

Exhibit No.:

Issues: Right of Way Issues 1-5,
Pricing Issue 8, and
Collocation Issue 1

Witness: James F. Henson

Sponsoring Party: AT&T Communications of
the Southwest, Inc., TCG
Kansas City, Inc., and
TCG St., Louis, Inc.

Type of Exhibit: Rebuttal Testimony

Case No.: TO-2005-0336

**AT&T COMMUNICATIONS OF THE SOUTHWEST, INC.,
TCG KANSAS CITY INC., AND TCG ST. LOUIS, INC.**

REBUTTAL TESTIMONY

OF

JAMES F. HENSON

TO-2005-0336

May 19, 2005

TABLE OF CONTENTS

I. INTRODUCTION	1
II. PURPOSE AND EXECUTIVE SUMMARY	1
III. RIGHT OF WAY ISSUES.....	3
ISSUE 1: SHOULD THE AGREEMENT INCLUDE DEFINITIONS FOR PERIODIC AND SPOT INSPECTIONS TO DIFFERENTIATE THESE TYPES OF INSPECTIONS?	3
ISSUE 2: SHOULD THE COST OF A SINGLE SBC MISSOURI EMPLOYEE WHO WILL REVIEW AT&T'S MAINTENANCE WORK BE SHARED BY THE PARTIES OR PAID FOR BY AT&T?	4
ISSUE 3: IF AT&T CANNOT DETERMINE WHETHER A POLE IS OWNED OR CONTROLLED BY SBC MISSOURI, AND THEREFORE IS UNABLE TO IDENTIFY ALL POLE OWNERSHIP IN ITS APPLICATION, SHOULD AT&T PAY SBC MISSOURI TO PERFORM THIS FUNCTION?	6
ISSUE 4: HOW SHOULD CLECs BE REQUIRED TO COMPENSATE SBC MISSOURI FOR THE COSTS ASSOCIATED WITH THE PERIODIC INSPECTION WHEN THEY ARE FOUND IN NON-COMPLIANCE?	7
ISSUE 5: SHOULD THE ICA INCLUDE POST CONSTRUCTION INSPECTION LANGUAGE REQUIRING AT&T TO PAY FOR SBC MISSOURI'S EXPENSES ASSOCIATED WITH SUCH ACTIVITY?.....	8
IV. AT&T SPACE LICENSE RATES – PRICING ISSUE # 8.....	10
ISSUE 8: WHAT RATES SHOULD APPLY TO SBC FOR ITS USE OF AT&T'S SPACE?	10
V. POWER METERING – PHYSICAL COLLOCATION ISSUE # 1	12
ISSUE 1: SHOULD AT&T, AT ITS OPTION, BE ALLOWED TO IMPLEMENT POWER METERING IN ITS COLLOCATION SPACE IN SBC MISSOURI'S LOCATIONS?	12
VI. SUMMARY AND CONCLUSION	23

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESSES.**

3 A. My name is James F. Henson. My business address is 222 West Adams Street,
4 Suite 1500, Chicago, Illinois 60606.

5 **Q. ARE YOU THE SAME JAMES F. HENSON THAT FILED DIRECT**
6 **TESTIMONY IN THIS CASE ON MAY 9, 2005?**

7 A. Yes, I am.

8 **II. PURPOSE AND EXECUTIVE SUMMARY**

9 **Q. PLEASE STATE THE PURPOSE OF YOUR REBUTTAL TESTIMONY.**

10 A. The purpose of this rebuttal testimony is to respond to four SBC Missouri
11 witnesses who sponsored testimony in this case on May 9, 2005 addressing the
12 same issues included in my May 9th Direct Testimony. Specifically, I will
13 respond to the following individuals:

14 Mr. Rajinder Atwal¹ – (AT&T right of way issues 1-5)
15 Mr. Michael D. Silver² – (AT&T pricing issue 8 - space license prices)
16 Mr. Roman A. Smith³ – (AT&T collocation issue 1 – power metering)
17 Mr. Wesley Pool⁴ – (AT&T collocation issue 1 – power metering)

18 I will discuss each of the issues in the same order I used in my Direct Testimony.

¹ Direct Testimony of Rajinder Atwal, Case No. TO-2005-0336 (May 9, 2005) (“Atwal Direct”).

² Direct Testimony of Michael D. Silver, Case No. TO-2005-0336 (May 9, 2005) (“Silver Direct”).

³ Direct Testimony of Roman A. Smith, Case No. TO-2005-0336 (May 9, 2005) (“Smith Direct”).

⁴ Direct Testimony of Wesley Pool, Case No. TO-2005-0336 (May 9, 2005) (“Pool Direct”).

1 **Q. CAN YOU BRIEFLY SUMMARIZE YOUR REBUTTAL TESTIMONY?**

2 A. Yes. The portion of testimony addressing right of way issues responds to SBC
3 Missouri-provided information related to the work inspection and associated cost
4 recovery responsibilities of AT&T and SBC Missouri. In many instances, SBC
5 Missouri inappropriately proposes, with scant justification, to depart from time-
6 tested agreements contained within the existing ICA. SBC Missouri proposes
7 multiple, newly-named and unnecessary inspection processes all of which it plans
8 to charge to AT&T. SBC Missouri offers a few vague generalities about poor
9 craftsmanship, but stops short of accusing AT&T of anything specific. SBC
10 Missouri also misconstrues the cost causation principle by attributing the cost of
11 its multiple, differently-named inspections to the performance of CLEC work
12 rather than to SBC's desire to inspect and re-inspect beyond what is reasonable.
13 These SBC Missouri proposals should all be rejected.

14 With respect to space license rates, I explain why AT&T's rates for space
15 license DS1 port terminations and multiplexing are neither arbitrary nor excessive
16 vis-à-vis corresponding SBC Missouri rates. SBC's rebuttal, consisting of a mere
17 single paragraph, asserts without any analysis or workpapers that SBC Missouri's
18 proposed rates are based on collocation rates that the Commission has approved.
19 I explain why this is not the case. AT&T's proposed rates have been agreed to by
20 SBC in a number of other states. The rates proposed by SBC Missouri are not
21 reasonable by any standard. As a result, AT&T's rates should be adopted.

1 Finally, regarding collocation power, I explain why metering continues to
2 be the most appropriate method of measuring and assessing charges for electrical
3 power usage. SBC Missouri's presentation consists of voluminous information
4 about Illinois that is irrelevant to AT&T's recommendation in Missouri. SBC
5 Missouri also describes a method of engineering and deploying its power
6 infrastructure that is at odds with its actual practice. Power metering is consistent
7 with the manner in which SBC Missouri's costs are incurred and has been ordered
8 by a number of other state regulatory commissions, some very recently. The
9 Commission should require that collocation electrical power be metered.

10 **III. RIGHT OF WAY ISSUES**

11 *Issue 1: Should the Agreement include definitions for periodic and spot*
12 *inspections to differentiate these types of inspections?*

13 **Q. WHAT DOES MR. ATWAL SAY ABOUT PERIODIC AND SPOT**
14 **INSPECTIONS?**

15 A. Mr. Atwal argues that definitions of periodic and spot definitions should be
16 included in the Agreement "to clarify periodic and spot inspections for purposes
17 of identifying when fees charged to a CLEC would apply."⁵

18 **Q. DO YOU HAVE A RESPONSE?**

19 A. Yes. As I said in my Direct Testimony, AT&T has agreed upon language that
20 SBC Missouri may "make inspections *at any time* ... for the purpose of
21 determining whether facilities attached to SBC Missouri's poles or placed in SBC

⁵ Atwal Direct at 6.

1 Missouri's conduit system are in compliance with the terms of this Appendix and
 2 licenses hereunder."⁶ Because this approach is broader and provides SBC more
 3 flexibility than SBC Missouri's proposed collection of differently-named
 4 inspection types, definitions of periodic and spot definitions are unnecessary.
 5 Rather than bringing clarity to the process, as Mr. Atwal suggests, SBC
 6 Missouri's proposal appears to execute a strategy of defining various inspections
 7 with different names, all of which are to be charged to AT&T – unnecessarily
 8 driving up AT&T's costs. These SBC Missouri-proposed definitions are
 9 unnecessary, clarify nothing and should be rejected by the Commission.

10 **Issue 2:** *Should the cost of a single SBC Missouri employee who will review*
 11 *AT&T's maintenance work be shared by the parties or paid for by*
 12 *AT&T?*

13 **Q. DID MR. ATWAL DISCUSS THE ISSUE OF COST RECOVERY FOR A**
 14 **SINGLE SBC MISSOURI EMPLOYEE WHO WILL REVIEW AT&T'S**
 15 **MAINTENANCE WORK?**

16 A. Yes, he did. He argues against a sharing of this cost, preferring to have AT&T
 17 pay the entirety of it. His arguments are basically that AT&T is the "cost causer,"
 18 the "risks of poor craftsmanship are real," the AT&T proposal is "unfair" and
 19 SBC Missouri inspects work performed by its own contractors.⁷

20 **Q. DO YOU AGREE WITH ANY OF MR. ATWAL'S ARGUMENTS?**

⁶ Henson Direct at 4 (emphasis added).

⁷ Atwal Direct at 19-23.

1 A. No. Regarding Mr. Atwal's "cost causer" argument, AT&T's view is that, in this
2 instance, SBC Missouri is actually the cost causer. AT&T personnel working
3 within SBC Missouri structures are certified based on industry standards to
4 perform installation, maintenance and similar routine work. AT&T authorized
5 contractors are mutually approved by AT&T and SBC Missouri in advance. If
6 SBC Missouri feels the need to inspect this work, it is SBC Missouri that is
7 actually causing the cost because the cost emanates from the inspection activity,
8 not the work being performed on SBC Missouri's structure.

9 Mr. Atwal's vague assertion that "[t]he risks of poor craftsmanship are
10 real" is not backed up by any specific examples (or even suggestions) that the
11 work of AT&T employees or contractors jointly approved by SBC Missouri and
12 AT&T is substandard in any way. The assertion that SBC Missouri may inspect
13 the work of its own authorized contractors does not make this AT&T-oriented
14 inspection activity any more prudent than it would otherwise be. Mr. Atwal's
15 concerns about AT&T's proposal being "unfair" are founded on the arguments
16 just discussed and should be easily disposed of for the reasons I have explained.
17 Nevertheless, AT&T's willingness to pay *half* of a cost that AT&T does not even
18 believe is necessary in the first place seems to me to be more than "fair."

19 Mr. Atwal has said nothing about other facts related to this issue, most
20 importantly the language in the current Interconnection Agreement ("ICA")
21 between SBC Missouri and AT&T requiring exactly the same sharing
22 arrangement that SBC Missouri now finds offensive. He is likewise silent about

1 the recent determinations in the Oklahoma and Texas successor ICA proceedings
2 in favor of AT&T on this issue. Perhaps a consideration of those additional facts
3 would have made AT&T's proposal seem a bit less "unfair" to him.

4 **Issue 3:** *If AT&T cannot determine whether a pole is owned or controlled by*
5 *SBC Missouri, and therefore is unable to identify all pole ownership in*
6 *its application, should AT&T pay SBC Missouri to perform this*
7 *function?*

8 **Q. WHAT IS MR. ATWAL'S POSITION ON THE ISSUE OF CHARGING**
9 **FOR POLE OWNERSHIP DETERMINATION?**

10 A. Mr. Atwal defends SBC Missouri's desire to charge for pole ownership
11 determination. The only rationale that I can discern in his brief discussion is a
12 statement that Section 224(d)(1) of the Telecommunications Act requires that a
13 utility can recover "not less than the additional costs of providing pole
14 attachments...".⁸

15 **Q. DO YOU AGREE THAT THE PHRASE THAT MR. ATWAL CITES**
16 **REQUIRES SBC TO CHARGE FOR DETERMINING POLE**
17 **OWNERSHIP?**

18 A. No, I don't. Mr. Atwal offers no quantification of the costs, if any, that SBC
19 Missouri has incurred responding to AT&T requests about pole ownership. He
20 does not indicate whether or not such costs are currently included in SBC
21 Missouri's pole attachment rate. He also does not indicate whether pole
22 ownership determination costs, if any, are significant enough to even have a

⁸ Id. at 15-16.

1 measurable impact on the pole attachment rate if they were to be included.
2 Beyond not quantifying these pole ownership determination costs, if any, he
3 offers no information indicating that AT&T has unreasonably or excessively
4 relied upon SBC Missouri to perform this function.

5 Furthermore, Mr. Atwal is completely silent about the fact that SBC
6 Missouri's position on this issue is a complete departure from the existing ICA
7 between SBC Missouri and AT&T. The current Commission-approved ICA
8 language on this issue is virtually identical to that proposed here by AT&T. He
9 also says nothing about the Administrative Law Judge's finding in favor of AT&T
10 on this issue in the Kansas Corporation Commission's successor ICA
11 proceedings.

12 **Issue 4:** *How should CLECs be required to compensate SBC Missouri for the*
13 *costs associated with the Periodic Inspection when they are found in*
14 *non-compliance?*

15 **Q. WHAT DID MR. ATWAL SAY ABOUT AT&T ISSUE 4?**

16 A. Mr. Atwal provided very little to respond to. He basically asserted SBC
17 Missouri's right to conduct periodic inspections, defended SBC Missouri's
18 complex 2% test as "fair and equitable," and cited "critical security, service
19 reliability, and network integrity concerns."⁹

20 **Q. DO YOU HAVE ANY RESPONSE?**

⁹ Id. at 26-27.

1 A. Yes. AT&T does not dispute SBC Missouri's right to conduct periodic
 2 inspections and has agreed to contract language to that effect. Regarding Mr.
 3 Atwal's assertion that SBC Missouri's test is "fair and equitable," I note that my
 4 Direct Testimony explained how this overly complex algorithm, because it is
 5 based on *percentages*, has exactly the opposite potential – it can be unfair and
 6 inequitable. While Mr. Atwal vaguely refers to "critical security, service
 7 reliability and network integrity concerns," he offers no specifics to support any
 8 suggestion that AT&T or authorized contractors jointly approved by AT&T and
 9 SBC have caused any such problems – let alone in Missouri.

10 As I said in my Direct Testimony, this misguided SBC Missouri proposal
 11 leaves it solely to SBC Missouri to establish the frequency, elaborateness and
 12 resultant cost of such inspections. This creates a very real risk that SBC Missouri
 13 could drive up AT&T's costs in an inappropriate and unwarranted manner. This
 14 unnecessarily elaborate and complex SBC Missouri proposal should be rejected.

15 **Issue 5:** *Should the ICA include post construction inspection language requiring*
 16 *AT&T to pay for SBC Missouri's expenses associated with such activity?*

17 **Q. HOW DOES MR. ATWAL DEFEND SBC MISSOURI'S PROPOSAL TO**
 18 **CONDUCT YET ANOTHER INSPECTION AND IMPOSE ANOTHER**
 19 **FEE ON AT&T?**

20 A. Mr. Atwal appears to make two main arguments: (1) SBC Missouri must ensure
 21 the safety and reliability of its network, particularly in light of "situations where

1 contractors have performed substandard work,” and (2) the CLEC should bear the
2 cost of the inspection.¹⁰

3 **Q. DO YOU HAVE ANY RESPONSE?**

4 A. Yes. While Mr. Atwal expresses concern about contractors who have performed
5 substandard work, he offers nothing specific about AT&T or authorized
6 contractors jointly approved by AT&T and SBC Missouri. He is also completely
7 silent about the fact that, under the provisions of AT&T Issue 2, AT&T is willing
8 to share the cost of an SBC Missouri performing an inspection contemporaneous
9 with the performance of the work. He thus fails to establish why a redundant
10 post-construction inspection is necessary in the first place.

11 **Q. WHAT ABOUT MR. ATWAL’S POSITION THAT AT&T SHOULD PAY**
12 **FOR THIS SBC-PROPOSED INSPECTION?**

13 A. Mr. Atwal asserts that AT&T is the cost causer and should pay for the post-
14 construction inspection. He also relies on a somewhat tortured interpretation of
15 the FCC’s *Local Competition Order* ¶ 1211 to argue that these inspection costs
16 are really modification costs and, as such, SBC Missouri is entitled to recover
17 them from the “benefiting party,” namely AT&T.¹¹ Both of these arguments are
18 easily disposed of by the fact that a post-construction inspection is unnecessary in
19 the first place. The cost is caused by SBC Missouri’s desire to re-inspect work
20 that it likely already inspected as it was being performed.

¹⁰ Id. at 23-26.

¹¹ Id. at 25-26.

1 As I said in my Direct Testimony, post-construction inspections are
2 redundant and accomplish little more than unnecessarily driving up AT&T's
3 costs. The Commission should decide this issue consistently with the
4 determinations made in the successor ICA proceedings in Texas, Oklahoma and
5 Kansas – by deciding that requiring AT&T to pay for an SBC Missouri proposed
6 post-construction inspection is unnecessary and redundant.

7 **IV. AT&T SPACE LICENSE RATES – PRICING ISSUE # 8**

8 ***Issue 8: What rates should apply to SBC for its use of AT&T's space?***

9 **Q. WHAT SBC MISSOURI WITNESS DISCUSSED AT&T PRICING ISSUE**
10 **8?**

11 A. SBC Missouri witness Mr. Michael D. Silver very briefly discusses this issue in
12 one paragraph. Mr. Silver asserts that “SBC Missouri’s proposed rates are based
13 on collocation rates that have been reviewed and put into effect by this
14 Commission.” He also states that “AT&T’s proposed rates are from their Federal
15 tariff.”¹²

16 **Q. DO YOU HAVE ANYTHING TO SAY IN RESPONSE?**

17 A. Yes. Mr. Silver has not provided any analysis or workpapers to support the
18 statement that SBC Missouri’s proposed rates are based on SBC Missouri
19 Commission-approved collocation rates. Furthermore, his statement is
20 completely at odds with the SBC Missouri proposal related to multiplexing. For

¹² Silver Direct at 73.

1 DS3 to DS1 multiplexing SBC Missouri proposes that the rate be “To Be
2 Determined.” Yet AT&T proposes to use the SBC Missouri Commission-
3 approved rates for this element as presented on lines 243-244 of the pricing
4 schedule.¹³ AT&T’s proposed multiplexing rates could not possibly be more
5 Missouri-specific and are obviously preferable to SBC Missouri’s “To Be
6 Determined” recommendation. Under SBC Missouri’s recommendation, one is
7 left to wonder who is to do the “determining” and when it is to be done.

8 Mr. Silver is also incorrect when he states that AT&T’s proposed rates are
9 from the AT&T Federal tariff. As I stated in my Direct Testimony, AT&T’s
10 proposed rates for DS1 port terminations are taken directly from P.S.C. Mo. No.
11 20 – not a federal tariff.

12 This issue is very straightforward. As I discussed in detail in my Direct
13 Testimony, SBC Missouri has already agreed to rates equivalent to those that
14 AT&T proposes here in all five former Ameritech states. Although AT&T has no
15 particular obligation to offer this capability, it has nevertheless agreed to do so at
16 rates that compare favorably to SBC Missouri’s charges to AT&T for similar
17 functionality. The Commission should approve the rates proposed by AT&T as
18 has the Administrative Law Judge in the Oklahoma Corporation Commission’s
19 proceedings for a successor ICA.

¹³ Henson Direct at 14-15.

1 **V. POWER METERING – PHYSICAL COLLOCATION ISSUE # 1**

2 *Issue 1: Should AT&T, at its option, be allowed to implement power metering in*
3 *its collocation space in SBC Missouri's locations?*

4 **Q. WHAT SBC MISSOURI WITNESSES DISCUSS COLLOCATION**
5 **POWER METERING?**

6 A. SBC Missouri witnesses Roman A. Smith and Wesley Pool discuss the topic of
7 collocation power metering.¹⁴ They present a collection of reasons why they
8 disagree with AT&T's recommendation that collocation power be metered. As I
9 will discuss next, much of the material they present relates to a power
10 measurement method that SBC has implemented in Illinois and which is not my
11 principal recommendation here. As such, this material is irrelevant, although I
12 will respond to it briefly in the interest of developing a complete record. Their
13 testimonies also address a number of potential problems that are founded on a
14 misunderstanding of: (1) what AT&T is proposing and (2) how SBC Missouri
15 engineers and augments its power infrastructure.

16 **Q. PLEASE REPEAT IN SUMMARY FASHION EXACTLY WHAT AT&T IS**
17 **PROPOSING IN THIS CASE FOR THE METERING OF ELECTRICAL**
18 **POWER?**

19 A. As I explained in my Direct Testimony, AT&T merely wants to pay for the
20 electrical power that it actually uses, no more and no less. Among the possible
21 ways to measure electrical power are: (1) split-core transducers, (2) hand-held

¹⁴ Smith Direct at 42-50; Pool Direct at 3-16, 19-21.

1 meters and (3) shunts that work in conjunction with ammeters. Alternatively,
2 although less precise than actual metering, another method for estimating usage is
3 to review the manufacturers' equipment "drain" specifications for the equipment
4 placed in the collocation space. The main objective is to have the electrical power
5 in SBC Missouri's collocation spaces measured; the actual measurement can be
6 accomplished by any practical method.¹⁵

7 AT&T views the three metering approaches listed above to be slightly
8 preferable to the equipment "drain" reporting alternative also mentioned above.
9 The three metering approaches are listed in the order AT&T considers most
10 practical. AT&T's recommendation to the Commission is that the Commission
11 do one of three things: (1) direct SBC Missouri to implement a particular
12 Commission-specified method, (2) direct SBC Missouri to consider the metering
13 alternatives and select and implement the method it believes to be most practical
14 or (3) direct SBC to collaborate with the CLECs to select and implement a
15 metering method.

16 **Q. CONSIDERING AT&T'S RECOMMENDATION, ARE THERE**
17 **PORTIONS OF SBC MISSOURI'S TESTIMONY THAT ARE NOT ON**
18 **POINT?**

19 A. Yes. Both Mr. Smith and Mr. Pool discuss the measurement approach used by
20 SBC Illinois. Specifically, Mr. Smith discusses what he characterizes as SBC's

¹⁵ Henson Direct at 16-17.

1 “failed experience” in Illinois and alludes to alleged “safety concerns” and the use
 2 of meters that “leak power.”¹⁶ Mr. Pool provides the detail, describing the shunt-
 3 based arrangement used by SBC Illinois and the pros and cons of “supply side”
 4 versus “return side” metering. He asserts that return side metering “leaks” power
 5 and cites a 2002 Telcordia study (which he does not produce) to support his
 6 position. He also describes what he considers to be various shortcomings of the
 7 use of shunts, including the risk of shorts, inordinate consumption of central
 8 office space, etc.¹⁷

9 **Q. WHY IS THIS SBC MISSOURI TESTIMONY NOT ON POINT?**

10 A. This SBC Missouri testimony is not particularly useful because it relates to only
 11 one variation of one alternative listed in AT&T’s recommendation – the
 12 recommendation contained last in AT&T’s prioritized listing. Specifically, the
 13 SBC Missouri testimony about Illinois applies only to the alternative that AT&T
 14 listed third – “shunts that work in conjunction with ammeters,” and within that
 15 alternative, much of it applies only to measuring that occurs on the “return side”
 16 rather than the “supply side” of the electrical circuit. SBC Missouri
 17 inappropriately generalizes these alleged problems related to one variation of one
 18 alternative, implying that these “problems” apply equally to all forms of power
 19 measurement – which they do not.

¹⁶ Smith Direct at 46.

¹⁷ Pool Direct at 5-10.

1 SBC should not be surprised by the fact that it is rebutting something other
2 than AT&T's principal recommendation here. First and foremost, I articulated
3 AT&T's recommendations straightforwardly in my Direct Testimony.
4 Furthermore, this same point was debated in the Kansas Corporation
5 Commission's successor ICA hearings ultimately resulting in an Arbitrator's
6 finding in favor of AT&T on power metering. The Kansas Administrative Law
7 Judge, hearing much of this same SBC material about shunts, initiated the
8 following dialog:

9 ARBITRATOR LEHR: ... [SBC Kansas witness] Mr. Prestenberg,
10 have any of the CLECs suggested that you have supply side shunt
11 metering environment or situation?

12 ...

13 MR. PRESTENBERG: ... If they stay true to what has been said
14 here today and what is in their rebuttal, I don't think this is what
15 they are recommending, but I wanted to make sure you knew about
16 the flaws of it.¹⁸

17 The SBC Kansas witness correctly admitted that "this is not what they are
18 recommending." As a result, I will only very briefly address the concerns SBC
19 Missouri raises about shunt-based metering.

20 **Q. WHAT DO YOU HAVE TO SAY ABOUT THESE CONCERNS**
21 **EXPRESSED BY MESSRS SMITH AND POOL?**

¹⁸ KCC Docket No. 05-AT&T-366-ARB, Transcript of Proceedings, 596-597.

1 A. First, Mr. Pool refers to SBC's "failed experience in Illinois."¹⁹ I fundamentally
2 disagree with this characterization. Power metering has been implemented and is
3 successfully working in Illinois. Central office space has not been wasted. Bills
4 are being rendered predictably by SBC Illinois. AT&T's Illinois power charges
5 have appropriately been reduced significantly. AT&T and the other CLECs have
6 paid for SBC Illinois' costs to implement and read the meters.

7 **Q. WHAT ABOUT MR POOL'S ASSERTION THAT POWER METERING**
8 **IS EXPENSIVE TO IMPLEMENT?**²⁰

9 A. As I indicated in my Direct Testimony, AT&T is willing to pay what it costs to
10 install and read the meters, as it does in Illinois. Despite this assurance, I'm sure
11 that SBC considers power metering as implemented in Illinois to be expensive to
12 implement, because SBC is no longer able to recover power charges that greatly
13 exceed those that are proper considering the amount of power CLECs consume.

14 **Q. MR. POOL DESCRIBES "INEFFICIENT USE OF THE CENTRAL**
15 **OFFICE DC POWER INFRASTRUCTURE" AND "POTENTIAL**
16 **CONGESTION OF CABLE RACKING."**²¹ **ARE THESE REALLY**
17 **PROBLEMS IN ILLINOIS?**

18 A. No. The shunts, which are short copper bars, are typically located above the
19 collocation cage in an area that is out of the way of technicians and others.

¹⁹ Smith Direct at 46.

²⁰ Pool Direct at 5.

²¹ Id.

1 Meters are read centrally by SBC Illinois personnel. Small wires connect the
2 shunts to the centralized meter reading location.

3 **Q. MR. POOL CLAIMS THAT RETURN SIDE METERING IS NOT**
4 **ACCURATE BECAUSE OF “SIGNIFICANT POWER FLOW ON TO THE**
5 **CO GROUNDING SYSTEM” – A CLAIM HE SAYS IS BACKED UP BY A**
6 **2002 TELCORDIA STUDY.²² DO YOU HAVE ANY REACTION?**

7 A. Yes. First, I find it disappointing that he has not attached the study or otherwise
8 provided it in its entirety. The short quotes he cites leave the reader to wonder
9 about the study’s purpose, methodology, ubiquity, funding, etc. A couple of
10 quotes out of context deserve no credence. Furthermore, to the extent that central
11 office equipment grounding is actually a problem, this may not be a problem
12 precluding accurate return-side metering. The problem could be limited to certain
13 offices or collocation arrangements. It could be due to malfunctioning or poorly
14 grounded equipment. It might be ameliorated by reconfiguring the grounding
15 arrangement associated with the collocated equipment.

16 **Q. WHAT ABOUT MR. POOL’S STATEMENTS THAT DC CIRCUITS**
17 **MUST BE BROKEN TO INSTALL SHUNTS?²³**

18 A. Mr. Pool talks about a risk of network outages and service disruptions.
19 Presumably these purported risks were managed in Illinois where I know of no
20 network outages or service disruptions related to the implementation of metering.

²² Id. at 6-7.

²³ Id. at 9.

1 Most likely this favorable outcome was achieved by some combination of doing
2 the work off-peak and in coordination with the CLECs.

3 **Q. DO THESE SBC MISSOURI-IDENTIFIED PROBLEMS EVEN APPLY**
4 **TO AT&T'S PRINCIPAL RECOMMENDATION WITH RESPECT TO**
5 **POWER METERING?**

6 A. No. The use of split-core transducers or hand-held meters on supply side cables
7 eliminates any potential problems with respect to central office space
8 consumption, cable rack congestion, grounding problems, breaking the circuit for
9 installation, etc. Both split-core transducers and hand-held meters simply fit
10 around the existing cable like a small doughnut. Both devices measure the
11 electrical field created by the cable giving a very accurate measurement of current
12 flow. There is no need to break the circuit, consume unnecessary space or create
13 a safety hazard of any kind. As such, these SBC Missouri concerns relate only to
14 the return side variation of one method of measurement (shunts working in
15 conjunction with ammeters). The Commission should give these concerns no
16 weight because they simply do not apply to AT&T's principal recommendation.

17 To the extent that the Commission were to chose to require the use of
18 equipment "drain" reporting – which is slightly less precise but easier to
19 implement than actual metering – the entirety of this technical discussion is
20 entirely irrelevant and of no concern.

1 **Q. MR. POOL EXPRESSES A CONCERN THAT AT&T’S**
2 **RECOMMENDATION IS REALLY A “POWER AUDITING SCHEME”**
3 **THAT WILL NECESSARILY BE INACCURATE.²⁴ DO YOU AGREE?**

4 A. No. Taking a reading periodically, as opposed to constantly, need not
5 compromise accuracy unnecessarily for several reasons. *First*, electrical current
6 in a collocation arrangement typically doesn’t vary much over time. *Second*, the
7 “per-amp” rate in the pricing schedule compensates SBC Missouri for one amp
8 delivered for one month. Hence, what needs to be measured is the *average*
9 current flow to the collocation arrangement. *Third*, the alternative related to
10 equipment “drain” reporting is unaffected by this issue because the current usage
11 is assumed to be the same during the month. *Fourth*, readings can be taken as
12 frequently as required to assure an accurate accounting of the power being
13 utilized. For example, in Illinois SBC takes readings remotely once a day. Data
14 recorded in this fashion can be used to assess instantaneous power usage as well
15 as average consumption over various time periods. It can also perform trend
16 studies to track an electrical circuit on a daily, weekly or monthly basis, as
17 needed.

18 **Q. BOTH MESSRS. SMITH AND POOL CLAIM THAT AT&T’S**
19 **RECOMMENDATION TO METER POWER IGNORES THE MANNER**

²⁴ Id. at 3-4, 12-13.

1 **IN WHICH SBC MISSOURI ENGINEERS ITS POWER PLANTS AND**
2 **LEAVES SBC MISSOURI “HOLDING THE BAG.”²⁵ DO YOU AGREE?**

3 A. No. As I explained in my Direct Testimony, SBC Missouri’s power plant is
4 engineered to meet peak power usage that occurs on the power plant. It is not
5 engineered to meet the cumulative total power that the wiring to the CLECs’
6 collocation cages can accommodate at maximum capacity. This is analogous to
7 the fact that the power company does not engineer its electrical generation
8 capacity to accommodate the maximum amount of usage that all of its customers’
9 homes can demand based on the capacity of the wiring and circuit breakers in
10 every home.

11 Adopting AT&T’s metered power recommendation should actually
12 *increase* the efficiency of future SBC Missouri augments by providing SBC
13 Missouri with realistic and accurate data related to power actually used.

14 **Q. MR. SMITH ASSERTS THAT AT&T’S COLLOCATION POWER**
15 **METERING RECOMMENDATION REPRESENTS AN “ABOUT FACE”**
16 **FROM ITS ADVOCACY RELATED TO THE AT&T/MCIM**
17 **COLLOCATION COST MODEL.²⁶ DOES IT?**

18 A. No. The Collocation Cost Model advocated widely by AT&T develops a cost per
19 amp for electrical usage. This cost relates to an amp of electricity actually
20 *delivered and consumed*, not an amp *ordered*. The issue of how those amps are

²⁵ Smith Direct at 44, 47-48; Pool Direct at 13-15.

²⁶ Smith Direct at 45.

1 measured and billed is entirely separate and distinct from the question of how the
2 cost per amp is developed. Accordingly, AT&T's advocacy of power metering is
3 fully consistent with the use of the Collocation Cost Model.

4 **Q. MESSRS SMITH AND POOL BOTH CITE TO A QUOTE FROM AN FCC**
5 **ORDER DISCUSSING CHARGING FOR POWER.²⁷ WHAT IS YOUR**
6 **REACTION TO THIS INFORMATION?**

7 A. Importantly, the quote merely conveys that the FCC, based on the record then
8 before it, "will not require LECs" to measure power. It does not prohibit such a
9 practice.

10 **Q. MR. POOL OPPOSES BASING POWER CHARGES ON THE RATED**
11 **AMPERE CAPACITY OF THE EQUIPMENT IN THE COLLOCATION**
12 **CAGE.²⁸ WHAT IS YOUR REACTION?**

13 A. Mr. Pool describes such an arrangement as "ripe for abuse" because actual
14 equipment electrical usage is variable. This abuse potential is overstated. Using
15 the manufacturers' specified equipment "drain" is a realistic method of estimating
16 usage. This information tends to overstate usage because it assumes that the
17 equipment is functioning at full capacity. Telecommunications equipment "drain"
18 information is reported to SBC Missouri when a collocation arrangement is
19 established or equipment is added to an existing arrangement.

²⁷ Smith Direct at 50; Pool Direct at 16.

²⁸ Pool Direct at 19-21.

1 **Q. BOTH MESSRS. SMITH AND POOL RECOMMEND SBC MISSOURI’S**
2 **“POWER REDUCTION” PRODUCT AS A REASONABLE**
3 **ALTERNATIVE TO POWER METERING.²⁹ DO YOU AGREE?**

4 A. No. Under this power reduction option, a CLEC may either disconnect a power
5 arrangement (if it has more than one power arrangement in its collocation) or
6 request a fuse size reduction. Power reduction allows a CLEC to reduce the
7 amount of power that SBC delivers to the CLEC collocation. It does not achieve
8 the same result as power metering, namely, accurately measuring and billing the
9 CLEC for the power it actually consumes and uses. This SBC product is similar
10 to the power company offering to reduce the circuit breaker sizes in a home and
11 then billing the customer as if electrical usage occurred at this maximum value 24
12 hours a day. Substantial nonrecurring charges are also required to utilize this
13 option.

14 AT&T has incurred a substantial investment to place power feeds to
15 accommodate potential future growth. De-commissioning and removal of these
16 feeds would represent a premature decision to retire the investment and may cause
17 AT&T to have to reinstall the feeds at a future date. At best SBC Missouri’s
18 power reduction product represents the “fine tuning” of a bad idea – the current
19 arrangement of charging for power based on ordered fused amps.

20 **Q. IN SUM, HAS SBC MISSOURI PRESENTED ANYTHING TO**
21 **PERSUASIVELY ARGUE AGAINST POWER METERING?**

²⁹ Smith Direct at 49; Pool Direct at 16.

1 A. No. As I have explained in this Rebuttal Testimony, SBC Missouri presents
2 abundant information about its Illinois experience that is utterly irrelevant to the
3 power metering recommendation that AT&T is making in Missouri. SBC
4 Missouri also incorrectly suggests that it engineers and deploys its power
5 infrastructure based on CLECs' ordered fused capacity. This leads SBC Missouri
6 to an erroneous claim that AT&T's proposal will preclude it from recovering its
7 costs. This is not the case. Rather, AT&T's proposal will properly align SBC
8 Missouri's cost recovery with the costs it actually incurs in providing power – no
9 more and no less. For all these reasons, I continue to recommend that the
10 Commission require SBC Missouri to meter the electrical power it provides to
11 AT&T.

12 **VI. SUMMARY AND CONCLUSION**

13 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

14 A. This Rebuttal Testimony discusses AT&T's positions on issues related to right of
15 way, space license rates and collocation power metering. It addresses SBC
16 Missouri witness statements contained in their Direct Testimonies point by point.
17 Nothing raised by SBC Missouri witnesses requires any change to the AT&T
18 recommendations on these issues as set forth in my Direct Testimony.

19 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

20 A. Yes, it does.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

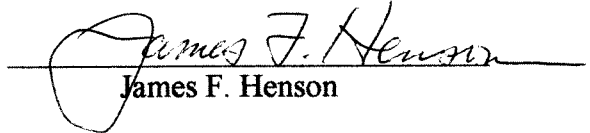
Southwestern Bell Telephone, L. P.)
d/b/a/ SBC Missouri's Petition for)
Compulsory Arbitration of Unresolved)
Issues for a Successor Interconnection)
Agreement to the Missouri 271)
Agreement ("M2A"))

Case No. TO-2005-0336

AFFIDAVIT OF JAMES F. HENSON

I, James F. Henson, being duly sworn, state that I am an employee working for AT&T. I have participated in the preparation of the attached Rebuttal Testimony in question and answer form to be presented in this case, and the answers were given by me. I have knowledge of the matters set forth in such answers and that such answers are true and correct to the best of my knowledge and belief.

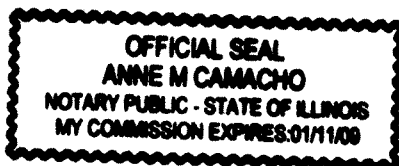
Dated this 18th day of MAY, 2005.


James F. Henson

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

SUBSCRIBED AND SWORN TO before me this 18th day of MAY 2005 by James F. Henson who certifies that the foregoing is true and correct to the best of his knowledge and belief.

Witness my hand and official seal.




Notary Public

My Commission expires:

01 / 11 / 09