges for the unpaid difference between UNE and access tariff rates). The month-to-month rates shall apply until such time as Bright House requests disconnection of the subject facility or an alternative term that Verizon offers under its interstate special access tariff for the subject facility or service.

1.7.2.2.1 In the case of Dark Fiber Transport (there being no analogous service under Verizon's access tariffs), the monthly recurring charges that Verizon may charge, and that Bright House shall be obligated to pay, for each circuit shall be the charges for the commercial service that Verizon, in its sole discretion, determines to be analogous to the subject Dark Fiber Transport and, unless otherwise agreed in writing by the Parties, Verizon may, without further notice, disconnect the subject dark fiber facility within thirty (30) days of the date on which the dispute is resolved in Verizon's favor. In any case where Bright House, within thirty (30) days of the date on which the dispute is resolved in Verizon's favor, submits a valid ASR for a "lit" service to replace the subject Dark Fiber Transport facility, Verizon shall continue to provide the Dark Fiber Transport facility at the rates specified above, but only for the duration of the standard interval for installation of the "lit" service.

1.7.2.3 Notwithstanding any other provision of the Agreement, Verizon may reject a Bright House order for a TRRO Certification Element without first seeking dispute resolution: (a) in any case where Bright House's order conflicts with a provision of a Verizon Tariff, (b) in any case where Bright House's order conflicts with a non-impaired UNE Wire Center designation set forth in a Wire Center List that Verizon has made available to Bright House by notice and/or by publication on Verizon's wholesale website, (c) in any case where Bright House's order conflicts with a non-impaired UNE Wire Center designation that the Commission or the FCC has ordered or approved or that has otherwise been confirmed through previous dispute resolution (regardless of whether Bright House was a party to such dispute resolution), or (d) as otherwise permitted under the Federal Unbundling Rules (including, but not limited to, upon a determination by the Commission, the FCC, or a court of competent jurisdiction that Verizon may reject orders for TRRO Certification Elements without first seeking dispute resolution).

1.8 Limitation With Respect to Replacement Arrangements. Notwithstanding any other provision of this Agreement, any negotiations regarding any UNE-replacement arrangement, facility, service or the like that Verizon is not required to provide under the Federal Unbundling Rules (including without limitation any arrangement, facility, service or the like that Verizon offers under an access tariff) shall be deemed not to have been conducted pursuant to the Agreement, 47 U.S.C. § 252(a)(1), or 47 C.F.R. Part 51, and shall not be subject to arbitration or other requirements under to 47 U.S.C. § 252(b). Any reference in this Attachment to Verizon's provision of a arrangement, facility, service or the like that Verizon is not required to provide under the Federal Unbundling Rules is solely for the convenience of the Parties and shall not be construed to require or

permit: (a) arbitration pursuant to 47 U.S.C. § 252(b) of the rates, terms, or conditions upon which Verizon may provide such arrangement, facility, service or the like, or (b) application of 47 U.S.C. § 252 in any other respect.

2. Verizon's Provision of Network Elements

Subject to the conditions set forth in Section 1 of this Attachment, in accordance with, but only to the extent required by, the Federal Unbundling Rules, Verizon shall provide Bright House access to the following:

- 2.1 Loops, as set forth in Section 3 of this Attachment;
- 2.2 Line Splitting (also referred to as "Loop Sharing"), as set forth in Section 4 of this Attachment;
- 2.3 [Intentionally Left Blank];
- 2.4 Sub-Loops, as set forth in Section 6 of this Attachment;
- 2.5 Sub-Loop for Multiunit Tenant Premises Access, as set forth in Section 7 of this Attachment;
- 2.6 Dark Fiber Transport (sometimes referred to as "Dark Fiber IOF"), as set forth in Section 8 of this Attachment;
- 2.7 Network Interface Device, as set forth in Section 9 of this Attachment;
- 2.8 [Intentionally Left Blank];
- 2.9 Dedicated Transport (may also be referred to as "Interoffice Transmission Facilities") (or "IOF"), as set forth in Section 11 of this Attachment;
- 2.10 [Intentionally Left Blank];
- 2.11 Operations Support Systems, as set forth in Section 13 of this Attachment; and
- 2.12 Other UNEs in accordance with Section 14 of this Attachment.

3. Loop Transmission Types

- 3.1 Subject to the conditions set forth in Section 1 of this Attachment, Verizon shall allow Bright House to access Loops unbundled from local switching and local transport, in accordance with this Section 3 and the rates and charges provided in the Pricing Attachment. Verizon shall allow Bright House access to Loops in accordance with, but only to extent required by, the Federal Unbundling Rules. Subject to the foregoing and the provisions regarding FTTP Loops, in Section 3.5 below, and Hybrid Loops, in Section 3.6 below, the available Loop types are as set forth below:
 - 3.1.1 "2 Wire Analog Voice Grade Loop" or "Analog 2W" provides an effective 2-wire channel with 2-wire interfaces at each end that is suitable for the transport of analog Voice Grade (nominal 300 to 3000 Hz) signals and loop-start signaling. This Loop type is more fully described in Verizon Technical Reference (TR)-72565, as revised from time-to-time. If "Customer-Specified Signaling" is requested, the Loop will operate with one of the following signaling types that may be specified when the Loop is ordered: loop-start, ground-start, loop-

reverse-battery, and no signaling. Customer specified signaling is more fully described in Verizon TR-72570, as revised from time-to-time. Verizon will not build new facilities or modify existing facilities except to the extent required in Section 17 of this Attachment.

- 3.1.2 "4-Wire Analog Voice Grade Loop" or "Analog 4W" provides an effective 4-wire channel with 4-wire interfaces at each end that is suitable for the transport of analog Voice Grade (nominal 300 to 3000 Hz) signals. This Loop type will operate with one of the following signaling types that may be specified when the Loop is ordered: loop-start, ground-start, loop-reverse-battery, duplex, and no signaling. This Loop type is more fully described in Verizon TR-72570, as revised from time-to-time. Verizon will not build new facilities or modify existing facilities except to the extent required in Section 17 of this Attachment.
- 3.1.3 "2-Wire ISDN Digital Grade Loop" or "BRI ISDN" provides a channel with 2-wire interfaces at each end that is suitable for the transport of 160 kbps digital services using the ISDN 2B1Q line code. This Loop type is more fully described in American National Standards Institute (ANSI) T1.601-1998 and Verizon TR 72575, as revised from time-to-time. In some cases loop extension equipment may be necessary to bring the line loss within acceptable levels. Verizon will provide loop extension equipment only upon request. A separate charge will apply for loop extension equipment. The 2-Wire ISDN Digital Grade Loop is available only in the former Bell Atlantic Service Areas. In the former GTE Service Areas only, Bright House may order a 2-Wire Digital Compatible Loop using 2-wire ISDN ordering codes to provide similar capability. Verizon will not build new facilities or modify existing facilities except to the extent required in Section 17 of this Attachment.
- 3.1.4 "2-Wire ADSL-Compatible Loop" or "ADSL 2W" provides a channel with 2-wire interfaces at each end that is suitable for the transport of digital signals up to 8 Mbps toward the Customer and up to 1 Mbps from the Customer. This Loop type is more fully described in Verizon TR-72575, as revised from time-to-time. ADSL-Compatible Loops will be available only where existing copper facilities are available and meet applicable specifications. Verizon will not build new facilities or modify existing facilities except to the extent required in Sections 3.2 or 17 of this Attachment. The upstream and downstream ADSL power spectral density masks and dc line power limits in Verizon TR 72575, as revised from time-to-time, must be met. The 2-Wire ADSL-Compatible Loop is available only in the former Bell Atlantic Service Areas. In the former GTE Service Areas only, Bright House may order a 2-Wire Digital Compatible Loop using 2-wire ADSL ordering codes to provide similar capability.
- 3.1.5 "2-Wire HDSL-Compatible Loop" or "HDSL 2W" consists of a single 2-wire non-loaded, twisted copper pair that meets the carrier serving area design criteria. This Loop type is more fully described in Verizon TR-72575, as revised from time-to-time. The HDSL power spectral density mask and dc line power limits referenced in Verizon TR 72575, as revised from time-to-time, must be met. 2-Wire HDSL-Compatible Loops will be provided only where existing facilities are available and can meet applicable specifications. The 2-Wire HDSL-Compatible Loop is available only in the former Bell Atlantic Service areas. In the

former GTE Service Areas only, Bright House may order a 2-Wire Digital Compatible Loop using 2-Wire HDSL ordering codes to provide similar capability. Verizon will not build new facilities or modify existing facilities except to the extent required in Sections 3.2 or 17 of this Attachment.

- 3.1.6 "4-Wire HDSL-Compatible Loop" or "HDSL 4W" consists of two 2-wire non-loaded, twisted copper pairs that meet the carrier serving area design criteria. This Loop type is more fully described in Verizon TR-72575, as revised from time-to-time. The HDSL power spectral density mask and dc line power limits referenced in Verizon TR 72575, as revised from time-to-time, must be met. 4-Wire HDSL-Compatible Loops will be provided only where existing facilities are available and can meet applicable specifications. Verizon will not build new facilities or modify existing facilities except to the extent required in Sections 3.2 or 17 of this Attachment.
- 3.1.7 "2-Wire IDSL-Compatible Metallic Loop" consists of a single 2-wire non-loaded, twisted copper pair that meets revised resistance design criteria. This Loop is intended to be used with very-low band symmetric DSL systems that meet the Class 1 signal power limits and other criteria in the T1E1.4 loop spectrum management standard (T1E1.4/2000-002R3) and are not compatible with 2B1Q 160 kbps ISDN transport systems. The actual data rate achieved depends upon the performance of CLEC-provided modems with the electrical characteristics associated with the loop. This Loop type is more fully described in T1E1.4/2000-002R3, as revised from time-to-time. This loop cannot be provided via UDLC. The 2-Wire IDSL-Compatible Metallic Loop is available only in the former Bell Atlantic Service Areas. In the former GTE Service Areas only, Bright House may order a 2-Wire Digital Compatible Loop using ISDN ordering codes to provide similar capability. Verizon will not build new facilities or modify existing facilities except to the extent required in Sections 3.2 or 17 of this Attachment.
- 3.1.8 "2-Wire SDSL-Compatible Loop", is intended to be used with low band symmetric DSL systems that meet the Class 2 signal power limits and other criteria in the T1E1.4 loop spectrum management standard (T1E1.4/2000-002R3). This Loop consists of a single 2-wire non-loaded, twisted copper pair that meets Class 2 length limit in T1E1.4/2000-002R3. The data rate achieved depends on the performance of the CLEC-provided modems with the electrical characteristics associated with the loop. This Loop type is more fully described in T1E1.4/2000-002R3, as revised from time-to-time. The 2-Wire SDSL-Compatible Loop is available only in the former Bell Atlantic Service Areas. In the former GTE Service Areas only, Bright House may order a 2-Wire Digital Compatible Loop to provide similar capability. SDSL-compatible local loops will be provided only where facilities are available and can meet applicable specifications. Verizon will not build new facilities or modify existing facilities except to the extent required in Sections 3.2 or 17 of this Attachment.
- 3.1.9 "4-Wire 56 kbps Loop" is a 4-wire Loop that provides a transmission path that is suitable for the transport of digital data at a synchronous rate of 56 kbps in opposite directions on such Loop simultaneously. A 4-Wire 56 kbps Loop consists of two pairs of non-loaded copper wires

with no intermediate electronics or it consists of universal digital loop carrier with 56 kbps DDS dataport transport capability. Verizon shall provide 4-Wire 56 kbps Loops to Bright House in accordance with, and subject to, the technical specifications set forth in Verizon TR-72575, as revised from time-to-time. Verizon will not build new facilities or modify existing facilities except to the extent required in Section 17 of this Attachment.

- 3.1.10 "DS1 Loops" provide a digital transmission channel suitable for the transport of 1.544 Mbps digital signals. This Loop type is more fully described in Verizon TR 72575, as revised from time to time. The DS1 Loop includes the electronics necessary to provide the DS1 transmission rate. If, at the requested installation date, the electronics necessary to provide the DS1 transmission rate are not available for the requested DS1 Loop, then Verizon will not install new electronics except to the extent required in Section 17 of this Attachment. Verizon will not build new facilities and will not modify existing facilities except to the extent required in Section 17 of this Attachment. If the electronics necessary to provide Clear Channel (B8ZS) signaling are at the requested installation date available for a requested DS1 Loop, upon request by Bright House, the DS1 Loop will be furnished with Clear Channel (B8ZS) signaling. Verizon will not install new electronics to furnish Clear Channel (B8ZS) signaling. For purposes of provisions implementing any right Verizon may have to cease providing unbundled access to DS1-capacity Loops under the TRRO pursuant to Section 1 of this Attachment, the term "DS1 Loop" further includes any type of Loop described in Section 3.1 of the Network Elements Attachment that provides a digital transmission channel suitable for the transport of 1.544 Mbps digital signals, regardless of whether the subject Loop meets the specific definition of a DS1 Loop set forth in this section.
- 3.1.11 "DS3 Loops" will support the transmission of isochronous bipolar serial data at a rate of 44.736 Mbps (the equivalent of 28 DS1 channels). This Loop type is more fully described in Verizon TR 72575, as revised from time to time. The DS3 Loop includes the electronics necessary to provide the DS3 transmission rate. If, at the requested installation date, the electronics necessary to provide the DS3 transmission rate are not available for the requested DS3 Loop, then Verizon will not install new electronics except to the extent required in Section 17 of this Attachment. Verizon will not build new facilities and will not modify existing facilities except to the extent required in Section 17 of this Attachment. For purposes of provisions implementing any right Verizon may have to cease providing unbundled access to DS3-capacity loops under the TRRO pursuant to Section 1 of this Attachment, the term "DS3 Loop" further includes any type of Loop described in Section 3.1 of the Network Elements Attachment that provides a digital transmission channel suitable for the transport of 44.736 Mbps digital signals, regardless of whether the subject Loop meets the specific definition of a DS3 Loop set forth in this section.
- 3.1.12 In the former Bell Atlantic Service Areas only, "Digital Designed Loops" are comprised of designed loops that meet specific Bright House requirements for metallic loops over 18k ft. or for conditioning of

ADSL, HDSL, SDSL, IDSL, or BRI ISDN Loops. "Digital Designed Loops" may include requests for:

- 3.1.12.1 a 2W Digital Designed Metallic Loop with a total loop length of 18k to 30k ft., unloaded, with the option to remove bridged tap;
- 3.1.12.2 a 2W ADSL Loop of 12k to 18k ft. with an option to remove bridged tap (such a Loop with the bridged tap so removed shall be deemed to be a "2W ADSL Compatible Loop");
- 3.1.12.3 a 2W ADSL Loop of less than 12k ft. with an option to remove bridged tap (such a Loop with the bridged tap so removed shall be deemed to be a "2W ADSL Compatible Loop");
- 3.1.12.4 a 2W HDSL Loop of less than 12k ft. with an option to remove bridged tap;
- 3.1.12.5 a 4W HDSL Loop of less than 12k ft with an option to remove bridged tap;
- 3.1.12.6 a 2 W Digital Designed Metallic Loop with Verizon-placed ISDN loop extension electronics;
- 3.1.12.7 a 2W SDSL Loop with an option to remove bridged tap; and
- 3.1.12.8 a 2W IDSL Loop of less than 18k ft. with an option to remove bridged tap;
- 3.1.13 Verizon shall make Digital Designed Loops available Bright House at the rates as set forth in the Pricing Attachment.
- 3.1.14 In the former GTE Service Areas only, "Conditioned Loops" are comprised of designed loops that meet specific Bright House requirements for metallic loops over 12k ft. or for conditioning of 2-wire or 4-wire digital or BRI ISDN Loops. "Conditioned Loops" may include requests for:
 - 3.1.14.1 a 2W Digital Loop with a total loop length of 12k to 30k ft., unloaded, with the option to remove bridged tap (such a Loop, unloaded, with bridged tap so removed shall be deemed to be a "2W Digital Compatible Loop");
 - 3.1.14.2 a 2W Digital Loop of 12k to 18k ft. with an option to remove load coils and/or bridged tap (such a Loop with load coils and/or bridged tap so removed shall be deemed to be a "2W Digital Compatible Loop");
 - 3.1.14.3 a 2W Digital or 4W Digital Loop of less than 12k ft. with an option to remove bridged tap (such a 2W Loop with bridged tap so removed shall be deemed to be a "2W Digital Compatible Loop");
 - 3.1.14.4 a 2W Digital Loop with Verizon-placed ISDN loop extension electronics (such a Loop with ISDN loop extension

electronics so placed shall be deemed to be a "2W Digital Compatible Loop").

- 3.1.15 Verizon shall make Conditioned Loops available to Bright House at the rates as set forth in the Pricing Attachment.
- 3.2 The following ordering procedures shall apply to xDSL Compatible Loops, Digital Designed and Conditioned Loops:
- 3.2.1 Bright House shall place orders for xDSL Compatible Loops, Digital Designed and Conditioned Loops by delivering to Verizon a valid electronic transmittal Service Order or other mutually agreed upon type of Service Order. Such Service Order shall be provided in accordance with industry format and specifications or such format and specifications as may be agreed to by the Parties.
- 3.2.2 In former Bell Atlantic Service Areas, Verizon is conducting a mechanized survey of existing Loop facilities, on a Central Office by Central Office basis, to identify those Loops that meet the applicable technical characteristics established by Verizon for compatibility with xDSL Compatible or BRI ISDN signals. The results of this survey will be stored in a mechanized database and made available to Bright House as the process is completed in each Central Office. Bright House must utilize this mechanized loop qualification database, where available, in advance of submitting a valid electronic transmittal Service Order for an xDSL Compatible or BRI ISDN Loop. Charges for mechanized loop qualification information are set forth in the Pricing Attachment. In former GTE Service Areas, Verizon provides access to mechanized xDSL loop qualification information to help identify those loops that meet applicable technical characteristics for compatibility with xDSL Services that the CLEC may wish to offer to its end user Customers. Bright House must access Verizon's mechanized loop qualification system through the use of the on-line computer interface at www.verizon.com/wise in advance of submitting a valid electronic transmittal Service Order for xDSL service arrangements. The loop qualification information provided by Verizon gives Bright House the ability to determine loop composition and loop length, and may provide other loop characteristics, when present, that may indicate incompatibility with xDSL Services such as load coils or Digital Loop Carrier. Information provided by the mechanized loop qualification system also indicates whether loop conditioning may be necessary. It is the responsibility of Bright House to evaluate the loop qualification information provided by Verizon and determine whether a loop meets Bright House requirements for xDSL Service, including determining whether conditioning should be ordered, prior to submitting an Order.
- 3.2.3 If the Loop is not listed in the mechanized database described in Section 3.2.2 of this Attachment, Bright House must request a manual loop qualification, where such qualification is available, prior to submitting a valid electronic Service Order for an xDSL Compatible or BRI ISDN Loop. In general, Verizon will complete a manual loop qualification request within three (3) Business Days, although Verizon may require additional time due to poor record conditions, spikes in demand, or other unforeseen events. The manual loop qualification

process is currently available in the former Bell Atlantic Service Areas only.

- 3.2.4 If a query to the mechanized loop qualification database or manual loop qualification indicates that a Loop does not qualify (e.g., because it does not meet the applicable technical parameters set forth in the Loop descriptions above), Bright House may request an Engineering Query, where available, as described in Section 3.2.7 of this Attachment, to determine whether the result is due to characteristics of the loop itself (e.g., specific number and location of bridged taps, the specific number of load coils, or the gauge of the cable).
- 3.2.5 Once a Loop has been pre-qualified, Bright House will submit a Service Order pursuant to Section 3.2.1 of this Attachment if it wishes to obtain the Loop.
 - 3.2.5.1 If the Loop is determined to be xDSL Compatible and if the Loop serving the serving address is usable and available to be assigned as a xDSL Compatible Loop, Verizon will initiate standard Loop provisioning and installation processes, and standard Loop provisioning intervals will apply.
 - 3.2.5.2 If the Loop is determined to be xDSL Compatible, but the Loop serving the service address is unusable or unavailable to be assigned as an xDSL Compatible Loop, Verizon will search the Customer's serving terminal for a suitable spare facility. If an xDSL Compatible Loop is found within the serving terminal, Verizon will perform a Line and Station Transfer (or "pair swap") whereby the Verizon technician will transfer the Customer's existing service from one existing Loop facility onto an alternate existing xDSL Compatible Loop facility serving the same location. Verizon performs Line and Station Transfers in accordance with the procedures developed in the DSL Collaborative in the State of New York, NY PSC Case 00-C-0127. Standard intervals do not apply when Verizon performs a Line and Station Transfer, and additional charges shall apply as set forth in the Pricing Attachment.
- 3.2.6 If Bright House submits a Service Order for an xDSL Compatible or BRI ISDN Loop that has not been prequalified, Verizon will query the Service Order back to Bright House for qualification and will not accept such Service Order until the Loop has been prequalified on a mechanized or manual basis. If Bright House submits a Service Order for an xDSL Compatible or BRI ISDN Loop that is, in fact, not compatible with the requested service (e.g. ADSL, HDSL etc.) in its existing condition, Verizon will respond back to Bright House with a "Nonqualified" indicator and with information showing whether the non-qualified result is due to the presence of load coils, presence of digital loop carrier, or loop length (including bridged tap).
- 3.2.7 Where Bright House has followed the prequalification procedure described above and has determined that a Loop is not compatible with xDSL technologies or BRI ISDN service in its existing condition, it may either request an Engineering Query, where available, to

determine whether conditioning may make the Loop compatible with the applicable service; or if Bright House is already aware of the conditioning required (e.g., where Bright House has previously requested a qualification and has obtained loop characteristics), Bright House may submit a Service Order for a Digital Designed Loop. Verizon will undertake to condition or extend the Loop in accordance with this Section 3.2 of this Attachment upon receipt of Bright House's valid, accurate and pre-qualified Service Order for a Digital Designed Loop.

- 3.2.8 The Parties will make reasonable efforts to coordinate their respective roles in order to minimize provisioning problems. In general, where conditioning or loop extensions are requested by Bright House, an interval of eighteen (18) Business Days will be required by Verizon to complete the loop analysis and the necessary construction work involved in conditioning and/or extending the loop as follows:
- 3.2.8.1 Three (3) Business Days will be required following receipt of Bright House's valid, accurate and pre-qualified Service Order for a Digital Designed or Conditioned Loop to analyze the loop and related plant records and to create an Engineering Work Order.
- 3.2.8.2 Upon completion of an Engineering Work Order, Verizon will initiate the construction order to perform the changes/modifications to the Loop requested by Bright House. Conditioning activities are, in most cases, able to be accomplished within fifteen (15) Business Days. Unforeseen conditions may add to this interval.

After the engineering and conditioning tasks have been completed, the standard Loop provisioning and installation process will be initiated, subject to Verizon's standard provisioning intervals.

- 3.2.9 If Bright House requires a change in scheduling, it must contact Verizon to issue a supplement to the original Service Order. If Bright House cancels the request for conditioning after a loop analysis has been completed but prior to the commencement of construction work, Bright House shall compensate Verizon for an Engineering Work Order charge as set forth in the Pricing Attachment. If Bright House cancels the request for conditioning after the loop analysis has been completed and after construction work has started or is complete, Bright House shall compensate Verizon for an Engineering Work Order charge as well as the charges associated with the conditioning tasks performed as set forth in the Pricing Attachment.

3.3 Conversion of Live Telephone Exchange Service to Analog 2W Unbundled Local Loops (Analog 2W Loops).

- 3.3.1 The following coordination procedures shall apply to "live" cutovers of Verizon Customers who are converting their Telephone Exchange Services to Bright House Telephone Exchange Services provisioned over Analog 2W Loops to be provided by Verizon to Bright House:
- 3.3.1.1 Coordinated cutover charges shall apply to conversions of live Telephone Exchange Services to Analog 2W Loops.

When an outside dispatch is required to perform a conversion, additional charges may apply. If Bright House does not request a coordinated cutover, Verizon will process Bright House's order as a new installation subject to applicable standard provisioning intervals.

- 3.3.1.2 Bright House shall request Analog 2W Loops for coordinated cutover from Verizon by delivering to Verizon a valid electronic Local Service Request ("LSR"). Verizon agrees to accept from Bright House the date and time for the conversion designated on the LSR ("Scheduled Conversion Time"), provided that such designation is within the regularly scheduled operating hours of the Verizon Regional CLEC Control Center ("RCCC") and subject to the availability of Verizon's work force. In the event that Verizon's work force is not available, Bright House and Verizon shall mutually agree on a New Conversion Time, as defined below. Bright House shall designate the Scheduled Conversion Time subject to Verizon standard provisioning intervals as stated in the Verizon CLEC Handbook, as may be revised from time to time. Within three (3) Business Days of Verizon's receipt of such valid LSR, or as otherwise required by the Federal Unbundling Rules, Verizon shall provide Bright House the scheduled due date for conversion of the Analog 2W Loops covered by such LSR.
- 3.3.1.3 Bright House shall provide dial tone at the Bright House collocation site at least forty-eight (48) hours prior to the Scheduled Conversion Time.
- 3.3.1.4 Either Party may contact the other Party to negotiate a new Scheduled Conversion Time (the "New Conversion Time"); provided, however, that each Party shall use commercially reasonable efforts to provide four (4) business hours' advance notice to the other Party of its request for a New Conversion Time. Any Scheduled Conversion Time or New Conversion Time may not be rescheduled more than one (1) time in a Business Day, and any two New Conversion Times for a particular Analog 2W Loop shall differ by at least eight (8) hours, unless otherwise agreed to by the Parties.
- 3.3.1.5 If the New Conversion Time is more than one (1) business hour from the original Scheduled Conversion Time or from the previous New Conversion Time, the Party requesting such New Conversion Time shall be subject to the following:
 - 3.3.1.5.1 If Verizon requests to reschedule outside of the one (1) hour time frame above, the Analog 2W Loops Service Order Charge for the original Scheduled Conversion Time or the previous New Conversion Time shall be credited upon request from Bright House; and
 - 3.3.1.5.2 If Bright House requests to reschedule outside the one (1) hour time frame above, Bright House

shall be charged an additional Analog 2W Loops Service Order Charge for rescheduling the conversion to the New Conversion Time.

- 3.3.1.6 If Bright House is not ready to accept service at the Scheduled Conversion Time or at a New Conversion Time, as applicable, an additional Service Order Charge shall apply. If Verizon is not available or ready to perform the conversion within thirty (30) minutes of the Scheduled Conversion Time or New Conversion Time, as applicable, Verizon and Bright House will reschedule and, upon request from Bright House, Verizon will credit the Analog 2W Loop Service Order Charge for the original Scheduled Conversion Time.
 - 3.3.1.7 The standard time interval expected from disconnection of a live Telephone Exchange Service to the connection of the Analog 2W Loops to Bright House is fifteen (15) minutes per Analog 2W Loop for all orders consisting of twenty (20) Analog 2W Loops or less. Orders involving more than twenty (20) Loops will require a negotiated interval.
 - 3.3.1.8 Conversions involving LNP will be completed according to North American Numbering Council (NANC) standards, via the regional Number Portability Administration Center (NPAC).
 - 3.3.1.9 If Bright House requires Analog 2W Loop conversions outside of the regularly scheduled Verizon RCCC operating hours, such conversions shall be separately negotiated. Additional charges (e.g. overtime labor charges) may apply for desired dates and times outside of regularly scheduled RCCC operating hours.
- 3.4 [Intentionally Left Blank].
- 3.5 FTTP Loops.
- 3.5.1 New Builds. Notwithstanding any other provision of the Agreement or any Verizon Tariff, Bright House shall not be entitled to obtain access to a FTTP Loop, or any segment thereof, on an unbundled basis when Verizon deploys such a Loop to the Customer premises of an end user that has not been served by any Verizon Loop other than a FTTP Loop.
 - 3.5.2 Overbuilds. Notwithstanding any other provision of the Agreement or any Verizon Tariff, if (a) Verizon deploys an FTTP Loop to replace a copper Loop previously used to serve a particular end user's customer premises, and (b) Verizon retires that copper Loop and there are no other available copper Loops or Hybrid Loops for Bright House's provision of a voice grade service to that end user's customer premises, then in accordance with, but only to the extent required by, the Federal Unbundling Rules, Verizon shall provide Bright House with nondiscriminatory access on an unbundled basis to a transmission path capable of providing DS0 voice grade service to that end user's customer premises.

3.6 Hybrid Loops.

- 3.6.1 Packet Switched Features, Functions, and Capabilities. Notwithstanding any other provision of this Agreement or any Verizon Tariff or SGAT, Bright House shall not be entitled to obtain access to the Packet Switched features, functions, or capabilities of any Hybrid Loop on an unbundled basis.
- 3.6.2 Broadband Services. Subject to the conditions set forth in Section 1 of this Attachment, when Bright House seeks access to a Hybrid Loop for the provision of "broadband services", as such term is defined by the FCC, then in accordance with, but only to the extent required by, the Federal Unbundling Rules, Verizon shall provide Bright House with unbundled access to the existing time division multiplexing features, functions, and capabilities of that Hybrid Loop, including DS1 or DS3 capacity (but only where impairment has been found to exist, which, for the avoidance of any doubt, does not include instances where Verizon is not required to provide unbundled access to a DS1 Loop or a DS3 Loop under Section 1 of this Attachment) to establish a complete time division multiplexing transmission path between the main distribution frame (or equivalent) in a Verizon End Office serving an end user to the demarcation point at the end user's Customer premises. This access includes access to all features, functions, and capabilities of the Hybrid Loop that are not used to transmit packetized information.
- 3.6.3 Narrowband Services. Subject to the conditions set forth in Section 1 of this Attachment, when Bright House seeks access to a Hybrid Loop for the provision to its Customer of "narrowband services", as such term is defined by the FCC, then in accordance with, but only to the extent required by, the Federal Unbundling Rules, Verizon shall, in its sole discretion, either (a) provide access to a spare home-run copper Loop serving that Customer on an unbundled basis, or (b) provide access, on an unbundled basis, to a DS0 voice-grade transmission path between the main distribution frame (or equivalent) in the end user's serving End Office and the end user's Customer premises, using time division multiplexing technology.
- 3.6.4 IDLC Hybrid Loops and Loops Provisioned via Loop Concentrator. Subject to the conditions set forth in Section 1 of this Attachment, if Bright House requests, in order to provide narrowband services, unbundling of a 2 wire analog or 4 wire analog Loop currently provisioned via Integrated Digital Loop Carrier (over a Hybrid Loop) or via Remote Switching technology deployed as a Loop concentrator Verizon shall, in accordance with but only to the extent required by the Federal Unbundling Rules, provide Bright House unbundled access to a Loop capable of voice-grade service to the end user Customer served by the Hybrid Loop.
- 3.6.4.1 Verizon will endeavor to provide Bright House with an existing copper Loop or a Loop served by existing Universal Digital Loop Carrier ("UDLC"). Standard recurring and non-recurring Loop charges will apply. In addition, a non-recurring charge will apply whenever a line and station transfer is performed.

- 3.6.4.2 If neither a copper Loop nor a Loop served by VDSL is available, Verizon shall, upon request of Bright House, provide unbundled access to a DS0 voice-grade transmission path between the main distribution frame (or equivalent) in the end user's serving End Office and the end user's Customer premises via such technically feasible alternative that Verizon in its sole discretion may elect to employ. In addition to the rates and charges payable in connection with any unbundled Loop so provisioned by Verizon, Bright House shall be responsible for any of the following charges that apply in the event the technically feasible option involves construction, installation, or modification of facilities: (a) an engineering query charge for preparation of a price quote; (b) upon Bright House's submission of a firm construction order, an engineering work order nonrecurring charge; and (c) construction charges, as set forth in the price quote. If the order is cancelled by Bright House after construction work has started, Bright House shall be responsible for cancellation charges and a pro-rated charge for construction work performed prior to the cancellation.
- 3.6.4.3 Verizon may exclude its performance in connection with providing unbundled Loops pursuant to this Section 3.6.4 from standard provisioning intervals and performance measures and remedies, if any, contained in the Agreement or elsewhere.

4. Line Splitting (also referred to as "Loop Sharing")

- 4.1 Line Splitting is a process in which one CLEC provides narrowband voice service over the low frequency portion of an unbundled copper Loop obtained from Verizon (such CLEC may be referred to as the "VLEC") and a second CLEC provides digital subscriber line service over the high frequency portion of that same Loop (such CLEC may be referred to as the "DLEC"). Line Splitting is accomplished through the use of a splitter collocated at the Verizon central office where the Loop terminates into a distribution frame or its equivalent.
- 4.2 Subject to the conditions set forth in Section 1 of this Attachment, Bright House may engage in Line Splitting, in accordance with this Section 4 and the rates and charges provided for in the Pricing Attachment. Verizon shall provide access to Line Splitting in accordance with, but only to the extent required by, the Federal Unbundling Rules.
- 4.3 Any Line Splitting between Bright House and another CLEC shall be accomplished by prior negotiated arrangement between Bright House and the other CLEC. Bright House shall give Verizon written notice of this arrangement through the Verizon Partner Solutions Local Service Customer Profile Form (formerly referred to as the Verizon Wholesale Local Service Customer Profile Form) on the Verizon Partner Solutions website (formerly referred to as the Verizon wholesale website), or such other electronic notice mechanism that Verizon may make available, at least thirty (30) days prior to placing an order for a Line Splitting arrangement with such other CLEC. The other CLEC must have an interconnection agreement with Verizon that permits it to engage in Line Splitting with Bright House. The VLEC shall be responsible for all rates and charges associated with the subject Loop as well as rates and charges

associated with the DLEC's use of the high frequency portion of the Loop, including, but not limited to, service order charges, provisioning and installation charges, central office wiring, loop qualification charges, and OSS charges.

- 4.4 In order to facilitate Bright House's engaging in Line Splitting pursuant to this Section 4, Bright House may order for use in a Line Splitting arrangement, those Network Elements, Combinations, Collocation arrangements, services, facilities, equipment and arrangements, appropriate for Line Splitting, that are offered to Bright House by Verizon under the other sections of this Agreement. Such Network Elements, Combinations, Collocation arrangements, services, facilities, equipment and arrangements, will be provided to Bright House in accordance with, and subject to, the rates and charges and other provisions of this Agreement and Verizon's applicable Tariffs. Verizon shall be obligated to provide Network Elements, Combinations, Collocation arrangements, services, facilities, equipment and arrangements, for Line Splitting only to the extent required by the Federal Unbundling Rules.
- 4.5 Bright House and/or the other participating CLEC shall provide any splitters and/or Digital Subscriber Line Access Multiplexers used in a Line Splitting arrangement.
- 4.6 The standard provisioning interval for the Line Splitting arrangement shall be as set out in the Verizon Product Interval Guide; provided that the standard provisioning interval for a Line Splitting arrangement shall not exceed the shortest of the following intervals: (1) the standard provisioning interval for a Line Splitting arrangement if stated in an applicable Verizon Tariff; or, (2) the standard provisioning interval for a Line Splitting arrangement, if any, established in accordance with the Federal Unbundling Rules. The standard provisioning interval for a Line Splitting arrangement shall commence only after any required engineering and conditioning tasks have been completed. The standard provisioning interval shall not apply where a Line and Station Transfer is performed.
- 4.7 Verizon shall not be liable for any claims, damages, penalties, liabilities or the like of any kind for disruptions to either Bright House's or the other CLEC's respective voice or data services over a Line Splitting arrangement.

5. [This Section Intentionally Left Blank]

6. Sub-Loop

Subject to the conditions set forth in Section 1 of this Attachment and upon request by Bright House, Verizon shall allow Bright House to access Sub-Loops unbundled from local switching and transport, in accordance with the terms of this Section 6 and the rates and charges set forth in the Pricing Attachment. Verizon shall allow Bright House access to Sub-Loops in accordance with, but only to the extent required by, the Federal Unbundling Rules. The available Sub-Loop types are as set forth below.

6.1 Unbundled Sub-Loop Arrangement- Distribution (USLA).

Subject to the conditions set forth in Section 1 of this Attachment and upon request by Bright House, Verizon shall provide Bright House with access to a Sub-Loop Distribution Facility in accordance with, and subject to, the terms and provisions of this Section 6.1, the rates set forth in the Pricing Attachment, and the rates, terms and conditions set forth in Verizon's applicable Tariffs. Verizon shall provide Bright House with access to a Sub-Loop Distribution Facility in

accordance with, but only to the extent required by, the Federal Unbundling Rules.

- 6.1.1 Bright House may request that Verizon reactivate (if available) an unused drop and NID or provide Bright House with access to a drop and NID that, at the time of Bright House's request, Verizon is using to provide service to the Customer (as such term is hereinafter defined).
- 6.1.2 Upon site-specific request, Bright House may obtain access to the Sub-Loop Distribution Facility at a technically feasible access point located near a Verizon remote terminal equipment enclosure at the rates and charges provided for in the Pricing Attachment. It is not technically feasible to access the Sub-Loop Distribution Facility if a technician must access the facility by removing a splice case to reach the wiring within the cable. Bright House may obtain access to a Sub-Loop Distribution Facility through any method required by the Federal Unbundling Rules, in addition to existing methods such as from a Telecommunications outside plant interconnection cabinet (TOPIC) or, if Bright House is collocated at a remote terminal equipment enclosure and the FDI for such Sub-Loop Distribution Facility is located in such enclosure, from the collocation arrangement of Bright House at such terminal. If Bright House obtains access to a Sub-Loop Distribution Facility from a TOPIC, Bright House shall install a TOPIC on an easement or Right of Way obtained by Bright House within 100 feet of the Verizon FDI to which such Sub-Loop Distribution Facility is connected. A TOPIC must comply with applicable industry standards. Subject to the terms of applicable Verizon easements, Verizon shall furnish and place an interconnecting cable between a Verizon FDI and a Bright House TOPIC and Verizon shall install a termination block within such TOPIC. Verizon shall retain title to and maintain the interconnecting cable. Verizon shall not be responsible for building, maintaining or servicing the TOPIC and shall not provide any power that might be required by Bright House for any of Bright House's electronics in the TOPIC. Bright House shall provide any easement, Right of Way or trenching or supporting structure required for any portion of an interconnecting cable that runs beyond a Verizon easement.
- 6.1.3 Bright House may request from Verizon by submitting a loop make-up engineering query to Verizon, and Verizon shall provide to Bright House, the following information regarding a Sub-Loop Distribution Facility that serves an identified Customer: the Sub-Loop Distribution Facility's length and gauge; whether the Sub-Loop Distribution Facility has loading and bridged tap; the amount of bridged tap (if any) on the Sub-Loop Distribution Facility; and, the location of the FDI to which the Sub-Loop Distribution Facility is connected.
- 6.1.4 To order access to a Sub-Loop Distribution Facility from a TOPIC, Bright House must first request that Verizon connect the Verizon FDI to which the Sub-Loop Distribution Facility is connected to a Bright House TOPIC. To make such a request, Bright House must submit to Verizon an application (a "Sub-Loop Distribution Facility Interconnection Application") that identifies the FDI at which Bright House wishes to access the Sub-Loop Distribution Facility. A Sub-Loop Distribution Facility Interconnection Application shall state the

location of the TOPIC, the size of the interconnecting cable and a description of the cable's supporting structure. A Sub-Loop Distribution Facility Interconnection Application shall also include a five-year forecast of Bright House's demand for access to Sub-Loop Distribution Facilities at the requested FDI. Bright House must submit the application fee set forth in the Pricing Attachment attached hereto and Verizon's applicable Tariffs (a "Sub-Loop Distribution Facility Application Fee") with Sub-Loop Distribution Facility Interconnection Application. Bright House must submit Sub-Loop Interconnection Applications to:

[For VZEast States]:

Collocation Applications
Verizon
Room 503
185 Franklin Street
Boston, MA 02110
E-Mail: collocation.applications@Verizon.com

[For VZWest States]:

Bright House's Account Manager

- 6.1.5 Within sixty (60) days after it receives a complete Sub-Loop Distribution Facility Interconnection Application for access to a Sub-Loop Distribution Facility and the Sub-Loop Distribution Facility Application Fee for such application, Verizon shall provide to Bright House a work order that describes the work that Verizon must perform to provide such access (a "Sub-Loop Distribution Facility Work Order") and a statement of the cost of such work (a "Sub-Loop Distribution Facility Interconnection Cost Statement").
- 6.1.6 *Bright House shall pay to Verizon fifty percent (50%) of the cost set forth in a Sub-Loop Distribution Facility Interconnection Cost Statement within sixty (60) days of Bright House's receipt of such statement and the associated Sub-Loop Distribution Facility Work Order, and Verizon shall not be obligated to perform any of the work set forth in such order until Verizon has received such payment. A Sub-Loop Distribution Facility Interconnection Application shall be deemed to have been withdrawn if Bright House breaches its payment obligation under this Section. Upon Verizon's completion of the work that Verizon must perform to provide Bright House with access to a Sub-Loop Distribution Facility, Verizon shall bill Bright House, and Bright House shall pay to Verizon, the balance of the cost set forth in the Sub-Loop Distribution Facility Interconnection Cost Statement for such access.*
- 6.1.7 After Verizon has completed the installation of the interconnecting cable to a Bright House TOPIC and Bright House has paid the full cost of such installation, Bright House can request the connection of Verizon Sub-Loop Distribution Facilities to the Bright House TOPIC. At the same time, Bright House shall advise Verizon of the services that Bright House plans to provide over the Sub-Loop Distribution Facility, request any conditioning of the Sub-Loop Distribution Facility

and assign the pairs in the interconnecting cable. Bright House shall run any crosswires within the TOPIC.

- 6.1.8 If Bright House requests that Verizon reactivate an unused drop and NID, then Bright House shall provide dial tone (or its DSL equivalent) on the Bright House side of the applicable Verizon FDI at least twenty-four (24) hours before the due date. On the due date, a Verizon technician will run the appropriate cross connection to connect the Verizon Sub-Loop Distribution Facility to the Bright House dial tone or equivalent from the TOPIC. If Bright House requests that Verizon provide Bright House with access to a Sub-Loop Distribution Facility that, at the time of Bright House's request, Verizon is using to provide service to a Customer, then, after Bright House has looped two interconnecting pairs through the TOPIC and at least twenty four (24) hours before the due date, a Verizon technician shall crosswire the dial tone from the Verizon central office through the Verizon side of the TOPIC and back out again to the Verizon FDI and Verizon Sub-Loop Distribution Facility using the "loop through" approach. On the due date, Bright House shall disconnect Verizon's dial tone, crosswire its dial tone to the Sub-Loop Distribution Facility and submit Bright House's LNP request.
- 6.1.9 Verizon will not provide access to a Sub-Loop Distribution Facility if Verizon is using the loop of which the Sub-Loop Distribution Facility is a part to provide line sharing service to another CLEC or a service that uses derived channel technology to a Customer unless such other CLEC first terminates the Verizon-provided line sharing or such Customer first disconnects the service that utilizes derived channel technology.
- 6.1.10 Verizon shall provide Bright House with access to a Sub-Loop Distribution Facility in accordance with negotiated intervals
- 6.1.11 Verizon shall repair and maintain a Sub-Loop Distribution Facility at the request of Bright House and subject to the time and material rates set forth in Pricing Attachment and the rates, terms and conditions of Verizon's applicable Tariffs. Bright House accepts responsibility for initial trouble isolation for Sub-Loop Distribution Facilities and providing Verizon with appropriate dispatch information based on its test results. If (a) Bright House reports to Verizon a Customer trouble, (b) Bright House requests a dispatch, (c) Verizon dispatches a technician, and (d) such trouble was not caused by Verizon Sub-Loop Distribution Facility facilities or equipment in whole or in part, Bright House shall pay Verizon the charges set forth in the Pricing Attachment and Verizon's applicable Tariffs for time associated with said dispatch. In addition, these charges also apply when the Customer contact as designated by Bright House is not available at the appointed time. If as the result of Bright House instructions, Verizon is erroneously requested to dispatch to a site on Verizon company premises ("dispatch in"), the charges set forth in Pricing Attachment and Verizon's applicable Tariffs will be assessed per occurrence to Bright House by Verizon. If as the result of Bright House instructions, Verizon is erroneously requested to dispatch to a site outside of Verizon company premises ("dispatch out"), the charges set forth in Pricing Attachment and Verizon's applicable Tariffs will be assessed per occurrence to Bright House by Verizon.

6.2 [Intentionally Left Blank].

6.3 Collocation in Remote Terminals.

To the extent required by Applicable Law, Verizon shall allow Bright House to collocate equipment in a Verizon remote terminal equipment enclosure in accordance with, and subject to, the rates, terms and conditions set forth in the Collocation Attachment and the Pricing Attachment.

7. Sub-Loop for Multiunit Tenant Premises Access

7.1 Upon request by Bright House, Verizon shall provide to Bright House or, at Bright House's direction and on its behalf, a Bright House affiliate providing facilities used to provide Bright House End Users with interconnected VoIP services (for purposes of this Section 7 of this Attachment, "Bright House"), access to the Sub-Loop for Multiunit Premises Access in accordance with 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51.

Deleted: , but only to the extent required by.

7.1.1 House and Riser. Subject to the conditions set forth in Section 1 of this Attachment and upon request by Bright House, Verizon shall provide to Bright House access to a House and Riser Cable in accordance with this Section 7 and the rates and charges provided in the Pricing Attachment. Verizon will provide access to a House and Riser Cable where such facility is available and where Verizon (a) owns, operates, maintains and controls such facility or (b) otherwise has the legal right to manage, operate, or control such facility. Bright House may access a House and Riser Cable only between the MPOE for such cable and the demarcation point at a technically feasible access point.

Deleted: only if Verizon

Deleted: and only where such facility is available. ***CLEC Acronym TE***

Deleted: It is not technically feasible to access inside wire sub-loop if a technician must access the facility by removing a splice case to reach the wiring within the cable.

7.1.1.1 Bright House must satisfy the following conditions before ordering access to a House and Riser Cable from Verizon:

7.1.1.1.1 Bright House shall locate its facilities within cross connect distance of the point of interconnection on such cable. Facilities are within cross connect distance of a point of interconnection if they are located in the same room (not including a hallway) or within twelve (12) feet of such point of interconnection.

7.1.1.1.2 If suitable space is available, Bright House shall install its facilities no closer than fourteen (14) inches of the point of interconnection for such cable, unless otherwise agreed by the Parties.

7.1.1.1.3 Bright House's facilities cannot be attached, otherwise affixed or adjacent to Verizon's facilities or equipment, cannot pass through or otherwise penetrate Verizon's facilities or equipment and cannot be installed so that Bright House's facilities or equipment are located in a space where Verizon plans to locate its facilities or equipment. Any dispute regarding the application of this provision, including regarding Verizon's plans, shall be subject to the dispute

resolution procedures of Section 14 of the
General Terms and Conditions.

- 7.1.1.1.4 Bright House shall identify its facilities as those of Bright House by means of permanently-affixed externally-visible signage or markings.
- 7.1.1.1.5 To provide Bright House with access to a House and Riser Cable, Verizon shall not be obligated to (a) move any Verizon equipment, (b) secure any right of way for Bright House, (c) secure space for Bright House in any building, (d) secure access to any portion of a building for Bright House or (e) reserve space in any building for Bright House.
- 7.1.1.1.6 Verizon shall perform cutover of a Customer to Bright House service by means of a House and Riser Cable subject to a negotiated interval. Verizon shall install a jumper cable to connect the appropriate Verizon House and Riser Cable pair to Bright House's facilities, and Verizon shall reasonably determine how to perform such installation. Bright House shall coordinate with Verizon to ensure that House and Riser Cable facilities are converted to Bright House in accordance with Bright House's order for such services.
- 7.1.1.2 If proper Bright House facilities are not available at the time of installation, Verizon shall bill Bright House, and Bright House shall pay to Verizon, the Not Ready Charge set forth in the Agreement and the Parties shall establish a new cutover date.
- 7.1.1.3 Verizon shall perform all installation work on Verizon equipment in connection with Bright House's use of Verizon's House and Riser Cable. All Bright House equipment connected to a House and Riser Cable shall comply with applicable industry standards.
- 7.1.1.4 Verizon shall repair and maintain a House and Riser Cable at the request of Bright House. Bright House shall be solely responsible for investigating and determining the source of all troubles and for providing Verizon with appropriate dispatch information based on its test results. Verizon shall repair a trouble only when the cause of the trouble is a Verizon House and Riser Cable. If (a) Bright House reports to Verizon a Customer trouble, (b) Bright House requests a dispatch, (c) Verizon dispatches a technician, and (d) such trouble was not caused by a Verizon House and Riser Cable in whole or in part, then Bright House shall pay Verizon the charge set forth in the Agreement for time associated with said dispatch. In addition, this charge also applies when the Customer contact as designated by Bright House is not available at the appointed time. If as the result

of Bright House instructions, Verizon is erroneously requested to dispatch to a site on Verizon company premises ("dispatch in"), a charge set forth in the Agreement will be assessed per occurrence to Bright House by Verizon. If as the result of Bright House instructions, Verizon is erroneously requested to dispatch to a site outside of Verizon company premises ("dispatch out"), a charge set forth in the Agreement will be assessed per occurrence to Bright House by Verizon.

- 7.1.2 Single Point of Interconnection. In accordance with, but only to the extent required by, the Federal Unbundling Rules, upon request by Bright House and provided that the conditions set forth in Subsections 7.1.2.1 and 7.1.2.2 are satisfied, the Parties shall negotiate in good faith an amendment to the Agreement memorializing the terms, conditions and rates under which Verizon will provide a single point of interconnection at a multiunit premises suitable for use by multiple carriers:
- 7.1.2.1 Verizon has distribution facilities to the multiunit premises, and either owns and controls, or leases and controls, the House and Riser Cable at the multiunit premises; and
- 7.1.2.2 Bright House certifies that it will place an order for access to an unbundled Sub-Loop network element under the Federal Unbundling Rules via the newly provided single point of interconnection.

8. Dark Fiber Transport and Transitional Provision of Embedded Dark Fiber Loops

- 8.1 Subject to the conditions set forth in Section 1 of this Attachment and upon request by Bright House, Verizon shall provide Bright House with access to unbundled Dark Fiber Transport in accordance with, and subject to, the rates, terms and conditions provided in the Pricing Attachment and rates, terms and conditions of Verizon's applicable Tariffs. Verizon shall not be required to provide, and Bright House shall not request or obtain, unbundled access to any dark fiber facility that does not meet the definition of Dark Fiber Transport (except to the extent Verizon is required to provide Bright House with unbundled access to Bright House's embedded base of Dark Fiber Loops under Section 8.3 below). For the avoidance of any doubt, notwithstanding any other provision of this Agreement, a Verizon Tariff, or otherwise, Verizon shall not be required to provide, and Bright House shall not request or obtain, Dark Fiber Transport that does not connect a pair of Verizon UNE Wire Centers. Access to unbundled Dark Fiber Transport will be provided by Verizon only where existing facilities are available except as provided in Section 17 below. Access to Dark Fiber Transport will be provided in accordance with, but only to the extent required by, the Federal Unbundling Rules. Dark Fiber Transport consists of Verizon optical transmission facilities without attached multiplexers, aggregation or other electronics. To the extent Verizon's Dark Fiber Transport contains any lightwave repeaters (e.g., regenerators or optical amplifiers) installed thereon, Verizon shall not remove the same. Except as otherwise required by the Federal Unbundling Rules, the following terms and conditions apply to Verizon's Dark Fiber Transport offerings.
- 8.2 In addition to the other terms and conditions of this Agreement, the following terms and conditions shall apply to Dark Fiber Transport:

- 8.2.1 [Intentionally Left Blank].
- 8.2.2 Bright House may access Dark Fiber Transport only at a pre-existing Verizon accessible terminal of such Dark Fiber Transport, and Bright House may not access Dark Fiber Transport at any other point, including, but not limited to, a splice point or case. Dark Fiber Transport is not available to Bright House unless such Dark Transport is already terminated on an existing Verizon accessible terminal. Unused fibers located in a cable vault or a controlled environment vault, manhole or other location outside the Verizon UNE Wire Center, and not terminated to a fiber patch panel, are not available to Bright House.
- 8.2.3 Except if and, to the extent required by, the Federal Unbundling Rules and Section 17 below, Verizon will not perform splicing (e.g., introduce additional splice points or open existing splice points or cases) to accommodate Bright House's request.
- 8.2.4 Verizon shall perform all work necessary to install a cross connect or a fiber jumper from a Verizon accessible terminal to a Bright House collocation arrangement.
- 8.2.5 A "Dark Fiber Inquiry Form" must be submitted prior to submitting an ASR. Upon receipt of Bright House's completed Dark Fiber Inquiry Form, Verizon will initiate a review of its cable records to determine whether Dark Fiber Transport may be available between the locations and in the quantities specified. Verizon will respond within fifteen (15) Business Days from receipt of the Bright House's Dark Fiber Inquiry Form, indicating whether Dark Fiber Transport may be available (if so available, an "Acknowledgement") based on the records search except that for voluminous requests or large, complex projects, Verizon reserves the right to negotiate a different interval. The Dark Fiber Inquiry is a record search and does not guarantee the availability of Dark Fiber Transport. Where a direct Dark Fiber Transport route is not available, Verizon will provide, where available, Dark Fiber Transport via a reasonable indirect route that passes through intermediate Verizon Central Offices at the rates set forth in the Pricing Attachment. In cases where Verizon provides Dark Fiber Transport via an indirect route as described in this section, Bright House shall not be permitted to access the Dark Fiber Transport at any intermediate central office between the two Verizon central offices that are the end points of the route. In no event shall Verizon be required to provide Dark Fiber Transport between two central offices that are the end points of a route on which Verizon is not required under the Federal Unbundling Rules to provide Dark Fiber Transport to Bright House. Verizon reserves the right to limit the number of intermediate Verizon Central Offices on an indirect route consistent with limitations in Verizon's network design and/or prevailing industry practices for optical transmission applications. Any limitations on the number of intermediate Verizon Central Offices will be discussed with Bright House. If access to Dark Fiber Transport is not available, Verizon will notify Bright House, within fifteen (15) Business Days, that no spare Dark Fiber Transport is available over the direct route nor any *reasonable alternate indirect route, except that for voluminous requests or large, complex projects, Verizon reserves the right to negotiate a different interval. Where no available route was found*

during the record review, Verizon will identify the first blocked segment on each alternate indirect route and which segment(s) in the alternate indirect route are available prior to encountering a blockage on that route, at the rates set forth in the Pricing Attachment.

- 8.2.5.1 Bright House shall indicate on the Dark Fiber Inquiry Form whether the available Dark Fiber should be reserved, at the rates set forth in the Pricing Attachment, pending receipt of an order for the Dark Fiber.
- 8.2.5.2 Upon request from Bright House as indicated on the Dark Fiber Inquiry Form, Verizon shall hold such requested Dark Fiber Transport for Bright House's use for ten (10) Business Days from Bright House's receipt of Acknowledgement and may not allow any other party (including Verizon) to use such fiber during that time period.
- 8.2.5.3 Bright House shall submit an order for the reserved Dark Fiber Transport as soon as possible using the standard ordering process or parallel provisioning process as described in Section 8.2.5.5. The standard ordering process shall be used when Bright House does not have additional requirements for collocation. The parallel provisioning process shall be used when Bright House requires new collocation facilities or changes to existing collocation arrangements.
- 8.2.5.4 If no order is received from Bright House for the reserved Dark Fiber Transport within ten (10) Business Days from Bright House's receipt of Acknowledgement, Verizon shall return to spare the reserved Dark Fiber Transport that Verizon previously notified Bright House are available. Should Bright House submit an order to Verizon after the ten (10) Business Day reservation period for access to Dark Fiber Transport that Verizon has previously notified Bright House was available, Bright House assumes all risk that such Dark Fiber Transport will no longer be available.
- 8.2.5.5 Upon Bright House's request, the Parties will conduct parallel provisioning of collocation and Dark Fiber Transport in accordance with the following terms and conditions:
 - 8.2.5.5.1 Bright House will use existing interfaces and Verizon's current applications and order forms to request collocation and Dark Fiber Transport.
 - 8.2.5.5.2 Verizon will parallel process Bright House's requests for collocation, including augments, and Dark Fiber Transport.
 - 8.2.5.5.3 Before Bright House submits a request for parallel provisioning of collocation and Dark Fiber Transport, Bright House will:
 - 8.2.5.5.3.1 submit a Dark Fiber Inquiry Form and receive an Acknowledgement

from Verizon; and

- 8.2.5.5.3.2 submit a collocation application for the Verizon Central Office(s) where the Dark Fiber Transport terminates and receive confirmation from Verizon that Bright House's collocation application has been accepted.
- 8.2.5.5.4 Bright House will prepare requests for parallel provisioning of collocation and Dark Fiber Transport in the manner and form reasonably specified by Verizon.
- 8.2.5.5.5 If Verizon rejects Bright House's Dark Fiber Transport request, Bright House may cancel its collocation application within five (5) Business Days of such rejection and receive a refund of the collocation application fee paid by Bright House, less the costs Verizon incurred to date.
- 8.2.5.5.6 If Verizon accepts Bright House's Dark Fiber Transport request, Verizon will parallel provision the Dark Transport to a temporary location in Verizon's Central Office(s). Verizon will charge and Bright House will pay for parallel provisioning of such Dark Fiber Transport at the rates specified in the Pricing Attachment beginning on the date that Verizon accepts each Dark Fiber Transport request.
- 8.2.5.5.7 Within ten (10) days after Verizon completes a Bright House collocation application, Bright House shall submit a Dark Fiber change request to reposition Dark Fiber Transport from the temporary location in that Verizon Central Office(s) to the permanent location at Bright House's collocation arrangement in such Verizon Central Office(s). Bright House will prepare such request(s) in the manner and form specified by Verizon.
- 8.2.5.5.8 If Bright House cancels its collocation application, Bright House must also submit a cancellation for the unbundled Dark Fiber Transport provisioned to the temporary location in the Verizon Central Office(s).
- 8.2.6 Bright House shall order Dark Fiber Transport by sending to Verizon a separate ASR for each A to Z route.
- 8.2.7 Where a collocation arrangement can be accomplished in a Verizon premises, access to Dark Fiber Transport that terminates in a Verizon premises must be accomplished via a collocation arrangement in that Verizon premises. In circumstances where a collocation arrangement

cannot be accomplished in a Verizon premises, the Parties agree to negotiate for possible alternative arrangements.

- 8.2.8 Except as provided in Section 17 below, Dark Fiber Transport will be offered to Bright House in the condition that it is available in Verizon's network at the time that Bright House submits its request (i.e., "as is"). In addition, Verizon shall not be required to convert lit fiber to Dark Fiber Transport for Bright House's use.
- 8.2.9 Spare wavelengths on fiber strands, where Wave Division Multiplexing (WDM) or Dense Wave Division Multiplexing (DWDM) equipment is deployed, are not considered to be Dark Fiber Transport, and, therefore, will not be offered to Bright House as Dark Fiber Transport.
- 8.2.10 Fiber that has been assigned to fulfill a Customer order for maintenance purposes or for Verizon's lit fiber optic systems will not be offered to Bright House as Dark Fiber Transport.
- 8.2.11 Bright House shall be responsible for providing all transmission, terminating and lightwave repeater equipment necessary to light and use Dark Fiber Transport.
- 8.2.12 Bright House may not resell Dark Fiber Transport, purchased pursuant to this Agreement to third parties.
- 8.2.13 Except to the extent that Verizon is required by the Federal Unbundling Rules to provide Dark Fiber Transport to Bright House for use for Special or Switched Exchange Access Services, Bright House shall not use Dark Fiber Transport, for Special or Switched Exchange Access Services.
- 8.2.14 In order to preserve the efficiency of its network, Verizon may, upon a showing of need to the Commission, limit Bright House to leasing up to a maximum of twenty-five percent (25%) of the Dark Fiber Transport in any given segment of Verizon's network. In addition, except as otherwise required by the Federal Unbundling Rules, Verizon may take any of the following actions, notwithstanding anything to the contrary in this Agreement:
 - 8.2.14.1 Revoke Dark Fiber Transport leased to Bright House upon a showing of need to the Commission and twelve (12) months' advance written notice to Bright House; and
 - 8.2.14.2 Verizon reserves and shall not waive, Verizon's right to claim before the Commission that Verizon should not have to fulfill a Bright House order for Dark Transport because that request would strand an unreasonable amount of fiber capacity, disrupt or degrade service to Customers or carriers other than Bright House, or impair Verizon's ability to meet a legal obligation.
- 8.2.15 Except as expressly set forth in this Agreement, Bright House may not reserve Dark Fiber Transport.
- 8.2.16 Bright House shall be solely responsible for: (a) determining whether or not the transmission characteristics of the Dark Fiber Transport

accommodate the requirements of Bright House; (b) obtaining any Rights of Way, governmental or private property permit, easement or other authorization or approval required for access to the Dark Fiber Transport; (c) installation of fiber optic transmission equipment needed to power the Dark Fiber Transport to transmit permitted traffic; and (d) except as set forth with respect to the parallel provisioning process addressed above, Bright House's collocation arrangements with any proper optical cross connects or other equipment that Bright House needs to access Dark Fiber Transport before it submits an order for such access. Bright House hereby represents and warrants that it shall have all such rights of way, authorizations and the like applicable to the location at which it wishes to establish a demarcation point for Dark Fiber Transport, on or before the date that Bright House places an order for the applicable Dark Fiber Transport, and that it shall maintain the same going forward.

8.2.17 Bright House is responsible for trouble isolation before reporting trouble to Verizon. Verizon will restore continuity to Dark Fiber Transport that has been broken. Verizon will not repair Dark Fiber Transport that is capable of transmitting light, even if the transmission characteristics of the Dark Fiber Transport has changed.

8.2.18 [Intentionally Left Blank].

8.2.19 Bright House may request the following, which shall be provided on a time and materials basis (as set forth in the Pricing Attachment):

8.2.19.1 [Intentionally Left Blank].

8.2.19.2 A field survey that shows the availability of Dark Fiber Transport between two or more Verizon Central Offices, shows whether or not such Dark Fiber Transport is defective, shows whether or not such Dark Fiber Transport has been used by Verizon for emergency restoration activity, and tests the transmission characteristics of Verizon's Dark Fiber Transport. If a field survey shows that Dark Fiber Transport is available, Bright House may reserve the Dark Fiber Transport, as applicable, for ten (10) Business Days from receipt of Verizon's field survey results. If Bright House submits an order for access to such Dark Fiber Transport after passage of the foregoing ten (10) Business Day reservation period, Verizon does not guarantee or warrant the Dark Fiber Transport will be available when Verizon receives such order, and Bright House assumes all risk that the Dark Fiber Transport will not be available. Verizon shall perform a field survey subject to a negotiated interval. If a Bright House submits an order for Dark Fiber Transport without first obtaining the results of a field survey of such Dark Fiber Transport, Bright House assumes all risk that the Dark Fiber Transport will not be compatible with Bright House's equipment, including, but not limited to, order cancellation charges.

8.3 Transitional Provision of Embedded Dark Fiber Loops.

Notwithstanding any other provision of this Agreement, Verizon is not required to

provide, and Bright House may not obtain, unbundled access to any Dark Fiber Loop; provided, however, that if Bright House leased a Dark Fiber Loop from Verizon as of March 11, 2005, Bright House may continue to lease that Dark Fiber Loop at transitional rates provided for in the TRRO until September 10, 2006, and not beyond that date. The Parties acknowledge that Verizon, prior to the Effective Date, has provided Bright House with any required notices of discontinuance of Dark Fiber Loops, and that no further notice is required for Verizon to exercise its rights with respect to discontinuance of Dark Fiber Loops.

9. Network Interface Device

- 9.1 Subject to the conditions set forth in Section 1 of this Attachment and upon request by Bright House, Verizon shall permit Bright House to connect a Bright House Loop to the Inside Wiring of a Customer's premises through the use of a Verizon NID in accordance with this Section 9 and the rates and charges provided in the Pricing Attachment. Verizon shall provide Bright House with access to NIDs in accordance with, but only to the extent required by, the Federal Unbundling Rules. Bright House may access a Verizon NID either by means of a connection (but only if the use of such connection is technically feasible) from an adjoining Bright House NID deployed by Bright House or, if an entrance module is available in the Verizon NID, by connecting a Bright House Loop to the Verizon NID. When necessary, Verizon will rearrange its facilities to provide access to an existing Customer's Inside Wire. An entrance module is available only if facilities are not connected to it.
- 9.2 In no case shall Bright House access, remove, disconnect or in any other way rearrange Verizon's Loop facilities from Verizon's NIDs, enclosures, or protectors.
- 9.3 In no case shall Bright House access, remove, disconnect or in any other way rearrange, a Customer's Inside Wiring from Verizon's NIDs, enclosures, or protectors where such Customer Inside Wiring is used in the provision of ongoing Telecommunications Service to that Customer.
- 9.4 In no case shall Bright House remove or disconnect ground wires from Verizon's NIDs, enclosures, or protectors.
- 9.5 In no case shall Bright House remove or disconnect NID modules, protectors, or terminals from Verizon's NID enclosures.
- 9.6 Maintenance and control of premises Inside Wiring is the responsibility of the Customer. Any conflicts between service providers for access to the Customer's Inside Wiring must be resolved by the person who controls use of the wiring (e.g., the Customer).
- 9.7 When Bright House is connecting a Bright House-provided Loop to the Inside Wiring of a Customer's premises through the Customer's side of the Verizon NID, Bright House does not need to submit a request to Verizon and Verizon shall not charge Bright House for access to the Verizon NID. In such instances, Bright House shall comply with the provisions of Sections 9.2 through 9.7 of this Attachment and shall access the Customer's Inside Wire in the manner set forth in Section 9.8 of this Attachment.
- 9.8 Due to the wide variety of NIDs utilized by Verizon (based on Customer size and environmental considerations), Bright House may access the Customer's Inside Wiring, acting as the agent of the Customer by any of the following means:

- 9.8.1 Where an adequate length of Inside Wiring is present and environmental conditions permit, Bright House may without contacting Verizon and without charge, remove the Inside Wiring from the Customer's side of the Verizon NID and connect that Inside Wiring to Bright House's NID.
- 9.8.2 Where an adequate length of Inside Wiring is not present or environmental conditions do not permit, Bright House may without contacting Verizon and without charge, enter the Customer side of the Verizon NID enclosure for the purpose of removing the Inside Wiring from the terminals of Verizon's NID and connecting a connectorized or spliced jumper wire from a suitable "punch out" hole of such NID enclosure to the Inside Wiring within the space of the Customer side of the Verizon NID. Such connection shall be electrically insulated and shall not make any contact with the connection points or terminals within the Customer side of the Verizon NID.
- 9.8.3 Bright House may request Verizon to make other rearrangements to the Inside Wiring terminations or terminal enclosure on a time and materials cost basis to be charged to the requesting party (i.e. Bright House, its agent, the building owner or the Customer). If Bright House accesses the Customer's Inside Wiring as described in this Section 9.8.3, time and materials charges will be billed to the requesting party (i.e. Bright House, its agent, the building owner or the Customer).

10. [This Section Intentionally Left Blank]

11. Dedicated Transport

- 11.1 Subject to the conditions set forth in Section 1 of this Attachment, where facilities are available, at Bright House's request, Verizon shall provide Bright House with Dedicated Transport unbundled from other Network Elements at the rates set forth in the Pricing Attachment. Verizon shall provide Bright House with such Dedicated Transport in accordance with, but only to the extent required by, the Federal Unbundling Rules. Except as provided in Section 17 below, Verizon will not install new electronics, and Verizon will not build new facilities. For the avoidance of any doubt, notwithstanding any other provision of this Agreement, Verizon shall not be required to provide, and Bright House shall not request or obtain, unbundled access to shared (or common) transport, or any other interoffice transport facility that does not meet the definition of Dedicated Transport.
- 11.2 If and, to the extent that, Bright House has purchased (or purchases) transport from Verizon under a Verizon Tariff or otherwise, and Bright House has a right under the Federal Unbundling Rules to convert (and wishes to convert) such transport to unbundled Dedicated Transport under this Agreement, it shall give Verizon written notice of such request (including, without limitation, through submission of ASRs if Verizon so requests) and provide to Verizon all information (including, without limitation, a listing of the specific circuits in question) that Verizon reasonably requires to effectuate such conversion. In the case of any such conversion, Bright House shall pay any and all conversion charges (e.g., non-recurring charges), as well as any and all termination liabilities, minimum service period charges and like charges in accordance with Verizon's applicable Tariffs. If the transport to be converted comprises a portion of a High Capacity EEL (as defined in Section 16.2.1 below), the applicable provisions of Section 16 below shall apply.

12. **[This Section Intentionally Left Blank]**

13. **Operations Support Systems**

Subject to the conditions set forth in Section 1 of this Attachment and in Section 8 of the Additional Services Attachment, Verizon shall provide Bright House with access via electronic interfaces to databases required for pre-ordering, ordering, provisioning, maintenance and repair, and billing. Verizon shall provide Bright House with such access in accordance with, but only to the extent required by, the Federal Unbundling Rules. All such transactions shall be submitted by Bright House through such electronic interfaces.

14. **Availability of Other Network Elements on an Unbundled Basis**

14.1 Any request by Bright House for access to a Verizon Network Element that is not already available and that Verizon is required by the Federal Unbundling Rules to provide on an unbundled basis shall be treated as a Network Element Bona Fide Request pursuant to Section 14.3, of this Attachment..

14.2 Notwithstanding anything to the contrary in this Section 14, Verizon shall not be required to provide a proprietary Network Element to Bright House under this Section 14 except as required by the Federal Unbundling Rules.

14.3 Network Element Bona Fide Request (BFR).

14.3.1 Verizon shall promptly consider and analyze access to a new unbundled Network Element in response to the submission of a Network Element Bona Fide Request by Bright House hereunder. The Network Element Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶ 259 and n.603 or subsequent orders.

14.3.2 A Network Element Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element.

14.3.3 Bright House may cancel a Network Element Bona Fide Request at any time, but shall pay Verizon's reasonable and demonstrable costs of processing and/or implementing the Network Element Bona Fide Request up to the date of cancellation.

14.3.4 Within ten (10) Business Days of its receipt, Verizon shall acknowledge receipt of the Network Element Bona Fide Request.

14.3.5 Except under extraordinary circumstances, within thirty (30) days of its receipt of a Network Element Bona Fide Request, Verizon shall provide to Bright House a preliminary analysis of such Network Element Bona Fide Request. The preliminary analysis shall confirm that Verizon will offer access to the Network Element or will provide a detailed explanation that access to the Network Element is not technically feasible and/or that the request does not qualify as a Network Element that is required to be provided by the Federal Unbundling Rules.

14.3.6 If Verizon determines that the Network Element Bona Fide Request is technically feasible and access to the Network Element is required to

be provided by the Federal Unbundling Rules, it shall promptly proceed with developing the Network Element Bona Fide Request upon receipt of written authorization from Bright House. When it receives such authorization, Verizon shall promptly develop the requested services, determine their availability, calculate the applicable prices and establish installation intervals. Unless the Parties otherwise agree, the Network Element requested must be priced in accordance with Section 252(d)(1) of the Act.

- 14.3.7 As soon as feasible, but not more than ninety (90) days after its receipt of authorization to proceed with developing the Network Element Bona Fide Request, Verizon shall provide to Bright House a Network Element Bona Fide Request quote which will include, at a minimum, a description of each Network Element, the availability, the applicable rates, and the installation intervals.
- 14.3.8 Within thirty (30) days of its receipt of the Network Element Bona Fide Request quote, Bright House must either confirm its order for the Network Element Bona Fide Request pursuant to the Network Element Bona Fide Request quote or seek arbitration by the Commission pursuant to Section 252 of the Act.
- 14.3.9 If a Party to a Network Element Bona Fide Request believes that the other Party is not requesting, negotiating or processing the Network Element Bona Fide Request in good faith, or disputes a determination, or price or cost quote, or is failing to act in accordance with Section 251 of the Act, such Party may seek mediation or arbitration by the Commission pursuant to Section 252 of the Act.

15. Maintenance of Network Elements

If (a) Bright House reports to Verizon a Customer trouble, (b) Bright House requests a dispatch, (c) Verizon dispatches a technician, and (d) such trouble was not caused by Verizon's facilities or equipment in whole or in part, then Bright House shall pay Verizon a charge set forth in the Pricing Attachment for time associated with said dispatch. In addition, this charge also applies when the Customer contact as designated by Bright House is not available at the appointed time. Bright House accepts responsibility for initial trouble isolation and providing Verizon with appropriate dispatch information based on its test results. If, as the result of Bright House instructions, Verizon is erroneously requested to dispatch to a site on Verizon company premises ("dispatch in"), a charge set forth in the Pricing Attachment will be assessed per occurrence to Bright House by Verizon. If as the result of Bright House instructions, Verizon is erroneously requested to dispatch to a site outside of Verizon company premises ("dispatch out"), a charge set forth in the Pricing Attachment will be assessed per occurrence to Bright House by Verizon. Verizon agrees to respond to Bright House trouble reports on a non-discriminatory basis consistent with the manner in which it provides service to its own retail Customers or to any other similarly situated Telecommunications Carrier.

16. Combinations, Commingling, and Conversions

- 16.1 Subject to and without limiting the conditions set forth in Section 1 of this Attachment:
 - 16.1.1 Verizon will not prohibit the commingling of a Qualifying UNE with Qualifying Wholesale Services, but only to the extent and so long as commingling and provision of such Network Element (or combination

of Network Elements) is required by the Federal Unbundling Rules. Moreover, to the extent and so long as required by the Federal Unbundling Rules, Verizon shall, upon request of Bright House, perform the functions necessary to commingle Qualifying UNEs with Qualifying Wholesale Services. The rates, terms and conditions of the applicable access Tariff or separate non-251 agreement will apply to the Qualifying Wholesale Services, and the rates, terms and conditions of the Agreement or the Verizon UNE Tariff, as applicable, will apply to the Qualifying UNEs; provided, however, that a nonrecurring charge will apply for each UNE circuit that is part of a commingled arrangement, as set forth in the Pricing Attachment. In addition, if any commingling requested by Bright House requires Verizon to perform physical work that Verizon is required to perform under the Federal Unbundling Rules, then Verizon's standard charges for such work shall apply or, in the absence of a standard charge, a fee calculated using Verizon's standard time and materials rates shall apply until such time as a standard charge is established pursuant to the terms set forth in the Pricing Attachment.

16.1.2 Ratcheting, i.e., a pricing mechanism that involves billing a single circuit at multiple rates to develop a single, blended rate, shall not be required. UNEs that are commingled with Wholesale Services are not included in the shared use provisions of the applicable Tariff, and are therefore not eligible for adjustment of charges under such provisions. Verizon may exclude its performance in connection with the provisioning of commingled facilities and services from standard provisioning intervals and from performance measures and remedies, if any, contained in the Agreement or elsewhere.

16.1.3 Limitation on Section 16.1. Section 16.1 is intended only to address the Parties' rights and obligations as to combining and/or commingling of UNEs that Verizon is already required to provide to Bright House under the Agreement and the Federal Unbundling Rules. Nothing contained in Section 16.1 shall be deemed to limit any right of Verizon under the Agreement to cease providing a facility that is or becomes a Discontinued Facility.

16.2 Service Eligibility Criteria for Certain Combinations and Commingled Facilities and Services. Subject to the conditions set forth in Sections 1 and 16.1 of this Attachment:

16.2.1 Verizon shall not be obligated to provide:

16.2.1.1 an unbundled DS1 Loop in combination with unbundled DS1 or DS3 Dedicated Transport, or commingled with DS1 or DS3 access services;

16.2.1.2 an unbundled DS3 Loop in combination with unbundled DS3 Dedicated Transport, or commingled with DS3 access services;

16.2.1.3 unbundled DS1 Dedicated Transport commingled with DS1 channel termination access service;

16.2.1.4 unbundled DS3 Dedicated Transport commingled with DS1 channel termination access service; or

16.2.1.5 unbundled DS3 Dedicated Transport commingled with DS3 channel termination service,

(individually and collectively "High Capacity EELs") except to the extent Verizon is required by the Federal Unbundling Rules to do so, and then not unless and until Bright House, using an ASR, certifies to Verizon that each combined or commingled DS1 circuit or DS1 equivalent circuit of a High Capacity EEL satisfies each of the service eligibility criteria on a circuit-by-circuit basis as set forth in 47 C.F.R. § 51.318. Bright House must remain in compliance with said service eligibility criteria for so long as Bright House continues to receive the aforementioned combined or commingled facilities and/or services from Verizon and Bright House shall immediately notify Verizon at such time as a certification ceases to be accurate. The service eligibility criteria shall be applied to each combined or commingled DS1 circuit or DS1 equivalent circuit of a High Capacity EEL. If any combined or commingled DS1 circuit or DS1 equivalent circuit of a High Capacity EEL is, becomes, or is subsequently determined to be, noncompliant, the noncompliant High Capacity EEL circuit will be treated as described in Section 16.2.2 below. The foregoing shall apply whether the High Capacity EEL circuits in question are being provisioned to establish a new circuit or to convert an existing wholesale service, or any part thereof, to unbundled network elements. For existing High Capacity EEL circuits, Bright House, within thirty (30) days of the Effective Date to the extent it has not already done so prior to the Effective Date of this Agreement, must re-certify, using an ASR, that each DS1 circuit or DS1 equivalent circuit satisfies the service eligibility criteria on a circuit-by-circuit basis as set forth in 47 C.F.R. § 51.318. Any existing High Capacity EEL circuits that Bright House leased from Verizon as of the Effective Date of this Agreement that Bright House fails to re-certify as required by this Section by the end of such 30-day period shall be treated as a non-compliant circuit as described under Section 16.2.2 below effective as of the Effective Date of this Agreement.

16.2.2 Without limiting any other right Verizon may have to cease providing circuits that are or become Discontinued Facilities, if a High Capacity EEL circuit is or becomes noncompliant as described in this Section 16.2 and Bright House has not submitted an LSR or ASR, as appropriate, to Verizon requesting disconnection of the noncompliant facility and has not separately secured from Verizon an alternative arrangement to replace the noncompliant High Capacity EEL circuit, then Verizon, to the extent it has not already done so prior to execution of this Agreement, shall reprice the subject High Capacity EEL circuit (or portion thereof that had been previously billed at UNE rates), effective beginning on the date on which the circuit became non-compliant by application of a new rate (or, in Verizon's sole discretion, by application of a surcharge to an existing rate) to be equivalent to an analogous access service or other analogous arrangement that Verizon shall identify in a written notice to Bright House.

16.2.3 Each certification to be provided by Bright House pursuant to Section 16.2.1 above must contain the following information for each DS1 circuit or DS1 equivalent: (a) the local number assigned to each DS1 circuit or DS1 equivalent; (b) the local numbers assigned to each DS3 circuit (must have 28 local numbers assigned to it); (c) the date each

circuit was established in the 911/E-911 database; (d) the collocation termination connecting facility assignment for each circuit, showing that the collocation arrangement was established pursuant to 47 U.S.C. § 251(c)(6), and not under a federal collocation tariff; (e) the interconnection trunk circuit identification number that serves each DS1 circuit. There must be one such identification number per every 24 DS1 circuits; and (f) the local switch that serves each DS1 circuit. When submitting an ASR for a circuit, this information must be contained in the Remarks section of the ASR, unless provisions are made to populate other fields on the ASR to capture this information.

- 16.2.4 The charges for conversions are as specified in the Pricing Attachment and apply for each circuit converted.
 - 16.2.5 All ASR-driven conversion requests will result in a change in circuit identification (*circuit ID*) from access to UNE or UNE to access. If such change in circuit ID requires that the affected circuit(s) be retagged, then a retag fee per circuit will apply as specified in the Pricing Attachment.
 - 16.2.6 All requests for conversions will be handled in accordance with Verizon's conversion guidelines. Each request will be handled as a project and will be excluded from all ordering and provisioning metrics.
- 16.3 Once per calendar year, Verizon may obtain and pay for an independent auditor to audit Bright House's compliance in all material respects with the service eligibility criteria applicable to High Capacity EELs. Any such audit shall be performed in accordance with the standards established by the American Institute for Certified Public Accountants, and may include, at Verizon's discretion, the examination of a sample selected in accordance with the independent auditor's judgment. To the extent the independent auditor's report concludes that Bright House failed to comply with the service eligibility criteria, then (without limiting Verizon's rights under Section 16.2.2 above) Bright House must convert all noncompliant circuits to the appropriate service, true up any difference in payments, make the correct payments on a going-forward basis, and reimburse Verizon for the cost of the independent auditor within thirty (30) days after receiving a statement of such costs from Verizon. Should the independent auditor confirm Bright House's compliance with the service eligibility criteria, then Bright House shall provide to the independent auditor for its verification a statement of Bright House's out-of-pocket costs of complying with any requests of the independent auditor, and Verizon shall, within thirty (30) days of the date on which Bright House submits such costs to the auditor, reimburse Bright House for its out-of-pocket costs verified by the auditor. Bright House shall maintain records adequate to support its compliance with the service eligibility criteria for each DS1 or DS1 equivalent circuit for at least eighteen (18) months after the service arrangement in question is terminated.

17. Routine Network Modifications

- 17.1 General Conditions. In accordance with, but only to the extent required by, the Federal Unbundling Rules, and subject to the conditions set forth in Section 1 of this Attachment:
 - 17.1.1 Verizon shall make such routine network modifications, at the rates and charges set forth in the Pricing Attachment, as are necessary to permit access by Bright House to the Loop, Dedicated Transport, or

Dark Fiber Transport facilities available under the Agreement (including DS1 Loops and DS1 Dedicated Transport, and DS3 Loops and DS3 Dedicated Transport), where the facility has already been constructed. Routine network modifications applicable to Loops or Transport are those modifications that Verizon regularly undertakes for its own Customers and may include, but are not limited to: rearranging or splicing of in-place cable at existing splice points; adding an equipment case; adding a doubler or repeater; installing a repeater shelf; deploying a new multiplexer or reconfiguring an existing multiplexer; accessing manholes; and deploying bucket trucks to reach aerial cable. Routine network modifications applicable to Dark Fiber Transport are those modifications that Verizon regularly undertakes for its own Customers and may include, but are not limited to, splicing of in-place dark fiber at existing splice points; accessing manholes; deploying bucket trucks to reach aerial cable; and routine activities, if any, needed to enable Bright House to light a Dark Fiber Transport facility that it has obtained from Verizon under the Agreement. Verizon shall not be obligated to provide optronics for the purpose of lighting Dark Fiber Transport. Routine network modifications do not include the construction of a new Loop or new Transport facilities, trenching, the pulling of cable, the installation of new aerial, buried, or underground cable for a requesting telecommunications carrier, the placement of new cable, securing permits or rights-of-way, or constructing and/or placing new manholes or conduits. Verizon shall not be required to build any time division multiplexing (TDM) capability into new packet-based networks or into existing packet-based networks that do not already have TDM capability. Verizon shall not be required to perform any routine network modifications to any facility that is or becomes a Discontinued Facility.

- 17.2 Performance Plans. Verizon may exclude its performance in connection with the provisioning of Loops or Transport (including Dark Fiber Transport) for which routine network modifications are performed from standard provisioning intervals and performance measures and remedies, if any, contained in the Agreement or elsewhere.
- 17.3 Nothing contained in this Section 17 shall be deemed: (a) to establish any obligation of Verizon to provide on an unbundled basis under the Federal Unbundling Rules any facility that this Agreement does not otherwise require Verizon to provide on an unbundled basis under the Federal Unbundling Rules, (b) to obligate Verizon to provide on an unbundled basis under the Federal Unbundling Rules, for any period of time not required under the Federal Unbundling Rules, access to any Discontinued Facility, or (c) to limit any right of Verizon under the Agreement, any Verizon Tariff or SGAT, or otherwise, to cease providing a Discontinued Facility.

18. Rates and Charges

The rates and charges for UNEs, Combinations, Commingling, routine network modifications, and other services, facilities and arrangements, offered under this Attachment shall be as provided in this Attachment and the Pricing Attachment.

19. [Intentionally Left Blank]

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If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the State of [State] a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with ***CLEC Acronym TE*** reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.[]

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COLLOCATION ATTACHMENT

1. **Verizon's Provision of Collocation**

Verizon shall provide to Bright House, in accordance with this Agreement, Verizon's applicable federal and state Tariffs and the requirements of Applicable Law, Collocation for the purpose of facilitating Bright House's interconnection with Verizon under 47 U.S.C. § 251(c)(2) or access to Unbundled Network Elements of Verizon; provided, that notwithstanding any other provision of this Agreement or a Tariff, Verizon shall be obligated to provide Collocation to Bright House only to the extent required by Applicable Law and may decline to provide Collocation to Bright House to the extent that provision of Collocation is not required by Applicable Law. Notwithstanding any other provision of this Agreement or a Tariff, nothing in this Agreement or a Tariff shall be deemed to require Verizon to provide (and, for the avoidance of any doubt, Verizon may decline to provide and/or cease providing) Collocation that, if provided by Verizon, would be used by Bright House to obtain unbundled access to any network element: (a) that Verizon is not required to unbundle under 47 U.S.C. § 251(c)(3) or (b) that Verizon is not required to unbundle under 47 C.F.R. Part 51.

[Note: Bright House has suggested that it would be appropriate to include actual collocation terms and conditions, rather than simply tariff references, in this section.]

911 ATTACHMENT

1. 911/E-911 Arrangements

- 1.1 911/E-911 arrangements provide a caller access to the appropriate PSAP by dialing a 3-digit universal telephone number "911". Verizon provides and maintains such equipment and software at the 911/E-911 Tandem Office(s)/Selective Router(s), Verizon interface point(s) and ALI Database as is necessary for 911/E-911 Calls in areas where Verizon is the designated 911/E-911 Service Provider.
- 1.2 Verizon shall make the following information available to Bright House, to the extent permitted by Applicable Law. Such information is provided at the Verizon Partner Solutions website (formerly referred to as the Verizon wholesale website):
 - 1.2.1 a listing of the CLLI code (and SS7 point code when applicable) of each 911/E-911 Tandem Office(s)/Selective Router(s) and associated geographic location served for areas where Verizon is the designated 911/E-911 Service Provider;
 - 1.2.2 a listing of appropriate Verizon contact telephone numbers and organizations that currently have responsibility for operations and support of Verizon's 911/E-911 network and ALI Database systems; and
 - 1.2.3 where Verizon maintains a Master Street Address Guide (MSAG) on behalf of the Controlling 911 Authority, Verizon shall make available to Bright House secured access via the Verizon 911 Information Manger electronic interface that will allow Bright House to download an electronically readable copy of such MSAG at no charge for each county within the LATA(s) in the State of Florida, where Bright House is providing Telephone Exchange Service or as otherwise required by Applicable Law, provided that Verizon is permitted to do so by Controlling 911 Authority.

2. ALI Database

- 2.1 Where Verizon manages the ALI Database, information regarding the ALI Database is provided electronically at the Verizon Partner Solutions website (formerly referred to as the Verizon wholesale website).
- 2.2 Where Verizon manages the ALI Database, Verizon shall:
 - 2.2.1 store Bright House End User data provided by Bright House in the ALI Database;
 - 2.2.2 provide Bright House access to the ALI Database for the initial loading and updating of Bright House End User records in accordance with information contained in the Verizon Partner Solutions website (formerly referred to as the Verizon wholesale website); and
 - 2.2.3 provide Bright House an error and status report based on updates to the ALI Database received from Bright House.
- 2.3 Where Verizon manages the ALI Database, Bright House shall:

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end user

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end user

- 2.3.1 provide MSAG valid E-911 data for each of its End Users for the initial loading of, and any and all updates to the ALI database; Deleted: end users
- 2.3.2 utilize the appropriate Verizon electronic interface to update E-911 data in the ALI Database related its End Users (and all such database information in the ALI Database shall conform to Verizon standards, which are provided at the Verizon Partner Solutions website (formerly referred to as the Verizon wholesale website)); Deleted: end users
- 2.3.3 use its company ID on all End User records in accordance with NENA standards; Deleted: end user
- 2.3.4 correct any errors that occur during the entry of E-911 data in the ALI Database; and
- 2.3.5 enter E-911 data into the ALI Database in accordance with NENA standards for LNP. This includes, but is not limited to, using Bright House's NENA ID to lock and unlock records and the posting of the Bright House NENA ID to the ALI Database record where such locking and unlocking feature for E-911 records is available, or as defined by local standards. Bright House is required to promptly unlock and migrate its E-911 records in accordance with NENA standards. In the event that Bright House discontinues providing Telephone Exchange Service to any of its End Users, it shall ensure that its E-911 records for such End Users are unlocked in accordance with NENA standards. The Parties shall fully comply with all industry guidelines regarding the processes for locking and unlocking E-911 records and the intervals applicable to such processes. Deleted: end users
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- 2.4 In the event Bright House uses an Agent to input its End User's E-911 data to the ALI Database through the appropriate Verizon electronic interface, Bright House shall provide a Letter of Authorization, in a form acceptable to Verizon, identifying and authorizing its Agent. Deleted: end user's

3. 911/E-911 Interconnection

- 3.1 Bright House may, in accordance with Applicable Law, interconnect to the Verizon 911/E-911 Tandem Office(s)/Selective Router(s) or Verizon interface point(s). Verizon shall designate interface point(s), e.g., digital cross connect systems (DCS), where Bright House may interconnect with Verizon for the transmission and routing of 911/E-911 Calls to all subtending PSAPs that serve the areas in which Bright House provides Telephone Exchange Services and/or Bright House End Users obtain interconnected VoIP service.
- 3.2 In order to interconnect with Verizon for the transmission and routing of 911/E-911 Calls, Bright House shall:
- 3.2.1 interconnect with each Verizon 911/E-911 Tandem Office/Selective Router or Verizon interface point that serves the exchange areas in which Bright House is authorized to and will provide Telephone Exchange Service;
- 3.2.2 provide a minimum of two (2) one-way outgoing 911/E-911 trunks over diversely routed facilities that are dedicated for originating 911/E-911 Calls from the Bright House switch to each designated Verizon 911/E-

911 Tandem Office/Selective Router or Verizon interface point, using SS7 signaling where available, as necessary;

- 3.2.3 [Intentionally Left Blank];
- 3.2.4 provide sufficient trunks and facilities to route 911/E-911 Calls from Bright House to the designated Verizon 911/E-911 Tandem Office(s)/Selective Router(s) or Verizon interface point(s). Bright House is responsible for requesting that trunks and facilities be routed diversely for 911/E-911 interconnection;
- 3.2.5 determine the proper quantity of trunks and facilities from its switch(es) to the Verizon 911/E-911 Tandem Office(s)/Selective Router(s) or Verizon interface point(s);
- 3.2.6 engineer its 911/E-911 trunks and facilities to attain a minimum P.01 grade of service as measured using the "busy day/busy hour" criteria or at such other minimum grade of service as required by Applicable Law or the Controlling 911 Authority;
- 3.2.7 monitor its 911/E-911 trunks and facilities for the purpose of determining originating network traffic volumes. If the Bright House traffic study indicates that additional trunks and/or facilities are needed to meet the current level of 911/E-911 Call volumes, Bright House shall order or otherwise provide adequate additional trunks and/or facilities;
- 3.2.8 promptly test all 911/E-911 trunks and facilities between the Bright House network and the Verizon 911/E-911 Tandem Office(s)/Selective Router(s) or Verizon interface point(s) to assure proper functioning of 911/E-911 arrangements. Bright House shall not transmit or route live 911/E-911 Calls until successful testing is completed; and
- 3.2.9 isolate, coordinate and restore all 911/E-911 network maintenance problems from its switch(es) to the Verizon 911/E-911 Tandem Office(s)/Selective Router(s) or Verizon interface points. Bright House shall advise Verizon of the circuit identification when notifying Verizon of a failure or outage.

4. **911/E-911 General**

- 4.1 Verizon and Bright House shall work cooperatively to arrange meetings with the Controlling 911 Authorities to answer any technical questions the PSAPs, or county or municipal coordinators may have regarding the initial 911/E-911 arrangements
- 4.2 Bright House shall compensate Verizon for provision of 911/E-911 Services pursuant to the Pricing Attachment of this Agreement.
- 4.3 Bright House and Verizon shall comply with all Applicable Law (including 911 taxes and surcharges as defined by Applicable Law) pertaining to 911/E-911 arrangements.
- 4.4 Bright House shall collect and remit, as required, any 911/E-911 applicable surcharges from its End Users in accordance with Applicable Law.

5. **[Intentionally Left Blank]**

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If and, to the extent that, Verizon, prior to the Effective Date, has not provided in the State of [State] a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with ***CLEC Acronym TE*** reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.

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PRICING ATTACHMENT

1. General

- 1.1 As used in this Attachment, the term "Charges" means the rates, fees, charges and prices for a Service.
- 1.2 [Intentionally left blank].
- 1.3 [Intentionally left blank].
- 1.4 Charges for a Service shall be as stated in Appendix A of this Pricing Attachment. Except to the extent expressly and specifically provided in this Pricing Attachment, any rate element, service, or activity for which no price is specified herein, but which is required to be provided under the terms of this Agreement, shall be provided at no charge, it being agreed that the Parties numerous mutual obligations under this Agreement constitute full and complete compensation for such rate element(s), service(s) or activity(ies).
- 1.5 Except to the extent that Appendix A of this Pricing Attachment expressly and specifically states that a particular charge shall be as specified in a Party's tariff, no charge in Appendix A of this Pricing Attachment or any other provision of this Agreement shall be affected by any Tariff.
- 1.6 (a) Subject to sections 1.5 and 1.6(b) hereof, if, during the time that this Agreement is in effect, the Commission or the FCC establishes a rate for a function which is chargeable under this Agreement, then the newly established rate shall supersede the rate established in this Agreement.
- (b) The approval or establishment by the FCC or the Commission of a rate in a Party's tariff, or the allowing of such a rate to take effect without express approval or establishment by the FCC or the Commission, shall have no effect on any rate to be charged under this Agreement, except where this Agreement expressly states that the rate for a particular function or Service shall be as stated in a Party's tariff.
- 1.7 [Intentionally left blank]
- 1.8 In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.7 of this Attachment, the Charges for the Service shall be mutually agreed to by the Parties in writing.

2. Verizon Telecommunications Services Provided to Bright House for Resale Pursuant to the Resale Attachment

- 2.1 Verizon Telecommunications Services for which Verizon is Required to Provide a Wholesale Discount Pursuant to Section 251(c)(4) of the Act.
- 2.1.1 The Charges for a Verizon Telecommunications Service purchased by Bright House for resale for which Verizon is required to provide a wholesale discount pursuant to Section 251(c)(4) of the Act shall be the Retail Price for such Service set forth in Verizon's applicable Tariffs (or, if there is no Tariff Retail Price for such Service, Verizon's Retail Price for the Service that is generally offered to Verizon's Customers), less, to the extent required by Applicable Law: (a) the applicable wholesale discount stated in Verizon's Tariffs for Verizon Telecommunications Services purchased for resale pursuant to

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Deleted: the Charges for the Service stated in the Providing Party's applicable Tariff.1 In the absence of Charges for a Service established pursuant to Section 1.3 of this Attachment, the Charges shall be

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Deleted: For rate elements provided in Appendix A of this Pricing Attachment that do not include a Charge, either marked as "TBD" or otherwise, Verizon is developing such Charges and has not finished developing such Charges as of the Effective Date of this Agreement ("Effective Date"). When Verizon finishes developing such a Charge, Verizon shall notify ***CLEC Acronym TE*** in writing of such Charge in accordance with, and subject to, the notices provisions of this Agreement and thereafter shall bill ***CLEC Acronym TE***, and ***CLEC Acronym TE*** shall pay to Verizon, for Services provided under this Agreement on the Effective Date and thereafter in accordance with such Charge. Any notice provided by Verizon to ***CLEC Acronym TE*** pursuant to this Section 1.4 shall be deemed to be a part of Appendix A of this Pricing Attachment immediately after Verizon sends such notice to ***CLEC Acronym TE*** and thereafter

Deleted: <#> The Charges stated in Appendix A of this Pricing Attachment shall be automatically superseded by any applicable Tariff Charges. The Charges stated in Appendix A of this Pricing Attachment also shall be automatically superseded by any new Charge(s) when such new Charge(s) are required by any order of the Commission or the FCC, approved by the Commission or the FCC, or otherwise allowed to go into effect by the Commission or the FCC (including, but not limited to, in a Tariff that has been filed with the Commission or the FCC), prior ... [31]

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Section 251(c)(4) of the Act; or (b) in the absence of an applicable Verizon Tariff wholesale discount for Verizon Telecommunications Services purchased for resale pursuant to Section 251(c)(4) of the Act, the applicable wholesale discount stated in Appendix A for Verizon Telecommunications Services purchased for resale pursuant to Section 251(c)(4) of the Act.

- 2.1.2 The Charges for a Verizon Telecommunications Service Customer Specific Arrangement ("CSA") purchased by Bright House for resale pursuant to Section 3.3 of the Resale Attachment for which Verizon is required to provide a wholesale discount pursuant to Section 251(c)(4) of the Act shall be the Retail Price for the CSA, less, to the extent required by Applicable Law: (a) the applicable wholesale discount stated in Verizon's Tariffs for Verizon Telecommunications Services purchased for resale pursuant to Section 251(c)(4) of the Act; or (b) in the absence of an applicable Verizon Tariff wholesale discount for Verizon Telecommunications Services purchased for resale pursuant to Section 251(c)(4) of the Act, the applicable discount stated in Appendix A for Verizon Telecommunications Services purchased for resale pursuant to Section 251(c)(4) of the Act. Notwithstanding the foregoing, in accordance with, and to the extent permitted by Applicable Law, Verizon may establish a wholesale discount for a CSA that differs from the wholesale discount that is generally applicable to Telecommunications Services provided to Bright House for resale pursuant to Section 251(c)(4) of the Act.
- 2.1.3 Notwithstanding Sections 2.1 and 2.2 of this Attachment, in accordance with, and to the extent permitted by Applicable Law, Verizon may at any time establish a wholesale discount for a Telecommunications Service (including, but not limited to, a CSA) that differs from the wholesale discount that is generally applicable to Telecommunications Services provided to Bright House for resale pursuant to Section 251(c)(4) of the Act.
- 2.1.4 The wholesale discount stated in Appendix A shall be automatically superseded by any new wholesale discount when such new wholesale discount is required by any order of the Commission or the FCC, approved by the Commission or the FCC, or otherwise allowed to go into effect by the Commission or the FCC, provided such new wholesale discount is not subject to a stay issued by any court of competent jurisdiction.
- 2.1.5 The wholesale discount provided for in Sections 2.1.1 through 2.1.3 of this Attachment shall not be applied to:
 - 2.1.5.1 Short term promotions as defined in 47 CFR § 51.613;
 - 2.1.5.2 Except as otherwise provided by Applicable Law, Exchange Access services, it being understood and agreed to by the Parties that the provision of point-to-point "Special Access" services to End Users for purposes of data transmission do not constitute "Exchange Access" services for this purpose;
 - 2.1.5.3 Subscriber Line Charges, Federal Line Cost Charges, end user common line Charges, taxes, and government

Charges and assessment (including, but not limited to, 9-1-1 Charges and Dual Party Relay Service Charges).

- 2.1.5.4 Any other service or Charge that the Commission, the FCC, or other governmental entity of appropriate jurisdiction determines is not subject to a wholesale discount under Section 251(c)(4) of the Act.

2.2 Verizon Telecommunications Services for which Verizon is Not Required to Provide a Wholesale Discount Pursuant to Section 251(c)(4) of the Act.

- 2.2.1 The Charges for a Verizon Telecommunications Service for which Verizon is not required to provide a wholesale discount pursuant to Section 251(c)(4) of the Act shall be the Charges stated in Verizon's Tariffs for such Verizon Telecommunications Service (or, if there are no Verizon Tariff Charges for such Service, Verizon's Charges for the Service that are generally offered by Verizon).

- 2.2.2 The Charges for a Verizon Telecommunications Service customer specific contract service arrangement ("CSA") purchased by Bright House pursuant to Section 3.3 of the Resale Attachment for which Verizon is not required to provide a wholesale discount pursuant to Section 251(c)(4) of the Act shall be the Charges provided for in the CSA and any other Charges that Verizon could bill the person to whom the CSA was originally provided (including, but not limited to, applicable Verizon Tariff Charges).

2.3 Other Charges.

- 2.3.1 Bright House shall pay, or collect and remit to Verizon, without discount, all Subscriber Line Charges, Federal Line Cost Charges, and end user common line Charges, associated with Verizon Telecommunications Services provided by Verizon to Bright House.

3. **Bright House Prices**

Notwithstanding any other provision of this Agreement, the Charges that Bright House bills Verizon for Bright House's Services shall not exceed the Charges for Verizon's comparable Services, except to the extent that Bright House's cost to provide such Bright House's Services to Verizon exceeds the Charges for Verizon's comparable Services and Bright House has demonstrated such cost to Verizon, or, at Verizon's request, to the Commission or the FCC.

4. **[This Section Intentionally Left Blank]**

5. **Regulatory Review of Prices**

Notwithstanding any other provision of this Agreement, each Party reserves its respective rights to institute an appropriate proceeding with the FCC, the Commission or other governmental body of appropriate jurisdiction: (a) with regard to the Charges for its Services (including, but not limited to, a proceeding to change the Charges for its services, whether provided for in any of its Tariffs, in Appendix A, or otherwise); and (b) with regard to the Charges of the other Party (including, but not limited to, a proceeding to obtain a reduction in such Charges and a refund of any amounts paid in excess of any Charges that are reduced).

[INSERT APPLICABLE STATE APPENDIX A HERE]

**EXHIBIT A TO SECTION 3.1 (FIBER MEET ARRANGEMENT) OF THE INTERCONNECTION
ATTACHMENT**

Technical Specifications and Requirements

for

Bright House - *VERIZON COMPANY FULL NAME 1 TXT***
Fiber Meet Arrangement No. [XX]**

The following technical specifications and requirements will apply to Bright House - ***Verizon Company Full Name 1 TXT*** Fiber Meet Arrangement [NUMBER] ("FM No. [XX]"):

1. FM No. [XX] will provide interconnection facilities for the exchange of traffic (as set forth in the Amendment) between Verizon's [NAME OF TANDEM/END OFFICE] and Bright House's [NAME OF TANDEM/END OFFICE] in the State of Florida. A diagram of FM No. [XX] is included as Exhibit A-1.
2. Fiber Meet Points ("FMPs").
 - 2.1 FM No. [XX] will be configured as shown on Exhibit A-1. FM No. [XX] will have two FMPs.
 - 2.2 Verizon will provision a Fiber Network Interface Device ("FNID") at [POLE XX, STREET YY, TOWN ZZ, STATE] and terminate [] strands of its fiber optic cable in the FNID. The FNID provisioned by Verizon will be a [MANUFACTURER, MODEL]. Verizon will bear the cost of deploying its fiber to the FNID, as well as the cost of installing and maintaining its FNID. The fiber patch panel within Verizon's FNID will serve as FMP No. 1. Verizon will provide a fiber stub at the fiber patch panel in Verizon's FNID for Bright House to connect [] strands of its fiber cable [] connectors. Verizon's FNID will be locked, but Verizon and Bright House will have 24 hour access to their respective side of the fiber patch panel located in Verizon's FNID.
 - 2.3 Bright House will provision a FNID at [POLE XX, STREET YY, TOWN ZZ, STATE] and terminate [] strands of its fiber optic cable in the FNID. The FNID provisioned by Bright House will be a [MANUFACTURER, MODEL]. Bright House will bear the cost of deploying its fiber to the FNID, as well as the cost installing and maintaining its FNID. The fiber patch panel within Bright House's FNID will serve as FMP No. 2. Bright House will provide a fiber stub at the fiber patch panel in Bright House's FNID for Verizon to connect [] strands of its fiber cable. Bright House's FNID will be locked, but Bright House and Verizon will have 24 hour access to their respective side of the fiber patch panel located in Bright House's FNID.
3. Transmission Characteristics.
 - 3.1 FM No. [XX] will be built [as a ring configuration].
 - 3.2 The transmission interface for FM No. [XX] will be [Synchronous Optical Network ("SONET")].

Deleted: applicable

Deleted: Neither FMP is more than three (3) miles from the nearest Verizon Tandem or End Office.

- 3.3 Terminating equipment shall comply with [SONET transmission requirements as specified in Telcordia Technologies document GR-253 CORE (Tables 4-3 through 4-11)].
- 3.4 The optical transmitters and receivers shall provide adequate power for the end-to-end length of the fiber cable to be traversed.
- 3.5 The optical transmission rate will be [Unidirectional] OC-[XX].
- 3.6 The path switch protection shall be set as [Non-Revertive].
- 3.7 Verizon and Bright House shall provide [Primary Reference Source traceable timing].
4. Add Drop Multiplexer.
 - 4.1 Verizon will, at its own cost, obtain and install (at its own premise) its own Add Drop Multiplexer. Verizon will use a [MANUFACTURER, MODEL] Add Drop Multiplexer with firmware release of [X.X] at the network level. Before making any upgrade or change to the firmware of its Add Drop Multiplexer, Verizon must provide Bright House with fourteen (14) days advance written notice that describes the upgrade or change to its firmware and states the date on which such firmware will be activated in Verizon's Add Drop Multiplexer.
 - 4.2 Bright House will, at its own cost, obtain and install (at its own premise) its own Add Drop Multiplexer. Bright House will use a [MANUFACTURER, MODEL] Add Drop Multiplexer with firmware release of [X.X] at the network level. Before making any upgrade or change to the firmware of its Add Drop Multiplexer, Bright House must provide Verizon with fourteen (14) days advance written notice that describes the upgrade or change to its firmware and states the date on which such firmware or software will be activated in Bright House's Add Drop Multiplexer.
 - 4.3 Bright House and Verizon will monitor all firmware upgrades and changes to observe for any failures or anomalies adversely affecting service or administration. If any upgrade or change to firmware adversely affects service or administration of FM No. [XX], the firmware will be removed from the Add Drop Multiplexer and will revert to the previous version of firmware.
 - 4.4 The Data Communication Channel shall be disabled between the Verizon and Bright House Add Drop Multiplexers of FM No. [XX].
5. Testing.
 - 5.1 Prior to turn-up of FM No. [XX], Verizon and Bright House will mutually develop and implement testing procedures for FM No. [XX]
6. Connecting Facility Assignment ("CFA") and Slot Assignment Allocation ("SAA").
 - 6.1 For one-way and two-way trunk arrangements, the SAA information will be turned over to Bright House as a final step of turn up of the FM No. [XX].
 - 6.2 For one-way trunk arrangements, Verizon will control the CFA for the subtending facilities and trunks connected to Verizon's slots and Bright House will control the

CFA for the subtending facilities and trunks connected to Bright House's slots. Bright House will place facility orders against the first half of the *fully configured* slots (for example, slots 1-6 of a fully configured OC12) and Verizon will place orders against the second half of the slots (for example, slots 7-12). If either Party needs the other Party's additional slot capacity to place orders, this will be negotiated and assigned on a case-by-case basis. For SAA, Verizon and Bright House shall jointly designate the slot assignments for Verizon's Add Drop Multiplexers and Bright House's Add Drop Multiplexer in FM No. [XX].

- 6.3 For two-way trunk arrangements, Bright House shall control the CFA for the subtending facilities and trunks connected to FM No. [XX]. Bright House shall place facility and trunk orders against the total available SAA capacity of FM No. [XX].
7. Inventory, Provisioning and Maintenance, Surveillance, and Restoration.
 - 7.1 Verizon and Bright House will inventory FM No. [XX] in their operational support systems before the order flow begins.
 - 7.2 Verizon and Bright House will notify each other's respective Maintenance Control Office of all troubleshooting and scheduled maintenance activity to be performed on FM No. [XX] facilities prior to undertaking such work, and will advise each other of the trouble reporting and maintenance control point contact numbers and the days and hours of operation. Each Party shall provide a timely response to the other Party's action requests or status inquiries.
 - 7.3 Verizon will be responsible for the provisioning and maintenance of the FM No. [XX] transport facilities on Verizon's side of the FMPs, as well as delivering its applicable traffic to the FMPs. Bright House will be responsible for the provisioning and maintenance of the FM No. [XX] transport facilities on the Bright House's side of the FMPs, as well as delivering its applicable traffic to the FMPs. As such, other than payment of any applicable intercarrier compensation charges pursuant to the terms of the Agreement, neither Party shall have any obligation to pay the other Party any charges in connection with FM No. [XX].
 - 7.4 Verizon and Bright House will provide alarm surveillance for their respective FM No. [XX] transport facilities. Verizon and Bright House will notify each other's respective maintenance control office of all troubleshooting and scheduled maintenance activity to be performed on the facility prior to undertaking such work, and will advise each other of the trouble reporting and maintenance control point contact numbers and the days and hours of operation.
8. Cancellation or Modification of FM No. [XX].
 - 8.1 Except as otherwise provided in this Section 8, all expenses and costs associated with the construction, operation, use and maintenance of FM No. [XX] on each Party's respective side of the FMPs will be borne by such Party.
 - 8.2 If either Party terminates the construction of the FM No. [XX] before it is used to exchange traffic, the Party terminating the construction of FM No. [XX] will compensate the other Party for that Party's reasonable actual incurred construction and/or implementation expenses.
 - 8.3 If either Party proposes to move or change FM No. [XX] as set forth in this document, at any time before or after it is used to exchange traffic, the Party

requesting the move or change will compensate the other Party for that Party's reasonable actual incurred construction and/or implementation expenses arising from the move or change. Augments, moves and changes to FM No. [XX] as set forth in this document must be mutually agreed upon by the Parties in writing.

CLEC Full Name TE

VERIZON COMPANY FULL NAME 1 TXT

By: _____
Date: _____

TO BE EXECUTED AT A LATER DATE

Exhibit A-1

Bright House - *VERIZON COMPANY FULL NAME 1 TXT***
Fiber Meet Arrangement No. [XX]**

City, State

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Unless otherwise agreed by the Parties, the assurance of payment shall consist of an unconditional, irrevocable standby letter of credit naming Verizon as the beneficiary thereof and otherwise in form and substance satisfactory to Verizon from a financial institution acceptable to Verizon. The letter of credit shall be in an amount equal to two (2) months anticipated charges (including, but not limited to, both recurring and non-recurring charges), as reasonably determined by Verizon, for the Services to be provided by Verizon to ***CLEC Acronym TE*** in connection with this Agreement. If Bright House meets the condition in subsection 6.2(d) above or has failed to timely pay two or more bills rendered by Verizon or a Verizon Affiliate in any twelve (12)-month period, Verizon may, at its option, demand (and Bright House shall provide) additional assurance of payment, consisting of monthly advanced payments of estimated charges as reasonably determined by Verizon, with appropriate true-up against actual billed charges no more frequently than once per Calendar Quarter.

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Chris Savage

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The fact that a letter of credit is requested by Verizon hereunder shall in no way relieve Bright House from compliance with the requirements of this Agreement (including, but not limited to, any applicable Tariffs) as to advance payments and payment for Services, nor constitute a waiver or modification of the terms herein pertaining to the discontinuance of Services for nonpayment of any amounts payment of which is required by this Agreement.

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Author

Reciprocal Compensation Traffic between the Parties' respective Telephone Exchange Service Customers;

Translated LEC IntraLATA toll free service access code (e.g., 800/888/877) traffic between the Parties' respective Telephone Exchange Service Customers;

IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers;

Tandem Transit Traffic; and

Measured Internet Traffic.

To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the types set forth in Sections 3.1.3.1 and/or 3.1.3.5, other than the obligation to pay intercarrier compensation charges pursuant to the terms of the Agreement, neither Party shall have any obligation to pay the other Party any charges in connection with any Fiber Meet arrangements established under this Agreement. To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the type set forth in Section 3.1.3.2, the transport and termination of such traffic shall be subject to the rates and charges set forth in the Agreement and applicable Tariffs. To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the type set forth in Section 3.1.3.3, the Party originating such traffic shall compensate the terminating Party for the transport and

termination of such traffic at the rates and charges set forth in the Agreement and applicable Tariffs. To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of traffic of the type set forth in Section 3.1.3.4, Verizon shall charge (and ***CLEC Acronym TE*** shall pay) Verizon's applicable rates and charges as set forth in the Agreement and Verizon's applicable Tariffs, including transport charges to the terminating Verizon Tandem.

At ***CLEC Acronym TE***'s written request, a Fiber Meet arrangement established under this Agreement may be used for the transmission and routing of the following traffic types over the following trunk types:

Operator services traffic from ***CLEC Acronym TE***'s Telephone Exchange Service Customers to an operator services provider over operator services trunks;

Directory assistance traffic from ***CLEC Acronym TE***'s Telephone Exchange Service Customers to a directory assistance provider over directory assistance trunks;

911 traffic from ***CLEC Acronym TE***'s Telephone Exchange Service Customers to 911/E-911 Tandem Office(s)/Selective Router(s) over 911 trunks; and

Jointly-provided Switched Exchange Access Service traffic, including translated InterLATA toll free service access code (e.g., 800/888/877) traffic, between ***CLEC Acronym TE***'s Telephone Exchange Service Customers and third-party purchasers of Switched Exchange Access Service via a Verizon access Tandem over Access Toll Connecting Trunks.

To the extent that a Fiber Meet arrangement established under this Agreement is used for the transmission and routing of any traffic of the types set forth in this Section 3.1.4 Verizon may bill (and ***CLEC Acronym TE*** shall pay) Verizon's applicable Tariff rates and charges. Except as otherwise agreed in writing by the Parties or as expressly set forth in Sections 3.1.3 and/or 3.1.4 of this Interconnection Attachment, access services (switched and unswitched) and unbundled network elements shall not be provisioned on or accessed through Fiber Meet arrangements.

CLEC Acronym TE

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CLEC Acronym TE. These rates are to be applied at the technically feasible Point(s) of Interconnection on Verizon's network in a LATA at which the Parties interconnect, whether such traffic is delivered by Verizon for termination by ***CLEC Acronym TE***, or delivered by ***CLEC Acronym TE*** for termination by Verizon.

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Bright House that is delivered via a direct End Office trunk to the terminating

Bright House End Office. In light of Verizon's election set forth in Section 6.2 of this Interconnection Attachment above, [[no separate charges for transport, including, without limitation, charges for Tandem switching, shall apply to Reciprocal Compensation Traffic exchanged between the Parties.]]

{{OR}}

[[in addition to the End Office traffic termination charges specified above, for Reciprocal Compensation Traffic send from one Party to the other, the terminating Party shall bill, and the other Party shall pay, the charges for transport (including applicable Tandem Switching charges) specified in the Pricing Attachment. For avoidance of doubt, Verizon shall charge (and Bright House shall pay Verizon) the Tandem Reciprocal Compensation rate set forth in the Pricing Attachment for Reciprocal Compensation Traffic that Bright House delivers to Verizon and for which Verizon provides Tandem Switching or equivalent functions, and Bright House shall charge (and Verizon shall pay Bright House) the Tandem Reciprocal Compensation Rate set forth in the Pricing Attachment for Reciprocal Compensation Traffic that Verizon delivers to Bright House and for which Bright House provides Tandem Switching or equivalent functions. Any applicable distance-sensitive transport charges shall be determined based on the airline miles (using the V&H method) between the affected POI and the terminating Party's End Office. For avoidance of doubt, the Parties agree that Bright House's network serves an area comparable to the area served by Verizon's network, including its Tandem and End Office switches, so that Bright House is entitled to impose Tandem switching charges and any related transport charges in connection with traffic from Verizon to the same extent and in the same weighted proportion, as Verizon imposes Tandem switching and any related transport charges on Bright House. This equivalent proportion shall be calculated monthly based on the traffic that Bright House sends to Verizon.]]

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is delivered over the same Interconnection Trunks as Reciprocal Compensation Traffic, any port, transport or other applicable access charges related to the delivery of Toll Traffic from the technically feasible Point of Interconnection on Verizon's network in a LATA to the terminating Party's Customer shall be prorated so as to apply only to the Toll Traffic. The designation of traffic as Reciprocal Compensation Traffic for purposes of Reciprocal Compensation

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Bright House to Verizon shall not exceed the Reciprocal Compensation rates (including, but not limited to, Reciprocal Compensation per minute of use charges) billed by Verizon to

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Bright House, and the Reciprocal Compensation rates (including, but not limited to, the Reciprocal Compensation per minute of use charges) billed by Verizon to Bright House shall not exceed the Reciprocal Compensation rates (including, but not limited to, Reciprocal Compensation per minute of use charges) billed by Bright House to Verizon.

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Author

Subject to Section 8.1 of this Attachment, interstate and intrastate Exchange Access, Information Access, exchange services for Exchange Access or Information Access, and Toll Traffic, shall be governed by the applicable provisions of this Agreement and applicable Tariffs.

For any traffic originating with a third party carrier and delivered by ***CLEC Acronym TE*** to Verizon, ***CLEC Acronym TE*** shall pay Verizon the same amount that such third party carrier would have been obligated to pay Verizon for termination of that traffic at the location the traffic is delivered to Verizon by ***CLEC Acronym TE***.

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treated as required by the applicable Tariff of the Party transporting and/or terminating the traffic.

The Parties may also exchange Internet Traffic at the technically feasible Point(s) of Interconnection

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Verizon's network in a LATA established hereunder for the exchange of Reciprocal Compensation Traffic. Any

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Author

the Parties' exchange of Internet Traffic shall be applied at such technically feasible Point of Interconnection on Verizon's network in a LATA in accordance with the FCC Internet Orders and other applicable FCC orders and FCC Regulations

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Chris Savage

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Bright House and Verizon will establish MPB arrangements in order to provide a common transport option to Switched Exchange Access Services customers via a Verizon access Tandem Switch, or via the tandem functionality of Bright House's switch, in accordance with the MPB guidelines contained in the OBF's MECAB and MECOD documents

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, except as modified herein, and in Verizon's applicable Tariffs

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The arrangements described in this Section 10 are intended to be used to provide Switched Exchange Access Service where a portion of the transport component of the Switched Exchange Access Service is routed through an access Tandem Switch that is provided by

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as to which Direct End Office Trunks to any Verizon End Office Switches has been established. Bright House and Verizon will use reasonable efforts, individually and collectively, to maintain provisions in their respective state access Tariffs, and/or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor Tariff sufficient to reflect the MPB arrangements established pursuant to this Agreement.

In general, there are four alternative MPB arrangements possible, which are: Single Bill/Single Tariff, Multiple Bill/Single Tariff, Multiple Bill/Multiple Tariff, and Single Bill/Multiple Tariff, as outlined in the OBF MECAB Guidelines.

Each Party shall implement the "Multiple Bill/Single Tariff" or "Multiple Bill/Multiple Tariff" option, as appropriate, in order to bill an IXC for the portion of the MPB arrangement provided by

that Party. Alternatively, in former Bell Atlantic service areas, upon agreement of the Parties, each Party may use the New York State Access Pool on its behalf to implement the Single Bill/Multiple Tariff or Single Bill/Single Tariff option, as appropriate, in order to bill an IXC for the portion of the MPB arrangement provided by that Party.

The rates to be billed by each Party to the IXC for the portion of the MPB arrangement provided by it shall be as set forth in that Party's applicable Tariffs, or other document that contains the terms under which that Party's access services are offered. For each

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one Party, but the remainder of the transport component, and all other components of the Switched Exchange Access Service is provided by the other Party. In each LATA, the Parties shall establish MPB arrangements for the applicable		
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Serving Interconnection Wire Center combinations. Interconnection for the MPB arrangement shall occur at each		
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, unless otherwise agreed to by the Parties		
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Tandem in the LATA as to which Bright House has subtending exchanges, and at each Bright House switch in the LATA		
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Serving Interconnection Wire Center combination, the MPB billing percentages for transport between the		
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Serving Interconnection Wire Center shall be calculated in accordance with the formula set forth in Section 10.17 of this Attachment. Each Party shall provide the other Party with the billing name, billing address, and Carrier Identification Code (CIC) of the IXC, and identification of the		
Page 74: [23] Deleted	Chris Savage	2/26/2010 11:26:00 AM
Interconnection Wire Center serving the IXC in order to comply with the MPB notification process as outlined in the MECAB document.		
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The Party providing tandem functionality shall provide		
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the other Party with the Terminating Switched Access Detail Usage Data (EMI category 1101XX records) recorded at the Verizon access Tandem on cartridge or via such other media as the Parties may agree to, no later than ten (10) Business Days after the date the usage occurred.		
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The Party providing End Office functionality shall provide		
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the other Party with the Originating Switched Access Detail Usage Data (EMI category 1101XX records) on cartridge or via such other media as the Parties may agree, no later than ten (10) Business Days after the date the usage occurred.		
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Bright House and Verizon shall coordinate and exchange the billing account reference (BAR) and billing account cross reference (BACR) numbers or Operating Company Number ("OCN"), as appropriate, for the MPB arrangements described in this Section 10. Each Party shall notify the other if the level of billing

or other BAR/BACR elements change, resulting in a new BAR/BACR number, or if the OCN changes.

Each Party agrees to provide the other Party with notification of any errors it discovers in MPB data within thirty (30) calendar days of the receipt of the original data. The other Party shall attempt to correct the error and resubmit the data within ten (10) Business Days of the notification. In the event the errors cannot be corrected within such ten- (10) Business-Day period, the erroneous data will be considered lost. In the event of a loss of data, whether due to uncorrectable errors or otherwise, both Parties shall cooperate to reconstruct the lost data and, if such reconstruction is not possible, shall accept a reasonable estimate of the lost data based upon prior usage data.

Either Party may request a review or audit of the various components of access recording up to a maximum of two (2) audits per calendar year. All costs associated with each review and audit shall be borne by the requesting Party. Such review or audit shall be conducted subject to Section 7 of the General Terms and Conditions and during regular business hours. A Party may conduct additional audits, at its expense, upon the other Party's consent, which consent shall not be unreasonably withheld.

Except as expressly set forth in this Agreement, nothing contained in this Section 10 shall create any liability for damages, losses, claims, costs, injuries, expenses or other liabilities whatsoever on the part of either Party.

MPB will apply for all traffic bearing the 500, 900, toll free service access code (e.g. 800/888/877) (to the extent provided by an IXC) or any other non-geographic NPA which may be designated for such traffic in the future.

In the event Bright House determines to offer Telephone Exchange Services in a LATAs in which Verizon operates an access Tandem Switch, Verizon shall permit and enable Bright House to sub-tend the Verizon access Tandem Switch(es) designated for the Verizon End Offices in the area where there are located Bright House Routing Point(s) associated with the NPA NXX(s) to/from which the Switched Exchange Access Services are homed. Bright House shall provide reciprocal arrangements for Verizon.

Except as otherwise mutually agreed by the Parties, the MPB billing percentages for each Routing Point/Verizon Serving Interconnection Wire Center combination shall be calculated according to the following formula, unless as mutually agreed to by the Parties:

$$a / (a + b) = \text{Bright House Billing Percentage}$$

and

$$b / (a + b) = \text{Verizon Billing Percentage}$$

where:

a = the airline mileage between Bright House Routing Point and the actual point of interconnection for the MPB arrangement; and

b = the airline mileage between the Verizon Serving Interconnection Wire Center and the actual point of interconnection for the MPB arrangement.

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CLEC Acronym TE shall inform Verizon of each LATA in which it intends to offer Telephone Exchange Services and its calculation of the billing percentages which should apply for such arrangement.

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In cases where Bright House performs the tandem switching functionality, the same formula shall be used to determine the Parties' respective billing percentages, substituting "Bright House" for "Verizon" and vice versa in the formula specified above.

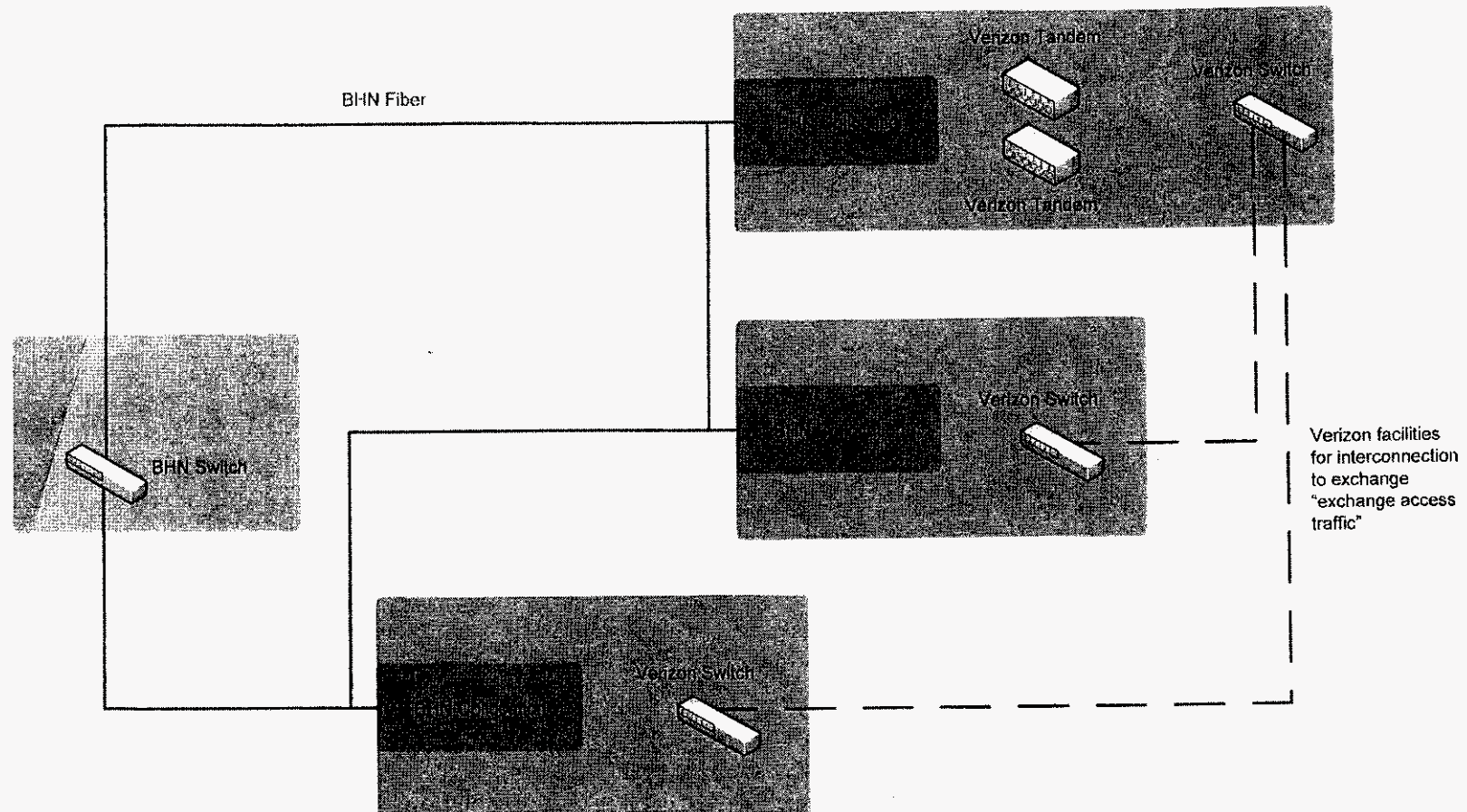
For LATA XXX, within thirty (30) days of the Effective Date, and for any other LATA, within thirty (30) days of the date on which Bright House notifies Verizon of its intention to interconnect in such other LATA, the Parties shall calculate and exchange the billing percentages which should apply for MPB arrangements within LATA XXX. Within ten (10) Business Days of

Page 130: [31] Deleted Author
The Charges stated in Appendix A of this Pricing Attachment shall be automatically superseded by any applicable Tariff Charges. The Charges stated in Appendix A of this Pricing Attachment also shall be automatically superseded by any new Charge(s) when such new Charge(s) are required by any order of the Commission or the FCC, approved by the Commission or the FCC, or otherwise allowed to go into effect by the Commission or the FCC (including, but not limited to, in a Tariff that has been filed with the Commission or the FCC), provided such new Charge(s) are not subject to a stay issued by any court of competent jurisdiction.

In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.5 of this Attachment, if Charges for a Service are otherwise expressly provided for in this Agreement, such Charges shall apply.

In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.6 of this Attachment, the Charges for the Service shall be the Providing Party's FCC or Commission approved Charges.

TJG-4: Network Architecture Chart



KEY	
BHN Fiber =	_____
Verizon Facilities =	_____

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP

EXHIBIT 18

COMPANY BRIGHT HOUSE NETWORKS

WITNESS TIMOTHY J. GATES (TJG-4)

DATE 05/25/10



Ordering and
Billing

ATIS/OBF-MECAB-008

**MULTIPLE EXCHANGE
CARRIER
ACCESS BILLING
(MECAB)**

Issue 8

January, 2003

Sponsored by



Alliance for
Telecommunications

Problem Solvers to the Telecommunications

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090451

EXHIBIT 19

COMPANY BRIGHT HOUSE NETWORKS

WITNESS TIMOTHY J. GATES (TJG-5)

DATE 05/25/10

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ATIS/OBF-MECAB-08

Issue 8,

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1. PREFACE

Effective January 1, 2001 the process outlined in MECAB Issue 7, which allows companies to utilize their own recordings for access and interconnection billing, may be implemented.

The use of EMI Category 11-50-01 through 04 and 11-50-21 through 24 meetpoint summary usage records, for billing of access and interconnection services, will be discontinued effective August 31, 2002.

This document contains the recommended guidelines for the billing of access and interconnection services provided to a customer by two or more providers or by one provider in two or more states within a single LATA. Access and interconnection services may be billed as usage-sensitive and flat rated charges, which may include intraLATA non-subscribed toll, wireless and local services. Examples of Usage-Sensitive Services are Feature Group B (FGB), Feature Group C (FGC), Feature Group D (FGD), Wireless Services [Type 1 (Line Side Service), Type 2A (Trunk Side Tandem Service) and Type 2B (Trunk Side End Office Service)], trunk side connections (e.g., BSA), and Directory Assistance (DA) Transport. Examples of Flat-Rated Services are WATS Access Lines (WALs), Dedicated Access Lines (DALs), Hicap, two-point, multi-point services, direct/local transport and DA transport. This document also addresses the billing of jointly provided Feature Group A (FGA) line side BSA services in Section 9 of this document.

Types of customers and providers are as follows but are not limited to those below.

- **End User:** A customer who occupies premises that utilizes retail telephone services provided by telecommunications carriers. They may order other services such as access.
- **IXC:** Interexchange Carrier (Also referred to as IC). A long distance company that carries traffic between local exchange carriers.
- **LEC:** Local Exchange Carrier. A Company providing local telephone service. This term could include the following entities:
 1. **CLEC:** Competitive Local Exchange Carrier. A Company, which competes by providing it's own switching and/or network, or by purchasing unbundled network elements from an established local telephone provider. This term is meant to distinguish a new or potential competitor from the established local exchange provider.
 2. **ILEC:** Incumbent Local Exchange Carrier. A Company providing the connection to the end user's premise and access to the long distance network prior to the introduction of local competition. It is the established Regional Bell Operating Company or Independent Company.
 3. **ULEC:** Unbundled Local Exchange Carrier. A Company that provides local, intraLATA toll and access service by purchasing one or more unbundled network elements from another company. This includes only buying dial tone (port) or the entire platform of elements (UNE-P).

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4. USP: Unbundled Service Provider. A Company (CLEC or ILEC) that has sold one or more network elements to another company in order for them to provide local, intraLATA toll and access services.
5. WSP: Wireless Service Provider (which includes CMRS (Commercial Mobile Radio Service), PCS (Personal Communication Services), etc.). A company whose network provides service to an end user through the use of airwave signals.

These guidelines were developed by the Billing Committee of the Ordering and Billing Forum (OBF). The Multiple Exchange Carrier Access Billing (MECAB) document (dated November 9, 1987) was changed to reflect the FGA/FGB meet-point Billing Task Force Report dated December 8, 1988. The Federal Communications Commission requested the report in its October 4, 1988 Order in CC Docket No. 87-579. The Commission addressed the report in its Memorandum Opinion and Order (MO&O) of October 5, 1989. This revised MECAB document also incorporates the resolution statements of recent OBF issues.

The OBF is a voluntary, self-policing group of provider and customer participants. They meet to identify, discuss, and resolve national issues concerning the ordering and billing of access and interconnection services. The OBF is under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The Federal Communications Commission (FCC) authorized the CLC in a MO&O released January 17, 1985.

This document provides industry guidelines for meet-point Billing (MPB) options. This document addresses the following:

- Common service identifiers
- Calculation of transport mileage
- Identification of the involved providers
- Provider to provider transfer of adjustment information and usage data
- MPB conversion and notification procedures.

This document identifies common data elements critical for the provision of verifiable and auditable bills in multiple provider situations and provides procedures for making common data elements and other data available to all providers, depending on the billing option selected.

The bill displays that appear are for illustrative purposes only. The Carrier Access Billing System Billing Output Specifications (CABS BOS®) documentation contains the industry standards for CABS access paper bills, bill data tapes and customer service records. The Small Exchange Carrier Access Billing (SECAB) Guidelines contain similar standards for paper and mechanized bills and inventory and rating information for the providers whose access bills do not conform to the CABS BOS.

Refer to CABS BOS and the SECAB for the current standards for billing outputs.

2. GENERAL

2.1 Scope

These guidelines are for billing access and interconnection services provided by two or more providers or by one provider in two or more states within a single LATA. It is to the mutual benefit of both customers (customers and end users) and providers that bills be accurate and auditable. This document addresses the concept of MPB and revenue sharing as detailed in the December 8, 1988 Report. As stated previously, access and interconnection services include Usage Sensitive and Flat Rates Services. Where intrastate tariffs and contracts permit, these guidelines are used for access and interconnection services. The determination of implementing a meet-point Billing arrangement between providers, which operate in the same territory, is based upon Provider-to-Provider negotiations where the regulatory environment permits. When all involved providers agree to a meet-point Billing arrangement, these guidelines are used.

2.2 MECAB Revision

2.2.1 Reason for Revision

OBF Issue 472 (the MECAB Change Management Document) recommends that the MECAB be updated to incorporate all resolved OBF issues affecting the MECAB document. This is the **seventh revision** to the MECAB based on OBF Issue 472. This revision contains updates to industry guidelines to reflect the resolution of the following OBF Issues:¹

- Issue 1548 – Billing Verification Process in an Unbundled Environment
- Issue 1667 – Exchange of Billing Information
- Issue 1690 – Notification of Interconnecting Billing Information to the ULEC.
- Issue 2056 – For Facility-Based LECs/CLECs & CMRS, Enhance the Meetpoint/Meetpoint-like Record Exchange to be Consistent with Unbundled Processes
- Issue 2138 – Redefine and Evaluate the Need for Existing MECAB Data Elements
- Issue 2162 – Eliminate Pass Through meet-point Billing Options in MECAB
- Issue 1962 – Multiple Providers of Tandem Access Interconnection
- Issue 2186 – Optional Use Return Code for Category 11 Detail Records

The following issues were reviewed but no changes were made to the document.

- Issue 1284 – Long Term LNP Billing and Verification
- Issue 1287 – Billing For Unbundled Network Elements
- Issue 1528 – The Billing Impact Resulting From Access Reform
- Issue 1593 – Guidelines Do Not Exist For Providing Historical PICC Detail Data to Verify PICC Charges

¹ A record of resolved OBF Issues incorporated in MECAB revisions is contained in Section 11 - OBF Issues Included in MECAB Revisions.

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2.2.2 Change Management

MECAB standards represent policy guidelines approved by the OBF; the Billing Committee of the OBF is responsible for the MECAB document. MECAB is changed through the incorporation of resolved OBF issues. Proposed changes to MECAB are reviewed and approved by the OBF Billing Committee and the OBF General Session. In accordance with the MO&O in CC Docket No. 86-104, released July 31, 1987, the FCC will have the opportunity to review any revisions to the standards (MECAB) to the extent that further tariff revisions are necessary.

2.2.3 Revision Process

Proposed MECAB revisions are developed periodically by the OBF Billing Committee. This Committee normally assigns a work group to draft the proposed MECAB revisions from resolved OBF issues. Resolved OBF issues for inclusion in MECAB are identified in the resolution by the entry "This resolution will be included in the MECAB document."

If possible, OBF issues impacting MECAB should contain proposed MECAB language changes as part of the suggested resolution. This language is reviewed by the Billing Committee as part of the issue resolution process.

2.2.4 MECAB and CABS BOS Coordination

The MECAB document is coordinated with the CABS BOS. MECAB addresses broad matters of policy and procedure associated with all aspects of MPB. Billing output exhibits are included in MECAB for illustrative purposes only. The industry standard for access bills is the current effective version of CABS BOS.

The SECAB Guidelines support those providers who currently do not conform to the CABS BOS. For those companies, references to the SECAB have been included in this document for general billing requirements and suggested formats.

2.3 History

2.3.1

In the illustrative Access Tariffs an attempt was made to address the ordering and billing processes when access service was provided by more than one provider or by one provider in two or more states within a single LATA. The original proposal was to have one provider (the end user's end office, dial tone office, or hub office provider) accept the order for service and bill the overall access service. This version came to be known as End Office Billing or Tariff Option A.

Several providers expressed interest in a second billing option, where each provider would bill the appropriate tariff rate for its portion of the access service in the appropriate jurisdiction. This concept was labeled meet-point Billing (MPB), or Tariff Option B, and added to the Access Tariff as filed with the FCC. Upon reviewing these billing plans, the FCC directed that Tariff Option A be phased out and replaced by Tariff Option B.

2.3.2

Due to various implementation considerations, the providers requested a waiver to delay MPB until June 1, 1985. The provider industry decided, after considerable study, that Usage-Sensitive Access Feature Group A (FGA) and Feature Group B (FGB) were not suited to MPB concepts. In addition, the mechanics of rendering an accurate, auditable meet-point bill for other access services were becoming more complex, casting doubt as to whether every provider could meet the June 1, 1985 implementation date.

As a result, the National Exchange Carrier Association (NECA), along with several individual providers, filed a petition for extension of waiver (in January, 1985) to delay, indefinitely, FGA and FGB MPB, and to delay MPB of other Usage-Sensitive and Flat-Rated Access offerings until June 1, 1986.

2.3.3

On March 28, 1986, the FCC issued a MO&O extending the waiver for MPB of access services until January 1, 1988, in response to several petitioners who argued that serious implementation problems remained regarding the current MPB requirements. This extension did not prohibit providers, where it was agreed upon, from implementing MPB where the capability exists.

Additionally, the FCC ordered the formation of an ad hoc industry group in cooperation with the CLC of the ECSA to study various MPB alternatives and develop an industry proposal. That Order required the CLC to submit an industry proposal to the Commission by December 1, 1986.

Accordingly, the CLC assigned the task to the OBF. The Billing Committee prepared a statement outlining a plan of action that included the organization of an ad hoc industry group to investigate alternatives to the proposed meet-point Billing plans.

2.3.4

On December 1, 1986, the ECSA filed the 86-104 Report adopted by the ECSA's Ordering and Billing Forum in response to the March 28, 1986 Order containing proposals for implementing meet-point Billing. The Commission adopted the 86-104 Report in a MO&O, released July 31, 1987.

The Order allowed the current blanket waiver of MPB requirements for FGC, FGD, Flat-Rated Access and DA Transport to expire on January 1, 1988. Providers were required to file tariff revisions implementing MPB for FGC, FGD, Flat-Rated Access and DA Transport in their October 1987 annual access filings to be implemented by January 1, 1988. Furthermore, the FCC suggested the OBF study the feasibility of applying the MPB approach developed for FGC, FGD, Flat-Rated Access, and DA Transport to other Usage-Sensitive Access services (i.e., FGA and FGB).

2.3.5

In the October 4, 1988 Order in CC Docket No. 87-579, the Commission requested that the ECSA submit a report on the possibility of meet-point Billing for FGA and FGB. The report, submitted to the FCC on December 8, 1988, recommended revenue sharing agreements as

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the most appropriate solution for FGA shared service and the establishment of meet-point Billing for FGB. The Commission agreed in a MO&O released October 5, 1989.

The October 5, 1989 Order allows providers jointly providing FGA access services to avoid meet-point Billing for these FGA services by entering into binding revenue sharing agreements not later than one year after the release date of the Order. In addition, the Commission agreed with the December 8th Report that MPB of FGB access services be implemented by July 1, 1990. Providers were required to file tariff revisions implementing MPB of FGB in their 1990 annual access tariff filings. Furthermore, the FCC ordered that the OBF file a progress report not later than December 31, 1990 regarding the feasibility of establishing guidelines for MPB of Flat-Rated Access.

To meet the requirements of the October 5, 1989 Order, the ECSA submitted the *Issue 3* Revision of the MECAB document to the FCC in December of 1990. MECAB, *Issue 3* incorporated resolutions to two Flat-Rated Access issues, OBF 591 and 592, that meet the requirements of the above-mentioned FCC requested report. A cover letter to the Commission that further explained the Flat-Rated Access revisions accompanied the revised MECAB.

MECAB *Issue 4* incorporates resolutions to OBF issues 465, 590, and 638. Wording was added to the document to clarify Flat-Rated Access meet-point Billing guidelines.

MECAB *Issue 5* incorporates resolutions to OBF issues 621, 733, and 792. Text changes were made to meet the requirements of the September 17, 1993 Order, Docket 91-213, addressing Equal Charge Per Unit of Traffic (a.k.a., Local Transport Restructure). A distinction was made to clarify the difference between usage-sensitive and flat-rated access as a result of the resolution of OBF issue 733.

MECAB *Issue 6* incorporates resolutions to OBF issues 945, 946, 970, 1140, 1142, 1185, 1248 and 1304. Text changes were made to substitute the words provider and customer for LEC and IC. Section 17 (Sample forms) was created to provide a home for the Sample meet-point Notification Form (Section 17.1) and the Manual usage Exchange Form (Section 17.2).

MECAB *Issue 7* incorporates resolutions to OBF billing issues 1548, 1667 and 1690 covering unbundled services. Section 14 – Jointly Provided Services In an Unbundled Environment was developed, along with diagrams, to incorporate the process dealing with unbundled services in a local, intra-LATA toll, CMRS and access environments.

MECAB *Issue 7* also includes OBF Billing Committee Issue 2056, which eliminates common minutes for facility-based LECs/CLEC, and CMRS traffic and billing; Issue 2138, which evaluates meetpoint data elements; and Issue 2162, which eliminates the pass through billing options. The sections eliminated as a result of the above issues were 10 - BAR/BACR, 12 - IBC/SBC, 13 - The Usage Sensitive Access Matrix and 17 - Sample forms for Manual Summary Usage Records. Revision marks will not be reflected due to extensive modifications to the document.

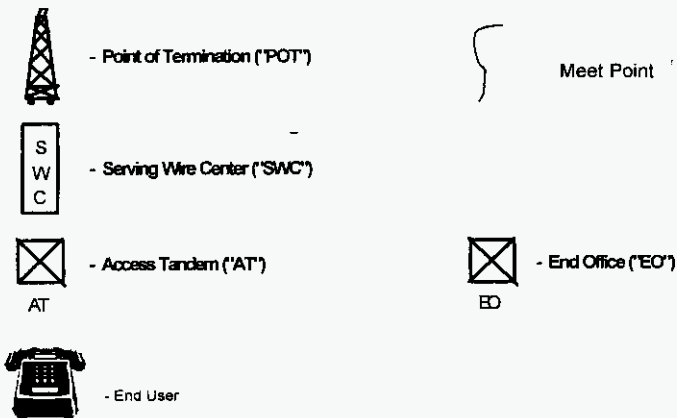
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MECAB *Issue 8* incorporates resolutions to OBF Billing Committee Issues 1962 and 2186. Issue 1962 specifically addresses the situation where multiple tandem providers are involved in passing local and toll LEC traffic. Issue 2186 establishes applicable return codes in EMI Category 11 detail records exchanged between companies utilizing a 2 position return code (110XXX positions 70-71) to be consistent with the established Cat 10 and Cat 01 process.

2.4 Symbols

The following symbols are used in the figures throughout this document:



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3. NECA TARIFF FCC. NO. 4, PERCENT OWNERSHIP, BILLING PERCENTAGE AND COMPANY CODE

3.1 General

The industry reference for listing endpoint locations, billing percentages, and the providers involved in a MPB environment is NECA Tariff FCC. No. 4. The information contained in this tariff specifies the apportionment of local transport or channel mileage rate element(s) among the providers and/or jurisdictions involved in an access and interconnection services based on billing percentages. Each pair of end point locations, the related Billing Percentages, and the providers involved must be filed in NECA Tariff FCC. No. 4 for access services. When billing percentages are required for interconnection services, the decision to file billing percentages in NECA Tariff FCC. No. 4 is based upon Provider-to-Provider negotiations.

3.2 Billing Percentage (BP)

BPs are listed by service type for each pair of locations where access and interconnection services are provided on a meet-point basis. The sum of the BPs filed for each pair of end point locations must equal 100%. For each pair of locations, the involved providers must agree in writing to their respective BPs. This information must be submitted to NECA for inclusion in NECA Tariff FCC. No. 4, per NECA filing requirements.

3.3 Percent Ownership

Each set of BPs may be developed on any *mutually agreeable* basis among the providers in the route. BPs may be developed using:

1. Provider investment to total investment
2. Route miles to total route miles
3. Airline miles to meet-point to total airline miles between locations

The basis of this apportionment should consider each provider's rate structure for channel mileage or local transport and the method of BP application either approved by the FCC or locally negotiated contracts.

3.4 Transport or Mileage Charge Calculations

The appropriate method for calculation of MPB of the distance sensitive portion of Local Transport (direct-trunk and tandem-switched), Channel Mileage (e.g. Special Transport), is as follows:

1. The Vertical and Horizontal (V&H) coordinates (filed in NECA Tariff FCC. No. 4) are used to calculate the airline distance between two wire centers. Fractional mileage is rounded to the next whole number.
2. Each provider applies the tariff rate for this overall mileage length to obtain a dollar amount.
3. The BP is applied to the dollar amount calculated above.

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See Figures 3-1 through 3-9 for examples of Usage-Sensitive Access (tandem-switched) and Flat-Rated Access (Switched and Special) mileage charge calculations.

3.5 Company Code

Whenever company codes are used to identify companies associated with rate elements, usage detail or circuit locations on meet-point bills and Customer Service Records (CSRs) (if provided), the state level company code, as filed in NECA Tariff FCC. No. 4, is provided.

3.5.1 Usage Sensitive Access Transport Mileage Charge Calculations

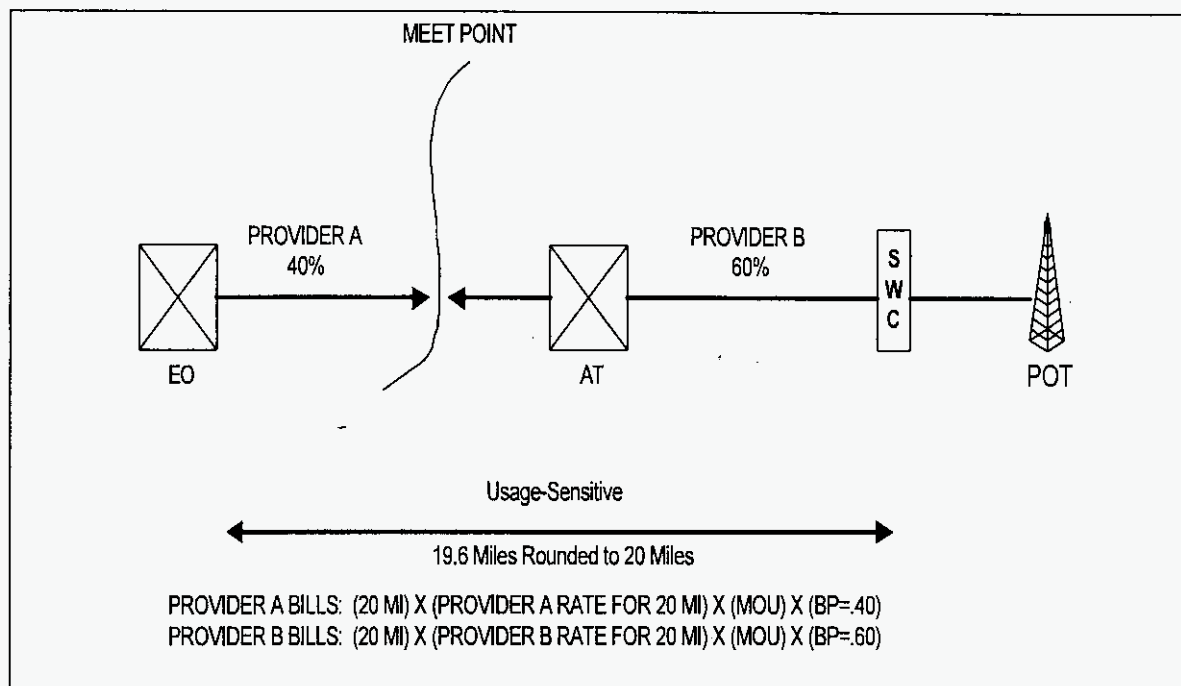


Figure 3-1 - Usage-Sensitive Access Transport Mileage Charge Calculations

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3.5.2 Flat Rated Access Transport Mileage Charge Calculations

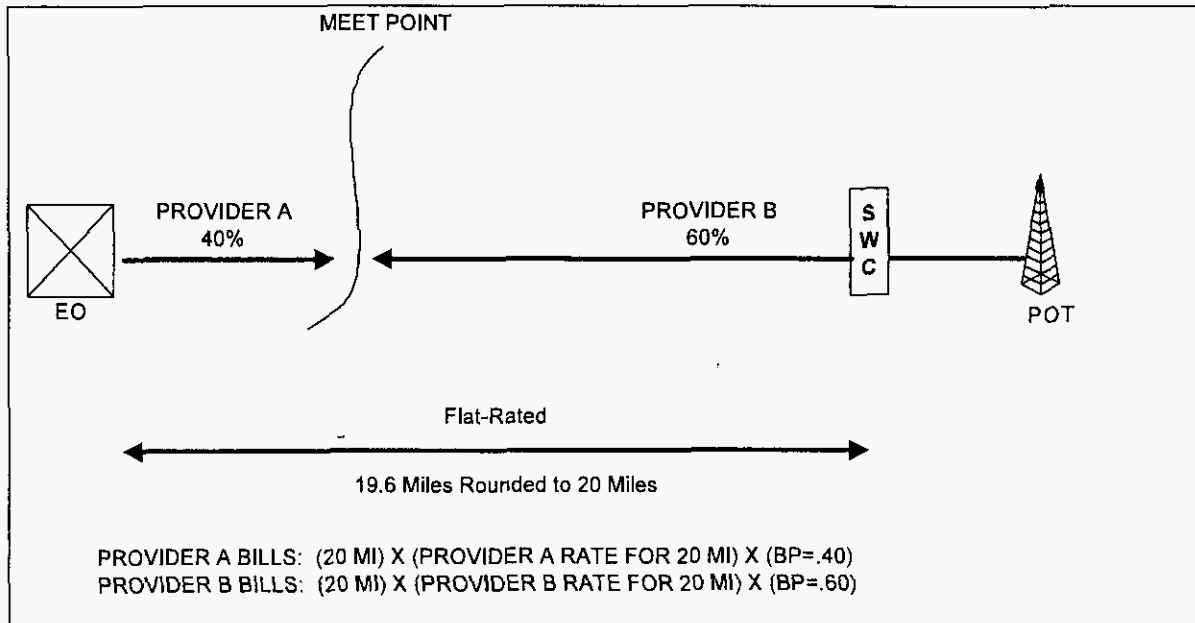


Figure 3-2- Flat-Rated Access Transport Mileage Charge Calculations

3.5.3 Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations

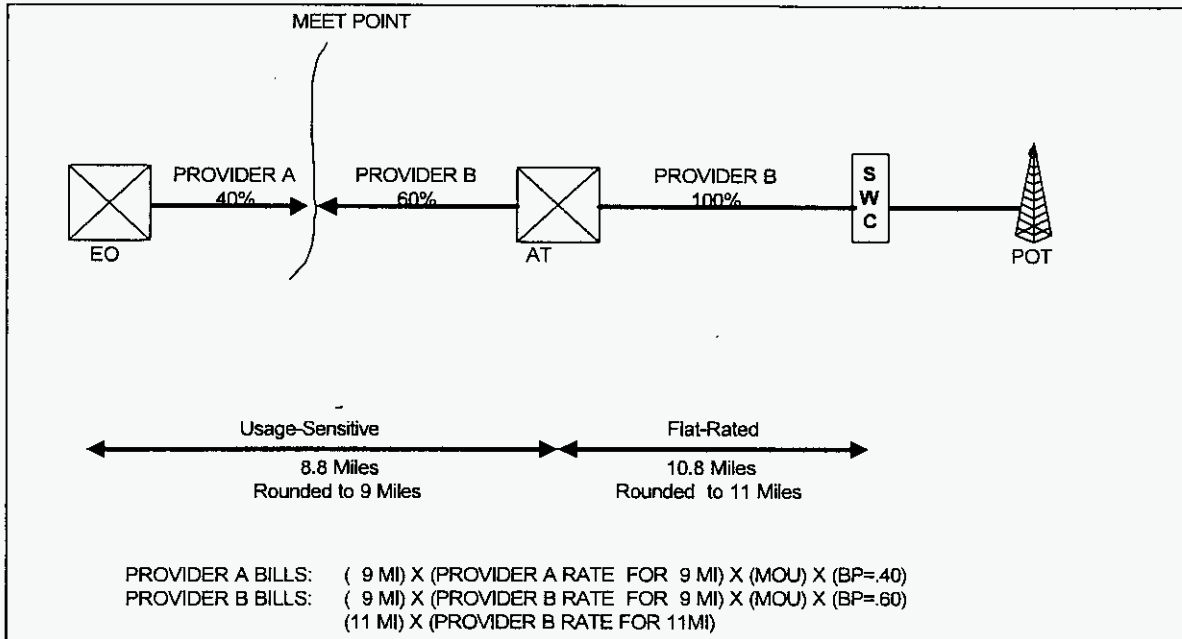


Figure 3-3 - Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the AT and the EO)

3.5.4 Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations

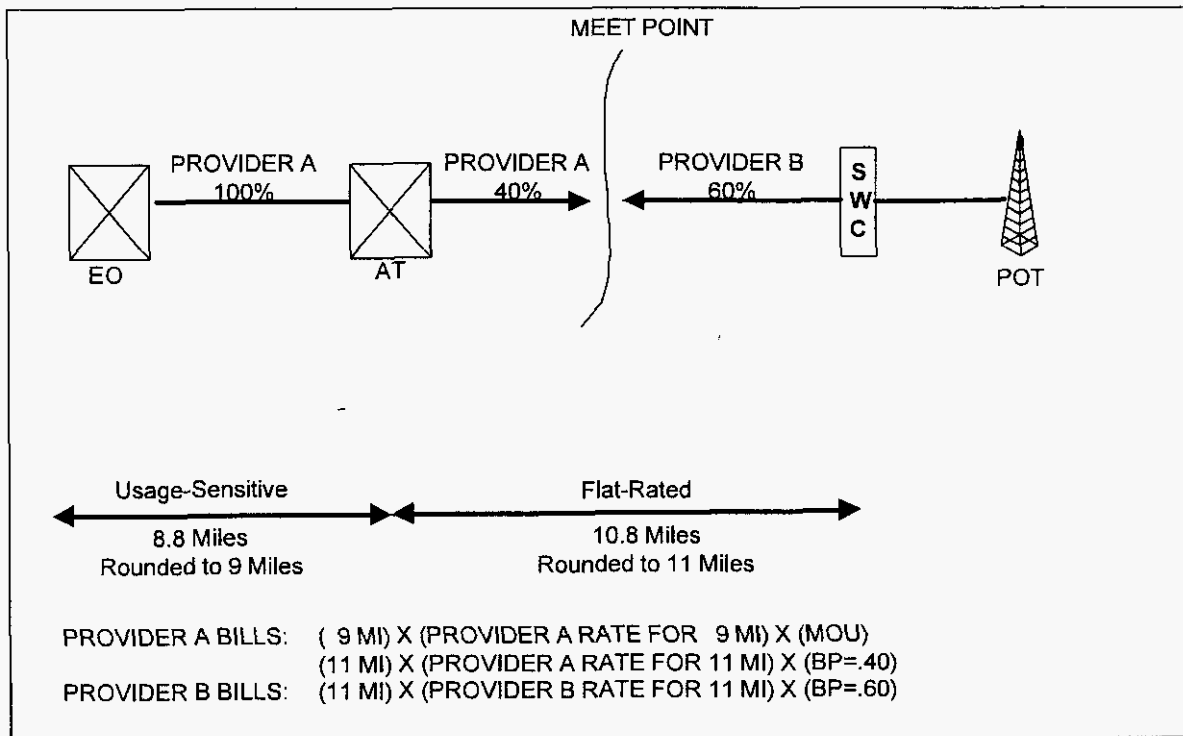


Figure 3-4 - Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the AT and the SWC)

3.5.5 Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations

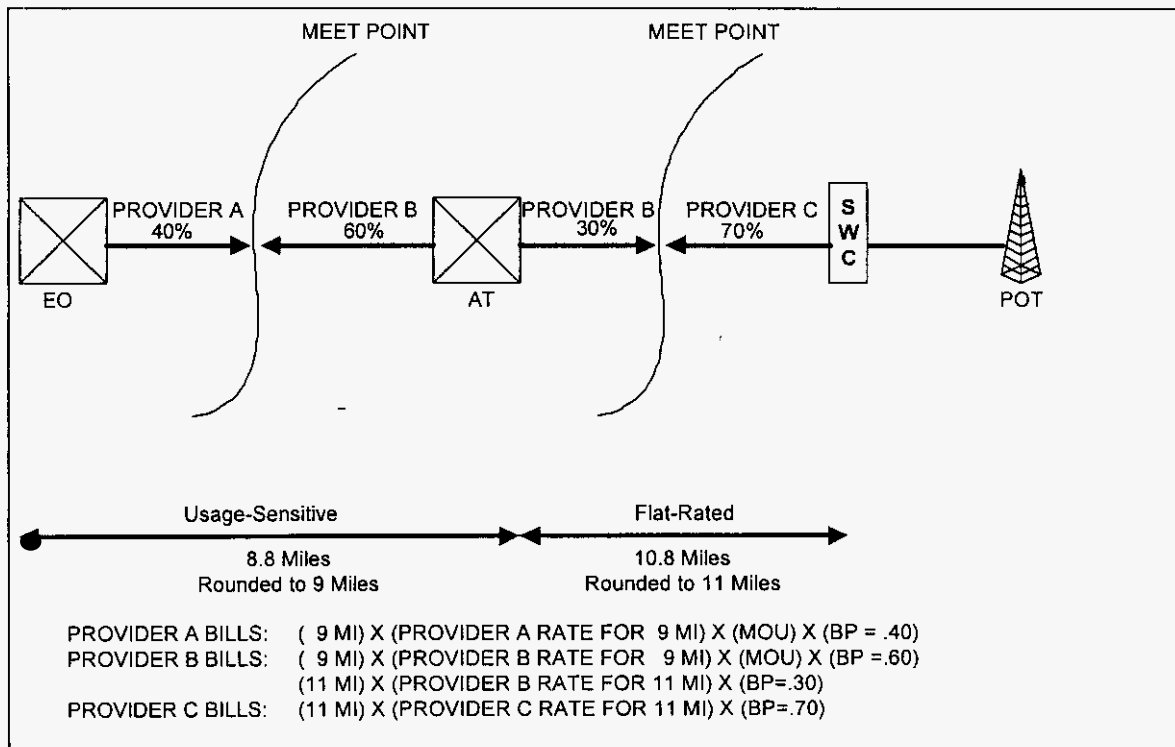


Figure 3-5 - Combination of Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (Three Providers)

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3.5.6 Host/Remote Usage – Sensitive Access Transport Mileage Charge Calculations

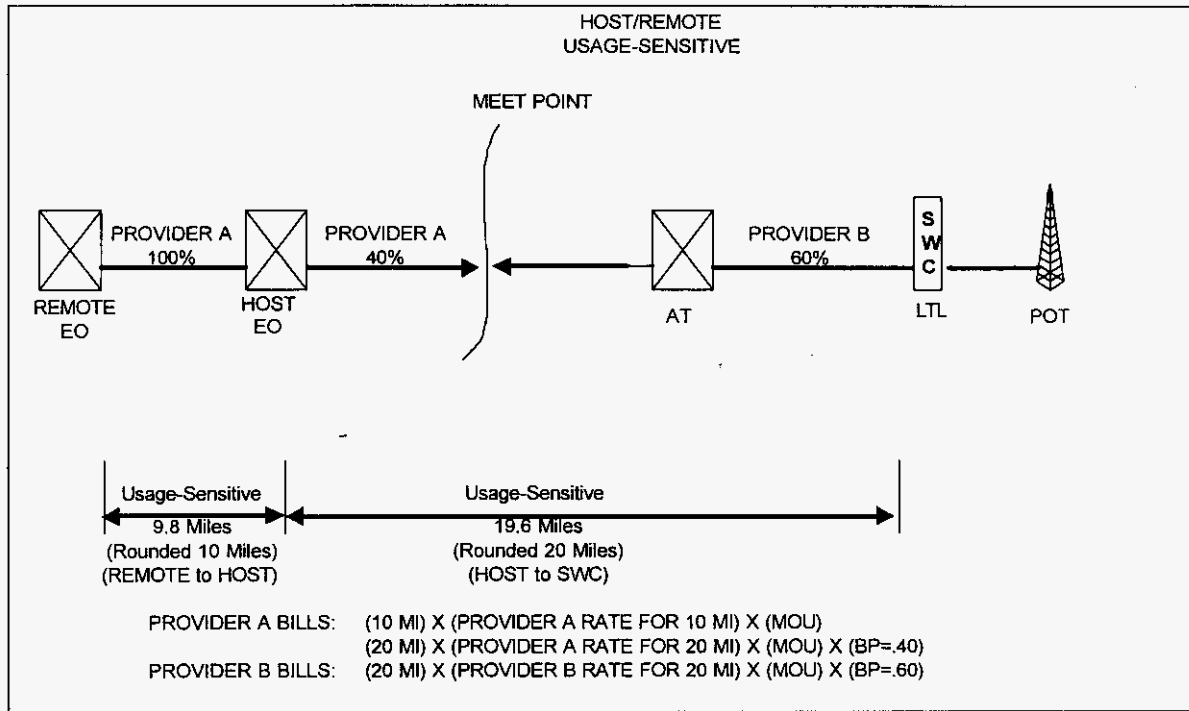


Figure 3-6 - Host/Remote Usage-Sensitive Access Transport Mileage Charge Calculations
(with the meet-point between the HOST and AT)

3.5.7 Host/Remote Usage Sensitive & Flat Rated Access Transport Mileage Charge Calculations

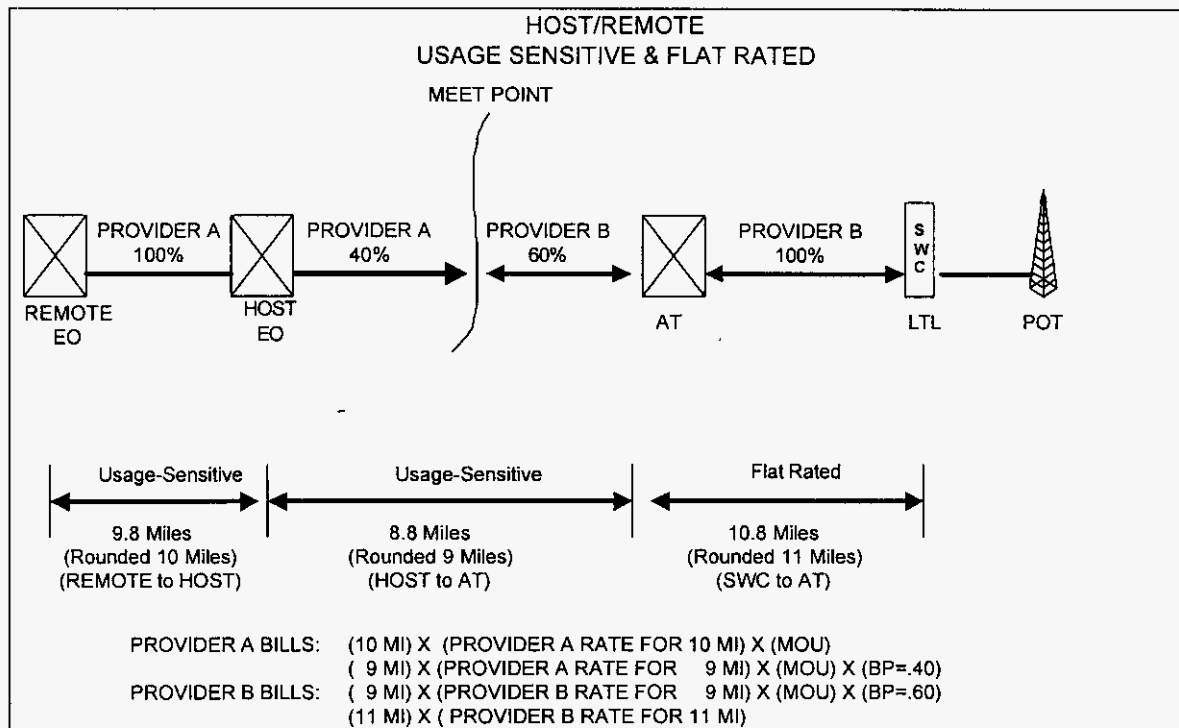


Figure 3-7 - Host/Remote Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the HOST and AT)

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3.5.8 Host/Remote Usage Sensitive & Flat Rated Access Transport Mileage Charge Calculations

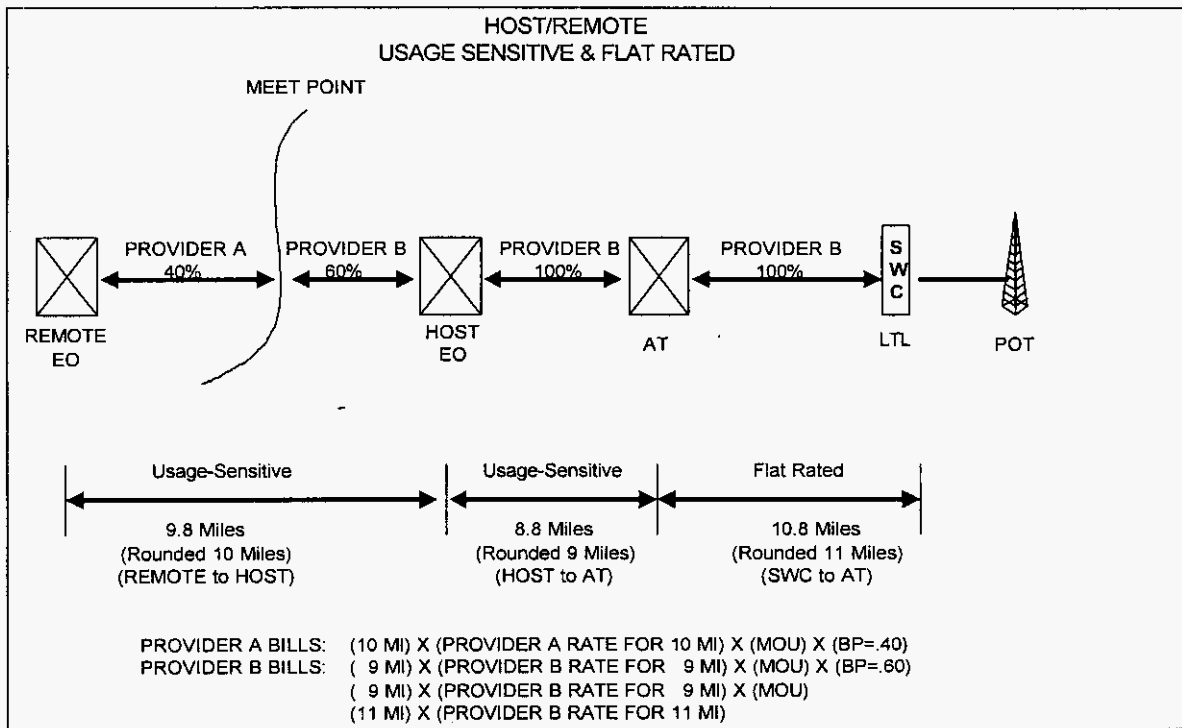


Figure 3-8 - Host/Remote Usage-Sensitive and Flat-Rated Access Transport Mileage Charge Calculations (with the meet-point between the REMOTE and HOST)

3.5.9 Non-Party LTR Rate Structure Transport Mileage Charge Calculations

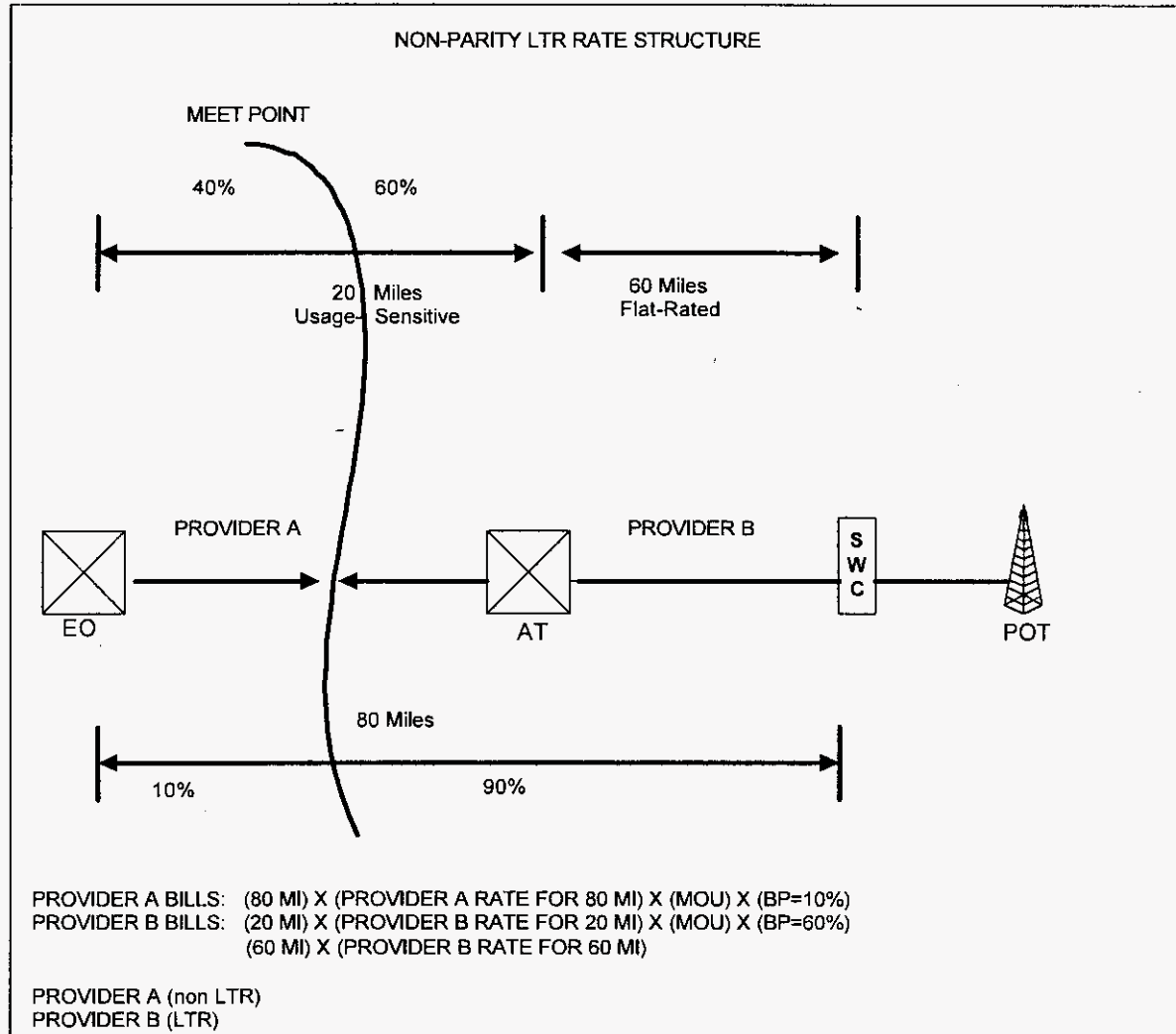


Figure 3-9 - Transport Mileage Charge Calculations for Providers with Non-Parity Rate Structures (with the meet-point between the EO and AT)

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4. MEET POINT BILLING OPTIONS

4.1 General

The meet-point Billing Task Force Report, (hereinafter, 86-104 Report) adopted in CC Docket No. 86-104, released July 31, 1987, specifies that either the single or multiple billing options would satisfy the requirements for MPB. Where providers are unable to reach agreement as to the method of billing, the multiple MPB option, as described in this document, is employed. The Common Carrier Bureau in CC Docket No. 87-579, Phase II, released October 4, 1988, established certain characteristics that must be present for the multiple bill option to be an appropriate selection. Upon determining the billing method, each provider notifies the customer of the method employed to render access bills in accordance with the notification instructions in Section 5. See the section entitled "Jointly Provided Service in an Unbundled Environment" for ULEC billing options.

4.2 Meet-point Billing Selection

One of the crucial activities associated with MPB is the responsibility of the providers to select a meet-point Billing option. The MPB options available are:

1. Single Bill
2. Multiple Bill

Under the Single Bill Option there are two alternatives. They are:

1. Multiple Tariff (SM)
2. Single Tariff (SS)

The payment alternatives associated with Single Bill/Multiple Tariff are Single Check and Multiple Checks.

Under the Multiple Bill Option there are two possible alternative implementation methods. They are:

1. Multiple Bill reflecting a single tariff (MM)
2. Multiple Bill reflecting multiple tariffs (MT)

A provider may elect to use either or both MPB options when connecting with different providers. Providers may also elect to use either or both MPB options when connecting with the same provider for different types of service (e.g., Hicap, FGD). Providers may also elect to use either or both MPB options for different meet-point service arrangements (e.g., EO to POP/SWC, customer premises to customer premises). The MPB option selection is negotiated exclusively between providers.

The MPB method selection between providers has some fundamental restrictions. In order for providers to implement the Single Bill options, all providers involved in providing the access or interconnection service for a particular meet-point service arrangement must agree on one of the two Single Bill alternatives. If providers were unable to reach agreement as to the billing option for a particular meet-point arrangement, each provider would be required to select the Multiple Bill option.

Because of the complexities involved in providing and billing multiplexed and multi-point Flat-Rated access services by more than one provider, the combination of MPB options on an

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individual service is allowed. For example, a segment of a multi-point service may be billed using one of the Single Bill alternatives, and another segment of the same multi-point service may be billed using one of the Multiple Bill implementation methods.

4.3 Descriptions of meet-point Billing Options.

4.3.1 Single Bill Option

The Single Bill option allows the customer to receive one bill from one provider or its billing agent for access or interconnection services. To assist the reader in understanding the Single Bill option, the working definition of the Single Bill is as follows:

A Single Bill consists of all rate elements applicable to access or interconnection services billed on one statement of charges under one billing account number (BAN).

Although the Single Bill option suggests one means of bill rendering, the following billing alternatives are:

1. Single Bill: Multiple Tariff
2. Single Bill: Single Tariff

To implement any Single Bill alternative, all providers involved must agree to a particular alternative. The billing company's bill includes the applicable data elements listed in the CABS BOS or SECAB. The CABS BOS or SECAB format is recommended. For the customer to provide payment to an agent, the customer must be provided with a letter of authorization (LOA). The detailed requirements for rendering the Single Bill option are given in Sections 5 through 8 of this document.

Provider-to-Provider contractual agreements for the billing of Usage-Sensitive Access, Flat-Rated Access and/or interconnection services are required. These agreements can cover proprietary information/non-disclosure, liabilities for data accuracy and timeliness, inquiries, flow of tariff items, compensation for billing services, types of access or interconnection services included, payment options (e.g., purchase of accounts receivable by billing company vs. individual payments by customer to each provider), and flow of data.

4.3.1.1 Single Bill-Multiple Tariff

The billing company agrees to prepare a single access or interconnection bill, with each provider's charges separately identified by rate element and usage detail using the state level company code found in NECA Tariff FCC. No. 4. A summary page totaling the charges by provider state level company code is included. The tariff or contract rates provided to the billing company must include all charges applicable to the meet-point billed services. The provider charges refer to one-time charges, recurring charges, usage, OC&C, adjustments, etc. This alternative requires that the billing company administers in its billing system the applicable tariff or contract rates and rate changes for all providers involved in the provisioning of services. Rate change dates may not coincide where multiple providers are involved in a service. A non-billing company should notify their billing company of its rate change in a timely manner.

Separate checks can be rendered by the customer and mailed directly to each provider, or to the billing provider for distribution as indicated in the letter of authorization. If the non-billing provider receives payment directly from the customer, the non-billing provider must

notify the billing provider of the payment. The billing provider is then responsible for applying each payment to the appropriate provider's balance due. Where a single check is selected as the payment arrangement, the non-billing provider must provide a letter of authorization to notify the customer to send only a single check to the billing provider.

Information must be communicated among the providers involved to render a single bill using the multiple tariff alternative. Application and interpretation of the non-billing company's rates must also be communicated to the billing company for incorporation into the billing system. The service order, payment and rate information must be maintained by the billing company on an ongoing basis and requires the cooperation of the providers. Usage data is transmitted to the billing company for input to the billing system. The billing company renders a single bill to the customer and returns financial information to the provider, which may include a copy of the bill. The customer then remits payment either directly to each provider or to the billing company for distribution based on the contractual arrangements between the providers. The customer is referred to the contact number on the bill for billing inquiries. Resolution of billing inquiries may involve all providers.

4.3.1.2 Single Bill-Single Tariff

The billing company agrees to prepare a single access or interconnection bill based upon their rate structure. Usage data is transmitted from the recording point for input into the billing system. The billing company renders a bill to the customer for all portions of the service. The other providers render a bill to the billing company for that portion of the service they provide. The customer remits payment to the billing company. The billing company remits payment to the other providers.

4.3.2 Multiple Bill Option

The Multiple Bill option allows each provider to bill the customer for its portion of a jointly provided access or interconnection service. In this scenario each provider establishes its own billing account. The bills under this option are rendered at a level previously established by the provider in a non-MPB environment. The detail requirements for rendering multiple meet-point bills are provided in Sections 5 through 8 of this document.

Although the Multiple Bill option suggests one means of bill rendering, the following billing alternatives are:

1. Multiple Bill: Single Tariff
2. Multiple Bill: Multiple Tariff

4.3.2.3 Multiple Bill-Single Tariff

Each company prepares and renders a meetpoint bill in accordance with its own tariff or contract for the portion of the service it provides.

4.3.2.4 Multiple Bill-Multiple Tariff

This method allows one provider to bill for other providers within the Multiple Bill option when there are more than two companies providing the service. The number of bills rendered is less than the total number of companies providing the service. Each provider's tariff or contract rates are applied and displayed separately for each company's portion of the service provided.

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The tariff or contract rates provided to the billing company must include charges applicable to the Meet-point billed services. The provider charges refer to one-time charges, recurring charges, usage, OC&C, adjustments, etc. This alternative requires that the billing company administer in its billing system the applicable tariff or contract rates and rate changes for all providers involved in the provisioning of services. Rate change dates may not coincide where multiple providers are involved in a service. A non-billing company should notify their billing company of its rate change in a timely manner.

4.4 Implementation Considerations

4.4.1 Basic Implementation Considerations

The following are basic implementation considerations between providers to establish meet-point billing relationships for switched, dedicated and local interconnection services. MPB and non-MPB services may be included on the same account. These considerations apply regardless of the billing option agreed upon:

1. For all MPB services:

- a. All billing company's bills will include the applicable data elements listed in the CABS BOS or SECAB; whichever is appropriate, for the billing company. In addition, the CABS BOS or SECAB format is recommended.
- b. The terms and conditions of the providers' tariffs or contracts should be reviewed to determine that there are no practical or regulatory prohibitions associated with implementing an option. In particular, review the general regulations and ordering sections of each provider's tariff or contract.
- c. Each provider is responsible for filing tariffs or price lists where appropriate.
- d. Provider-to-provider exchange of administrative data is required. Where proprietary restrictions do not exist, whenever a new provider establishes a switched point of interface directly subtending a tandem, the tandem company owner will provide the following information about interconnecting IXCs to the new provider:
 - billing company name
 - billing company address
 - billing company telephone number
 - ACTL location
 - industry assigned Carrier Identification Code(s) (CICs)

The tandem company owner will provide the following information about local/intraLATA interconnectors to the new provider:

- contact name
- contact address
- contact telephone number or fax
- type of company
- NECA assigned Operating Company Number (OCN) and/or industry assigned Carrier Identification Code(s) (CICs)

Each time a new interconnecting company establishes a presence at a tandem, the tandem company will provide this information to the new interconnecting company and the existing directly interconnected companies on a one-time basis. Companies directly

interconnected to the tandem have the responsibility to pass notification information to companies directly interconnected behind them.

- e. In order to establish a billing relationship, providers that do not have a direct interconnection with each other, may need to exchange the following information:
 - billing company name
 - billing company address
 - billing company telephone number
 - Point of Interface (POI)
 - billing percentages, if applicable
- f. Review current OBF Multiple Exchange Carrier Ordering and Design (MECOD) Guidelines, particularly with respect to order intervals and access service coordination.
- g. Meet-point bills will contain a MPB identification.
- h. Identify what is Meet-point billed, e.g., End Office, Traffic Type, or circuit.
- i. In a single bill arrangement, provide detail of adjustments and charges for each provider identified on the bill.
- j. Provide billing percent when applied to rates.
- k. In a single bill arrangement, include a summary totaling the charges for each provider identified on the bill.
- l. During the ordering process, communicate billing account information in accordance with the Access Services Ordering Guidelines (ASOG) and Local Services Ordering Guidelines (LSOG).
- m. The Combination of Meet-point and non-Meet-point on a single bill with all options (e.g., Single Bill, Multiple Bill) is accepted. When mutually agreed upon by customer and provider, a single bill will be rendered for meet-point and non-meet-point access and interconnection services. This is applicable for both paper and BDT. At the account level, the bill should be identified as a Meet-point bill. Current requirements for usage billing displays at end office and summary levels remain unchanged.

2. For Usage-Sensitive Service:

- a. End Office detail must be provided by COMMON LANGUAGE^{*} Location Identification (CLLI) code. This must be an industry-recognized code. This information may be provided via LSR, ASR or other media.
- b. When the billing company is not the recording company, a relationship may need to be established between providers in order to exchange detailed usage records.
- c. If any or all Traffic Types within an End Office for a given customer are jointly provided, the entire End Office is billed on a MPB account.

The following guidelines establish the level of Traffic Type display on multiple meet-point bills:

* COMMON LANGUAGE is a registered trademark and CLEI, CLLI, CLFI and CLCI are trademarks of Telcordia Technologies.

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1. If the provider displays usage by traffic type on its regular bills, it should do so on meet-point bills.
2. If the provider does not render regular bills and only has meet-point bills, they should display usage by traffic type on its bills.
- d. When an account contains meet-point Billing, each meet-point billed End Office should be displayed on the bill with its appropriate MPB option or combination of options. If the end office is not owned by the billing company, the OCN of the end office owner should be listed on the bill. In effect, the Single Bill Option or Multiple Bill Option can be combined for usage-sensitive service on the same account, with:
 - Any Single Bill Option
 - Any Multiple Bill Option/Alternative Implementation Method
 - Non-meet-point Billing
 -
3. For Flat-Rated Service:
 - a. A provider is not required to establish separate MPB accounts for each provider with which it meet-point bills.
 - b. The Single Bill Option or Multiple Bill Option can be combined within a circuit, or on the same account, with:
 - Any Single Bill Option
 - Any Multiple Bill Option/Alternative Implementation Method
 - Non-meet-point Billing
 - c. When a two-point service is provided by more than one provider, the two-point service will be identified as meet-point billed.
 - d. When any segment of a multi-point service is provided by more than one provider, the entire circuit must be identified as meet-point billed.
 - e. When a High Capacity (Hicap) service is provided by more than one provider, the Hicap service will be identified as meet-point billed. Services using channels derived from the Hicap may or may not be identified as meet-point billed. There is no relationship between the meet-point billed status of a Hicap service and a two-point or multi-point service that uses a derived channel from that Hicap service.
 - f. When considering the meet-point implications for a complex multi-point or multiplexed Flat-Rated service, it is recommended that the OBF Issues 591 and 592 be referenced. These issues provided a complete explanation of the meet-point option arrangements and the billing scenarios that may be applicable.
4. This matrix identifies the billing information requirements and the possible billing companies (Provider A, Provider B, Provider C, etc.) that may be involved in billing the customer:

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BILLING	BILLING	BILLING	BILLING REQUIREMENTS						
ARRANGEMENT	OPTIONS	PROVIDER(s)	a	b	c	d	e	f	g
Between 2 Providers	SS	A or B	X	X	X	-	-	-	-
	SM	A or B	X	X	X	X	X	X	X
	MM	A & B	X	X	X	X	-	-	-
Among more than 2 Providers	SS	A or B or C	X	X	X	-	-	-	-
	SM	A or B or C	X	X	X	X	X	X	X
	MM	A & B & C, etc.	X	X	X	X	-	-	-
	MT	A or B or C	X	X	X	X	X	X	X

BILLING REQUIREMENTS (Bill and/or CSR):

- Service must be identified by Exchange Carrier Circuit Identifier (EC CKTID) and, when available, by Interexchange Carrier Circuit Identifier (IC CKTID).
- Service will be identified as MPB and reflect the OCN where appropriate.
- The end locations for the MPB segment must be identified.
- Billing Percentages (BP) and, if required, Supplemental BP (fixed rate charges) must be displayed.
- Each provider's charges must be separately identified by rate element.
- Adjustments and charges must be identified for each provider.
- A summary totaling the adjustments and charges by provider will be included.

4.4.2 Implementation Considerations for Single Bill-Multiple Tariff

In addition to the basic implementation considerations under 4.4.1, the following also apply for the Single Bill-Multiple Tariff alternative:

- The customer sends a single check to the billing company unless otherwise instructed by the provider(s) through the proper notification procedures.
- If a CSR is provided, a state level company code, as filed in NECA Tariff FCC No. 4, should be associated with the data elements.
- Each provider (other than the billing provider) must be identified separately by rate element and usage detail using the state/area level company codes.

4.4.3 Implementation Considerations for Single Bill-Single Tariff

In addition to the basic implementation considerations in 4.4.1, the following also apply to the Single Bill-Single Tariff billing alternative:

- The tariff or contract rate of the provider responsible for billing the customer must include the expenses associated with obtaining access from the other provider(s). These expenses include applicable tariff or contract charges of the other provider(s).

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2. The tariffs or contracts of the other provider(s) may require review to determine that there are no practical or regulatory prohibitions, which would preclude the provision of services to another provider in this arrangement.

4.4.4 Implementation Considerations for the Multiple Bill

In addition to the basic implementation considerations in 4.4.1, the following also apply to the Multiple Bill option:

1. Where a contractual relationship exists between providers, data exchange and process coordination is required.
2. If a CSR is provided, a state level company code, as filed in NECA Tariff FCC. No. 4 should be associated with data elements.
3. For Usage-Sensitive Services:
 - a. Exchange of usage records (e.g. 11-0X-XX) occurs when a contractual relationship exists between providers, for FGB, FGC, FGD, trunk side BSA, DA Transport, wireless and local usage.
 - b. The jurisdiction of usage must be determined by each provider. This may require the use of factors such as PIU, PLU, etc.
 - c. Exchange the Office Tape Identification (OTID), Trunk Group Number (TGN), Percent Traffic Routed (PTR), and Percent Direct Routed (PDR) if applicable.
 - d. Identify the Provider-to-Provider usage exchange procedures. The record layouts and pack requirements are defined in the ATIS/OBF EMI document.
4. For Usage-Sensitive Multiple Bills reflecting multiple tariffs, the following additional considerations apply:
 - a. Company check indicator.
 - b. Provider State Level Company codes (Single Bill/Multiple Tariff rules apply).
 - c. Summary of charges by provider (Single Bill/Multiple Tariff rules apply).
 - d. Detail of charges by provider code (Single Bill/Multiple Tariff rules apply).
 - e. Rates per each provider.
5. For Flat-Rated Service:
 - a. Internally cross-reference High Capacity Facilities to accommodate the "ratcheting" process.
 - b. Service will be identified by common EC Circuit Identifier (EC CKTID) and, when available, by IC Circuit Identifier (IC CKTID).
 - c. The service will be identified as MPB.
 - d. The end locations (CKL/CKLT) for the MPB segment must be identified.
 - e. Billing Percentages (BPs) and, if required Supplemental BPs (e.g. Channel mileage termination) must be displayed.
 - f. Each provider involved in the provisioning of a circuit must be identified.

6. For Flat-Rated Multiple Bills reflecting a multiple tariff, the following additional considerations apply:
- a. Internally cross-reference High Capacity Facilities to accommodate the “ratcheting” process.
 - b. Adjustments and charges must be identified for each provider.
 - c. A summary totaling the adjustments and charges by provider will be included.
 - d. Each provider’s charges must be separately identified by rate element.
 - e. The industry assigned provider State/Area Level Company codes (Single Bill/Multiple Tariff considerations apply).

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5. CONVERSION AND NOTIFICATION

5.1 General

To implement MPB, several cooperative activities are required among customers and providers involved on each jointly provided service. The customer is responsible for distributing a common ASR/LSR to all providers involved with the service in accordance with the standards documented in the ASOG/LSOG and the MECOD Guidelines. The ASR/LSR is required by each provider to authorize billing. The providers involved with the service will provide confirmation to the customer in accordance with the standards documented in the ASOG/LSOG. The remainder of this section defines specific requirements and bill data elements that must be provided on all meet-point bills rendered from the providers. In addition to the implementation activities required by the providers, there is a need for the customers to receive written notification at least 30 days prior to implementation of any change (e.g. change to MPB option, elimination of common minutes, etc.). This time is needed by customers to prepare for the new or changed billing media they will receive. The notification will be given to the customer contact(s).

5.2 General Conversion

This section describes procedures and areas to consider when converting services that involve meet-point Billing. The following situations are applicable:

1. Conversions from non-meet-point Billing to meet-point billing for a given service, e.g., access, local & CMRS.
2. Establishing MPB for a given service arrangement, when a new provider becomes involved, for which no meet-point agreement exists.
3. Changing an existing meet-point Billing option, or
4. Changing from common minutes to non-common minutes between providers until the discontinuance of the use of summary usage records (11-50-01 through 04 and 11-50-21 through 24) effective August 31, 2002.

Listed below are joint provider conversion efforts that must be considered:

1. Identify service arrangement(s) that will be converted to meet-point billing.
2. Providers must establish BPs for each MPB route for IC traffic. Establish BPs for each local interconnection route, if applicable. Formally concur on BPs in NECA Tariff FCC. No. 4. as described in Section 3.
3. Provide a cross reference for meet-point access/interconnection services:
 - a. Flat-Rated Service:

When a circuit number changes or appears for the first time due to implementation of MPB, a cross reference list of all old and new circuit identities should be provided, in advance if possible, to the customer. These lists should contain Billing Account Number (BAN), Access Customer Terminal Location (ACTL), EC CKTID, High Capacity Billing Account Number (HBAN)² if applicable, the Connecting Facility Assignment (CFA) if

² HBAN is used when Usage-Sensitive and Flat-Rated Access services exist on a High Capacity facility. HBAN identifies the Flat-Rated Access BAN on which the High Capacity service is billed. HBAN is used

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applicable, and the IC CKTID when available. During the ordering process, billing account information will be communicated in accordance with the ASOG/LSOG.

As new circuits are established, providers must exchange common EC CKTID.

All providers that meet-point bill will use a common provider circuit identifier (e.g., CLCI-SS). Providers are required to coordinate with each other should a common provider circuit identifier change. (See OBF MECOD guidelines.)

b. Usage-Sensitive Service:

Prior to implementing MPB, providers must exchange End Office identifiers that appear on the bill in the form of a CLLI. The CLLI will be identified in industry documents (i.e. LERG, NECA).

In addition, the companies will provide a list to the customers which includes:

- the directly interconnected provider company code(s)
- the type of service (e.g. switched access, local, CMRS)
- the old and new BANS (provided by the billing company(s)) when appropriate
- the SWC/POI associated with the ACTL (LTL/Customer SWC CLLI)
- the End Office identifier (CLLI)
- CFA, if applicable

This information will be provided in advance when possible.

4. Establish the Provider-to-Provider usage exchange procedures where contractual relationships exist between providers for receipt of records by the non-recording company (see Section 6).
5. Exchange OTID, TGN, PTR for Usage-Sensitive Access, and PDR for local, if applicable.

5.2.1 Additional Data Exchange and Requirements

5.2.1.1 Single Bill Option

Section 10 contains a list of Single Billing Data Exchange Elements, which must be addressed by all providers in a Single Bill arrangement.

1. Single Bill/Multiple Tariff Option:

There is a need for Provider-to-Provider contractual agreements for the billing of Usage-Sensitive and Flat-Rated services. These agreements may include proprietary information/non-disclosure, liabilities for data accuracy and timeliness, billing inquiries, flow of tariff or contract items, compensation for billing services, types of services, payment options and the flow of data.

2. Single Bill/Single Tariff Option:

The tariff/contract rate of the provider responsible for billing the customer should include the expense associated with obtaining access from the other provider(s). These expenses include applicable tariff or contract charges of the other providers. The

as a means of linking the Usage-Sensitive service with the bill for High Capacity service, and appears on the Usage-Sensitive billing account.

tariffs/contracts of the other providers may require review to determine that no practical or regulatory prohibitions exist, which would preclude the provision of service to another provider in this arrangement.

5.2.1.2 Multiple Bill Option

1. Usage-Sensitive Service

a. Jurisdiction:

The jurisdiction of usage must be determined by each provider. This may require the use of factors such as PIU, PLU, etc..

b. End Office Identifier

Each company will bill using the same CLLI to identify an End Office. The CLLI will be identified in industry documents (i.e. LERG, NECA).

2. Flat-Rated Service

a. Jurisdiction:

The jurisdictional separation must be consistent among all involved providers base on the customer provided factors (e.g. PIU, PLU).

5.2.1.3 Account Structure

1. Usage-Sensitive Service Meet-point Billing Account:

The multiple MPB option could include a unique Usage-Sensitive Service MPB account for each provider in support of the usage bill verification process. The bill will be rendered at the level previously established by the provider in a non-meet-point environment (i.e., Company, State, LATA, POP, or End Office). End Offices, which are entirely non-MPB, may appear on a separate account.

When mutually agreed upon by customer and provider, a combination single bill will be rendered for meet-point and Non-meet-point usage. This is applicable for both paper and BDT. At the account level, the bill should be identified as a meet-point bill. Current requirements for usage billing displays at end office and summary levels remain unchanged.

2. Flat-Rated Service Meet-point Billing Account:

Subsequent to the 86-104 Report, the OBF determined that a provider is not required to establish separate MPB accounts for each provider with which it meet-point bills.

5.3 Notification

5.3.1 Customer Notification

Each company (billing and non-billing) will provide notification to the customer of the MPB option used to render bills. The notification requirement applies to the initial MPB implementation and any subsequent changes to an existing MPB option (e.g., Multiple Bill Option to Single Bill Option), change in bill rendering company, change from common minutes of use to non-common minutes of use, or payment arrangement. The customer notification must take place thirty days prior to the MPB implementation or change in

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option. The elimination of common minutes between providers should be supplied at least thirty days prior to the change.

The customer notification should be at the appropriate Company Code level. The MPB option concurred with the connecting companies will normally be the same for all End Offices. If there are exceptions, these exceptions should be identified separately, by End Office, in the customer notification. For example, Provider-A and Provider-B meet-point bill on a route. Provider-A selects Single Bill/Single Tariff when that company owns the End Office. Provider-B selects the Single Bill/Single Tariff bill option when it is Provider-B's End Office. In these situations, only one notification per provider is required for all End Offices to be billed in this manner. However, should there be any different billing arrangement between Provider-A and Provider-B, this will require additional notification for those different billing arrangements.

Customer notification is required from each provider involved:

- a. For each unique combination of companies jointly providing service or a segment³ of a multi-point flat-rated service arrangement
- b. Per each meet-point option
- c. For all types of service
- d. Changing from common minutes to non-common minutes between providers until the discontinuance of the use of summary usage records (11-50-01 through 04 and 11-50-21 through 24) effective August 31, 2002.

This notification will be given to the customer contact(s). If the MPB Option/Alternative is the same for all Usage-Sensitive and/or Flat-Rated services, then only one notification is required. A new notification is not required if the same MPB arrangement information has already been provided for a similar circuit type for the particular combination of involved providers. Each provider is required to report the following detailed information in the notification process:

- Company Code of all LEC connecting companies
- LEC Connecting company – Type of Provider (e.g. CLEC, CMRS, LEC)
- LEC Connecting Company Name
- LEC Connecting Company Address
- LEC Connecting Company Contact Person
- LEC Connecting Company Contact Telephone Number or FAX number
- MPB option(s) by LEC connecting Co (e.g. Multiple Bill/Single Tariff). For Single Bill Options and Multiple Bill/Multiple Tariff options, the bill rendering company must also be provided.
- MPB payment arrangement (LOA must be attached in a single check arrangement)
- MPB option implementation date
- Type of Service
- Elimination of common minutes

³ The term segment as used herein denotes the part of a circuit segment between two offices (i.e., hub or serving wire center) and is not necessarily synonymous with a circuit segment as defined by the Field Identified (FID) SGN.

5.3.2 IXC Provider Notification

Each provider will notify other providers, on a one-time basis*, of Interexchange Carriers who have direct connections to the providers' network. The notification requirement applies to the initial MPB implementation between the providers. Information will include the following data elements:

- IXC Name
- IXC Billing Address
- IXC Billing Contact Telephone Number
- IXC Type of Service
- IXC ACTL
- IXC CIC

*It is the responsibility of the IXC to notify (e.g. ASR) the provider of any changes in their access services.

5.3.3 LEC Interconnection Provider Notification

Each provider will notify other providers, on a one-time basis, of other LEC Interconnectors who have purchased unbundled services or have direct connections to the providers' network. * The notification requirement applies to the initial MPB implementation between the providers. Information will include the following data elements:

- Company code
- Type of provider (e.g. CLEC, CMRS, LEC, ULEC)
- CIC (if applicable)
- Company Name
- Company Address
- Company Contact Person
- Company Contact Telephone Number or FAX Number
- MPB options
- Service Date

*It is the responsibility of the existing LEC initiating any change impacting billing to their interconnection service to notify all other providers with whom they directly interconnect. Other providers have the responsibility to pass LEC interconnection notification information of companies who have purchased unbundled services or are directly interconnected with them so that the LECs can complete their customer notification process.

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6. USAGE AND DATA EXCHANGE

6.1 General

Providers may bill directly from their recordings. For Usage-Sensitive services under MPB, the exchange of usage data among providers, where recording capabilities do not exist, plays a critical role in providing the customer with an accurate, timely, and auditable bill. Various providers can be involved in recording the usage data for a single End Office location depending on the network architecture, type of office, type of service, and type of traffic. Regardless of the MPB option selected and where contractual relationships exist, the detailed usage records should be passed to the other provider(s) to process. Each provider is responsible to apply factors where appropriate and produce billable usage information. See Section 14 for usage applications involving ULECs.

When providers do not have detailed recordings available for billing the IXC, the official recording company will provide the detailed usage record based on contractual relationships.

The official recording company is defined as the following:

1. The end office company for originating traffic
2. The end office company for terminating direct routed traffic
3. The tandem company for terminating tandem routed traffic
4. The SSP company for originating 800 traffic

For local/intraLATA toll/wireless, each company generates their official recording. However, for 800 traffic, the SSP office owner is the official recording company.

6.2 Paper Exchange

Until conversion to billing non-common minutes of use between providers is implemented see Issue 6, Section 6.2 of the MECAB document.

6.3 Mechanized Usage Exchange

The ATIS Exchange Message Interface (EMI) document provides mechanized record formats that can be used to exchange usage information among providers. Category 11-0X series Access Usage Records (AURs) are used to exchange detailed usage information when recording capabilities do not exist and the provider has contractual relationships for receipt of their records with another provider. These records are forwarded on a daily basis or any other agreed upon timeline. Usage data should be validated by the receiving provider, to ensure accuracy.

6.3.1 Return Codes

Instances may exist where usage data received from the provider is inaccurate or incomplete. In these cases, the data may be returned by the receiving company. The EMI document (Section 4) has a list of valid return codes and valid values for Indicator 3.

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While "00" and "09" are valid return code values, companies are encouraged to use more descriptive return code values.

Guidelines for returning data to the provider are as follows:

1. If all data on the medium (e.g. tape, FTP, CDROM, etc.) is in error, Indicator 3 and a return code value must be populated on each record when returning to the provider. In lieu of populating a return code on each erred record, companies may negotiate an alternate method of return.
2. If any portion of the data on the medium (e.g. tape, FTP, CDROM, etc.) is in error, Indicator 3 and a return code value must be populated on each record.

Only the erred records should be returned to the provider.
3. Companies should strive to return inaccurate or incomplete records within 10 business days, but no later than 45 calendar days, from date of receipt.

Upon receipt of returned records, the provider will investigate, correct and re-send the data, as applicable, in a timely manner.

6.4 Data Exchange

6.4.1 Single Bill Option

Providers must exchange data for all Single Bill alternatives. The Single Bill data elements that are exchanged depend on the Single Bill option selected. A list of potential elements to be exchanged is available in Section 10 - Provider Data Exchange Elements.

6.4.2 Multiple Bill Option

In addition to usage exchange when required, it is necessary to exchange certain other data elements among the involved providers. Some of these items are dependent on individual circumstances and can include, but are not limited to the following items:

1. Service Orders
2. Customer Service Records (CSRs)
3. Bills
4. Originating Office Tape Identity (OTID)
5. Percent Traffic Routed (PTR)
6. Trunk Group Number (TGN)
7. Percent Direct Routed (PDR)

6.5 Usage Diagrams

The following diagrams pertain to LEC interconnection and customer notification, record exchange and bill verification in a facility-based environment.

While the industry recognizes that settlement plans between LECs are used, these are state or contract specific and are not included in the MECAB guidelines.

Current meet-point billing arrangements may exist where the tandem company is also the bill rendering company. Contracts may need to be renegotiated so that all participating companies consent to one or more compatible billing arrangements in a facility-based environment.

Until the industry has resolved OBF Billing Issue 1182, which is the identity of all entities from originating to terminating point, it may not be possible to identify all facility-based providers. Companies that do not record need to make the applicable negotiations to obtain the records needed for them to render bills or perform bill verification.

Due to the inconsistencies in where companies perform recordings, these diagrams do not reflect a designated point of recording for LEC to LEC traffic. Companies that do not record need to negotiate a process to obtain the records needed for them to render bills or perform bill verification.

For IXC originating traffic, the originating end office switch generates the official record for billing. For IXC terminating traffic, the first point of switching into the LEC network (tandem, end office, or MSC switch) generates the official record for billing. For originating 800/8XX traffic the SSP switch generates the official record for billing.

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6.5.1 Originating Local/IntraMTA and IntraLATA Toll (2 LECs)

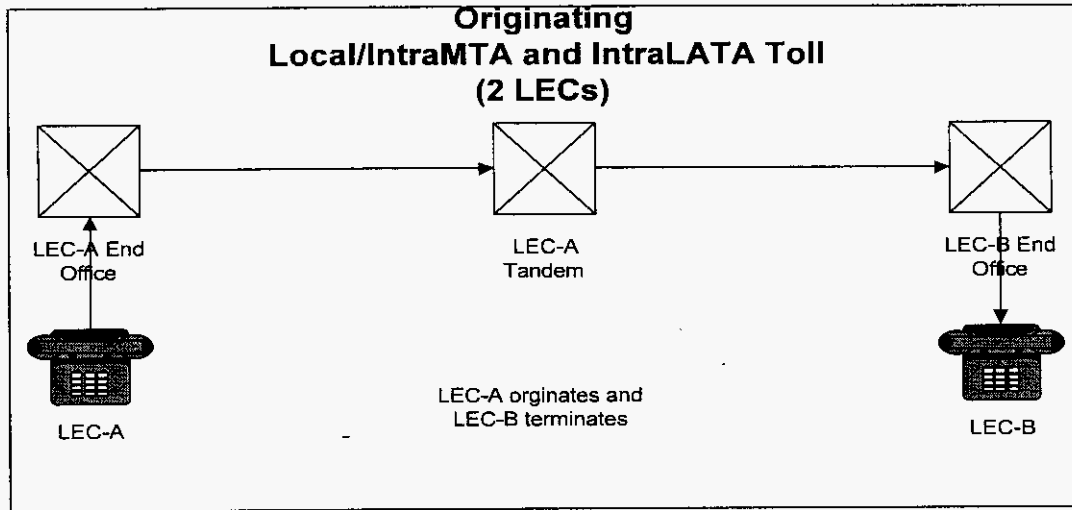


Figure 6-1 - Originating local/intraMTA and intraLATA toll from one LEC to another LEC

Notification Information

No notification process is needed since interconnection exists between the two companies

Record Exchange

Record exchange will not be required, therefore, each company should use their own recording for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (i.e. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The record generated by LEC-A will handle the verification requirements.

Footnote 1: IntraLATA local and toll jurisdictions may be defined differently between LECs.

Footnote 2: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.2 Terminating Local/IntraMTA and IntraLATA Toll (2 LECs)

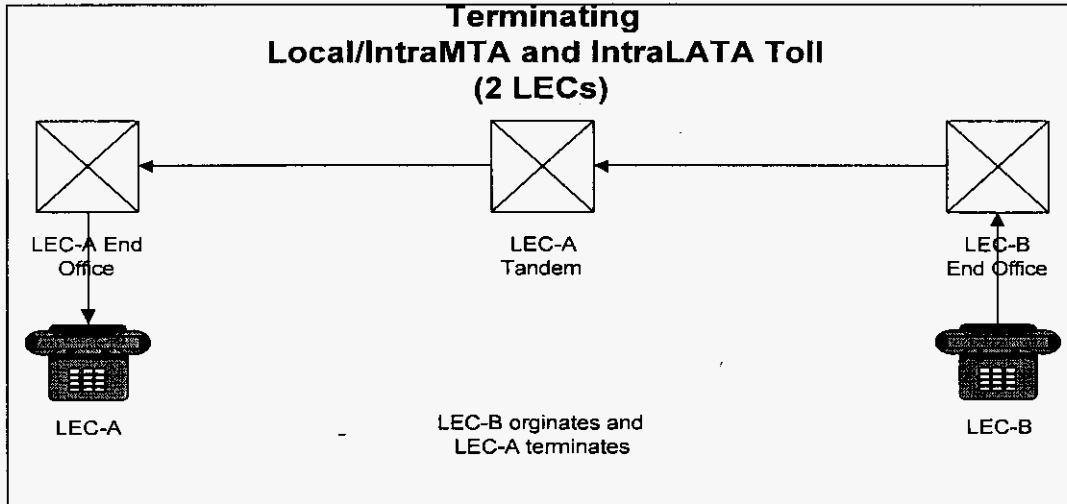


Figure 6-2 - Terminating local/intraMTA and intraLATA toll from one LEC to another LEC

Notification Information

No notification process is needed since interconnection exists between the two companies.

Record Exchange

Record exchange will not be required, therefore, each company should use their own recording for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings, where compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The record generated by LEC-B will handle the verification requirements. When other methods of compensation exist, LEC-B will provide the T/O ratio, flat rate, etc., to LEC-A.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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6.5.3 Originating Local/IntraMATA and IntraLATA Toll (3 LECs)

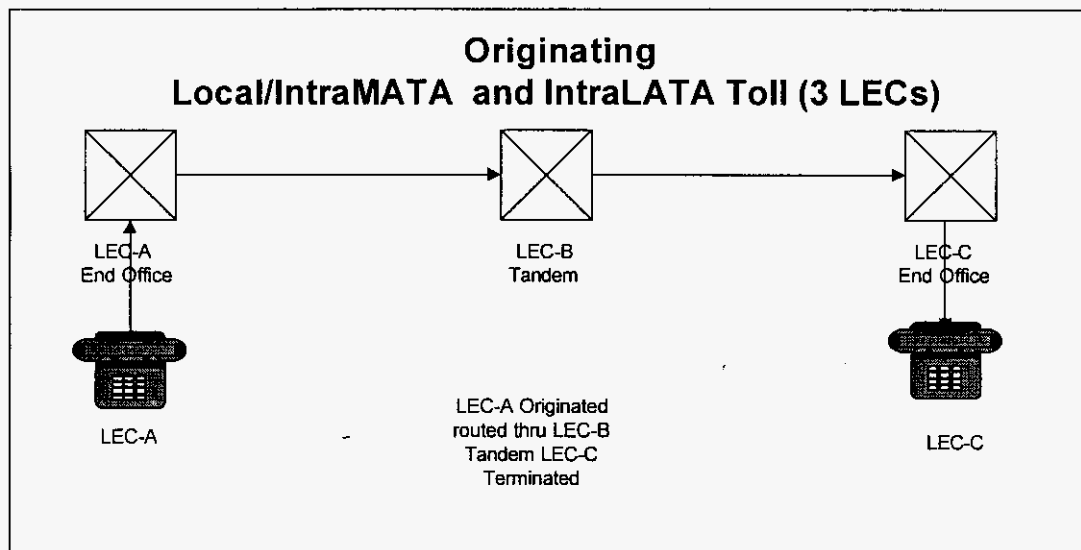


Figure 6-3 - Originating local/intraMTA and intraLATA Toll from one LEC to another LEC through a 3rd LEC' tandem

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-C to LEC-A and LEC-B to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records for billing.

In lieu of recordings where compensation does exist, alternate methods and associated data (i.e. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the notification information received from LEC-B and LEC-C will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-C).

LEC-B may have their switch records to validate any billing they may receive from LEC-C.

Companies who do not have recordings may have contractual relationships for receipt of their records for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.4 Terminating Local/IntraMTA and IntraLATA Toll (3 LECs)

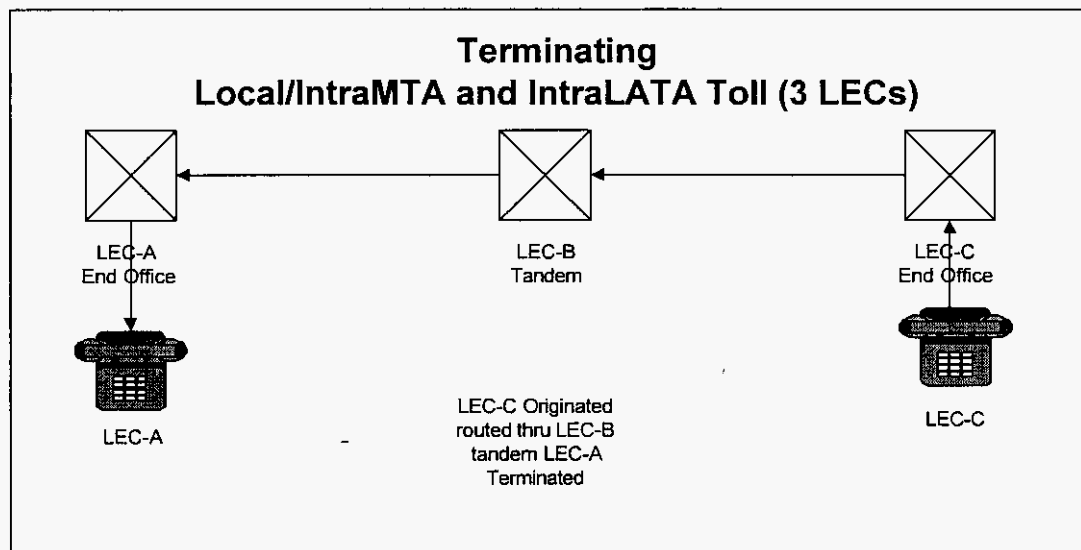


Figure 6-4 - Terminating local/intraMTA and intraLATA toll from one LEC to another LEC through a 3rd LECs' tandem

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-A to LEC-C and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (i.e. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-C and the notification information received from LEC-B and LEC-A will fulfill the verification requirements for LEC-C. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-A).

LEC-B may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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6.5.5 Originating Local/IntraMTA and IntraLATA Toll (4 LECs)

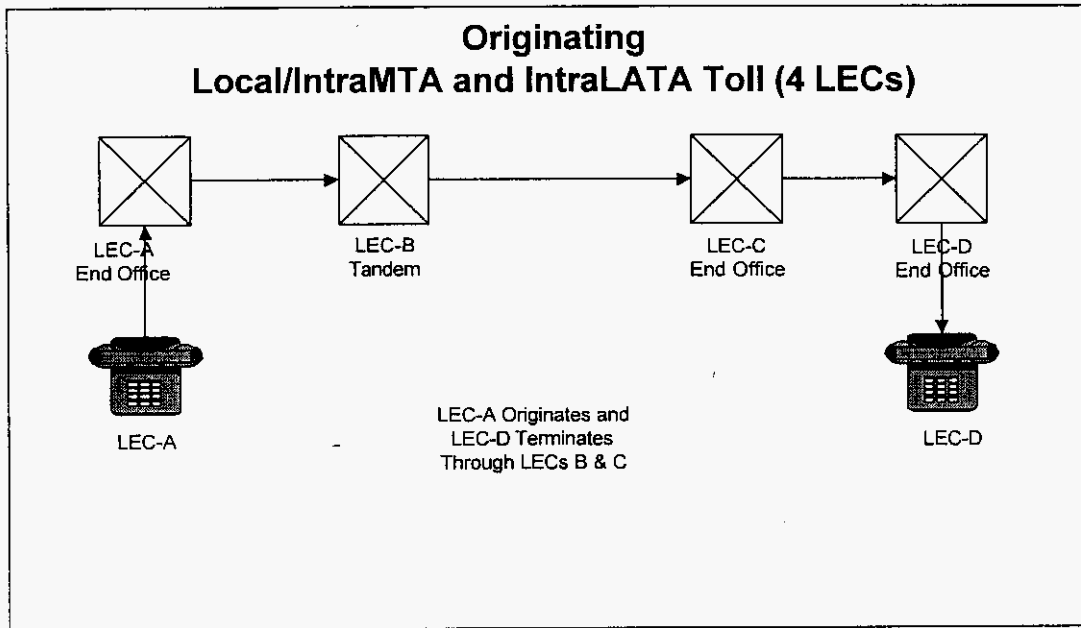


Figure 6-5 - Originating local/intraMTA and intraLATA toll from one LEC through 2 other LECs terminating to a 4th LEC

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-C will provide LEC interconnection notification information to LEC-B and LEC-D. In addition, customer notification would be required by LEC-B to LEC-A, LEC-D to LEC-A and LEC-C to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-D will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-D).

LEC-C may have their switch records to validate any billing they may receive from LEC-D.

Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.6 Terminating Local/IntraMTA and IntraLATA Toll (4 LECs)

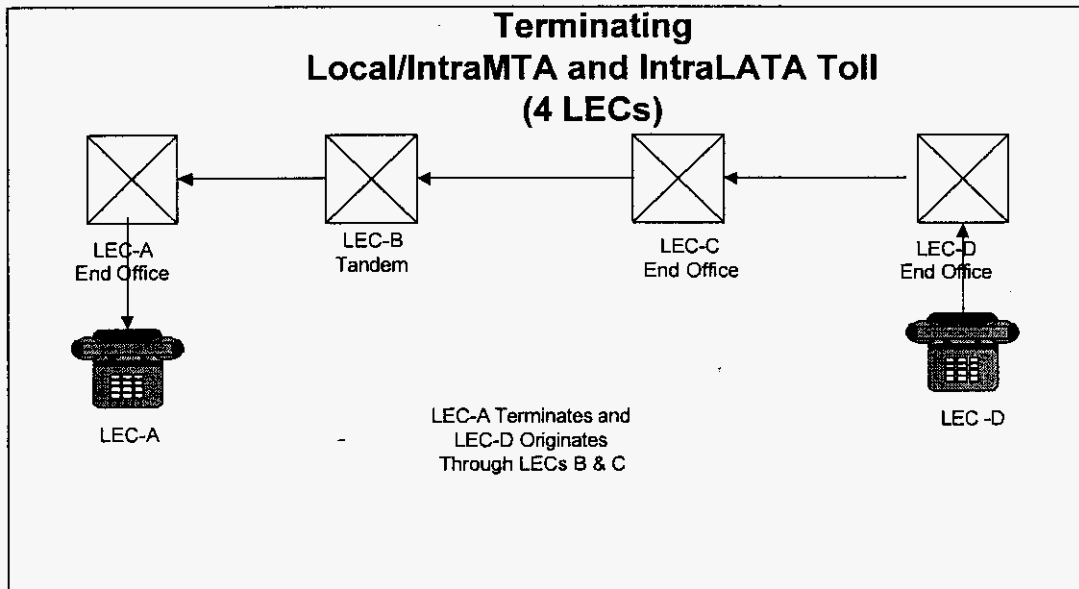


Figure 6-6 - Terminating local/intraMTA and intraLATA toll to one LEC through 2 other LECs originating from a 4th LEC.

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-C will provide LEC interconnection notification information to LEC-B and LEC-D. In addition, customer notification would be required by LEC-B to LEC-D, LEC-A to LEC-D and LEC-C to LEC-D. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-D and the customer notification information received from LEC-C and LEC-A will fulfill the verification requirements for LEC-D. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-A).

LEC-B and LEC-C may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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6.5.7 Originating Access – Intra/Interstate

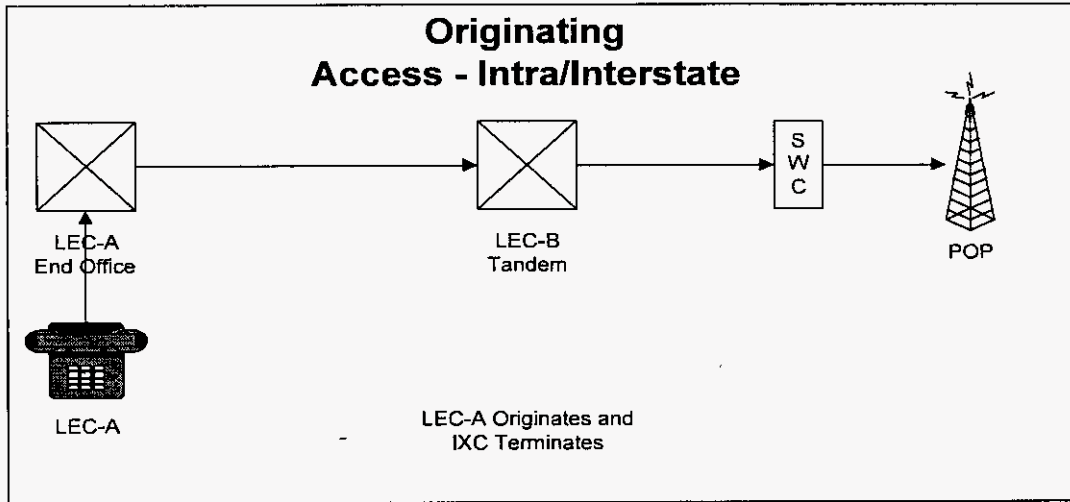


Figure 6-7 - Originating access from a LEC to an IXC through another LEC

Notification Information

Both LECs will provide customer notification information to the IXC in accordance with Section 5.

Record Exchange

For a single bill option, when LEC-A is the bill rendering company, they will use their recordings to bill the IXC. When LEC-B is the bill rendering company to the IXC, LEC-A may provide the access record to LEC-B.

For a multiple bill option, LEC-A will use their recordings to bill their portion of access to the IXC. LEC-A may provide the access record to LEC-B for them to bill their portion of access to the IXC. Companies that do not have recordings may have contractual relationships for receipt of their records.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC has their recordings and the customer notification information to handle their verification requirements.

Footnote 1: When 2 PIC exists for intraLATA traffic, the process outlined in this diagram will apply.
Footnote 2: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.8 Terminating Access – Intra/Interstate

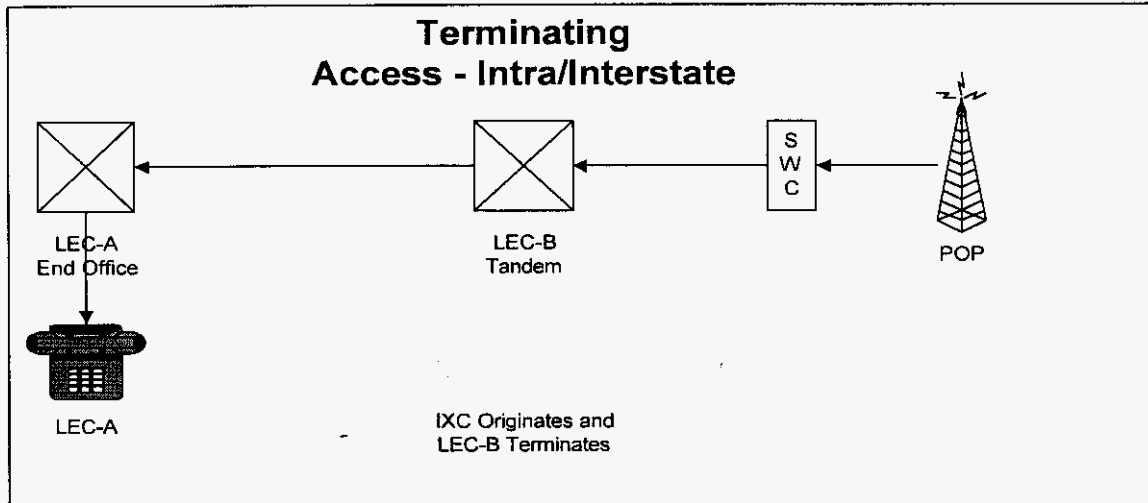


Figure 6-8 - Terminating access from an IXC to a LEC through another LEC

Notification Information

Both LECs will provide customer notification information to the IXC in accordance with Section 5.

Record Exchange

For a single bill option, when LEC-A is the bill rendering company, LEC-B will provide an access record to LEC-A to bill the IXC. When LEC-B is the bill rendering company, they will use their recordings to bill the IXC.

For a multiple bill option, LEC-B will use their recordings to bill their portion of access to the IXC. LEC-B will provide the access record to LEC-A for them to bill their portion of access to the IXC.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC has their recordings and the customer notification information to handle their verification requirements.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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6.5.9 Originating 800/8XX (2 LECs)

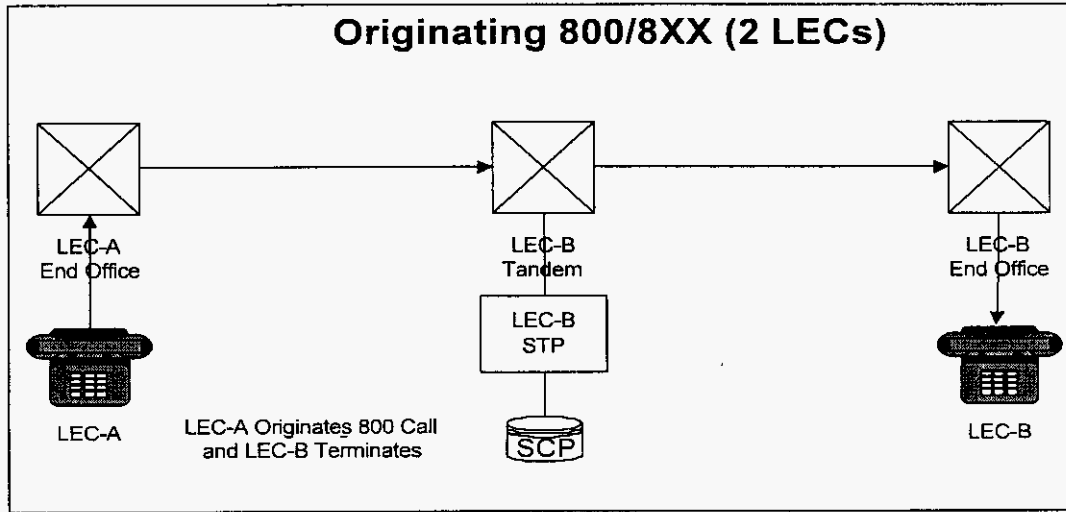


Figure 6-9 - Originating 800 from a LEC to another LEC 800 provider (originating end office does not have SSP functionality)

Notification Information

No notification process is needed since interconnection exists between the two companies.

Record Exchange

It is assumed that the originating SSP office company (LEC-B) would be accountable for generation and retention of the end user record unless negotiations dictate otherwise.

When compensation does not exist, no access record is provided from LEC-B to LEC-A.

When compensation does exist, LEC-B will provide LEC-A with an access record.

Bill Verification

LEC-B has their recordings to validate any billing they receive.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.10 Originating 800/8XX (3 LECs)

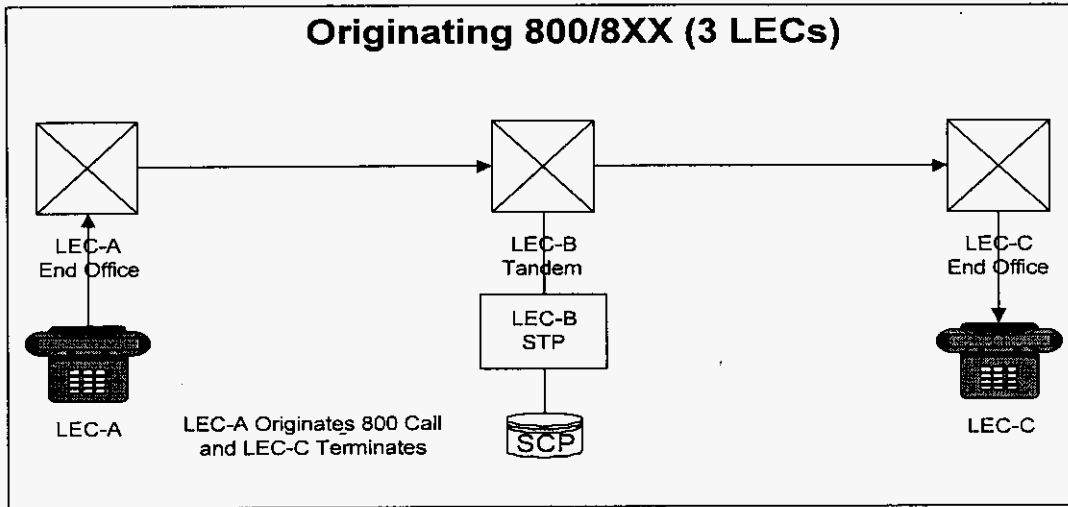


Figure 6-10 - Originating 800 from one LEC through another LEC's tandem, terminating to a 3rd LEC (originating end office does not have SSP functionality)

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to the LEC-A and LEC-C. In addition, customer notification would be required by LEC-A to LEC-C and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

It is assumed that the originating SSP office company (LEC-B) would be accountable for generation and transmission of the end user record to the 800 providing company (LEC-C), however, negotiations may dictate otherwise.

LEC-B will pass the access record to LEC-A to bill LEC-C. LEC-B may also use the access record to bill transit charges to LEC-C.

Bill Verification

LEC-C has the end user record and the customer notification information to validate any billing. LEC-C may also generate a terminating recording that could be used for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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6.5.11 Originating 800/8XX (2 LECs)

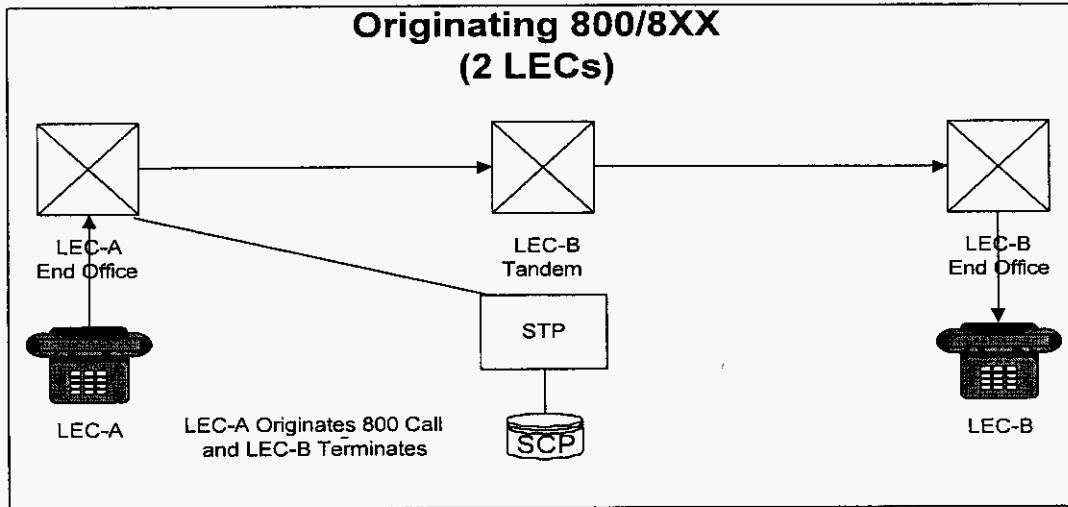


Figure 6-11 - Originating 800 to a LEC (Terminating LEC is the 800 service provider and the originating end office has SSP functionality)

Notification Information

No notification process is needed since interconnection exists between the two companies.

Record Exchange

LEC-A will generate an end user record. LEC-A will pass this record to LEC-B.

LEC-A will use their recordings to bill LEC-B.

Bill Verification

LEC-B has the end user record to validate any billing. LEC-B may also generate a terminating recording that could be used for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP

6.5.12 Originating 800/8XX Intra/Interstate – IXC Provided

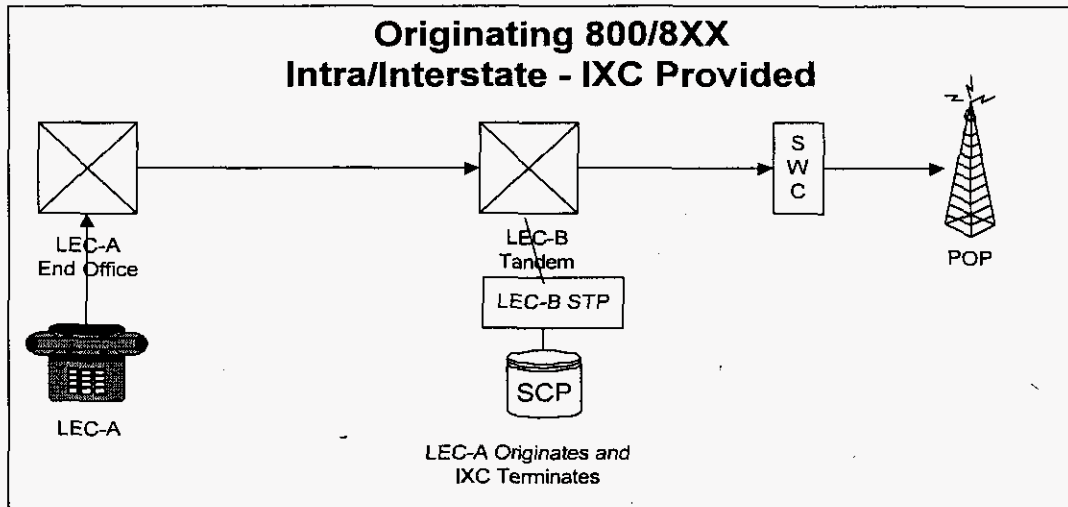


Figure 6-12 - Originating 800 from a LEC to an IXC behind another LEC (The LEC tandem company is providing SSP functionality.)

Notification Information

Both LECs will provide the customer notification information to the IXC in accordance with Section 5.

Record Exchange

There are no end user records generated by the LECs.

LEC-B will provide LEC-A with an access record. LEC-B will retain a copy of this record for billing.

For a single bill option, when LEC-A is the bill rendering company, they will use the access record provided by LEC-B to bill the IXC. When LEC-B is the bill rendering company they will use their access record to bill the IXC.

For multiple bill option, LEC-A will use the access record provided by LEC-B to bill their portion of access to the IXC. LEC-B will use their access record to bill their portion of access to the IXC.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC will have their records and the customer notification information to handle their verification requirements.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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6.5.13 Originating 800/8XX Intra/Interstate – IXC Provided

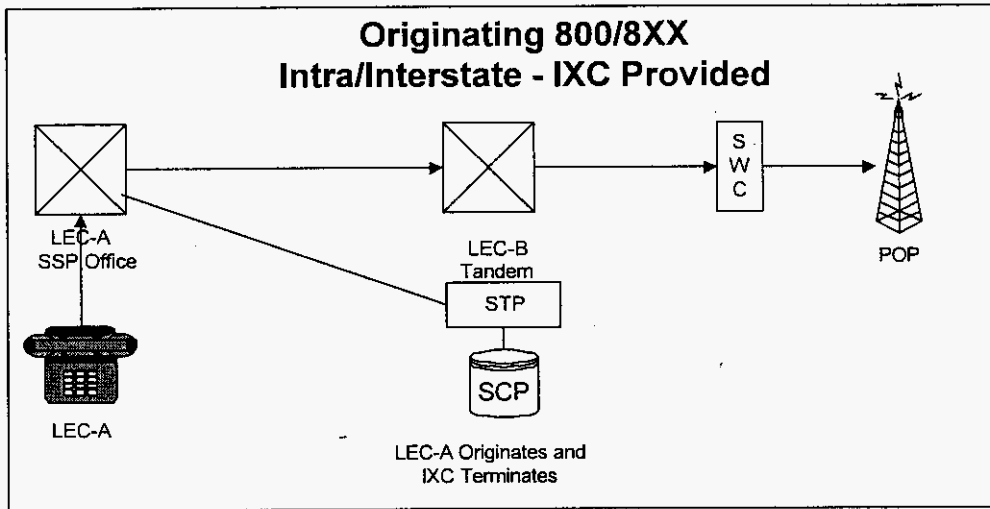


Figure 6-13 - Originating 800 from a LEC to an IXC behind another LEC (The end office company has SSP functionality.)

Notification Information

Both LECs will provide the customer notification information to the IXC in accordance with Section 5.

Record Exchange

There are no end user records generated by the LECs.

LEC-A will generate the access record.

For a single bill option, when LEC-A is the bill rendering company, they will use the access record to bill the IXC. When LEC-B is the bill rendering company, LEC-A must provide the access record to LEC-B in order to bill the IXC.

For a multiple bill option, LEC-A will use their recordings to bill their portion of access to the IXC. LEC-A must provide the access record to LEC-B for them to bill their portion of access to the IXC.

For additional information on billing options, refer to Section 4 of this document.

Bill Verification

The IXC will have their records and the customer notification information to handle their verification requirements.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

6.5.14 Originating Local and IntraLATA Toll

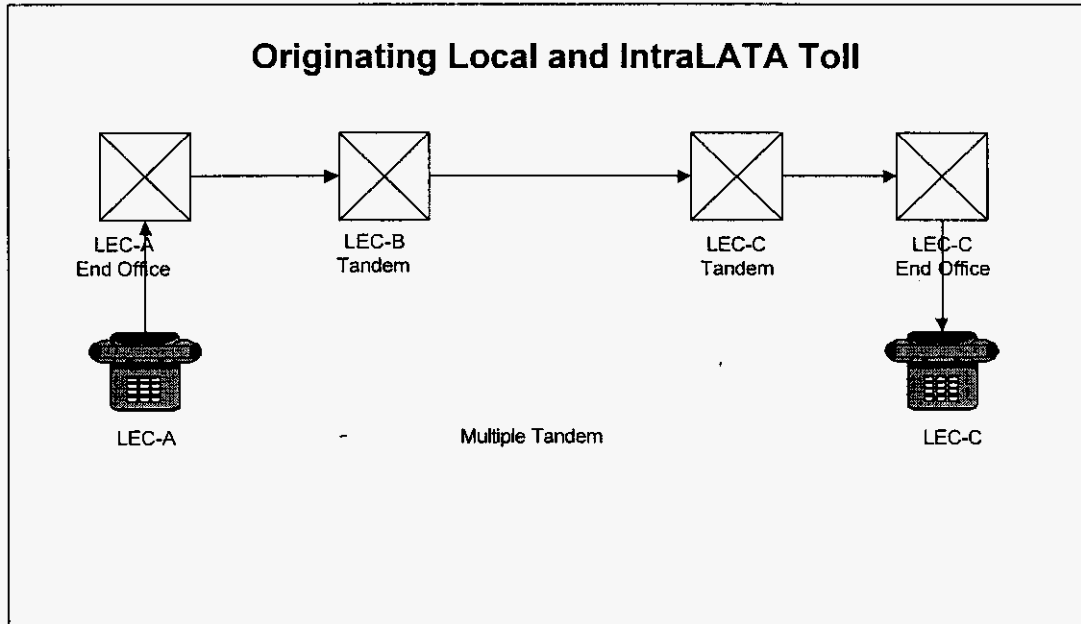


Figure 6-14 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-B and LEC-C will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will not be required. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-C will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B), and termination charges (LEC-C).

Companies who do not have recordings may have contractual relationships for receipt of their records.

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6.5.15 Terminating Local and IntraLATA Toll

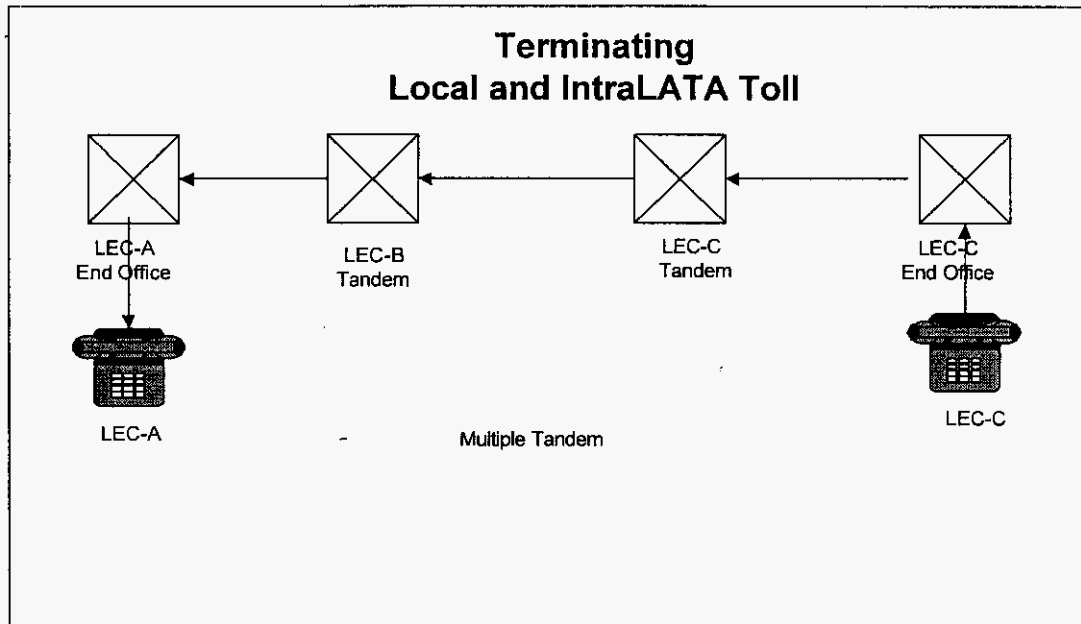


Figure 6-15 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-B tandem owner will provide the interconnection information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-A and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem-to-tandem, single trunk arrangement, record exchange will be required from LEC-C to LEC-B. LEC-A should have their own recording.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-C and the customer notification information received from LEC-B and LEC-A will fulfill the verification requirements for LEC-C. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-A).

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.16 Originating Local and IntraLATA Toll

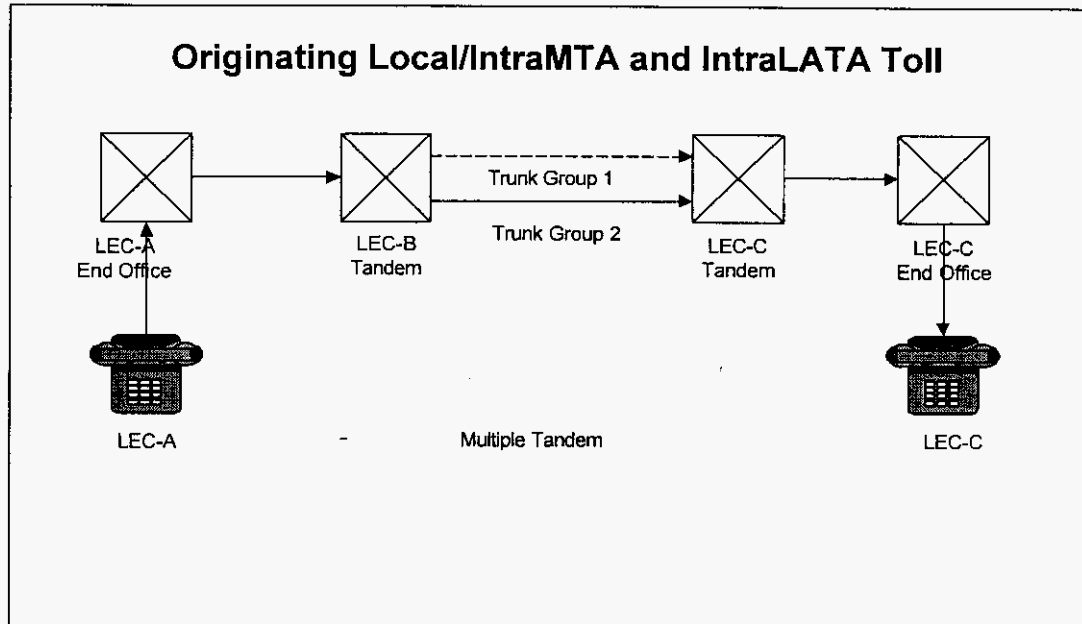


Figure 6-16 - Multiple trunk groups between tandems. Trunk group 1 is LEC-B to LEC-C traffic only (for this diagram Trunk group 1 is not used). Trunk group 2 is FGD/ATC recording trunk group for all other LEC traffic (LEC-A to LEC-C).

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-B and LEC-C will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange is not required between LEC-B and LEC-C because LEC-C has their own end office recording. When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-C will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B), and termination charges (LEC-C).

Companies who do not have recordings may have contractual relationships for receipt of their records.

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6.5.17 Terminating Local and IntraLATA Toll

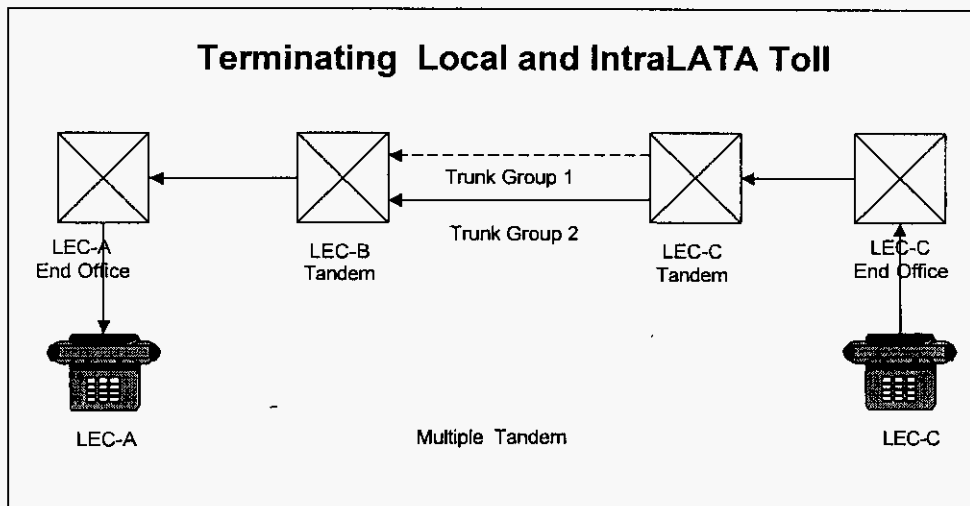


Figure 6-17 - Terminating Local and IntraLATA Toll. Multiple trunk groups between access tandems. Trunk group 1 is LEC-C to LEC-B common group, trunk group 2 is a FGD/ATC recording trunk group for all other LEC traffic (not used in this diagram).

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. In addition, customer notification would be required by LEC-A and LEC-B to LEC-C. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem to tandem, multi trunk arrangement, record exchange will not be required from LEC-C to LEC-B because LEC-B knows that all traffic is from LEC-C. LEC-A should have their own recordings.

When compensation does exist, each company should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-C and the customer notification information received from LEC-B and LEC-A will fulfill the verification requirements for LEC-C. Verification may include billing for transit charges (LEC-B) and termination charges (LEC-A).

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.18 Originating Local and IntraLATA Toll

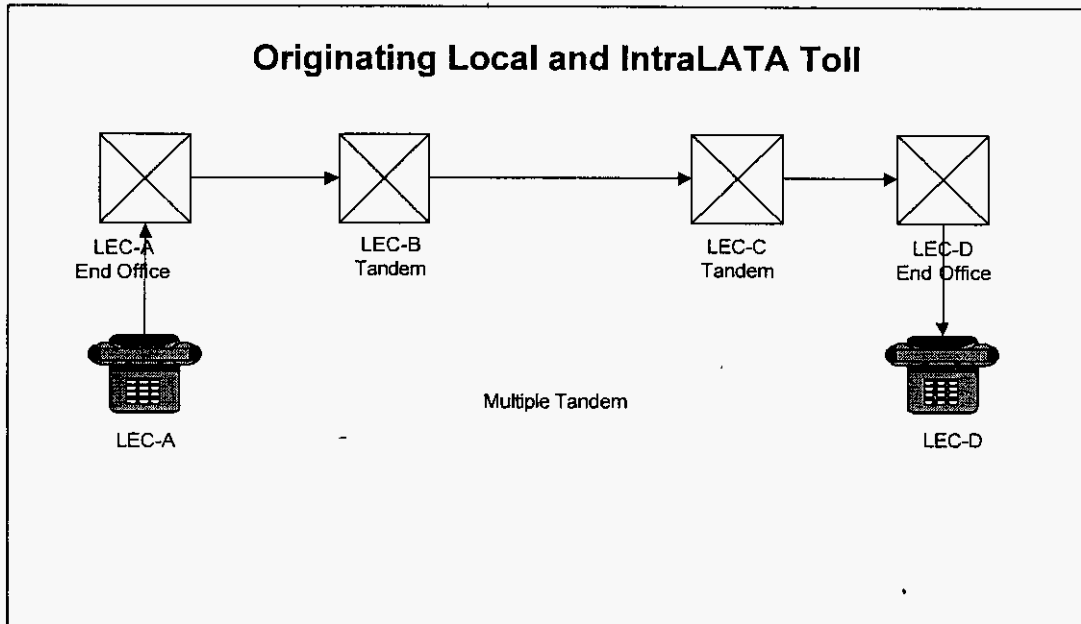


Figure 6-18 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. The LEC-C tandem owner will provide LEC interconnection notification information to LEC-B and LEC-D. LEC-B, LEC-C and LEC-D will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will be required from LEC-B to LEC-C. When compensation does exist, LEC-A, LEC-B and LEC-D should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B and LEC-D will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B and LEC-C), and termination charges (LEC-D).

LEC-C may have their switch records to validate any billing they receive from LEC-D.

Companies who do not have recordings may have contractual relationships for receipt of their records.

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6.5.19 Terminating Local and IntraLATA Toll

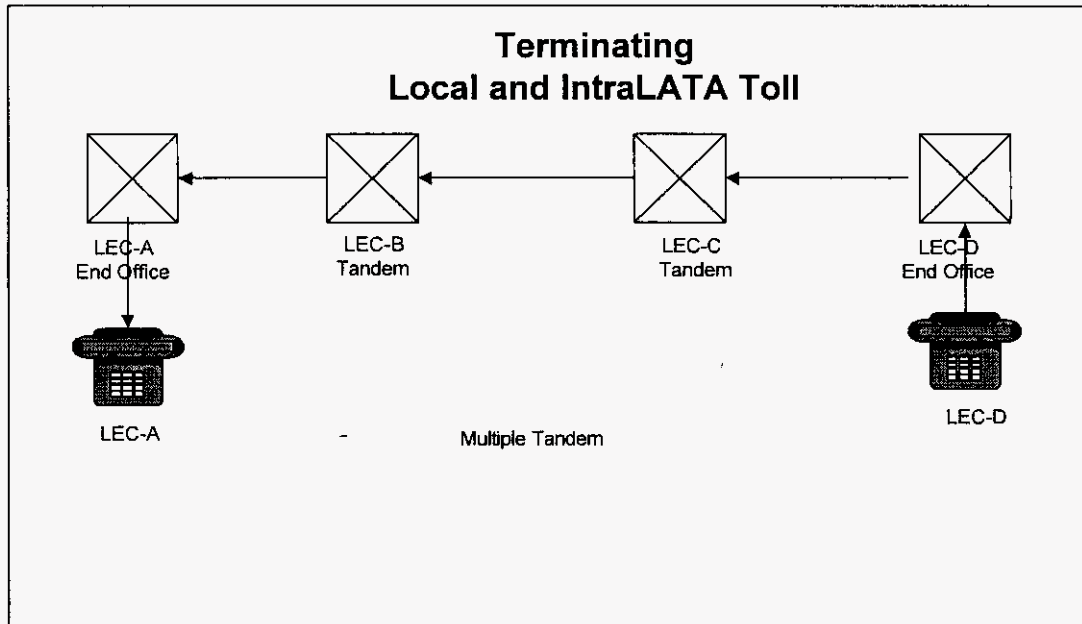


Figure 6-19 - Common trunk group between access tandems (this is a FGC inter-toll trunk)

Notification Information

The LEC-C tandem owner will provide the interconnection information to LEC-B and LEC-D. The LEC-B tandem owner will provide the interconnection information to LEC-A and LEC-C. In addition, customer notification would be required from LEC-A, LEC-B and LEC-C to LEC-D. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem to tandem, single trunk arrangement, record exchange will be required from LEC-C to LEC-B. LEC-A, LEC-C and LEC-D should have their own recordings.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-D and the customer notification information received from LEC-A, LEC-B and LEC-C will fulfill the verification requirements for LEC-D. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-A).

LEC-B and LEC-C may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.5.20 Originating Local/IntraMTA and IntraLATA Toll

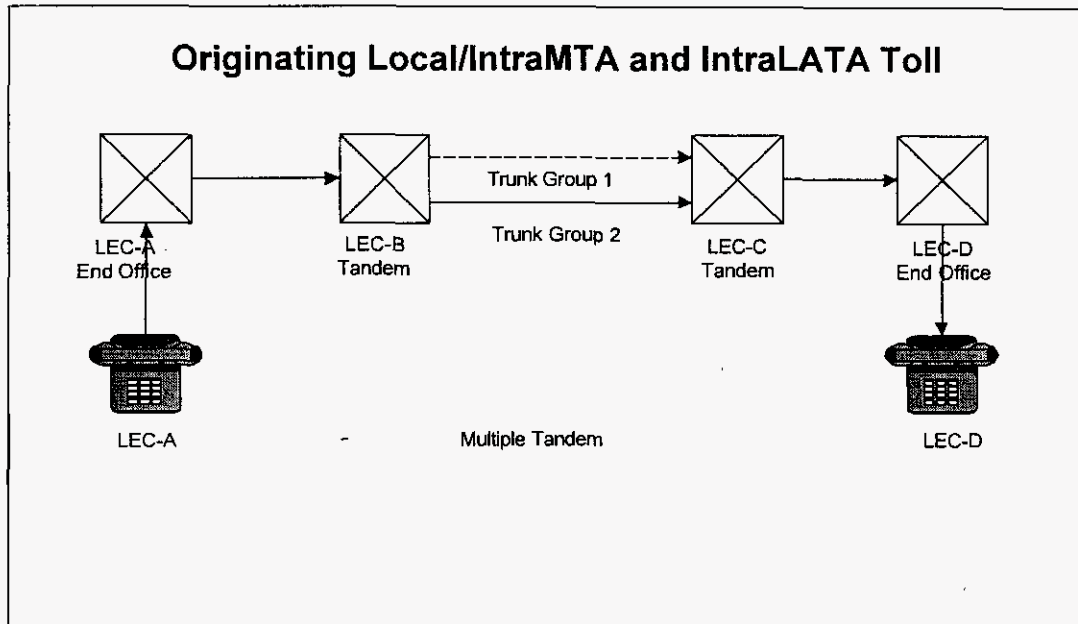


Figure 6-20 – Multiple trunk groups between tandems. Trunk group 1 is LEC-B to LEC-C traffic only (for this diagram Trunk group 1 is not used). Trunk group 2 is FGD/ATC recording trunk group for all other LEC traffic (LEC-A to LEC-C or LEC-D).

Notification Information

The LEC-B tandem owner will provide LEC interconnection notification information to LEC-A and LEC-C. LEC-C will provide LEC interconnection notification information to LEC-B and LEC-D. In addition, LEC-B, LEC-C and LEC-D will send customer notification to LEC-A. These notifications will be in accordance with Section 5.

Record Exchange

Record exchange will be required from LEC-B to LEC-C. When compensation does exist, LEC-A, LEC-B and LEC-D should use their own recordings for billing.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-A and the customer notification information received from LEC-B, LEC-C and LEC-D will fulfill the verification requirements for LEC-A. Verification may include billing for transit charges (LEC-B and LEC-C), and termination charges (LEC-D).

LEC-C may have their switch records to validate any billing they may receive from LEC-D.

Companies who do not have recordings may have contractual relationships for receipt of their records.

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6.5.21 Terminating Local/IntraMTA and IntraLATA Toll

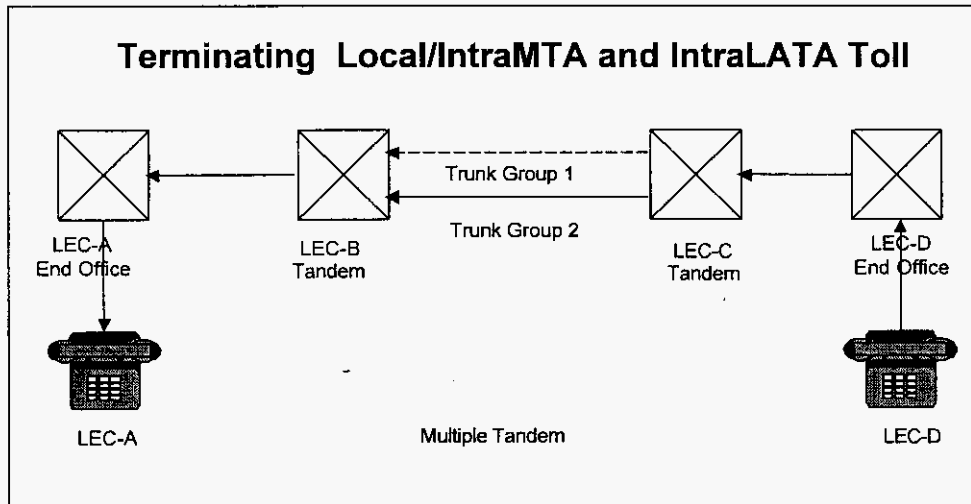


Figure 6-21- Terminating Local and IntraLATA Toll. Multiple trunk groups between tandems. Trunk group 1 is LEC-C to LEC-B common group (not used in this diagram). Trunk group 2 is a FGD/ATC recording trunk group for all other LEC traffic (LEC-D to LEC-B or LEC-A).

Notification Information

The LEC-C tandem owner will provide the interconnection information to LEC-B and LEC-D. The LEC-B tandem owner will provide the interconnection information to LEC-A and LEC-C. In addition, customer notification would be required from LEC-A, LEC-B and LEC-C to LEC-D. These notifications will be in accordance with Section 5.

Record Exchange

In a tandem to tandem, multi-trunk arrangement, record exchange will be required from LEC-C to LEC-B because LEC-B cannot identify LEC-D traffic. LEC-A, LEC-C and LEC-D should have their own recordings.

Companies who do not have recordings may have contractual relationships for receipt of records.

In lieu of recordings where compensation does exist, alternate methods and associated data (e.g. T/O ratio, flat rate, etc.) may be developed and shared between companies.

Bill Verification

The originating record generated by LEC-D and the customer notification information received from LEC-A, LEC-B and LEC-C will fulfill the verification requirements for LEC-D. Verification may include billing for transit charges (LEC-B and LEC-C) and termination charges (LEC-A).

LEC-B and LEC-C may have their switch records to validate any billing they may receive from LEC-A.

Companies who do not have recordings may have contractual relationships for receipt of their records.

6.6 800 Portability (Database Queries in a meet-point Environment)

The determination of billing responsibility for 800 database query charges is based on Provider-to-Provider negotiation.

When the end office and SSP are owned by different companies, positive confirmation of the end office owner as the billing company will be the "HD" (800 Series Query Charge Billing Location) indicator at the end office level as found in the NECA FCC No.4 Tariff section titled "Serving Wire Center V&H Coordinates".

When the SSP Company is the billing company, it will notify the customer of all companies it will bill for by NECA state level company code. When the same company owns the SSP and end office, no action is required.

In multiple SSP owner areas, when the SSP owner is billing, exceptions to normal billing policies will be reported as appropriate at the end office level. For Example: (see Figure 6-14)

PROVIDER A has two end offices, which subtend PROVIDER B's SSP/AT. For query billing, end office No. 1 is routed to PROVIDER B's SSP, but end office No. 2 is routed to an SSP belonging to a third LEC (PROVIDER C). PROVIDER C will report end office No. 2 as an exception.

PROVIDER B will report PROVIDER A at the NECA state company code level because it supports billing of other PROVIDER A end offices.

This is the long term billing solution for query billing where restrainers preclude the ability to implement. Long term is defined as (a) after the expiration of existing contracts and/or (b) after the alleviation of billing system constraints, which prohibit immediate implementation.

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6.6.1 Multiple SSP Environment

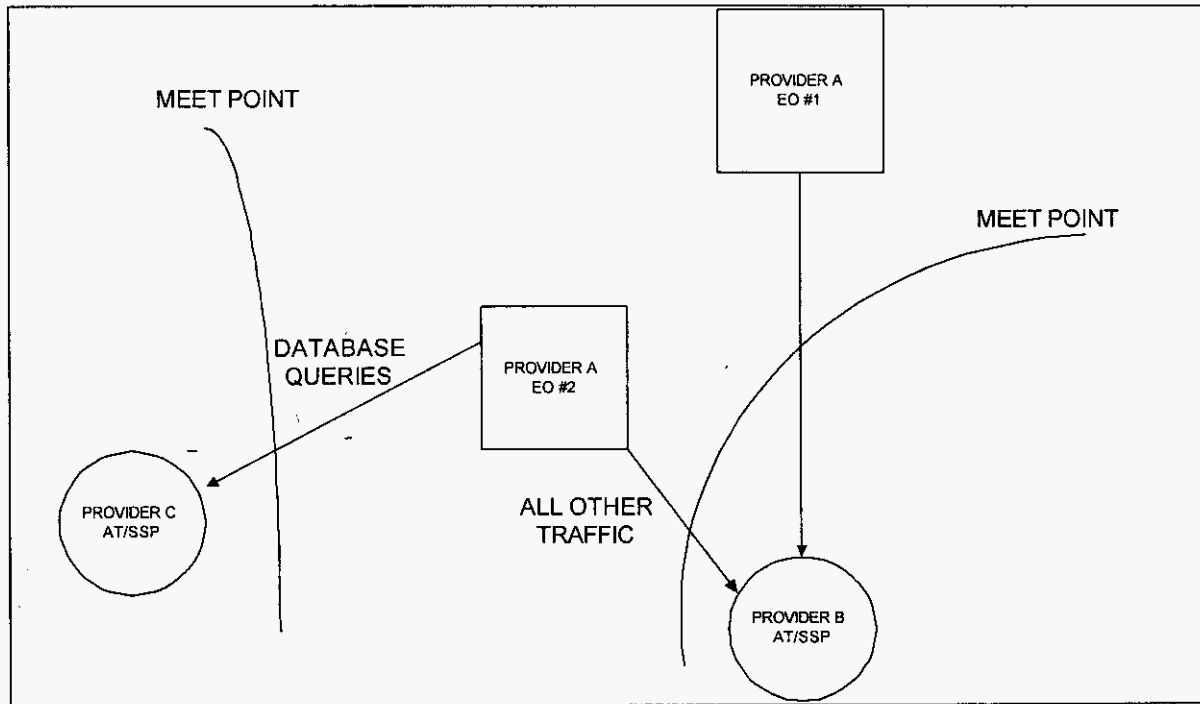


Figure 6-22 - Multiple SSP Environment

7. ADJUSTMENT PROCEDURES

7.1 General

Adjustments can be initiated by a customer or a provider. Situations involving multiple providers can require adjustment procedures by one or more of the providers involved. The billing company must provide applicable billing adjustment detail information, as addressed in CABS BOS or SECAB, whichever is appropriate. Where Provider-to-Provider billing occurs, procedures should be developed as discussed in Section 7.5.

7.2 Claims Resolution

When billing claims cannot be resolved through normal channels, the dispute process outlined in the contract or appropriate tariffs should be followed.

7.3 Single Bill Option

Billing inquiries are made to the billing contact on the bill. The contact provider assumes responsibility for coordinating resolution of billing disputes. Specific adjustment procedures depend on the Single Bill alternative selected and the implementation agreements between providers. For Single Bill-Multiple Tariff, the billing company will identify the provider's charges being adjusted by company code.

7.4 Multiple Bill Option

Where Flat-Rated bills are issued, billing inquiries are made to the billing contact on the bill. When Usage-Sensitive bills are involved the customer's point of contact is the billing company whose bill is in dispute.

7.5 Multiple Bill Provider-to-Provider Adjustment Procedures

Many situations involving multiple providers may require adjustment procedures by one or more of the providers involved. Some examples follow:

1. Customer Dispute on Minutes of Use

The customer should contact the billing company whose bill is in dispute. If an adjustment is made, a Customer Audit No. may be assigned to the case.

When one provider is billing on behalf of another provider, adequate data is needed to administer and answer customer inquiries on the adjustment. Examples of data items for the calculation of the minutes of use adjustments may include:

- a. NPA-NXX
- b. Location ID (CLLI Code) of the End Office or the lead NPA-NXX
- c. CLLI Code of the serving wire center of the customer POI
- d. CLLI Code of the rating point (e.g., host, tandem)
- e. Total minutes and messages per adjustment from and through dates of usage
- f. Debit/Credit Indicator
- g. Customer Identification (e.g. CIC, OCN)
- h. Recording Point Identification (e.g. tandem, operator platform, end office)

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- i. Routing Method (i.e. direct or tandem)
- j. Jurisdiction (e.g. local, interstate, intrastate/intraLATA)
- k. Usage Type (e.g. originating 800, operator, terminating MTS)
- l. Factors (e.g. PIU, PLU, BP)

Additional data items should be supplied for cross-reference on the providers' bill.

Examples include:

- a. Reason for the adjustment (Adjustment Phrase Code)
- b. Customer audit number (if applicable)

2. Service Outage

In the event of customer service outage, adjustments for the service outage are in accordance with the provisions of the provider tariffs or contracts.

8. COMMON SERVICE IDENTIFICATION

8.1 General

A common service identification is the principal reference to each service regardless of the billing option. In the Single Bill option, a common service identifier is inherent. In a Multiple Bill environment, a common service identifier provides the essential parameter for correlating the separate bills. To ensure cross verification of bills under MPB, a provider common service identifier is necessary to cross-reference the separate billing media from each provider for the service. The OBF Multiple Exchange Carrier Ordering and Design Guidelines contain the common provider circuit identifier specifications.

8.1.1 Flat-Rated Service

A common provider circuit identifier is established for the services and is provided to the customer and all providers involved. This identifier is used to coordinate billing among providers and to associate the services being provided to the customer.

The OBF recommends that this common service identifier be established for ordering, design, installation and maintenance per the MECOD. If individual providers assign local circuit identifiers, providers must maintain a cross-reference file of the common service identifiers to communicate with other providers.

8.1.2 Usage-Sensitive Service

The CLLI code corresponding to the End Office provides an adequate common service identifier to be used for cross-referencing.

8.2 Customer Circuit Identifier

For Flat-Rated service, it is recommended that each provider accepts and retains the customer's non-edited, non-sorted circuit identifier number. This field can consist of any customer-specified combination of alpha and/or numeric characters with or without delimiters. The provider does not process the field, and the ASR/LSR will not be rejected based on the content or absence of the field. Any creation or change of customer circuit identifier is transmitted via an ASR/LSR.

The customer-provided circuit identifier is not intended to be the principle means of cross-referencing circuits. It is reflected by the providers in the bill media, to assist customers in bill verification.

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9. FGA SERVICES

9.1 Scope

This section reflects the billing arrangement for FGA/line side jointly provided services.

9.2 General

The industry consensus is that FGA services do not generally lend themselves to a meet-point Billing structure. This is because of the inordinate number of BPs required, the lack of End Office-specific call detail, and the multitude of routes available and providers involved because of LATA-wide termination.

9.3 Revenue Sharing Agreements

Non-MPB, through the use of revenue sharing arrangements, is the billing option recommended for jointly- provided FGA services. The Dial Tone Office (DTO) Company renders the bill for both originating and terminating usage. Provider-to-provider revenue sharing arrangements must be established.

In its MO&O of October 5, 1989, the Commission agreed with the recommendations outlined in the December 8th Report on FGA/FGB meet-point billing. That Order requires that providers jointly providing FGA access services have binding revenue sharing agreements negotiated and signed not later than one year after the release date of the Order. Such agreements must be designed to compensate all participating providers for all relevant interstate access costs, and be implemented within six months of the date of signature.⁴

⁴ In addition, the Commission will allow FGA meet-point billing to continue whenever provider has successfully implemented MPB of FGA.

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10. PROVIDER DATA EXCHANGE ELEMENTS

The requirements for all, or a portion, of the data elements listed below will be agreed to by the involved providers on a case by case basis when one provider is billing on behalf of another provider.

Minutes of Use	MOU billed to the customer during the billing company's current billing cycle.
Additional Other Charges	Charges related to hourly manpower, installation, and other equipment that can be allocated to the non-billing company.
Adjustment Approvals	Billing adjustment procedures must be developed, and ongoing communication established, to secure proper adjustment approval.
BAN	The BAN should be a minimum of 10 and maximum 13 characters in length.
Bills	Copies of the bills can be sent to the non-billing provider for verification and record retention requirements.
Compensation and Contracts	Contracts must be negotiated for billing company compensation and liability.
Deposits and Advance Payments	Deposit and advance payment information must be provided to the non-billing company.
Late Payment and Disconnect	Late payment and disconnect information must be communicated among the companies.
Purchase of Accounts Receivable	Purchase of accounts receivable may be required depending on the billing methods employed by the billing company.
Rate Change Coordination	Rate changes for the non-billing company must be communicated to the billing company for implementation.
Revenue Journal & Billing Reports	The non-billing company requires company specific revenue journals and earned revenue reports from the billing company to properly account for revenue and earnings and to meet FCC reporting requirements.
Service Order	All service order data must be communicated to the non-billing company for inventory, demand analysis, and record keeping purposes.

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System Design Coordination	Design change specifications must be communicated by the non-billing company to ensure proper billing methods.
Tariff/Contract Interpretation	The non-billing company must be prepared to provide support for the billing company personnel for correct application of rates.
Tax/Other Information	Tax, revenue accounting, rate information and MOU factoring information must be maintained to meet financial and regulatory reporting requirements. The non-billing company must establish the procedures to facilitate effective flow of this information to the billing company.
Usage Information	The non-billing company requires the usage information for verification of the charges rendered on its behalf and for rate determination.

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11. OBF ISSUES REVIEWED BY THE MECAB REVIEW GROUP (MRG)

This section contains a record of all resolved OBF Issues referred to MECAB.

Issue No.	Description	MECAB Revision
7	Multi-EC Common Circuit ID	February 1986
10	PIU on the ASR	February 1986
68	Maintaining FCC #2 Information	February 1986
74	ECs Involved in the Same Access Service	February 1986
75	30 Day Notification of meet-point Billing	February 1986
76	meet-point Indicator for Special Access Legs on CABS Bill	November 1987
77	Adjustments Between ECs	February 1986
79	Identification of Each LEC on an Access Service	November 1987
80	Synchronization of Billing Cycles	February 1986
89	Common Service Identifier	February 1986
90	Percent of Charges Billed	February 1986
91	Identifying ECs Involved in meet-point Billing	February 1986
100	Circuit Identification Number (CKTID)	February 1986
133	Multi-Exchange Billing Alternatives	November 1987
229	Tandem Ordering	December 1989
250	Usage Exchange (EMR)	November 1987
251	BACR for Switched Access meet-point Bills	November 1987
255	MECAB Distribution	November 1987
256	MECAB Update	November 1987
257	Cross Reference Bill Cycles	November 1987
258	Adjustments for Disputed Usage	November 1987

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310	"Ratcheting" of meet-point Billed Services	December 1989
312	Company Identification of Rate Element Level	December 1989
322	Level of Traffic Type Display on SBC Bill	December 1989
326	Access Billing Account Identification in Multi-EC Environment	November 1987
387	Multi-EC ASR, FOC Process and Distribution	December 1989*
402	meet-point Billing for FGB	December 1989
403	meet-point Billing for FGA	December 1989
404	Definition of Combination MPB	December 1989
434	MPB Agreement for Single Service	December 1990
463	MPB State Level Company Code on Usage Statistics Detail	December 1989
465	Greater Level of Detail on Adjustments	December 1991
472	MECAB Change Management	December 1989
502	CIC Specific Charge Display	June 1994*
536	Overall Company Code vs. State Level Company Code on CSR	December 1989
538	Single Bill Pass Through MPB	June 1994*
539	BAR/BACR for MPB Switched Access	June 1994*
541	Separate (Multiple) Checks for Single MPB	June 1994*
566	MPB Notification and Conversion	December 1990
577	MPB Rate Application Indicator	June 1994*
590	Minimum Billing Requirements	December 1991
591	Application of meet-point Billing for Multiplexed Services	December 1990

* Issues marked with an asterisk (*) were reviewed by the MECAB Review Group but had no impact on the MECAB document.

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592	Application of meet-point Billing for Multipoint Services	December 1990
593	MPB Account Restrictions	December 1990
621	ONA Billing Requirements	June 1994
638	IBC/SBC Identifier	December 1991
733	Equal Charge Per Unit	June 1994
792	BAR/BACR Restructure	June 1994
945	800 Portability (Database Queries in a meet-point Environment)	February 1998
946	Billing of Multiple ECs on the Same Switched Access BAN for an AC	February 1998
970	Switched Access Usage Exchange Between APs Rendering Multiple Bills	February 1998
1140	MECAB Document Language Revision for CLEC Status	February 1998
1142	AC Notification of Multiple Exchange Carrier Billing Arrangement	February 1998
1185	Expansion of NECA Company Code	February 1998
1248	Combination of meet-point and Non-meet-point on a Single BAN	February 1998
1284	Long term LNP Billing and Verification	February 2001*
1287	Billing for Unbundled Network Elements	February 2001*
1528	The Billing Impact Resulting From Access Reform	February 2001*
1548	Billing Verification Process in an Unbundled Environment	February 2001
1593	Guidelines Do Not Exist for Providing Historical PICC Detail Data to Verify PICC Charges	February 2001*
1667	Exchange of Billing Information	February 2001
1690	Notification of Interconnecting Billing Information to the ULEC	February 2001
1962	Multiple Providers of Tandem Access Interconnection	January 2003

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2056	For Facility-Based LECs/ CLEC, and CMRS Enhance the Meetpoint/Meetpoint Like Record Exchange to be Consistent with Unbundled Processes For Facility- Based	February 2001
2138	Redefine and Evaluate the Need for Existing MECAB Data Elements	February 2001
2162	Eliminate Pass-Through Meetpoint Billing Option in MECAB	February 2001
2186	Optional Use Return Code for Category 11 Detail Records	January 2003

12. FCC ORDERS AND OBF REPORTS CITED IN MECAB REVISIONS

A. FCC Orders:

1. CC Docket No. 86-104, Memorandum Opinion and Order (Memo No. 3402), In the Matter of Waiver of Access Billing Requirements and Investigation of Permanent Modifications, released March 28, 1986.
2. CC Docket No. 86-184, Memorandum Opinion and Order (DA 87-252), In the Matter of Waiver of Access Billing Requirements and Investigation of Permanent Modifications, released July 31, 1987.
3. CC Docket No. 87-579, Memorandum Opinion and Order (DA 87-1858), In the Matter of Waiver of Access Billing Requirements and Investigation of Permanent Modifications, released December 22, 1987.
4. CC Docket No. 87-579, Order Designating Issues for Investigation (DA 88-812), In the Matter of Access Billing Requirements for Joint Service Provision, released June 6, 1988.
5. CC Docket No. 87-579, Phase II, Order (DA 88-1544), In the Matter of Access Billing Requirements for Joint Service Provision, released October 4, 1988.
6. CC Docket No. 87-579, Memorandum Opinion and Order (DA 89-1251), In the Matter of Access Billing Requirements for Joint Service Provision, released October 5, 1989.
7. CC Docket No. 89-79 and 87-313, Memorandum Opinion and Order In the Matter of Open Network Architecture Tariffs, released July 11, 1991.
8. CC Docket No. 91-213, Report and Order and Further Notice of Proposed Rulemaking (FCC 92-442), In the Matter of Transport Rate Structure and Pricing, released October 16, 1992.
9. CC Docket No. 91-213, First Memorandum Opinion and Order on Reconsideration In the Matter of Transport Rate Structure and Pricing, released July 21, 1993.

B. OBF Reports:

1. Report of the meet-point Billing Task Force Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., CC Docket No. 86-104, filed December 1, 1986.
2. Report of the Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., on Feature Group A & B meet-point Billing, CC Docket No. 87-579, Phase submitted December 8, 1988.
3. Report of the Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., on Special Access meet-point Billing, CC Docket No. 87-579, Phase filed March 23, 1989.
4. Report of the Ordering and Billing Forum, Carrier Liaison Committee, Exchange Carriers Standards Association, Inc., on Progress of Special Access meet-point Billing, CC Docket No. 87-579, submitted in December, 1990.

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13. SERVING ARRANGEMENT NOTIFICATION EXAMPLE

Following is an excerpt from the NECA Tariff FCC. No. 4, which illustrates the number of notifications expected by a customer from a provider when billing percentages are filed:

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
DIRECTOR - TARIFF AND REGULATORY MATTERS
100 S. JEFFERSON, RD.
WHIPPANY, NJ 07981

TARIFF FCC. NO. 4
27TH REVISED SECTION 109
CANCELS 26TH REVISED SECTION 109
PAGE 55

ISSUED: MARCH 15, 2000

EFFECTIVE: APRIL 1, 2000

WIRE CENTER AND INTERCONNECTION INFORMATION SINGLE STATE INTERCONNECTION INFORMATION - VIRGINIA

Locality	LC	CC	BP	OI	SVC
BLACKRIDGE	BCRGVAXA	0219	11	END	ALL
		0254	37	INT	
ROCKVILLE	RKVLVARK	5040	52	END	
BLACKRIDGE	BCRGVAXA	0219	12	END	ALL
		0254	37	INT	
SANDSTON	SNTNVASS	5040	51	END	
BLACKRIDGE	BCRGVAXA	0219	12	END	ALL
		0254	40	INT	
VARINA	VARNVAVR	5040	48	END	
BLACKRIDGE	BCRGVAXA	0219	11	END	ALL
		0254	36	INT	
WAVERLY	WVRLVAWV	5040	53	END	
BLACKSTON E	BLCSVAXA	0254	13	END	ALL
ASHLAND	ASLDVAAS	5040	87	END	

The example reflects three providers jointly providing service at four separate End Office locations and a fifth location where two of the three providers jointly provide the service. The same three providers (0219, 0254, and 5040) are involved in the first four combinations of End Offices. The customer would receive only one notification from each provider involved for the unique combination of company codes 0219, 0254, and 5040 in the first four combinations. There is no requirement for a notification for each of the four End Office combinations when the meet-point Billing arrangements for all four remain the same. However, the customer would receive a separate notification for the fifth combination where only companies 0254 and 5040 are involved.

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14. JOINTLY PROVIDED SERVICE IN AN UNBUNDLED ENVIRONMENT

14.1 General

This section describes the billing options, record exchange and notification guidelines for jointly provided Usage-Sensitive Service in an unbundled environment. An unbundled environment exists when a provider purchases unbundled network elements from another provider in order to provide Usage-Sensitive Service in the same territory. Usage-Sensitive service includes FGB, FGC, FGD, trunk-side connections, DA and may include subscribed toll, non-subscribed toll local and wireless services.

For the purpose of the billing options and associated diagrams described in this section, the provider that purchases the unbundled network elements is referred to as the Unbundled Local Exchange Carrier (ULEC). The provider that sells the unbundled network elements is referred to as the Unbundled Service Provider (USP).

This section does not apply to a facility-based provider who only purchases the unbundled local loop.

The decision to implement the billing options is based upon Provider-to-Provider (e.g., the USP and the ULEC) negotiations where the regulatory environment permits. When the USP and the ULEC agree to one of the billing options, these guidelines are used.

These guidelines will not supercede state or contract specific intraLATA toll, local or wireless settlement plans.

For the purpose of billing Usage-Sensitive Service, Provider-to-Provider contractual agreements are required. These agreements may include proprietary information/non-disclosure, liabilities for data accuracy and timeliness, inquiries, flow of tariff/contract items, compensation for billing services, types of services included, payment options, and exchange of data.

14.1.1 Billing Options

It is the responsibility of the ULEC and the USP to select a billing option. The following options are available:

1. Option 1
Two alternatives (1A and 1B)
2. Option 2
3. Option 3

These above options are not applicable to flat rated transport purchased by the IXC under access reform and local transport restructure.

Once a billing option has been selected, the ULEC and/or the USP will negotiate a billing arrangement with other providers as described in section 4 of MECAB. For example, the USP may negotiate Option 1B with the ULEC as well as a Multiple Bill/Single Tariff arrangement with the other provider(s) for interLATA services.

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For all options, CABS BOS (maintained by Telcordia Technologies) or SECAB format is recommended. If the recommended format is not used, the bill should include applicable data elements as listed in CABS BOS or SECAB. Description of Billing Options

14.1.2 Option 1

There are two billing alternatives:

1. Option 1A - The USP bills the customer for the USP charges.
2. Option 1B - The USP or ULEC bills the customer for the USP and ULEC charges.

14.1.2.1 Option 1A

The ULEC is invisible for bill rendering and bill receipt. The ULEC will not establish a relationship with the interconnection or access customer. Compensation to the ULEC, if applicable, is negotiated between the USP and the ULEC. Charges billed by a third party to the USP may be passed through to the ULEC. Any existing compensation arrangements between the USP and the customer are not affected.

14.1.2.2 Option 1B

The USP or the ULEC will prepare a single access bill with the ULEC's and the USP's charges separately identified. The ULEC must establish a relationship with each customer.

The billing company will pass any revenues due the provider for whom they are rendering a bill.

This option requires that the billing company maintains and administers in its billing system, the applicable tariff/contract rates for both providers in order to bill access services.

Separate checks can be rendered by the customer based on Provider-to-Provider relationships and mailed directly to each provider, or to the billing company for distribution. If separate checks are rendered, the non-billing company must notify the billing company of the payment. The billing company is then responsible for applying each payment to the respective portion of the bill.

14.1.2.3 Option 2

The USP bills the ULEC for all charges (unbundled elements, access, and reciprocal compensation) and the ULEC bills the customer.

The ULEC should receive compensation bills from third parties for ULEC originated traffic.

The ULEC may elect to use MPB options as described in Section 4 when connecting with other providers. The MPB method selection between other providers must adhere to the restrictions identified in Section 4.2. If a multiple bill option is used, refer to Sections 14.3 and 14.4 for the notification information and record exchange process.

14.1.2.4 Option 3

Each provider (the USP and the ULEC) prepares and renders a bill in accordance with their tariff/contract for their portion of the unbundled elements, access, and reciprocal compensation.

The ULEC should receive compensation bills from third parties for ULEC originated traffic.

14.2 Notification

Providers are required to supply proper notification to the customer of the billing option, and the MPB method employed when rendering access bills to an IXC. The notification requirements for MPB are described in Section 5.3. In addition to the notification requirements in Section 5.3, the following notification requirements listed below should occur to establish billing relationships and render accurate bills to all customers. The notification requirement applies to the initial implementation and any subsequent changes to an existing billing option (e.g., Option 1A to Option 2). The notification must take place thirty days prior to the implementation or change in option.

More specifically, the following activities must occur prior to the implementation or change of an option:

1. Where proprietary restrictions do not exist (for Billing Option 1B, 2, 3), the USP will provide all interconnecting providers and customers with the Billing Name, Billing Address and Contact number of all interconnecting ULECs.
2. In order for customers to validate or render their access and reciprocal compensation bills for Billing Option 1B, 2, and 3, the ULEC should use the existing MECAB notification process, as described in Section 5.3, in addition to providing the following data elements:
 - Type of Provider - Unbundler
 - Billing Option (1B, 2, 3)
 - Elements to be billed
3. In addition to the notification process, the ULEC will provide the following data elements accompanying the Switched Access and reciprocal compensation bills:
 - Unbundled Serving End Office
 - Unbundled Line Number/Range Start Date
 - Unbundled Line Number/Range End Date
 - Unbundled NPA/NXX Line Number/Range

This information need only be provided for unbundled numbers that have associated Switched Access or Local Interconnection charges. This information needs to be available in both paper and mechanized formats. The CARS document (printed and distributed by ATIS) may be used to provide this information.

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In order for the ULEC to provide notification to the customers, the ULEC must be provided with specific information. Where proprietary restrictions do not prohibit, the following elements should be provided to the ULEC for the establishment of their billing relationships with companies interconnected within the LATA. The IXC elements will be provided by the USP, or when requested, from the tandem company. The IXC elements will be provided on an ongoing basis since the ULEC does not receive a copy of the Access Service Request (ASR). The local and IntraLATA interconnect elements will also be provided on an ongoing basis by the USP for companies (e.g. FB CLEC, ICO, WSP) directly interconnected with the USP. The interconnectors (e.g. FB CLEC, ICO, WSP) will identify companies in which they are directly interconnected so that the ULEC can identify all local/IntraLATA companies within a LATA. While providing the same quality of data available to itself, all parties recognize that this data may not be the most current. Therefore, it is recommended the ULEC validate this information for accuracy.

The following elements are required for interconnecting IXCs:

- a. ACNA associated with the Billing Name and Address
- b. Billing name
- c. Billing Address
- d. Contact Number/Fax Number
- e. Type of Provider
- f. CIC
- g. LTL (required for non-LTR states)

The following elements are required for Local/IntraLATA Interconnectors

- a. Company Name
- b. Contact Name
- c. Contact Address or fax number
- d. Contact Number
- e. Type of Provider (if it can be determined)
- f. CIC (if industry assigned) or Company Code

The following elements (not inclusive) are preferred, however they may need to be negotiated:

- a. Bill Address for Local/IntraLATA Interconnectors
- b. LTL
- c. Tandem
- d. Type of Service
- e. Billing Option

14.3 Exchange of Usage in a ULEC Environment

For Usage-Sensitive Access services in a ULEC environment, the exchange of usage data among providers plays a critical role in providing the customer with an accurate, timely bill. Various providers can be involved in recording the usage data for a single End Office location depending on the network architecture, type of office, feature group, and type of traffic. The following sections provide additional detail regarding the exchange of usage data. The diagrams contained in this section also provide additional detail.

14.3.1 Mechanized and Paper Exchange

The Exchange Message Interface (EMI) document provides mechanized record formats that can be used to exchange access usage information among providers. Category 11-0X series AURs (Access Usage Record) are used to exchange detailed access usage information.

Each provider may elect to forward a copy of its access bill or bill data as a substitute for mechanized access usage record exchange. While it is considered preferable for providers to move toward mechanized data exchange, nothing precludes timely manual or paper exchange of information. For each billing option, where exchange of usage is required, the timely exchange of access usage records from the recording company to other provider(s) will be on a daily basis or any other agreed upon timeline.

14.3.2 MOU Exchange for Local/Toll/Wireless

Providers will bill the customer based upon their own recordings. When a provider does not have detailed recordings available for billing, the provider may develop contractual relationships with a provider or customer for the detailed access usage records.

14.3.3 MOU Exchange for InterLATA (Provider to IXC)

Providers will bill the customer based upon their own recordings. When providers do not have detailed recordings available for billing, the official recording company, as outlined in Section 6.1, will provide the detailed access usage record to providers on the route. Please note that when the official recording company is not the end office company, the official recording company will provide the detailed access usage record to the end office for passage to the ULEC for Options 1B, 2 and 3. Once complete line level detail information becomes available, then the tandem company will provide recordings directly to the ULEC.

14.4 Usage Diagrams

Following are diagrams addressing issues pertaining to LEC interconnection and customer notification, record exchange and bill verification in an ULEC/unbundled environment. These diagrams do not depict notification, record exchange and bill verification between the facility-based providers, which is defined in section 6.5.

While the industry recognizes that local/intraLATA settlement plans are used, these are state or contract specific and are not included in the MECAB guidelines. In addition, contracts or settlement arrangements may also be in place with existing WSPs and are not included in these guidelines.

Current meet-point billing arrangements may exist where the tandem company is also the bill rendering company. Contracts may need to be renegotiated so that all participating

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companies consent to one or more compatible billing arrangements in an unbundled environment.

Common minutes are not required for IntraLATA local/toll and access billing when a ULEC is involved. Billing for originating or terminating traffic to IXC's should include usage dates with CIC, end office CLLI.

Until the industry has resolved OBF Billing Issue 1182, where all entities from originating to terminating point are identified, the ULECs may not be able to be identified. For the Pre-1182 resolution, it is possible that a record exchange process may not be available.

Due to the inconsistencies in where companies perform recordings, these diagrams do not reflect a designated point of recording for intraLATA toll and local LEC/CMRS to LEC/CMRS traffic. Companies that do not record need to negotiate a process to obtain the records needed for them to render bills or perform bill verification.

For intraLATA toll and local LEC/CMRS to LEC/CMRS traffic, compensation may default to Option 1A until identification of the ULEC can be made. Compensation includes either access charges or reciprocal compensation based on the negotiated arrangements between providers. The billing option between the ULEC and USP should be reflected in the Notification process and billing should be rendered or verified accordingly. Once ULEC identification can be made, a billing option default will not exist.

For IXC originating traffic, the originating end office switch generates the official record for billing. For IXC terminating traffic, the first point of switching into the LEC/CMRS network (tandem, end office, or MSC switch) generates the official record for billing. For originating 800/8xx traffic the SSP switch generates the official record for billing.

The industry recognizes that an ICO (Independent Telephone Company) is also an ILEC. ICO is only used in the following diagrams for the purpose of describing the different scenarios between the types of providers.

14.4.1 Originating Local

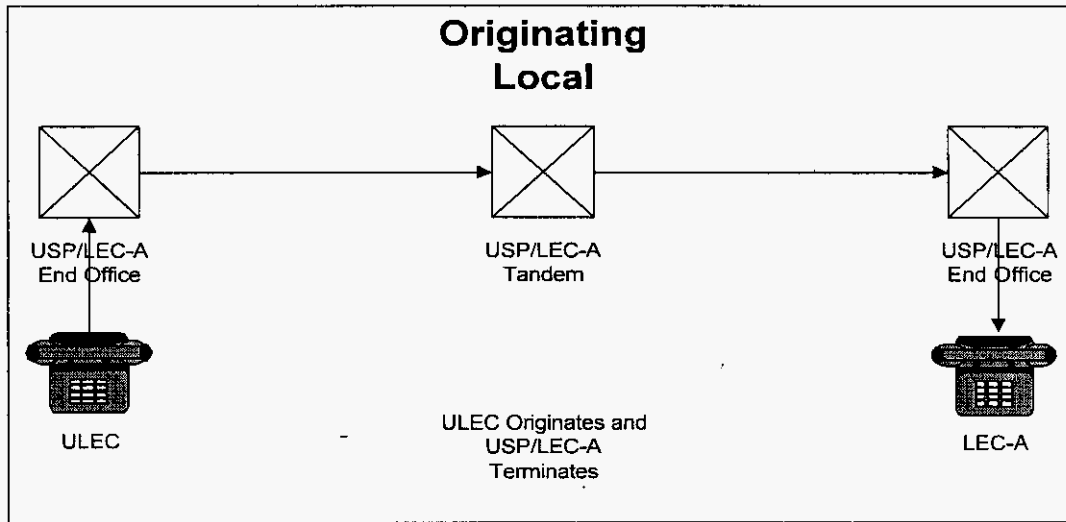


Figure 14-1 - Originating local from a ULEC to a USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

The USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). An access record (11-0X-XX) is not applicable between the ULEC and the USP/LEC-A.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC's unbundled and compensation bills.

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14.4.2 Originating IntraLATA Toll

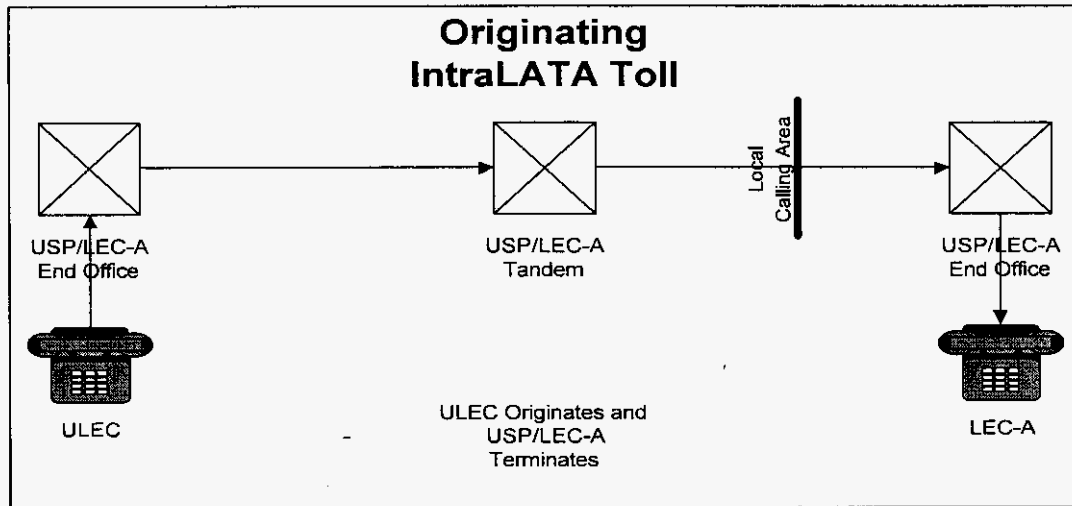


Figure 14-2 - Originating intraLATA toll from a ULEC to a USP/LEC-A (ULEC is toll provider via the USP/LEC-A's network)

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

The USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). An access record (11-01-XX) is not applicable between the ULEC and the USP/LEC-A.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC's unbundled and compensation bills.

14.4.3 Terminating Local

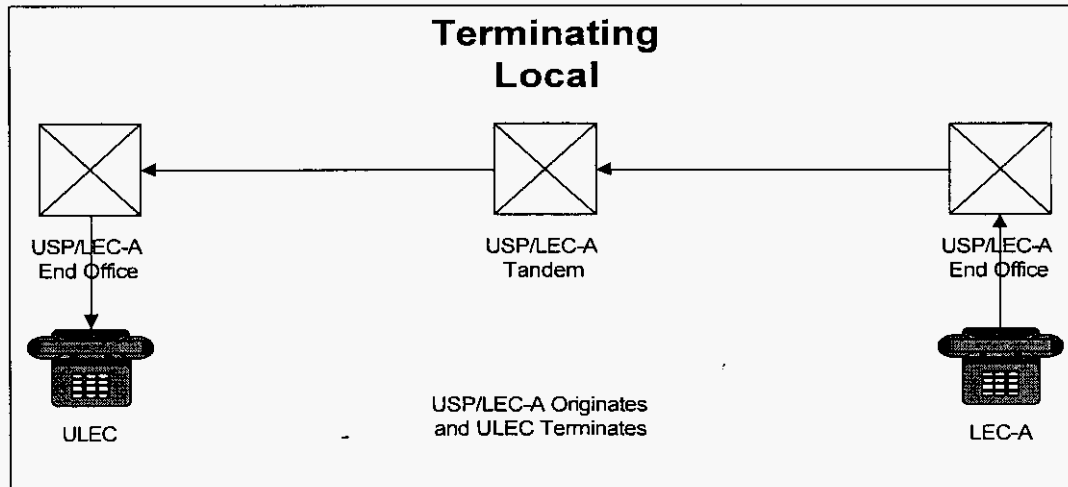


Figure 14-3 - Terminating local to a ULEC from a USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC for any of the billing options.

When there are no compensation charges, no access record (11-01-XX) is provided from the USP/LEC-A to the ULEC.

When compensation does exist, the USP/LEC-A provides the ULEC with an access record (11-01-XX). This record is preferred, however other methods may include T/O ratio, flat rate, etc.

Bill Verification

When compensation does exist, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A would serve as the verification requirements for the ULEC.

When other methods of compensation exist, the USP/LEC-A will provide the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

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14.4.4 Terminating IntraLATA Toll

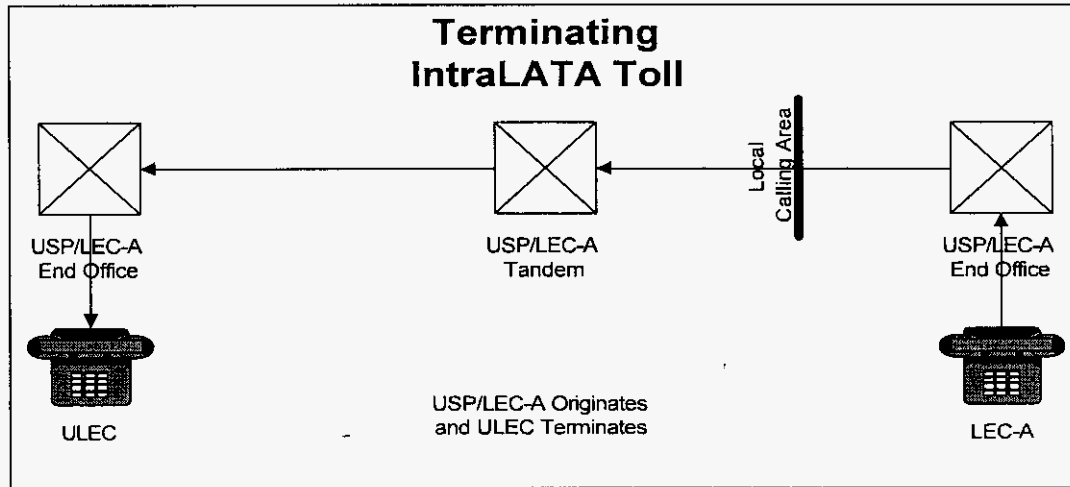


Figure 14-4 -Terminating intraLATA toll to a ULEC from an USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC for any of the billing options.

When there are no compensation charges, no access record (11-01-XX) is provided from the USP/LEC-A to the ULEC.

When compensation does exist, the USP/LEC-A provides the ULEC with an access record (11-01-XX). This record is preferred, however other methods may include T/O ratio, flat rate, etc.

Bill Verification

When compensation does exist, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

When other methods of compensation exist, the USP/LEC-A will provide the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

14.4.5 Originating Local/IntraMTA and IntraLATA Toll

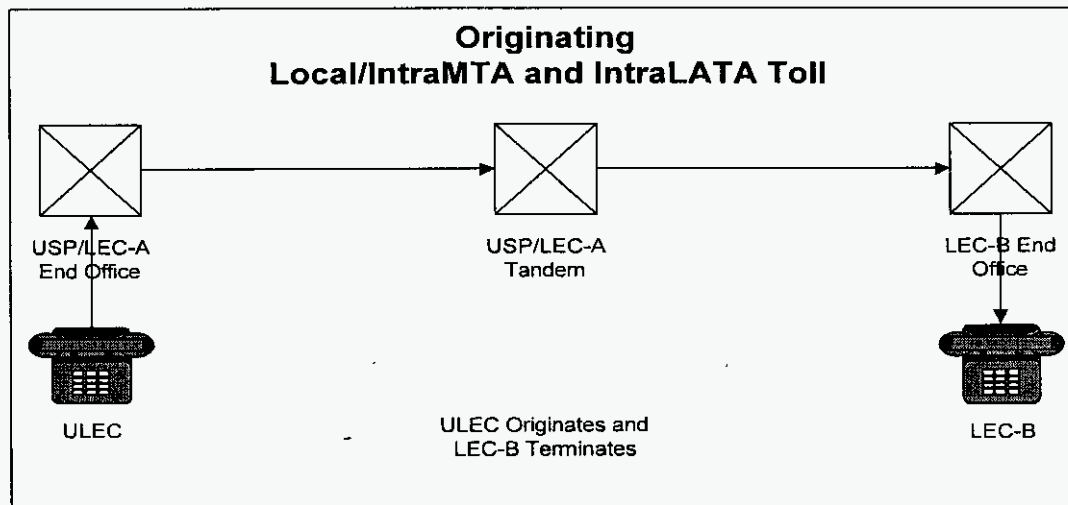


Figure 14-5 - Originating local/intraMTA and intraLATA toll from a ULEC to LEC-B (ULEC is the local and toll provider via the USP/LEC-A's network)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the LEC-B will provide the customer notification information to the ULEC in accordance with section 14.3, in addition to their bill data elements.

Record Exchange

For all options, the USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). In addition, no access record (11-01-XX) is provided from the USP/LEC-A to the ULEC.

For all options, no access record (11-01-XX) is provided from the USP/LEC-A to LEC-B. LEC-B and the USP/LEC-A are able to bill the ULEC directly from their recordings. Companies who do not have recordings may have contractual relationships for receipt of their records.

Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC's unbundled and compensation bills.

The USP/LEC-A has their switch records to validate any billing they may receive from LEC-B.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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14.4.6 Terminating Local/IntraMTA and IntraLATA Toll

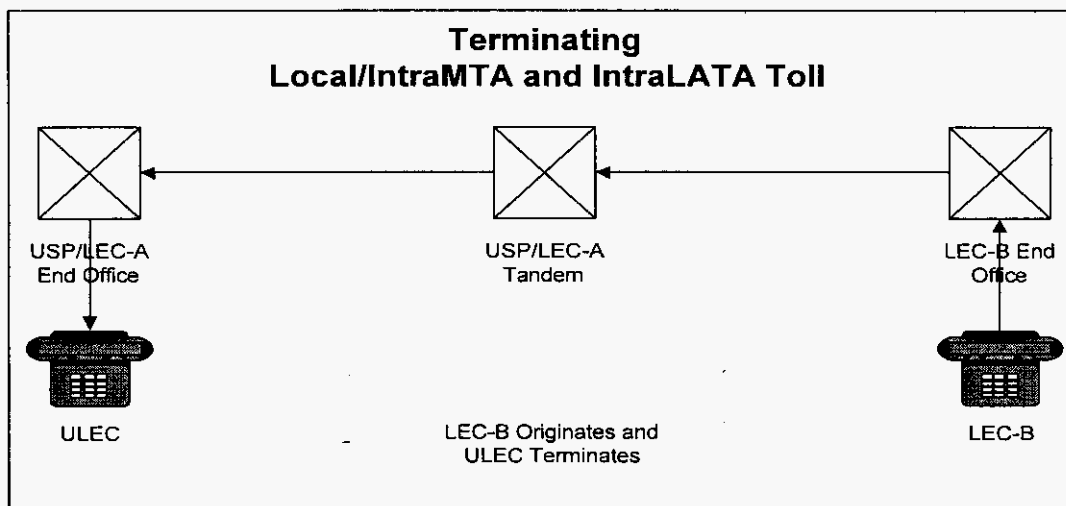


Figure 14-6 - Terminating local/intraMTA and intraLATA toll to a ULEC from LEC-B

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC for any of the billing options.

For option 1A, whether or not the USP/LEC-A has recordings and compensation does exist, the USP/LEC-A will settle with LEC-B using the existing compensation arrangements.

For options 1B, 2 and 3, when the USP/LEC-A does not have recordings but compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the USP/LEC-A has recordings and compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-XX) to bill LEC-B.

Bill Verification

The end user record (01-01-XX/10-01-XX) recorded by LEC-B and the customer notification information will serve as the verification requirement for LEC-B. Companies who do not have recordings may have contractual relationships for receipt of their records.

When other methods of compensation exist, LEC-B will provide the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

LEC-B has their switch records to validate any billing they may receive.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.7 Originating Local/IntraMTA and IntraLATA Toll

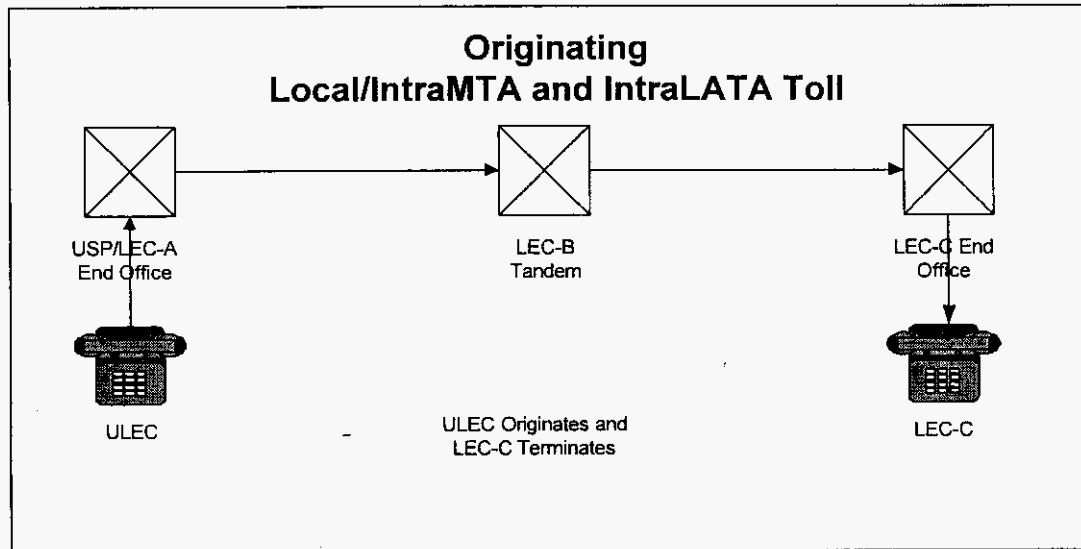


Figure 14-7 - Originating local/intraMTA from a ULEC to LEC-C through LEC-B's tandem

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will provide LEC interconnection information to LEC-C in accordance with section 14.3.

For options 1B, 2 and 3, the LEC-B and LEC-C will provide the customer notification information to the ULEC in accordance with section 14.3, in addition to their bill data elements.

Record Exchange

For all options, the USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). In addition, no access record (11-01-XX) is provided by the USP/LEC-A to the ULEC.

For option 1A, whether or not LEC-B and LEC-C has recordings and compensation does exist, LEC-B and LEC-C will bill/settle with the USP/LEC-A using the existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when LEC-B and LEC-C do not have recordings but compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the LEC-B and LEC-C have recordings and compensation does exist, each company will use their records for billing.

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Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC's unbundled and compensation bills.

The USP/LEC-A has their switch records to validate any billing they receive from the LEC-C and LEC-B. Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.8 Terminating Local/IntraMTA and IntraLATA Toll

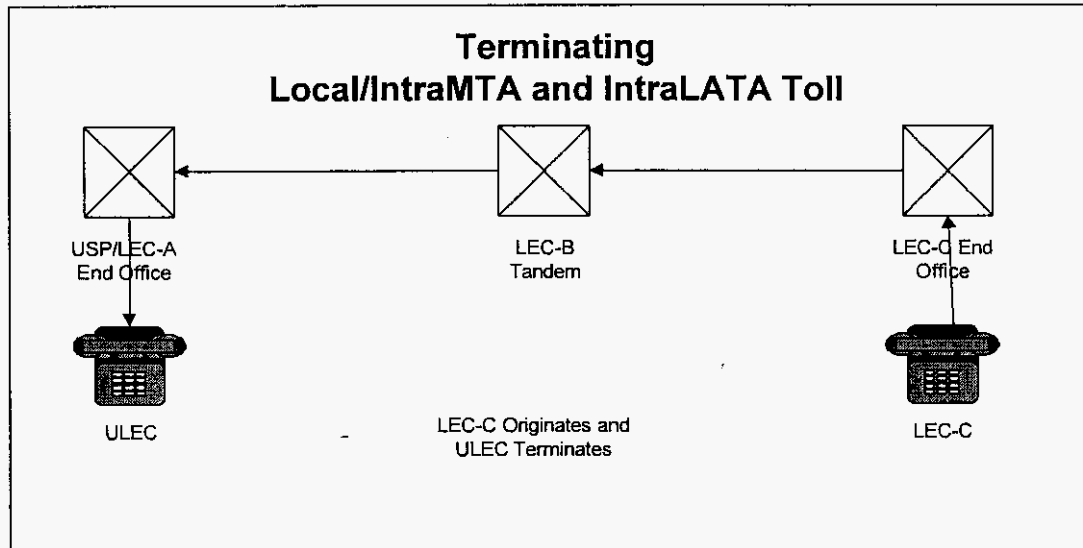


Figure 14-8 - Terminating local/intraMTA and intraLATA toll from LEC-A to ULEC through LEC-B.

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will provide LEC interconnection information to LEC-C in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A, and LEC-B will provide the customer notification information to LEC-C in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided to the ULEC from the USP/LEC-A. The USP/LEC-A will pass an access record (11-01-XX) to the ULEC.

For option 1A, whether or not the USP/LEC-A and LEC-B has recordings and compensation does exist, the USP/LEC-A and LEC-B will settle/bill with the LEC-C using the existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when the USP/LEC-A and LEC-B do not have recordings but compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the USP/LEC-A and LEC-B have recordings and compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-XX) to bill the LEC-C. The LEC-B will use their record to bill the LEC-C.

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Bill Verification

The access record (11-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC. Companies who do not have recordings may have contractual relationships for receipt of their records. The LEC-A may validate their bill with their originating recording.

When other methods of compensation exist, the LEC-C provides the T/O ratio, flat rate, etc., to the ULEC. The ULEC may validate the T/O ratio, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

LEC-C may validate their bill with their originating recording.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.9 Originating Local/IntraMTA and IntraLATA Toll (4 LECs)

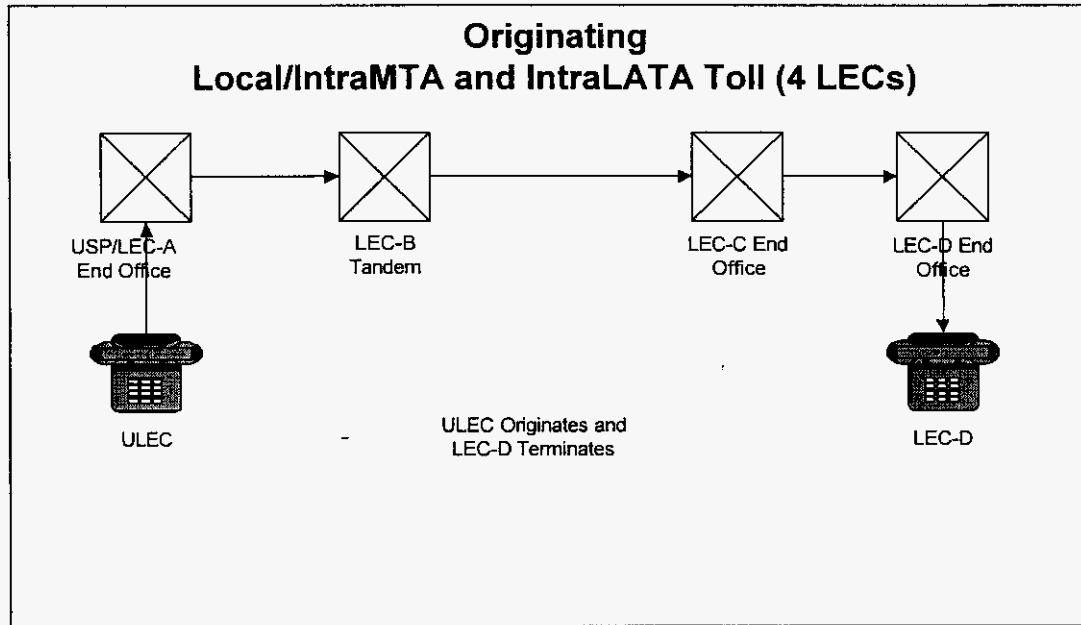


Figure 14-9 - Originating local/intraMTA and intraLATA toll from a ULEC to LEC-D through 3 other LECs

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will be responsible for passing LEC interconnection notification information to LEC-C who will pass the same information to LEC-D in accordance with section 14.3.

For options 1B, 2 and 3, LEC-B, LEC-C and LEC-D will provide the customer notification information to the ULEC in accordance with section 14.3.

Record Exchange

Under all options, the USP/LEC-A will provide the ULEC with an end user record (01-01-XX/10-01-XX). In addition, no access record (11-01-XX) is provided by the USP/LEC-A to the ULEC.

For option 1A, whether or not LEC-B, LEC-C, and LEC-D have recordings and compensation does exist, LEC-B, LEC-C and LEC-D will bill/settle with the USP/LEC-A using existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when LEC-B, LEC-C and LEC-D do not have recordings and compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when LEC-B, LEC-C and LEC-D have recordings and compensation does exist, each company will use their records for billing.

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Bill Verification

The end user record (01-01-XX/10-01-XX) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC's unbundled and compensation bills.

The USP/LEC-A has their switch records to validate any billing they receive from LEC-B, LEC-C and LEC-D. Companies who do not have recordings may have contractual relationships for receipt of their records.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.10 Terminating Local/IntraMTA and IntraLATA Toll (4 LECs)

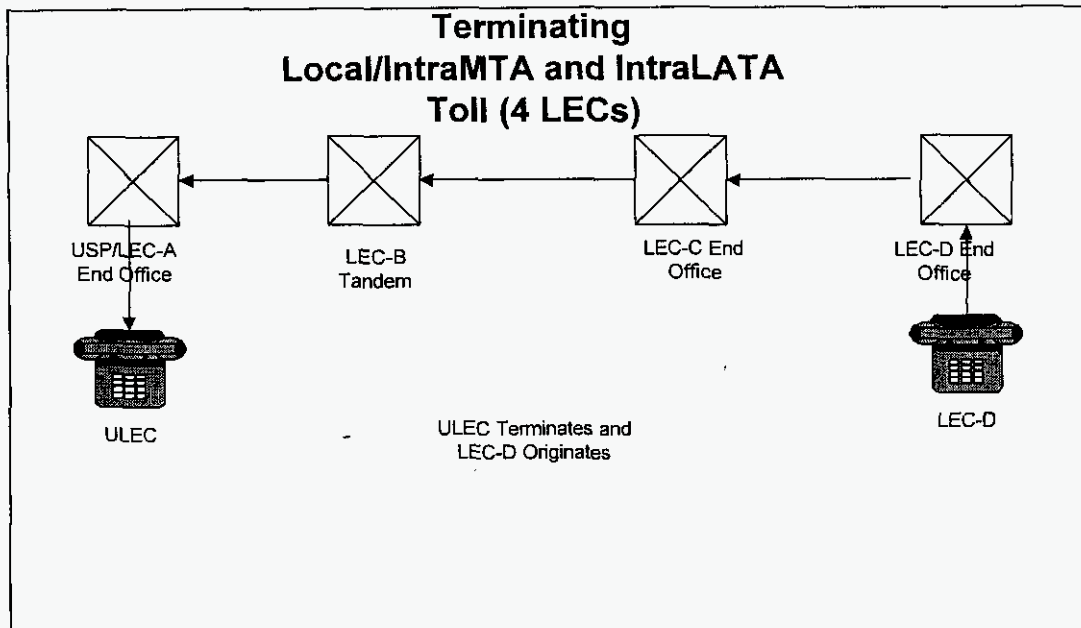


Figure 14-10 - Terminating local/intraMTA and intraLATA to a ULEC from one LEC through 3 other LECs

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC. LEC-B will provide LEC interconnection notification information to LEC-C who will pass the same to LEC-D in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A, LEC-B and LEC-C will provide the customer notification information to LEC-D in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-XX/10-01-XX) provided under any of the billing options from the USP/LEC-A to the ULEC. The USP/LEC-A will provide an access record (11-01-XX) to the ULEC.

For option 1A, whether or not the USP/LEC-A, LEC-B and LEC-C have recordings and compensation does exist, the USP/LEC-A, LEC-B, and LEC-C will settle/bill with LEC-D using the existing compensation arrangements. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For options 1B, 2 and 3, when the USP/LEC-A, LEC-B, and LEC-C do not have recordings and compensation does exist, alternative methods and associated data (e.g. T/O ratio, flat rate, etc.) will be developed and shared between all participating companies.

For options 1B, 2 and 3, when the USP/LEC-A, LEC-B and LEC-C have recordings and compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-XX). All companies will use their recordings to bill.

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Bill Verification

The end user record (01-01-XX/10-01-XX) and the customer notification information will serve as the verification requirements for the LEC-D.

When other methods of compensation exist, the LEC-D provides the T/O ratio, flat rate, etc to the ULEC. The ULEC may validate the T/O ratio, flat rate, etc., via an audit process.

When unbundled elements are billed to the ULEC, the access record (11-01-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The LEC-D may validate their bill with their originating recording.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

14.4.11 Originating Access – Intra/Interstate

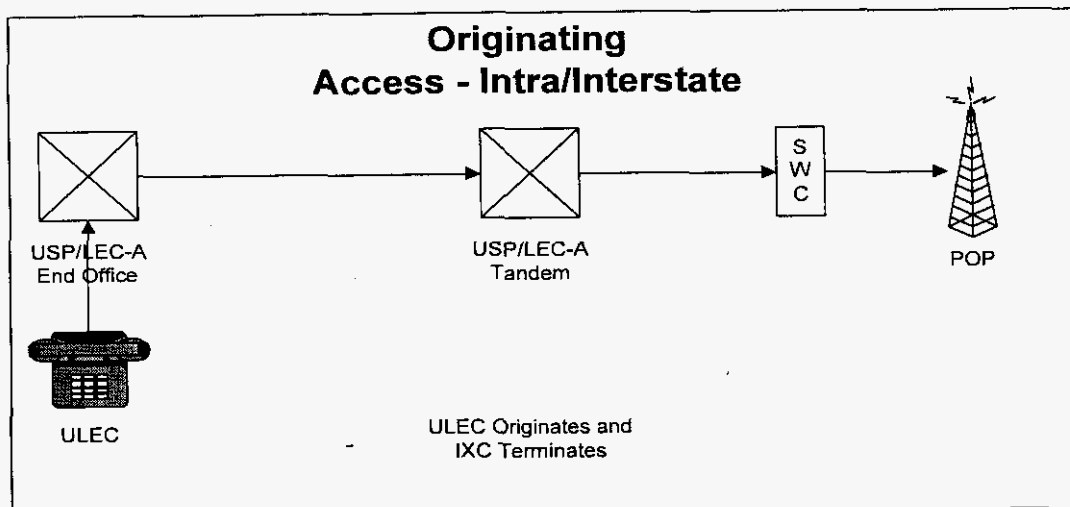


Figure 14-11 - Originating access from a ULEC to an IXC

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to the IXC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options from the USP/LEC-A to the ULEC.

For all options, the USP/LEC-A will provide an access record (11-0X-XX) to the ULEC.

For option 1A, the USP/LEC-A will continue to bill access to the IXC. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. The USP/LEC-A will also use the access record (11-0X-XX) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their record and the customer notification information to serve as their verification requirements.

Footnote: When 2 PIC exists for IntraLATA traffic, the process outlined in this diagram will apply.

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14.4.12 Terminating Access - Intra/Interstate

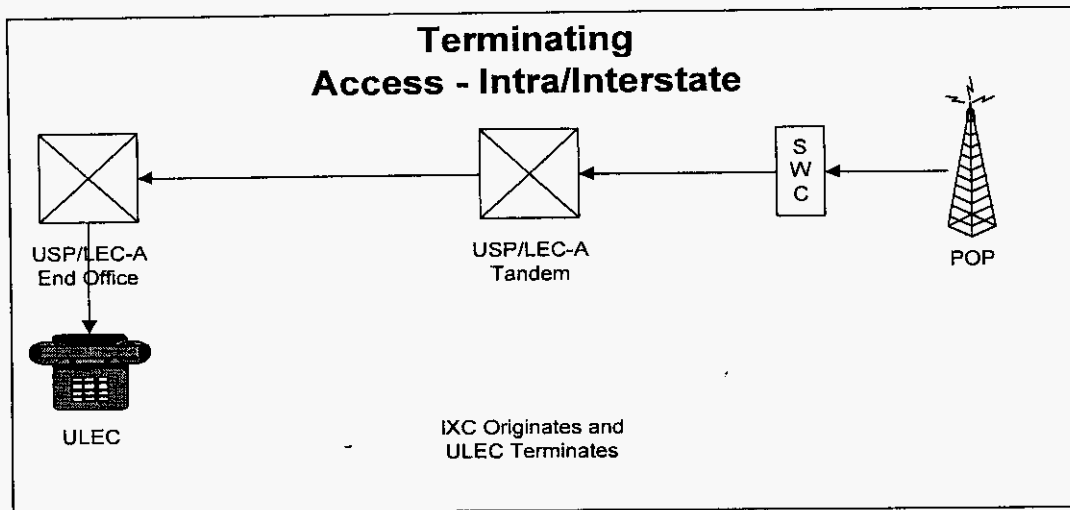


Figure 14-12 - Terminating access from an IXC to a ULEC

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to the IXC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options between the USP/LEC-A and the ULEC.

For all options, the USP/LEC-A will provide an access record (11-0X-XX) to the ULEC.

For option 1A, the USP/LEC-A will continue to bill access to the IXC. The USP/LEC-A may bill the ULEC for unbundled elements based on their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. The USP/LEC-A will also use the access record (11-0X-XX) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their record and the customer notification information to serve as their verification requirements.

14.4.13 Originating Access Intra/Interstate

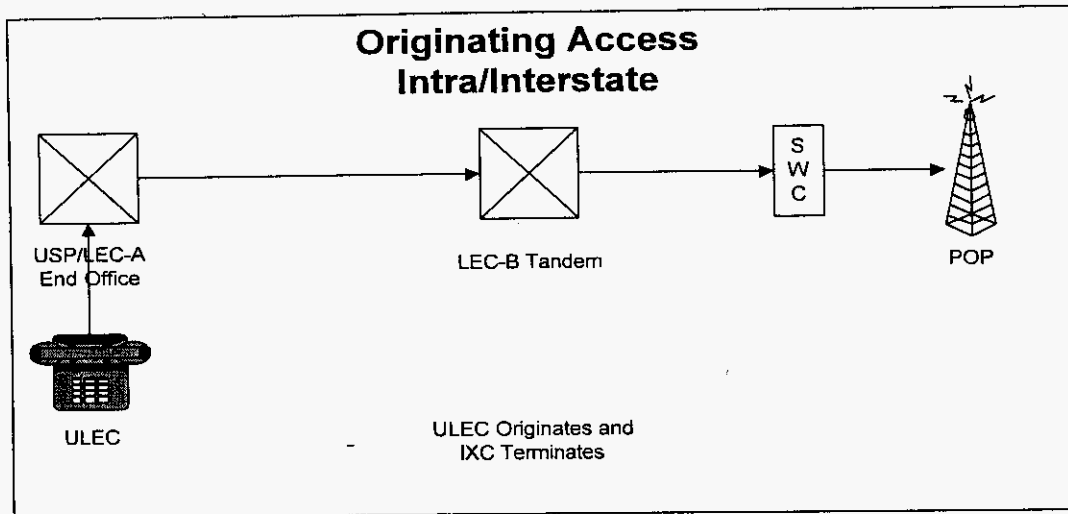


Figure 14-13 - Originating access from a ULEC behind LEC-A to an IXC through the LEC-B tandem

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options from the USP/LEC-A to the ULEC.

For all options, the USP/LEC-A will provide an access record (11-0X-XX) to the ULEC and the LEC-B.

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-0X-XX) to bill the IXC under their existing meet-point arrangement.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC. In either case, the LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will use the access record (11-0X-XX) to bill their portion of the access under option 3.

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Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their recording and the customer notification information to serve as their verification requirements.

Footnote: When 2 PIC exists for IntraLATA traffic, the process outlined in this diagram will apply.

14.4.14 Terminating Access Intra/Interstate

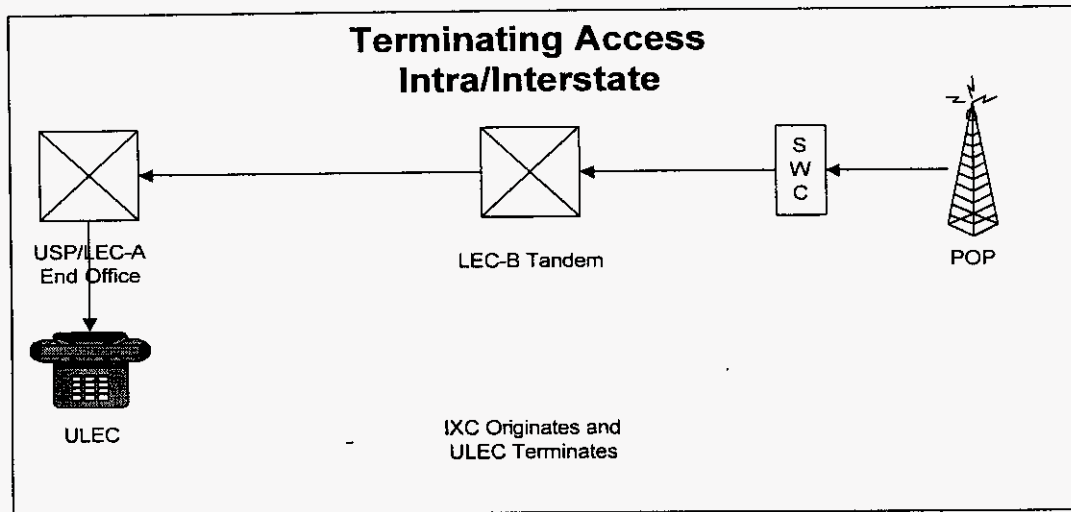


Figure 14-14 - Terminating access from an IXC to a ULEC behind a LEC-B tandem through the LEC-A End Office

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-0X-XX/10-0X-XX) provided for any of the billing options from the USP/LEC-A to the ULEC.

For all options, the LEC-B will provide an access record (11-0X-XX) to the USP/LEC-A and the USP/LEC-A will pass the access record (11-0X-XX) to the ULEC.

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-0X-XX) to bill the IXC under their existing meet-point arrangement.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-0X-XX) to bill the IXC. When the USP/LEC-B is the bill rendering company, the USP/LEC-A will use the access record (11-0X-XX) to bill the IXC. In either case, LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-0X-XX) to bill the IXC. The LEC-B will use the access record (11-0X-XX) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will also use the access record (11-0X-XX) to bill their portion of the access under option 3.

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Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-0X-XX) provided to the ULEC by the USP/LEC-A will serve as the verification requirements for the ULEC.

The IXC has their recording and the customer notification information to serve as their verification requirements.

14.4.15 Originating 800 LEC Provided

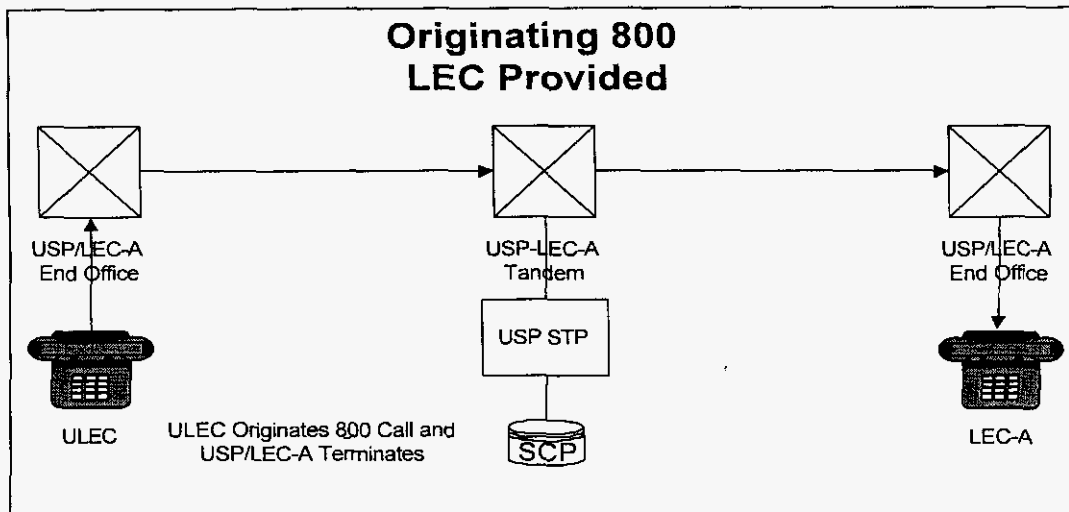


Figure 14-15 - Originating 800 from a ULEC to an USP/LEC-A

Notification Information

There is no notification process for any of the billing options since there is interconnection with only one company by the ULEC.

Record Exchange

For all options, the USP/LEC-A and ULEC will determine whether the end user record (01-01-25/10-01-25) is retained by the USP/LEC-A or passed to the ULEC then back to the USP/LEC-A.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

When compensation does not exist, no access record (11-01-25) is provided from the USP/LEC-A to the ULEC.

When compensation does exist, the USP/LEC-A will provide the ULEC with an access record (11-01-25).

Bill Verification

The access record (11-01-25) provided between the ULEC and the USP/LEC-A will serve as the verification requirements for the ULEC.

The USP/LEC-A also has their switch records to validate any billing they receive from the ULEC.

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14.4.16 Originating 800 LEC Provided

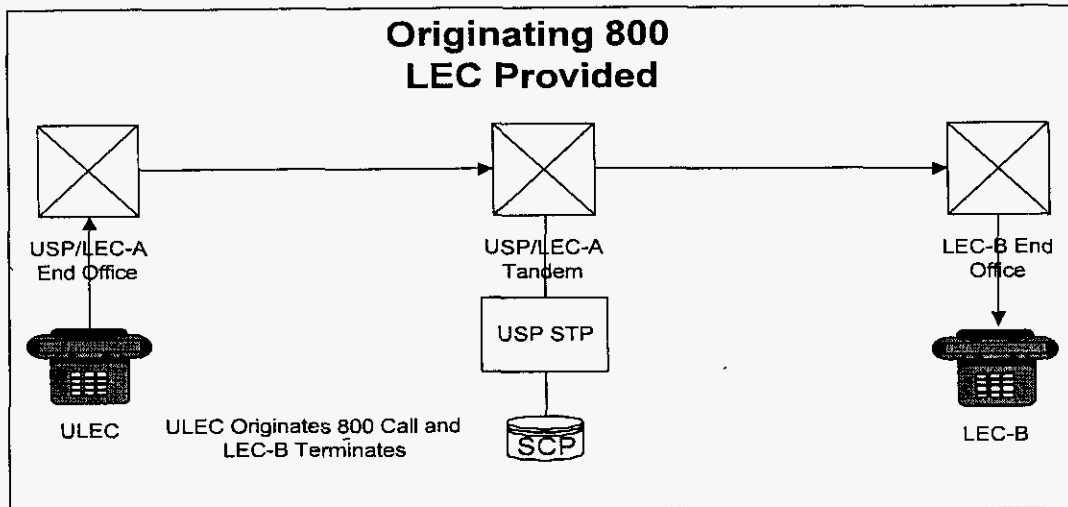


Figure 14-16 - Originating 800 from a ULEC to LEC-B through a USP/LEC-A (The tandem company is providing the SSP functionality)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

For all options, the USP/LEC-A and ULEC will determine whether the end user record (01-01-25/10-01-25) is retained by the USP/LEC-A or passed to the ULEC then back to the USP/LEC-A.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

Under all options, the USP/LEC-A will provide the ULEC with an access record (11-01-25).

For option 1A, the USP/LEC-A will bill the LEC-B under their existing compensation relationship. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the LEC-B. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the LEC-B.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the LEC-B. The USP/LEC-A will also use the access record (11-01-25) to bill their portion of the access under option 3.

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Bill Verification

The access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The LEC-B has the end user record (01-01-25/10-01-25) and the customer notification information to validate any billing. The LEC-B may also perform recording that would allow them to use their records for verification.

Footnote: For the purpose of this diagram LECs would include CLEC, ILEC and WSP.

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14.4.17 Originating 800 LEC Provided

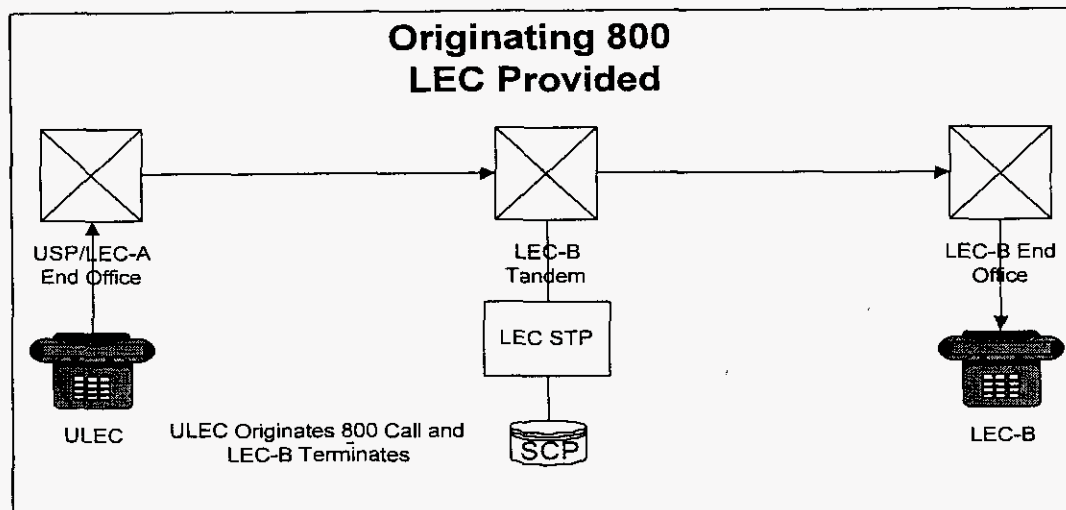


Figure 14-17 - Originating 800 to an LEC-B (LEC-B is the 800 service provider). (The tandem company is providing SSP functionality for LEC-A.)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

The LEC-B may provide the USP/LEC-A with an end user record (01-01-25/10-01-25) or the LEC-B may retain this record. If the LEC-B provides a record to the USP/LEC-A, the USP/LEC-A may pass this record to the ULEC. The ULEC and USP/LEC-A will determine whether the end user record (01-01-25/10-01-25) is passed to the LEC-B by either the USP/LEC-A or ULEC.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

Under all options, the LEC-B will provide the USP/LEC-A with an access record (11-01-25). The USP/LEC-A will pass this record to the ULEC.

For option 1A, the USP/LEC-A will bill the LEC-B under their existing compensation relationship. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the LEC-B. When the USP/LEC-A is the bill rendering company, the USP will use the access record (11-01-25) to bill the LEC-B.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the LEC-B. The USP/LEC-A will also use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

The access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The LEC-B has the end user record (01-01-25/10-01-25) and the customer notification information to validate any billing. The LEC-B may also perform recording, which would allow them to use their records for verification.

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14.4.18 Originating 800 LEC Provided

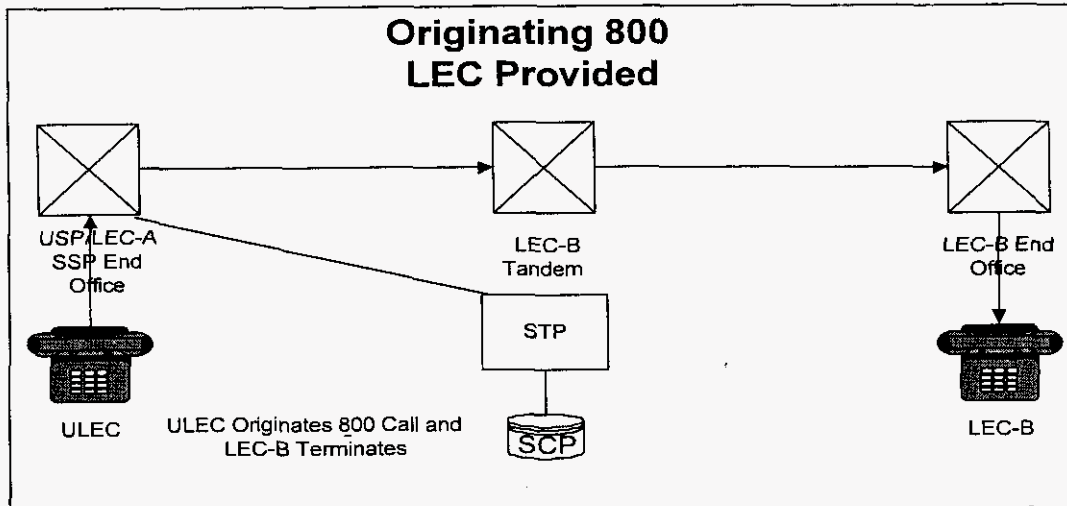


Figure 14-18 - Originating 800 to LEC-B (LEC-B is the 800 service provider) (LEC-A has SSP functionality)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC and LEC-A will provide the customer notification information to LEC-B in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

The USP/LEC-A will generate an end user record (01-01-25/10-01-25). The USP/LEC-A may pass this record to the ULEC. The USP/LEC-A and ULEC will determine whether the end user record (01-01-25/10-01-25) is passed to the LEC-B by the USP/LEC-A or the ULEC.

It is assumed that the originating SSP office company would be accountable for generation and transmission of the end user record (01-01-25/10-01-25) to the 800 providing company, however, negotiations may dictate otherwise.

Under all options, the USP/LEC-A will provide the ULEC with an access record (11-01-25).

For option 1A, the USP/LEC-A will bill the LEC-B under their existing compensation relationship. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the LEC-B. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the LEC-B.

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For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the LEC-B. The USP/LEC-A will also use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

The access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The LEC-B has the end user record (01-01-25/10-01-25) and the customer notification information to validate any billing. The LEC-B may also record, which allows them to use their record for verification.

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14.4.19 Originating 800 Intra/Interstate - IXC Provided

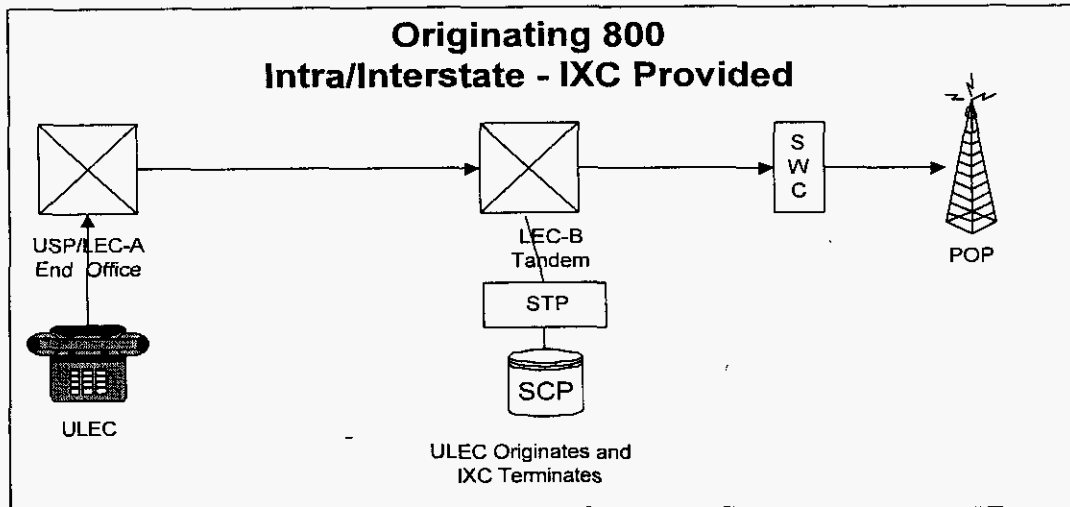


Figure 14-19 - Originating 800 from a ULEC to an IXC behind another LEC (The tandem company is providing SSP functionality.)

Notification Information

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-25/10-01-25) provided for any of the billing options.

Under all options, the LEC-B will provide the USP/LEC-A with an access record (11-01-25). The USP/LEC-A will pass this record to the ULEC. The LEC-B should retain a copy of this record.

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-01-25) to bill the IXC under their existing meet-point arrangement. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the IXC. In either case, the LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the IXC. The LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-01-25) provided to the ULEC by the USP/LEC-A and customer notification information will serve as the verification requirements for the ULEC.

The IXC will have their records and the customer notification information to serve as their verification requirements.

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14.4.20 Originating 800 Intra/Interstate - IXC Provided

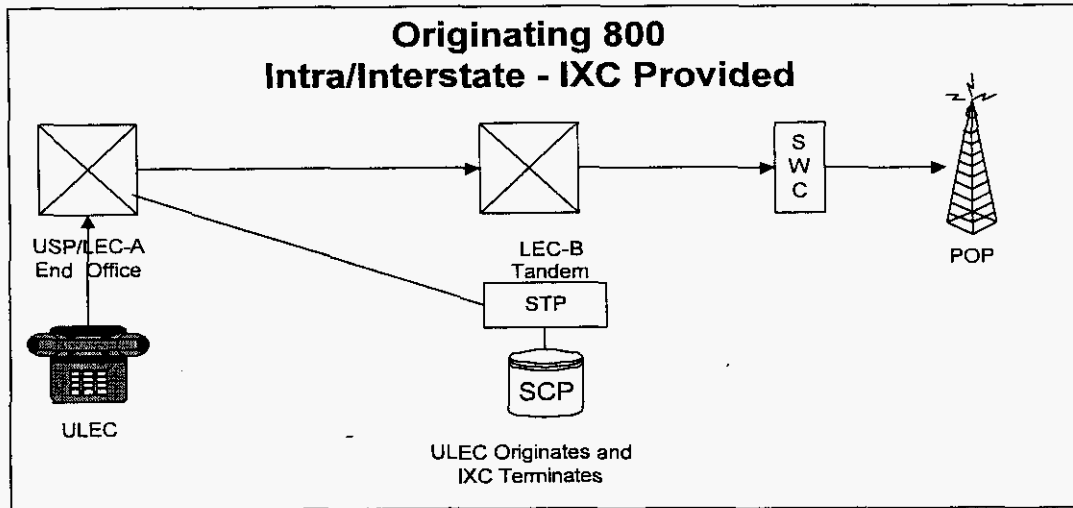


Figure 14-20 - Originating 800 from a ULEC to an IXC behind another LEC (LEC-A has SSP functionality.)

Notification

For all options, the USP/LEC-A will provide the LEC interconnection notification information to LEC-B and the ULEC in accordance with section 14.3.

For options 1B, 2 and 3, the ULEC, LEC-A and LEC-B will provide the customer notification information to the IXC in accordance with section 14.3. In addition, the ULEC will provide their bill data elements.

Record Exchange

There is no end user record (01-01-25/10-01-25) provided for any of the billing options.

Under all options, USP/LEC-A will provide the ULEC and LEC-B with an access record (11-01-25).

For option 1A, the USP/LEC-A and LEC-B will use the access record (11-01-25) to bill the IXC under their existing meet-point arrangement. The USP/LEC-A may bill the ULEC for unbundled elements under their contractual relationship or tariff.

For option 1B, when the ULEC is the bill rendering company, the ULEC will use the access record (11-01-25) to bill the IXC. When the USP/LEC-A is the bill rendering company, the USP/LEC-A will use the access record (11-01-25) to bill the IXC. In either case, the LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement.

For options 2 and 3, the ULEC will use the access record (11-01-25) to bill the IXC. The LEC-B will use the access record (11-01-25) to bill their portion of the access in a multiple bill arrangement. The USP/LEC-A will use the access record (11-01-25) to bill their portion of the access under option 3.

Bill Verification

When unbundled elements are billed to the ULEC, the access record (11-01-25) provided to the ULEC by the USP/LEC-A and the customer notification information will serve as the verification requirements for the ULEC.

The IXC will have their records and the customer notification information to serve as their verification requirements.

14.4.21 Local/IntraLATA - ULEC to ULEC

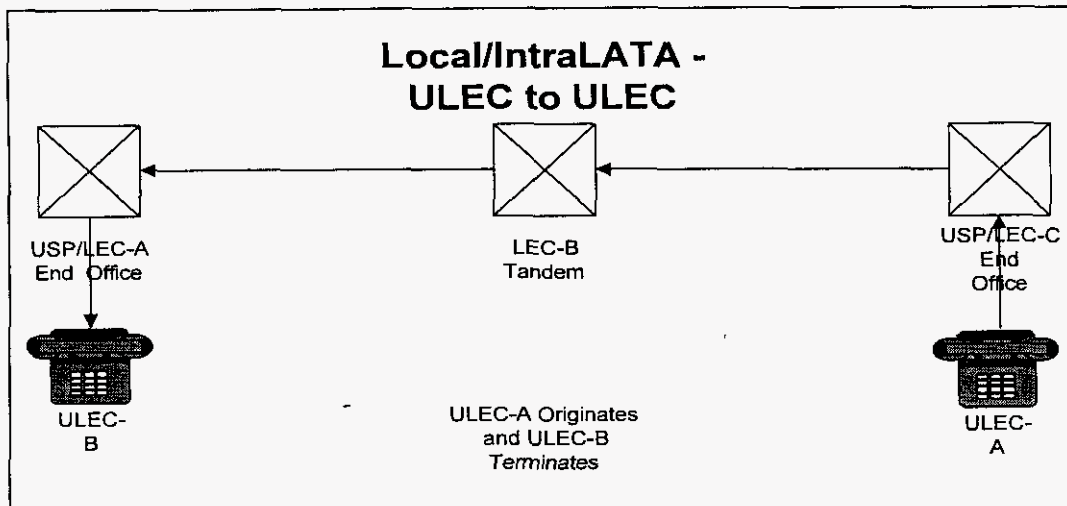


Figure 14-21 - Terminating local/intraLATA ULEC to ULEC through other LECs

Notification Information

For all options, the USP/LEC-C will provide the LEC interconnection notification information to ULEC-A and LEC-B. USP/LEC-A will provide the LEC interconnection notification information to ULEC-B and LEC-B. LEC-B will pass the information to the USP/LEC-C and USP/LEC-A. All notifications will be in accordance with section 14.3.

For options 1B, 2 and 3, ULEC-B, USP/LEC-A, and LEC-B will provide the customer notification information to ULEC-A in accordance with section 14.3. In addition, ULEC-B will provide their bill data elements.

Record Exchange

For all options, USP/LEC-C will provide ULEC-A with an end user record (01-01-XX/10-01-XX). There is no end user record (01-01-XX/10-01-XX) provided from USP/LEC-C to ULEC-B.

For all options, USP/LEC-C will not provide an access record (11-01-XX) to ULEC-A. USP/LEC-A will provide an access record (11-01-XX) to ULEC-B.

LEC-B should have their recordings. Companies who do not have recordings may have contractual relationships for receipt of their records.

USP/LEC-C and ULEC-A

For option 1, USP/LEC-C receives the bills from LEC-B and USP/LEC-A and/or ULEC-B depending on the options negotiated between USP/LEC-A and ULEC-B.

For option 2, ULEC-A receives the bills from the LEC-B and USP/LEC-A and/or ULEC-B depending on the options negotiated between USP/LEC-A and ULEC-B.

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For option 3, ULEC-A receives the bills from the LEC-B, USP/LEC-C, and USP/LEC-A and/or ULEC-B depending on the options negotiated between USP/LEC-A and ULEC-B.

LEC-B

LEC-B will send the bill to USP/LEC-C or ULEC-A depending on the option negotiated between USP/LEC-C and ULEC-A

USP/LEC-A and ULEC-B For option 1A, USP/LEC-A sends the bills to USP/LEC-C or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A.

For option 1B, when USP/LEC-A is rendering the bill, USP/LEC-A will send the bill to USP or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A. When ULEC-B is rendering the bill, ULEC-B will send the bill to USP/LEC-C or ULEC-A.

For option 2, ULEC-B sends the bills to USP/LEC-C or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A.

For option 3, USP/LEC-A and ULEC-B sends the bills to USP/LEC-C or ULEC-A depending on the options negotiated between USP/LEC-C and ULEC-A.

Bill Verification

The end user record provided to ULEC-A by USP/LEC-C will serve as bill verification requirements for the ULEC-A. The USP/LEC-C also has their switch records to validate any billing they may receive from the LEC-B and USP/LEC-A and ULEC-B.

The USP/LEC-C to ULEC-A and USP/LEC-A to ULEC-A provides the T/O ratio. The ULEC-A and ULEC-B may validate the T/O via an audit process.

The access record (11-01-XX) exchange from USP/LEC-A to ULEC-B will serve as the verification requirements for ULEC-B

For options 1A and 1B, the USP/LEC-C and USP/LEC-A will provide the LEC-B and each other the minimum requirements listed in section 14.3.

For options 1B, 2 and 3, ULEC-A and ULEC-B will provide the LEC-B and each other the minimum requirements listed in section 14.3.

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15. ACRONYMS

ACNA	Access Customer Number Abbreviation
ACTL	Access Customer Terminal Location
ASOG	Access Service Ordering Guidelines
ASR	Access Service Request
AT	Access Tandem
ATC	Access to Carrier
ATIS	Alliance for Telecommunications Industry Solutions (formerly ECSA)
AUR	Access Usage Record
BAN	Billing Account Number
BDT	Billing Data Tape
BOS	Billing Output Specifications
BSA	Basic Service Arrangement (ONA)
BP	Billing Percentage
CABS	Carrier Access Billing System
CARS	CABS Auxiliary Report Specifications
CFA	Connecting Facility Assignment
CIC	Carrier Identification Code assigned by NANPA
CKL	Circuit Location
CKLT	Circuit Location Terminal
CLC	Carrier Liaison Committee
CLCI	Common Language Circuit Identification
CLEC	Competitive Local Exchange Carrier
CLEI	Common Language Equipment Identifier
CLFI	Common Language Facility Identifier
CLLI	Common Language Location Identification code
CMRS	Commercial Mobile Radio Service
CSR	Customer Service Record
DA	Directory Assistance
DAL	Dedicated Access Lines
DTO	Dial Tone Office
EC	Exchange Carrier
EC CKTID	EC Circuit Identifier
ECSA	Exchange Carrier Standards Association (now ATIS)
EMI	Exchange Message Interface
EO	End Office
FB	Facility-Based
FCC	Federal Communications Commission
FGA	Switched Access Feature Group A
FGB	Switched Access Feature Group B
FGC	Switched Access Feature Group C
FGD	Switched Access Feature Group D
FID	Field Identifier
FOC	Firm Order Confirmation
HBAN	High Capacity Billing Account Number
Hicap	High Capacity

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IC	Interexchange Carrier
IC CKTID	IC Circuit Identifier
ICO	Independent Telephone Company
ID	Identification
ILEC	Incumbent Local Exchange Carrier
IXC	Interexchange Carrier
LATA	Local Access Transport Area
LEC	Local Exchange Carrier
LERG	Local Exchange Routing Guide
LNP	Local Number Portability
LOA	Letter of Authorization
LRN	Location Routing Number
LSOG	Local Service Ordering Guidelines
LSR	Local Service Request
LTL	Local Transport Location
LTR	Local Transport Restructure
MECAB	Multiple Exchange Carrier Access Billing [document]
MECOD	Multiple Exchange Carrier Ordering and Design
MM	Multiple Bill reflecting Single Tariff
MO&O	Memorandum Opinion and Order
MOU	Minutes of Use
MPB	meet-point Billing
MRG	MECAB Review Group
MSC	Mobile Switching Center
MTA	Major Trading Area
MT	Multiple Bill reflecting Multiple Tariff
MTS	Message Telephone Service
NECA	National Exchange Carrier Association
NPA-NXX	Numbering Plan Area - Central Office Unit
OBF	Ordering and Billing Forum
OC&C	Other Charges and Credits
OCN	Operating Company Number
ONA	Open Network Architecture
OTID	Office Tape Identification
PCS	Personal Communications Service
PDR	Percent Direct Routed
PIU	Percent Interstate Usage
PICC	Primary Interexchange Carrier Charge
PLU	Percent Local Use
POI	Point of Interconnection
POP	Point of Presence
POT	Point of Termination
PTR	Percent Traffic Routed
SCP	Switching Control Point
SECAB	Small Exchange Carrier Access Billing (document)
SM	Single Bill - Multiple Tariff
SS	Single Bill - Single Tariff
SSP	Signaling Switching Point

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STP	Signaling Transfer Point
SWC	Serving Wire Center
TGN	Trunk Group Number
T/O	Terminating to Originating
ULEC	Unbundled Local Exchange Carrier
UNE	Unbundled Network Elements
USP	Unbundled Service Provider
V&H	Vertical and Horizontal
WAL	WATS Access Lines
WATS	Wide Area Telecommunications Service
WSP	Wireless Service Provider



ATIS STANDARD

ATIS-0404120-0007

**Multiple Exchange Carriers
Ordering and Design
(MECOD)
Guidelines for Access Service**

Version 7

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET No. 090501-TP

EXHIBIT 20

COMPANY BRIGHT HOUSE NETWORKS

WITNESS TIMOTHY J. GATES (TJG-6)

DATE 05/25/10

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Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for
Access Service

Is an ATIS standard developed by the ISOP Committee under the ATIS Ordering
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MECOD VERSION 7 SYNOPSIS OF CHANGES

MECOD VERSION 6 CHANGES - ISSUES INCLUDED IN THIS SYNOPSIS	
ISSUE NUMBER	DESCRIPTION
3312/ISOP	MECOD: Remove references to the Generic Design Layout Report (GDLR) in the Multiple Exchange Carriers Ordering and Design Document - ATIS-0404120-0006

The following table depicts the type of change category definitions:		
TYPE OF CHANGE	=	CATEGORY DEFINITIONS
NEW	=	Adding a new field
REM	=	Removing an existing field
FN	=	Field/Tag name change (e.g., EXEMPT REASON changed to ER)
FORMAT	=	Field format change (e.g., moved to another section of the form, etc.)
DEF	=	Definition change
DEFN	=	Definition notes addition, change, deletion
VE	=	Valid entries addition, change, deletion
VEN	=	Valid entry notes addition, change, deletion
USE	=	Usage statement change
USEN	=	Usage notes addition, change, deletion
DC	=	Data characteristics change (e.g., change from numeric to alpha/numeric)
DCL	=	Data characteristics length change
DCN	=	Data characteristics note addition, change, deletion
EX	=	Example addition, change, deletion
EXN	=	Example notes addition, change, deletion
FORM	=	Changes made to the ASR forms (i.e., additions, rearrangements, field length

MECOD VERSION 7 SYNOPSIS OF CHANGES

The following table depicts the type of change category definitions:		
TYPE OF CHANGE	=	CATEGORY DEFINITIONS
		changes or deletions of fields)
GLOSSARY	=	Identifies changes within the glossary sections (i.e., additions or deletions of fields)
TEXT	=	Identifies changes within the text of a section (i.e., additions or deletions of fields)

SYNOPSIS OF CHANGES				
ISSU E #	Field/ Section	Type Of Change	Description of Change	Field Length
3312	5.2	TEXT	Update section to remove Generic DLR Guidelines reference	
NOTES: N/A				

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MULTIPLE EXCHANGE CARRIERS ORDERING AND DESIGN
(MECOD) GUIDELINES FOR ACCESS SERVICE

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1. GENERAL

1.1 These guidelines establish methods for processing orders for access service which is to be provided to an Interexchange Carrier (IC) by two or more Exchange Carriers (ECs). No wording in this document is intended to represent or imply that the involved Exchange Carriers (ECs) must serve separate and discrete geographic areas. These guidelines cover the ordering and design process from submission of an Access Service Request (ASR) through issuance of work documents. These guidelines are based on the concept of one of the involved ECs being placed in an access service coordination role.

The determination of implementing a multiple Exchange Carrier ordering arrangement between ECs that operate in the same territory is based upon EC to EC negotiations where the regulatory environment permits. When all involved ECs agree to a multiple Exchange Carrier ordering arrangement, these guidelines are used.

In an effort to insure that all possible providers, users and customers of Access Services are addressed in all issues and documentation maintained by or on behalf of the Ordering and Billing Forum, two terms describing these providers, users and customers will be used, AC (Access Customer) and AP (Access Provider).

Throughout this document, the term IC (Interexchange Carrier) covers activity associated with the Access Customer (AC) and EC (Exchange Carrier) covers activity associated with the Access Provider (AP).

Their use, however, does not imply exclusivity within the AC and AP categories.

1.2 All changes made to this document are reflected in the Summary of Change.

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1.3 Coordination requirements of all ECs may not be fully covered in this document because each EC has varying views and needs regarding its relationship with Other Exchange Carriers (OECs). This document does however, provide a framework for ordering and design requirements.

All references in this document regarding Feature Group A (FGA) and/or Feature Groups B, C, and D (FGB, FGC, FGD) include the equivalent lineside Basic Service Arrangement (BSA) or the equivalent trunkside BSA, respectively. The guidelines in this document apply to an individual service provided by more than one EC.

1.4 An "Access Service Coordination" (ASC) concept will be utilized to provide the required coordination for each function, i.e., negotiation, design, installation and maintenance. These functions will have an EC designated to perform the ASC role; that EC will be identified by the term ASC-EC and may be a different EC for each of the functions. The ASC concept provides for (1) a single EC point of contact/interface between the IC and the ECs and (2) a coordinator for the activities of the involved ECs.

Before an ASR is issued by the IC for an access service involving multiple ECs, the ECs involved should have developed a mutually agreeable working arrangement to allow one or more of the ECs to perform "Access Service Coordination" (ASC) for all services requested. The ASC-EC concept as embodied in this document will be utilized regardless of the method of billing employed by the involved ECs. It will be the responsibility of each EC to work cooperatively with the IC and other ECs to ensure that access services are installed, tested and turned up in a timely manner and that trouble conditions are resolved without undue delay. The ASC for Meet Point Services may be determined by the following method when not specifically designated by the responsible providers per paragraph 1.6 and Section 12.

- A. First point of switching for the service requested
- B. First point of bridging for the service requested
- C. Service Termination/Delivery Address (SECLOC) of the service requested

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1.5 The EC to EC arrangements should also include the parameters for the exchange of various data elements that will ensure accurate and verifiable billing as outlined in the Ordering and Billing Forum's "Multiple Exchange Carrier Access Billing (MECAB) Guidelines."

1.6 For greater clarity of the IC/EC relationship in a multiple EC environment, the OBF recommends that, on a LATA-by-LATA basis, the involved ECs, on a combined or individual basis, develop and furnish written notification to the ICs identifying by types of access services the ECs providing the ASC-EC function for negotiation, design, installation and maintenance, and the DLR distribution arrangement. The ASC-EC process matrix is provided in Section 12 as an exhibit of how this may be done.

1.7 The ASC-EC will provide the negotiation organization locations and the telephone numbers of the ASC-EC contact groups responsible for negotiations, design, installation and maintenance to the OECs.

1.8 In the event the ASC responsibilities are changed for any of the four phases of the process as a result of EC-to-EC arrangements, notification as described in 1.6 and 1.7 should be provided within 30 days.

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2. ASSUMPTIONS

2.1 The IC is responsible for distribution of a common/identical ASR to all known ECs between the ACTL/PRILOC to SECLOC involved with the access service for all activity types. If an access service is provided by more than one EC, the order will be processed as multi-EC. This includes ECs that provide that portion of the access service transiting between the ECs at either end of the overall access service. These access services comprise all Special and Switched Access Services including those where the service between an IC POP and an EC Tandem switch is entirely provided by one EC and one or more End Offices subtending the Tandem belong to another EC.

2.2 The ASR will reflect the entire access service including associated options regardless of the number of ECs involved.

2.3 The ASR issued to the ECs involved should include identical information that meets the ASC-ECs business process requirements to provide overall service. All other ECs involved with providing the overall service will accept the ASR as submitted by the IC. When exceptions to this requirement are determined to be necessary, the ASC-EC should coordinate the resolution with the IC and ECs.

2.4 One of the ECs will assume the responsibility for performing the Access Service Coordination (ASC) role. This company will be identified as the ASC-EC while the other involved ECs will be identified as OECs in this document.

2.5 The ASC-EC assignment(s) can vary both by types of service and by ECs involved. It will be locally determined by the involved ECs and will be made available to the IC prior to ASR issuance.

2.6 The ASC-EC function 1) may be performed by the same EC for the life of the access order; or 2) may vary through the stages of the order depending on local agreements; e.g., in some situations there may be one ASC for negotiation and one for the design state.

2.7 The ASC-EC will assume the lead coordination role to ensure that the access service provided satisfies what was ordered on the ASR.

2.8 The ASC-EC will establish the common circuit/facility identification for the access service and provide it to the IC and all involved ECs. For this to be a viable procedure, this assignment should conform to some standard. A long-term goal is to develop this standard (see note following). In the event that the ASC-EC is not presently using COMMON LANGUAGE® Codes for Circuit/Facility Identification (CLCI), and one or more of the OECs is using CLCI™-SS, CLCI™-MSG or CLFI™, the ASC-EC will obtain a Circuit/Facility ID from one of the involved OECs using CLCI-SS, CLCI-MSG or CLFI and pass that Circuit/Facility ID back to the IC and all involved ECs. For the subsequent steps of design, installation and maintenance, the OECs (and ASC-EC when they obtain CLCI-SS, CLCI-MSG or CLFI from an OEC) are responsible for maintaining the relationship between their internal identification and the ASC-EC established access service circuit/facility identification.

The previous discussion does not address the case where the ASC-EC and none of the OECs are using CLCI-SS, CLCI-MSG or CLFI. In this situation the involved ECs should work out a circuit/facility ID suitable to their respective requirements. It would be desirable to use some scheme that could readily convert to an industry standard at some future date.

The ASC-EC will coordinate with the OECs and will notify the IC of any changes to the common EC circuit or facility identification.

NOTE: This assumption will remain effective while the industry works to establish a common circuit/facility identification process for a given access service. The Ordering and Billing Forum (OBF) recommendation for common circuit/facility identification is CLCI-SS, CLCI-MSG and CLFI.

2.9 The ASC-EC will negotiate common critical dates with the involved OECs and provide this information to the IC on the FOC. Common critical dates are identified in Paragraph 3.4.

2.9.1 Escalation activity related to any one of the ECs meeting the overall service delivery requirements will be the direct responsibility of the IC.

2.10 A common completion date will be utilized by all involved ECs. Therefore, with the exception of the case covered in paragraph 8.2, no EC may complete/start billing its portion of the access service until the entire service is completed and accepted by the IC.

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2.11 If one or more ECs cannot complete their portion of the overall access service on the Due Date, it should be considered a jeopardy situation by all ECs involved. A missed due date under these conditions should not be treated as a customer not ready miss. The ASC-EC is responsible for notifying all ECs of the status of the order (e.g. Due Date jeopardy or completion notification).

2.12 The ASC-EC is responsible for notifying the IC of additional ECs identified during the negotiation and/or design functions. The IC is responsible for distributing the ASR to the additional ECs.

2.13 Facilities involved in provisioning and restoration of the TSP services as defined in the Ordering and Billing Forum Telecommunications Service Priority (TSP) System document may involve more than one EC. While all ECs and ICs are expected to cooperate with each other, each EC/IC is obligated to provision and restore only the facilities of the service that it is providing.

2.14 The context of this document outlines the flow for ordering and design of a new access service as depicted in Section 11 - Exhibit. The same guidelines should hold for a change to an existing service or disconnect orders. Critical dates, due dates, and intervals for these type orders also would generally be negotiated as presented in paragraph 3.3 following (OBF Issue #851).

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3. NEGOTIATION

3.1 The IC will provide ASRs to the negotiation organizations of all ECs known to be involved in the access service as listed in the F.C.C. tariffs and other industry documents, e.g., Local Exchange Routing Guide (LERG). The ASR issued to the ECs involved should include identical information that meets the ASC-ECs business process requirements to provide overall service, e.g., the same Purchase Order Number (PON), Network Channel (NC), Network Channel Interface (NCI), codes for all Points of Termination (POT). When TSP service is being requested on an access service, the ASR to the involved ECs will include the 12 character TSP Authorization Code.

3.2 For trunk terminated feature groups, the ASC-EC will work with OECs to develop a serving plan which included traffic routing and the number of trunks required.

3.3 The provisioning interval from Application Date (APP) to Due Date (DD) will be determined on a case-by-case basis unless previously determined by the involved ECs. However, all ECs should make a good faith effort to meet the IC's Desired Due Date (DDD). Common critical dates for all ECs will be negotiated by the ASC-EC with the OECs for Application Date (APP), Engineering Information Report Date (EIRD), Design Layout Report Date (DLRD), Confirming Design Layout Report Date (CDLRD), Plant Test Date (PTD), Due Date (DD), Facility Design Layout Report Date (FDLRD), Facility Confirming Design Layout Report Date (FCDLRD), Facility Plant Test Date (FPTD) and Facility Due Date (FDD).

When TSP services are part of the Access order, the following must be considered for interval determination:

1. A TSP Provisioning Code E, indicates the service ordered is in the emergency NSEP category and the involved ECs will allocate the resources necessary to provide this service as soon as possible, working outside of normal business hours when necessary
2. A TSP Provisioning Code of 1, 2, 3, 4 or 5 indicates the service is in the essential NSEP category and the involved ECs will make their best effort to meet the ICs desired due date

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3. When the provisioning interval is extremely short, it may be necessary for the IC to provide the ASR information verbally to the involved ECs. In such cases a confirming ASR (including all of the information verbally provided) must follow at the earliest possible date

3.4 The OECs will provide adequate information to the ASC-EC so that a Confirmation Notice (CN) can be sent to the IC by the ASC-EC.

The ASC-EC will provide the common APP, EIRD, DLRD, CDLRD, PTD, DD, FDLRD, FCDLRD, FPTD, FDD and circuit/facility identification (e.g., CLCI-SS, CLCI-MSG or CLFI) to each involved OEC.

3.4.1 The ASC-EC will be responsible for issuing the FOC that defines the overall critical dates utilized to coordinate and schedule end to end service delivery. This will include the common APP, DLRD, CDLRD, PTD, DD, FDLRD, FCDLRD, FPTD, FDD, EBD, and circuit/facility identification, as well as valid recording information (e.g., WRO, FSO, RTN, DTN, STN and PTN) as defined in ATIS-0404009 and ATIS-0404011 for WATS/800 access orders, and if applicable, the 12 character TSP Authorization Code.

3.5 Additional ECs may be identified during the negotiation and/or design functions. When this occurs, the ASC-EC will:

1. Notify the IC of all newly identified ECs to enable the IC to issue the ASR to the additional ECs
2. Confirm the existing critical dates or negotiate new critical dates
3. Notify all ECs of the changes

Confirmation Notice (CN) supplements will be issued in the same manner as the original CN (i.e., see paragraph 3.4).

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3.6 The ASC-EC will also be responsible for the following activities on behalf of all involved ECs:

1. Negotiating on a day-to-day basis with the IC
2. Notifying the IC of any jeopardy conditions on the order, as required

3.7 Situations may exist where the provisioning of TSP service(s) will involve more than one EC. These TSP services will be provisioned in accordance with Ordering and Design Guidelines for Access Services provided by Multiple Exchange Carriers.

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4. ORDERING PREPARATION AND ISSUANCE

4.1 All ECs will issue their own service orders or equivalent documents for provisioning and/or billing of the access service within their respective companies. All EC orders will carry the following:

1. The same common critical dates described in Paragraph 3.4
2. As found on the ASR, - same Purchase Order Number (PON), - same Circuit Reference CKR), - same TSP Code, when applicable, and for purposes of design, installation and maintenance, the *common circuit/facility identification*

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5. DESIGN

5.1 The ASC-EC or designated EC has the responsibility to ensure that the designed access service meets the ordering criteria including TSP requirements as previously stated in 3.3. Each OEC will provide an Engineering Information Report (EIR) by EIRD to the ASC-EC or designated EC. The EIR will contain all information including a 2 character TSP Code when applicable, required (e.g. for CLCI-SS, CLCI-MSG and CLFI) to assemble a Design Layout Report (DLR). This would include but is not limited to the interoffice facilities and mileages, the transmission and signaling equipment, the local loop makeups, the Network Channel Termination Equipment, the last facility or equipment assignment at the Point of Termination and the OEC's design contact.

5.2 If a DLR has been requested by the IC, the DLR content should be in accordance the DLR-ISI. The DLR information can be issued to the IC's design contact, on or before the DLRD, by one of the following procedures:

1. The ASC-EC or designated EC will be responsible for issuing an overall DLR
2. The ASC-EC or designated EC may bundle the individual EC DLR/EIRs and provide them as a package
3. Each EC may provide its DLR for its portion of the access service, if mandated by tariff

5.3 If the IC elects to provide a Confirming Design Layout Report (CDLR), the IC must make provisions so that the ASC-EC will receive the CDLR on or before the Confirming Design Layout Report Date (CDLRD). If the CDLR is not received by the CDLRD, the access service provisioning will stop. The contact person in the ASC-EC or designated EC who is responsible for the access design shall notify the OECs of the acceptance or rejection of the DLR or delay of the CDLR by the IC.

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5.4 If any EC determines prior to installation work order issuance that there are inadequate facilities or equipment to provide the access service, the EC involved will obtain an estimated completion date and through their normal lines of communication notify the ASC-EC negotiation organization. It will be the responsibility of the ASC-EC to notify all other ECs involved and to coordinate resolving the jeopardy condition with the IC on behalf of all ECs. The EC that cannot satisfy the access service ordered will notify the ASC-EC and the provisioning process for the access service will stop until:

1. The IC agrees the service ordered can be provided with an EC identified rescheduled due date as coordinated by the ASC-EC
2. The IC initiates a change to the service ordered, based on a Customer/Provider negotiated solution
3. The service ordered is cancelled by the IC

5.5 Once the EIR, DLR and CDLR have been satisfied, each EC will issue installation work orders for its portion on the access service to its installation work forces. The ASC-EC or designated ECs installation work force will receive an entire intraLATA access service work order.

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6. TSP PREEMPTION

6.1 When spare facilities are unavailable, it may be necessary for the IC/EC to preempt a service to obtain the facilities required to provision or restore a TSP service.

- A. When preemption is necessary, the sequence in which existing services may be preempted is as follows:
 - 1. Non-TSP services
 - 2. TSP services, selected in the inverse order of their TSP priority level assignment
- B. When preemption is required to provision or restore a TSP service, the consent of the service user whose service will be preempted is not required. The EC will restore the preempted service following normal maintenance procedures and apply billing account credit, if applicable, and in accordance with the appropriate tariff.

For these cases, in the event an IC must preempt an existing access service, the EC will notify the IC and ASC-EC and/or OEC involved of the preemption. The IC will be responsible for notifying their preempted end user(s) on both ends of the interLATA service, if applicable.

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7. INSTALLATION AND MAINTENANCE

7.1 Installation and maintenance procedures for Access Service provided by multiple exchange carriers are detailed in the following Network Interconnection Interoperability Forum – Network Interoperability Committee Installation and Maintenance Operations Reference Documents:

- Part I, Installation and Maintenance Responsibilities for Special Access Service, WATS Access Lines and Switched Access Services Feature Group A. Document #ATIS-0300009
- Part II, Installation and Maintenance Responsibilities for Switched Access Service for Feature Groups B, C, and D. Document #ATIS-0300010

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8. COMPLETION

8.1 When the access service is accepted by the IC, the ASC-EC will inform all OECs of the completion date thus ensuring that a common completion date is utilized by all involved ECs. Upon completion, the ECs having no physical circuit activity should ensure that appropriate billing (as outlined in the OBF MECAB) and record keeping activities are applied. Therefore, with the exception of the case covered in paragraph 8.2, no EC may complete/start billing its portion of the access service until the entire service is completed and accepted by the IC.

8.2 If, following issuance of installation work orders, an EC(s) cannot complete its portion of the overall access service on the due date; this should be considered a jeopardy situation by all ECs involved. The OECs should contact the ASC-EC when a jeopardy situation occurs and the ASC-EC is responsible for notifying the ICs as well as all other ECs. The ECs involved should not cancel or complete their service request nor request the IC to modify or cancel their service request without IC notification/negotiation. A missed due date under these conditions should not be treated as a Customer Not Ready. If, after a specified period of time past the due date, the overall access service remains incomplete due to EC problems, those ECs who have completed their portion of the access service will review the status of the incomplete portions via the ASC-EC to determine the actual or approximate duration of the existing jeopardy condition and negotiate an appropriate resolution with the IC.

Based on this review, if it is established that the problem cannot be resolved within an additional reasonable period of time, the IC, at its option, may be required to either begin paying for those portions of the service which have been completed or cancel its entire request for service and resubmit ASRs at a later date.

The OBF recommends that an Access Service Request (ASR) supplement be issued by the IC, if the service is to be canceled. It is further recommended that no cancellation charges be billed to the IC in the above situation.

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9. BILLING

9.1 Billing and adjustments procedures for Access Services provided by Multiple Exchange Carriers are detailed in the current version of the Ordering and Billing Forum Multiple Exchange Carrier Access Billing (MECAB) document.

9.2 The ASC-EC concept as embodied in this document will be utilized regardless of the method of billing employed by the involved ECs. The issue of potential billing of one Exchange Carrier by another in the case where an EC cannot meet the due date is an EC-EC matter and is not appropriate to be addressed in this document.

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10. ADDITIONAL POST-INSTALLATION ACTIVITIES

10.1 The primary contractor will be responsible for reconciliation of TSP services with each involved EC.

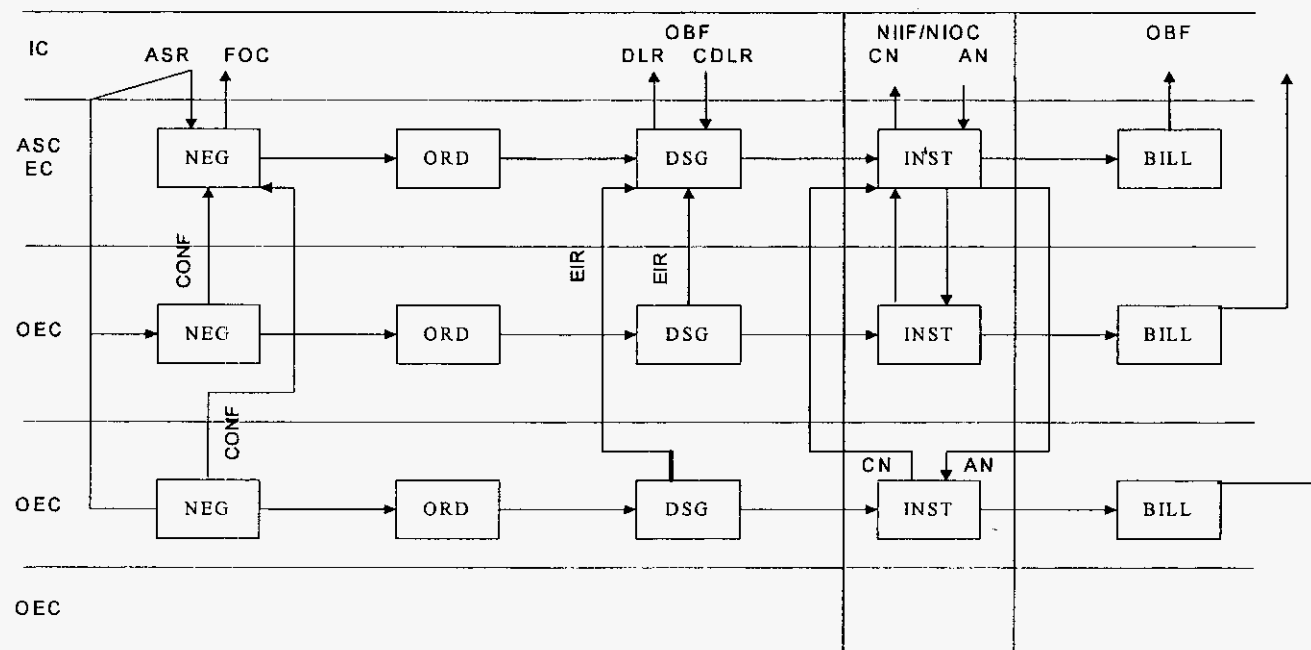
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11. EXHIBIT - ORDERING AND PROVISIONING FLOW CHART



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11. EXHIBIT - ORDERING AND PROVISIONING FLOW CHART (CONT')

AN = Acceptance Notification
ASC = Access Service Coordinator
ASR = Access Service Request
BILL = Billing Function
CDLR = Confirming Design Layout Report
CN = Completion Notification

CONF = Confirmation
DLR = Design Layout Report
DSG = Design Function
EC = Exchange Carrier

EIR = Engineering Information Report
FOC = Firm Order Confirmation
IC = Interexchange Carrier
INST = Installation Function
NEG = Negotiation Function
NIIF = Network Interconnection
/NI Interoperability Forum – Network
OC Interoperability Committee
OBF = Ordering and Billing Forum
OEC = Other Exchange Carriers
ORD = Order Issuance Function

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12. EXHIBIT - ACCESS SERVICE COORDINATION (ASC-EC) PROCESS MATRIX

Company Name: _____

SERVICE	QUALIFYING DESCRIPTION	AGREEMENTS WITH				
		Company Name	Company Name	Company Name		
Feature Group A						
Transport						
1. (SVC TYPE) 2. 3.						
Trunking						
WATS						

- Fields are expandable as REQUIRED

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12.1 FIELD DESCRIPTION

- | | |
|------------------------------------|---|
| 1. Company Name - | Issuing company |
| 2. Service - | Service configuration or product |
| 3. Qualifying Description - | Unique requirements for coordinating assignment (i.e. Dial tone office owner, mux office owner) |
| 4. Agreements With - | Indicates the companies to which the qualifying description applies |

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10. Meet Point Billing (MPB) Arrangements

10.1 The Parties shall establish Meet Point Billing arrangements under which they shall jointly provide Switched Exchange Access services to third-party IXCs. To the extent not inconsistent with this Section 10, such Meet Point Billing arrangements shall comply with the provisions of the MECOD and MECAB documents published by the Alliance for Telecommunications Industry Solutions ("ATIS"), and, to the extent not inconsistent with the MECOD and MECAB documents, with each Party's Tariffs.

10.2 For Meet Point Billing arrangements established under this Agreement, the Parties shall use the "Multiple Bill Option," under which each Party bills the third-party IXC for those portions of Switched Exchange Access service that Party provides to the IXC. The Parties shall exchange, at no charge, any administrative or billing information reasonably necessary to allow each Party to appropriately bill the IXC.

10.3 For avoidance of doubt, in connection with any Meet Point Billing arrangement established under this Agreement:

(a) Subject to the Parties' obligations under Section 2.1 of this Interconnection Attachment, neither Party shall impose any charges on the other Party for any facilities, trunking, services, or serving arrangements. Instead, each Party shall bill the IXC for all such facilities, trunking, or services.

(b) Each Party shall make available to third-party IXCs a jointly-provided Tandem-Switched Transport service, under which transport is provided between the tandem or equivalent switch of one Party to the end office of the other Party, with the rating of the service to the IXC in accordance with each Party's respective Tariffs governing such Tandem-Switched Transport service.

10.4 Subject to the provisions of Sections 10.2 and 10.3 hereof, the Parties shall, by mutual agreement, determine to route Meet Point Billing traffic over (a) interconnection facilities and trunks used to carry Reciprocal Compensation and other traffic; (b) the same interconnection facilities used to carry Reciprocal Compensation and other traffic, but isolate such Meet Point Billing traffic on separate trunk groups; (c) separate facilities and trunks; or (d) some combination of (a), (b) and (c) above. If the Parties are unable, through good faith negotiations undertaken for a commercially reasonable period, to determine the facility and trunking arrangements applicable to Meet Point Billing traffic, then the dispute resolution provisions of Section 14 of the General Terms and Conditions shall apply.

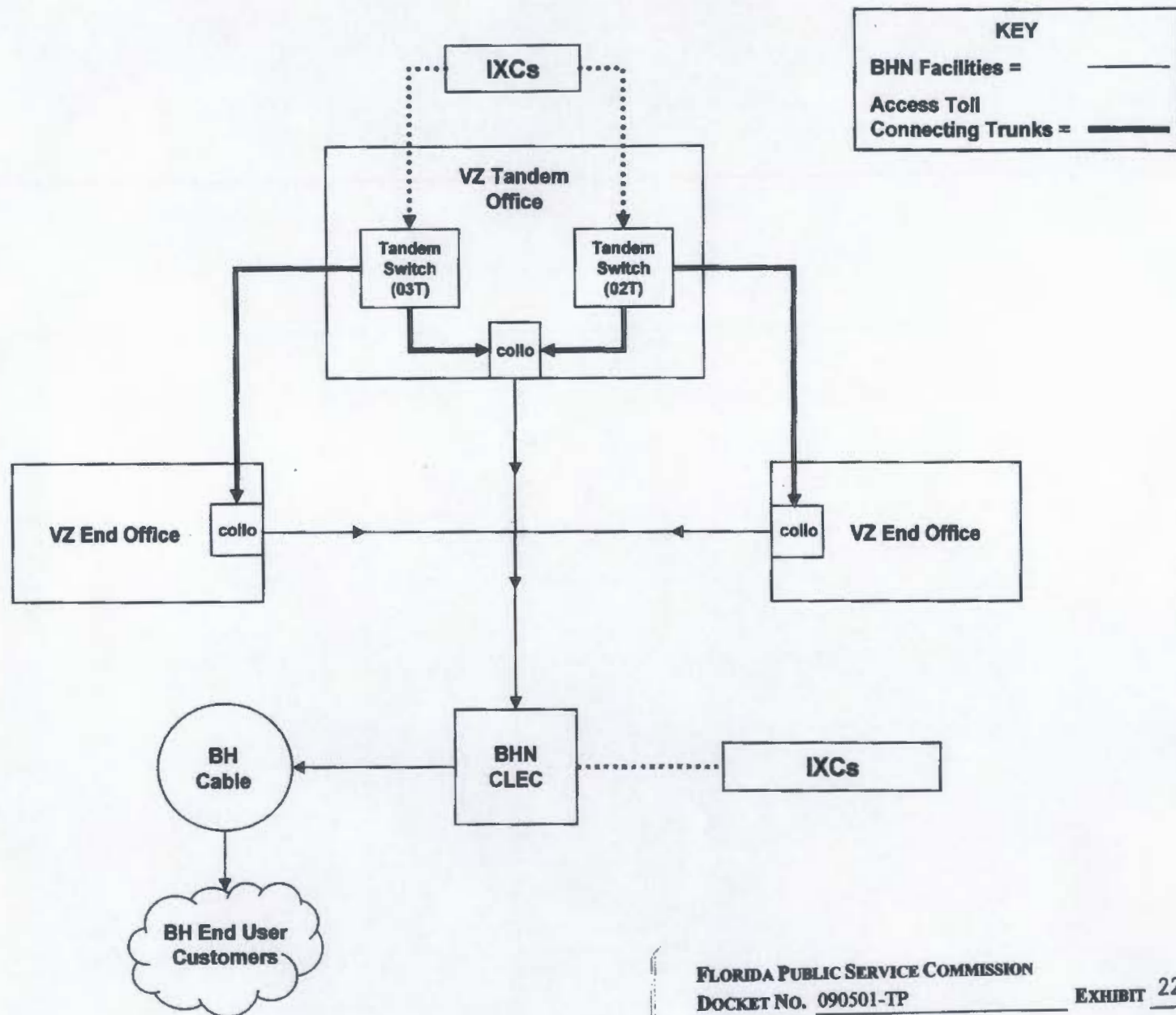
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP EXHIBIT 21

COMPANY BRIGHT HOUSE NETWORKS

WITNESS TIMOTHY J. GATES (TJG-7)

DATE 05/25/10



FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 090501-TP

EXHIBIT 22

COMPANY Verizon Florida LLC

WITNESS Demonstrative Exhibit (Chart)

DATE 5/25/10

[Signature]
1-26-16

CONFIDENTIAL.

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DOCKET NO. 090501-TP EXHIBIT 23

COMPANY Verizon Florida LLC

WITNESS Confidential Composite Exhibit

DATE 5/25/10