

Exhibit No.: ____
Issue: Records
and Related Issues
Witness: Kathryn Allison
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Verizon Midwest
Case No.: TO-99-593
Date Testimony Prepared: December 20, 2000

REBUTTAL TESTIMONY
OF
KATHRYN ALLISON
PRODUCT MANAGER
NETWORK SERVICES GROUP--INTERCONNECTION
ON BEHALF OF
GTE MIDWEST INCORPORATED D/B/A VERIZON MIDWEST

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Service Commission

DECEMBER 20, 2000

BEFORE THE PUBLIC SERVICE COMMISSION

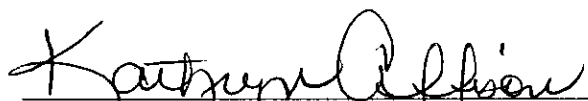
STATE OF MISSOURI

In the Matter of the Investigation)
Into Signaling Protocols, Call)
Records, Trunking Arrangements,) Case No. TO-99-593
And Traffic Measurement)

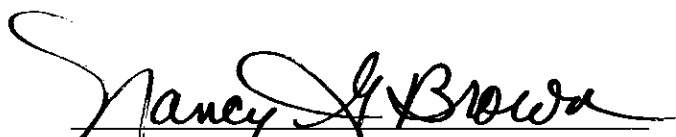
AFFIDAVIT OF KATHRYN ALLISON

STATE OF TEXAS)
) SS
COUNTY OF DALLAS)

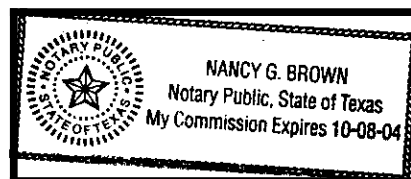
I, Kathryn Allison, of lawful age, on my oath state: I have participated in the preparation of the attached testimony; the answers in the testimony were given by me; I have knowledge of the matters set forth in the answers; and the answers are true and correct to the best of my knowledge and belief.


Kathryn Allison

Subscribed and sworn to before me this 18th day of December 2000.


Notary Public

My Commission Expires:



REBUTTAL TESTIMONY OF KATHRYN ALLISON

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Kathryn Allison. My business address is 600 Hidden Ridge, Irving, Texas.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Verizon Network Services as Product Manager - Network Services Group - Interconnection. In this proceeding, I am testifying on behalf of GTE Midwest Incorporated d/b/a Verizon Midwest.

Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE.

A. I joined General Telephone of the Southwest in October of 1978. Since 1978, I have held several positions including Facility Assigner, Customer Billing Representative, Network Planner, Traffic Engineer and Product Manager. Since 1994, I have been an Interconnection Product Manager. My role is to implement and oversee interconnections between Verizon Midwest's networks and those of CLECs, wireless providers and independent carriers.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to address certain issues raised in the Direct Testimony of Robert C. Schoonmaker, filed on behalf of the Small Telephone Company Group (STCG), and David Jones, filed on behalf of the Missouri Independent Telephone Group (MITG). I will also briefly address

1 matters raised in the Direct Testimony of Joyce Dunlap and Richard T.
2 Scharfenberg on behalf of Southwestern Bell Telephone Company, and W. Robert
3 Cowdrey on behalf of Sprint.

4
5 **I. NETWORK TEST RESULTS**

6
7 **Q. DID VERIZON MIDWEST PARTICIPATE IN THE JULY, 2000**
8 **NETWORK TEST DESCRIBED BY MR. SCHOONMAKER, MR.**
9 **COWDREY AND MS. DUNLAP IN THEIR DIRECT TESTIMONY?**

10 A. Yes, Verizon Midwest participated in the network test.

11
12 **Q. WHAT WERE THE RESULTS OF THE NETWORK TEST AS TO**
13 **VERIZON MIDWEST?**

14 A. Verizon Midwest found no significant differences between the originating records
15 it provided and those recorded by the terminating companies. Fewer than 3% of
16 the total unmatched terminating records were identified as originating from a
17 Verizon Midwest end office. The test results show that many of those unmatched
18 records were unanswered calls that should not have been recorded - indicating
19 that some of the companies may be measuring trunk holding times instead of
20 conversation minutes.

21
22 **Q. BASED ON VERIZON MIDWEST'S NETWORK TEST RESULTS, DO**
23 **YOU AGREE WITH MR. SCHOONMAKER AND MR. JONES THAT**
24 **COMPANIES SHOULD NO LONGER USE ORIGINATING RECORDS**

1 **TO BILL INTRALATA TERMINATING CHARGES, BUT SHOULD USE**
2 **TERMINATING RECORDS INSTEAD?**

3 A. No. I agree with the testimony of Ms. Dunlap and Mr. Cowdrey that the
4 originating system currently in place should continue to be used for intraLATA
5 intercompany compensation. There are several reasons for this position: First,
6 the network test clearly demonstrated that there are no problems with Verizon
7 Midwest's recording and/or record exchange process. Second, the terminating
8 records do not contain sufficient detail for billing purposes (i.e. identification of
9 originating carrier, calling party number, and jurisdiction of call). The network
10 test demonstrated that the terminating records did not always contain the
11 originating number. Third, the originating carrier, which is responsible for
12 payment of terminating access, cannot be identified and billed for such usage.
13 Finally, there are no means of determining if messages recorded are accurate; i.e.,
14 it is unclear whether trunk holding times or conversation minutes are recorded.

15
16 Q. **PLEASE DESCRIBE VERIZON MIDWEST'S RECORD EXCHANGE**
17 **PROCESS WITH LECS FOR CLEC- AND WIRELESS-ORIGINATED**
18 **TRAFFIC THAT TRANSITS VERIZON MIDWEST'S TANDEM.**

19 A. For CLEC traffic, Verizon Midwest uses the existing industry standard category
20 11-01 record exchange. The CLEC trunk group is established as meet point, so
21 that Verizon Midwest provides an 11-01 record to LEC end offices behind a
22 Verizon Midwest tandem for all CLEC-originated traffic. This enables the
23 subtending LEC to bill the originating CLEC for terminating charges. If the
24 originating number is missing from the record, the CLEC meet point trunk is

1 translated to insert the CLEC's Carrier Identification Code (CIC), which is
2 populated in the 11-01 record. Another record, an 11-50 record, is returned to
3 Verizon Midwest from the terminating LEC so that Verizon Midwest can bill a
4 transiting charge to the originating CLEC.

5
6 For wireless traffic that transits a Verizon Midwest tandem, a Cellular Transiting
7 Usage Summary Report (CTUSR) is produced and distributed to the subtending
8 LECs. The CTUSR enables the LECs to bill the wireless provider for terminating
9 charges. Thus, for CLEC- and wireless-originated traffic that transits a Verizon
10 Midwest tandem and terminates to another LEC, Verizon Midwest's existing
11 record exchange processes provide the terminating LEC with sufficient
12 information to bill terminating charges to the originating carrier.

13
14 **Q. WHAT IS VERIZON MIDWEST'S POLICY ON THE INTER-TANDEM**
15 **TRUNKING OF CLEC AND WIRELESS ORIGINATED TRAFFIC?**

16 **A.** Verizon Midwest's policy, which is supported in its CLEC and wireless
17 interconnection agreements, is that the tandem connection provides access only to
18 the end offices subtending the tandem of connection. It is the responsibility of the
19 CLEC or wireless provider to connect at every tandem in the LATA. Verizon
20 Midwest will only provide inter-tandem trunking of intraLATA toll traffic if the
21 CLEC or wireless provider fully participates in the IntraLATA Terminating
22 Access Compensation (ITAC) process.

1 process is outlined in the OBF's Multiple Exchange Carrier Access Billing
2 (MECAB) Guide. Issue 2056 proposes changes to the MECAB process that
3 would streamline the record exchange and include a local and intraLATA meet
4 point record exchange process. Issue 2056, when accepted and implemented,
5 would provide guidelines and a consistent, industry-standard process for meet
6 point or meet point-like record exchanges and billing processes for facility-based
7 LECs, CLECs, and wireless providers for access, local and intraLATA toll usage.

8
9 Issue 2056 was originally submitted to OBF in November 1999 and received final
10 approval on November 8, 2000. Time Warner, Bell South, SBC, Qwest, Verizon
11 Midwest, AT&T (CLEC), Sprint (CLEC & ILEC), and Sprint Spectrum are just a
12 few of the providers that worked on this issue and are members of OBF.

13
14 Issue 2056 specifies that each provider will be responsible for recording its own
15 usage, both originating and terminating. This will enable the LECs to bill
16 terminating usage as well as perform bill validation. If a LEC does not have the
17 ability to record its own usage, Issue 2056 contains a process by which the
18 provider can obtain copies of records from the originating, transiting or
19 terminating provider.

20
21 **Q. HAS ISSUE 2056 BEEN ADOPTED BY THE INDUSTRY?**

22 **A.** Yes, Issue 2056 received approval by the OBF on November 8, 2000.

1 Q. **WILL ALL TELECOMMUNICATIONS CARRIERS ADHERE TO ISSUE**
2 **2056?**

3 A. The industry expects that all telecommunications carriers will abide by the OBF
4 guidelines.
5

6 Q. **HOW SOON WILL THE PROCEDURES IN ISSUE 2056 BE**
7 **IMPLEMENTED BY CARRIERS?**

8 A. It is my understanding that once an Issue has been approved by the OBF, carriers
9 will have 18-24 months to implement the necessary changes.
10

11 Q. **IN YOUR OPINION, WILL ISSUE 2056, IN CONJUNCTION WITH THE**
12 **PROCEDURES THAT VERIZON MIDWEST ALREADY HAS IN PLACE,**
13 **PROVIDE A BETTER SOLUTION THAN THE PROPOSALS OFFERED**
14 **BY MR. SCHOONMAKER AND MR. JONES IN THEIR TESTIMONY?**

15 A. Yes. Verizon Midwest already provides records (11-01 and CTUSR) to LEC end
16 offices behind its tandems that should allow those LECs to properly bill
17 terminating charges to the responsible party. In addition, Verizon Midwest does
18 not send CLEC and wireless traffic from tandem to tandem unless the CLEC or
19 wireless provider participates in the ITAC process thus ensuring traffic can be
20 properly billed. These procedures, combined with the Issue 2056 requirement for
21 carriers to record their own originating and terminating usage, will provide a
22 means by which those LECs that do not record terminating usage may nonetheless

1 obtain records from the originating or tandem carriers. This will provide a better
2 solution that the proposals offered by the STCG and the MITG.

3
4 The solution should be uniform across the nation. There is no basis to implement
5 a recording, billing and compensation processes on a state-by-state or provider-
6 by-provider basis. That would be very inefficient and costly to all carriers
7 involved, and therefore not in the public interest. The OBF solution would close
8 the gaps existing in billing and compensation issues involving CLECs and
9 wireless providers, work in conjunction with existing industry standards, and not
10 require the alteration of existing state toll plans.

11 12 **III. OTHER ISSUES**

13
14 **Q. ON PAGE 16, LINES 12-15 OF HIS DIRECT TESTIMONY, MR.**
15 **SCHOONMAKER STATES THAT THE TERMINATING LECs HAVE**
16 **SHOWN THEY HAVE THE CAPABILITY OF RECORDING**
17 **TERMINATING RECORDS IN THE SAME DETAIL AS CALLS ARE**
18 **RECORDED AT THE ORIGINATING END. DO YOU AGREE WITH**
19 **THIS TESTIMONY?**

20 **A.** No. I have seen no evidence that the independent LECs' terminating records
21 have the amount of detail required for billing purposes. Verizon Midwest has
22 submitted a data request to the Small Telephone Company Group (STCG) on this
23 issue, and is awaiting a response. I agree with SWBT witness Ms. Dunlap that
24 terminating records do not contain all of the information necessary for proper

1 billing of terminating access. Not only is the identification of the originating
2 provider not always provided, but in many instances the originating number is not
3 available. We saw evidence of this in the Network Test – the majority of
4 unmatched records reported for Verizon Midwest did not include the originating
5 number.

6
7 **Q. DO YOU AGREE WITH MR. SCHOONMAKER'S PROPOSAL, ON**
8 **PAGE 21 OF HIS DIRECT TESTIMONY, THAT AFTER SUBTRACTING**
9 **CERTAIN AMOUNTS FROM THE TOTAL TERMINATING MINUTES**
10 **RECORDED BY THE TERMINATING COMPANIES, THE TANDEM**
11 **OWNER SHOULD BE BILLED FOR ANY RESIDUAL TRAFFIC THAT**
12 **TRANSITS ITS COMMON TRUNK GROUP?**

13 A. No. It is the originating carrier's responsibility to pay terminating charges for its
14 traffic; the tandem owner should not have to bear that financial responsibility. In
15 fact, Verizon Midwest's CLEC and wireless interconnection agreements prohibit
16 Verizon Midwest from recovering termination charges rendered by third-party
17 providers for tandem transit traffic. Consequently, if Verizon Midwest were
18 required to pay terminating charges belonging to another party, it would not have
19 the authority to recover those amounts from the originating carrier.

20
21 **Q. DO YOU AGREE THAT MR. SCHOONMAKER'S AND MR. JONES'**
22 **PROPOSAL TO USE TERMINATING RECORDS FOR BILLING**
23 **BRINGS THE BUSINESS RELATIONSHIP CLOSER TO THE**

**RELATIONSHIP ESTABLISHED IN THE COMPETITIVE IXC WORLD
FOR FEATURE GROUP D SERVICE AT THE TANDEM LOCATION?**

A. No. I believe just the opposite is true. There are industry-standard billing procedures in place for the billing of IXC-originated and/or terminated traffic. There are currently no industry-standard procedures for utilizing terminating records for LEC-to-LEC billing. Absent the type of record used for billing, the determination of who pays terminating access is the same regardless of whether it is IXC-to-LEC or LEC-to-LEC traffic--the originating carrier is the responsible party. For example, if IXC1 connects to a Verizon Midwest tandem and terminates traffic to an STCG exchange, the STCG will bill IXC1 (the originating carrier). If IXC2 connects to a Verizon Midwest tandem and terminates traffic to an STCG exchange, the STCG will bill IXC2 (the originating carrier). Under no circumstances would the STCG bill the tandem company for this usage.

**Q. DO YOU AGREE WITH MR. SCHOONMAKER'S PROPOSAL,
OUTLINED ON PAGES 6 AND 22 OF HIS DIRECT TESTIMONY, THAT
WOULD REQUIRE A TANDEM OWNER TO BLOCK NONPAYING
WIRELESS CARRIER TRAFFIC?**

A. No. Under Section 251(a)(1) of the Telecommunications Act of 1996 ("Act"), each telecommunications carrier has the duty to interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers. Therefore, CLECs and wireless providers can and should negotiate arrangements for interconnection with any relevant carrier. To effectively block traffic, Verizon

1 Midwest would have to block traffic for all carriers, or allow all carriers' traffic to
2 pass. To selectively block traffic of only nonpaying carriers would require a
3 manual tracking process that would be costly, time consuming and subject to
4 errors.

5
6 **Q. MR. SCHARFENBERG, ON PAGES 24-25 OF HIS DIRECT**
7 **TESTIMONY, DISCUSSED DEPLOYING A LINK MONITORING**
8 **SYSTEM SUCH AS ACCESS7. HAS VERIZON MIDWEST DEPLOYED**
9 **SUCH A SYSTEM?**

10 **A.** Due to the enormous expense of fully implementing a Link Monitoring System
11 (LMS) such as ACCESS7, Verizon has only partially deployed such a system in
12 selected areas. Although a LMS may provide alternatives for AMA recording, it
13 does not resolve the billing compensation issues at hand.

14
15 **Q. IN YOUR OPINION, IS A LINK MONITORING SYSTEM THE BEST**
16 **SOLUTION TO VERIFY THE ACCURACY OF AMA RECORDINGS**
17 **AND THE ASSOCIATED END-OFFICE BILLING SETTLEMENT?**

18 **A.** No. Due to the expense and time needed to fully implement ACCESS7, a more
19 cost effective and timely solution is to continue with Verizon Midwest's current
20 compensation arrangements and support the new meet point billing solution
21 proposed by OBF Issue 2056.

1 Q. DO YOU AGREE WITH MR. SCHARFENBERG AND MR.
2 SCHOONMAKER THAT CONVERTING THE NETWORK FROM
3 FEATURE GROUP C TO FEATURE GROUP D IS A COSTLY
4 PROPOSITION THAT WOULD NOT RESOLVE THE BILLING
5 SETTLEMENT AND COMPENSATION ISSUES IN THIS DOCKET?

6 A. Yes. Even if each of the service providers upgraded their trunking arrangements
7 and network elements to support FGD, it still would not resolve the issues at hand
8 because the terminating carrier would still not be able to identify the Carrier
9 Identification Code (CIC) of the originating service provider.

10

11 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

12 A. Yes.