Exhibit No:

Issues:

Witness: Michael D. Silver

Type of Exhibit: Direct Testimony Sponsoring Party: Southwestern Bell

Telephone, L.P., d/b/a/

SBC Missouri

Case No: TO-2005-0336

SOUTHWESTERN BELL TELEPHONE, L.P., d/b/a SBC MISSOURI

CASE NO. TO-2005-0336

DIRECT TESTIMONY

OF

MICHAEL D. SILVER

Chicago, Illinois May 9, 2005

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

d/b/a SBC M Arbitration of	r of Southwestern Bell Telephone, L.P., lissouri's Petition for Compulsory of Unresolved Issues for a Successor the Missouri 271 Agreement ("M2A")	Case No. TO-2005-0336
	AFFIDAVIT OF MICHAEL D.	SILVER
STATE OF I	LLINOIS	
COUNTY O	FCOOK)	
I, Mic	chael D. Silver, of lawful age, being duly swom,	depose and state:
1.	My name is Michael D. Silver. I am presently Marketing for Ameritech Services, Inc.	Associate Director-Wholesale
2.	Attached hereto and made a part hereof for all	purposes is my Direct Testimony.
3.	I hereby swear and affirm that my answers con the questions therein propounded are true and and belief.	ntained in the attached testimony to correct to the best of my knowledge Michael D. Silver
Subscribed ar	nd sworn to before me this tale day of May, 2005.	
	Da	Notary Public
My Commissi	ion Expires: March 25, 2006	OFFICIAL SEAL DIANA L HANSEN HOTATY PUBLIC, STATE OF ILLINOIS WY COMMISSION EXPIRES: 03/15/08

TABLE OF CONTENTS

I.	Introduction	1	
II.	Executive Summary		
III.	Purpose	1	
IV.	Declassified Network Elements and Lawful UNES	5	
V.	Transition of Network Elements from Being Classified as UNEs	29	
VI.	Transition Plans for TRRO Declassified UNEs	33	
VII.	Conversions	47	
VIII.	Local Circuit Switching	54	
	A. Mass-Market Local Circuit Switching	55	
	B. Enterprise Market Local Circuit Switching	59	
IX.	Pricing	67	
X.	Bona Fide Request (BFR)	76	
XI.	Combinations, Commingling, and EELs	80	
XIII.	Unbundled Dedicated Transport (UDT)	122	
XIV.	Dark Fiber	125	
XV.	Miscellaneous	126	
XVI.	Conclusion	136	

1 I. INTRODUCTION

- 2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- 3 A. My name is Michael D. Silver, 350 N. Orleans, Chicago, Il. 60654

4 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND JOB EXPERIENCE.

- 6 A. My background and experience are reflected in my curriculum vitaé attached as
- 7 Schedule MDS-1.

8 II. <u>EXECUTIVE SUMMARY</u>

9 This testimony addresses why the network elements found in these ICAs should 10 be limited to those required to be unbundled under Section 251(c)(3) of the 11 Telecommunications Act of 1996. As a significant subset of that issue, this 12 testimony discusses issues pertaining to the dispute between SBC Missouri and 13 the CLECs regarding whether any terms and conditions, or pricing, for Section 14 271 checklist items should be included in the ICA, whether as stand-alone 15 network elements, or commingled with Section 251(c)(3) UNEs. In the context of these issues topics that will be addressed will include, but are not limited to, the 16 17 treatment of FCC Declassified network elements, combining of UNEs, 18 commingling, and pricing.

19

20

III. PURPOSE

21 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. My testimony addresses issues in this arbitration as they relate to three basic themes: (1) which network elements are required to be offered as UNEs, and the terms and conditions under which those UNEs must be offered, (2) the pricing of those UNEs, and (3) miscellaneous issues.

The first theme concerns SBC Missouri's proposals which are consistent with the findings of the FCC's Triennial Review Order, 18 FCC Rcd.16978 (including as modified by the Errata, 18 FCC Rcd. 19020, the FCC's MDU Reconsideration Order (FCC 04-191) (rel. Aug. 9, 2004) and the FCC's Order on Reconsideration (FCC 04-248) (rel. Oct. 18, 2004) (2003) ("TRO"), the D.C Circuit Court of Appeals decision in *United States Telecom Association v. FCC*, 359 F.3d 554 (D.C. Cir. 2004) ("USTA II"), and the FCC's Order on Remand (In the Matter of Unbundled Access to Network Elements Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, WC Docket No. 01-338, WC Docket No. 04-313, FCC-04-290 (FCC, released Feb. 4, 2005 rel. February 4, 2005) ("TRRO"). In those decisions, the FCC and the Court have identified several network elements that are no longer required to be unbundled. Unfortunately, some of the CLECs continue to dispute which network elements are still required to be unbundled, and which are not. Therefore, I will be addressing a number of issues where we have a disagreement over language in the interconnection agreement being arbitrated.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

The second theme concerns what charges CLECs will pay SBC Missouri for the use of SBC Missouri's network. As noted above, although the FCC has determined certain network elements are no longer UNEs, CLECs continue to propose unlawful language under which SBC Missouri would still be required to offer those non-UNE elements at TELRIC-based rates. There are also issues concerning the rate structure of the UNEs offered under these interconnection agreements. This testimony will also address these related issues.

The third theme concerns miscellaneous issues, for example resale and non-UNE related products (space licensing, transiting, network disruption, etc.)

Q. HAVE THE ISSUANCE OF THE *USTA II* MANDATE AND THE FCC'S *TRRO* AFFECTED SBC MISSOURI'S POSITIONS FOR THIS PROCEEDING?

A. Yes. Many of the issues that are included in my testimony – as well as undisputed ICA language — involve ICA terms and conditions related to subjects that have been dramatically impacted by the *USTA II* decision and the subsequent *TRRO*. Accordingly, SBC Missouri's positions in this arbitration have been conformed to the current status of the law under *USTA II* and to implement the *TRRO*, which became effective on March 11, 2005.

For example, my testimony covers issues related to unbundled local circuit switching ("ULS"). The FCC's *TRO*, the *USTA II* decision, and the FCC's *TRRO* have rendered all of those terms and conditions related to the ordering of ULS (and new UNE-P) unlawful (in other words, non-251 (c)(3) UNEs) and inappropriate in an interconnection agreement. In its *TRO*, the FCC decided that "enterprise market" ULS was no longer required to be unbundled because of a finding of non-impairment. And after the *USTA II* decision vacated, the FCC's *TRO* determination on mass market ULS, the FCC made a nationwide non-impairment determination with respect to all mass market local circuit switching in its *TRRO*².

¹ Mass Market is defined by the *TRRO* as DSO capacity. See new FCC Rule §51.319(d)(2) as well as footnote 625.

² TRRO Par. 221

The *TRRO* also made non-impairment findings for dark fiber loops;³ dark fiber transport between wire centers classified as either Tier 1 or Tier 2;⁴ and for DS1 and DS3 loops and transport meeting certain threshold criteria.⁵ These individual network elements affect UNE combinations/combining, and commingling, all of which is discussed in my testimony. My testimony also covers issues relating to UNEs that are not required to be provided without ULS, such as shared transport, call-related databases (except 911/E911), and SS7 signaling; as well as UNE-P which, by definition, is a combination of UNEs that cannot exist unless all of its component elements are required to be unbundled. Since the local circuit switching is no longer required to be unbundled, the foregoing network elements and combinations of network elements are no longer lawfully required to be provided by SBC Missouri.

I recognize that the *TRRO* contains provisions related to the continued provision of embedded base mass market ULS and UNE-P on a transitional basis only, and will address that later in my testimony.

I also discuss EELs, including the mandatory eligibility criteria (including auditing and certification requirements) established by the FCC in its *TRO*. As

³ Ibid. at Par. 182

⁴ Ibid at Par. 133

⁵ The FCC's *TRRO* made a nationwide non-impairment finding for DS1 dedicated transport that carries traffic between two offices that have at least four fiber based collocators or 38,000 or more business lines and DS3 dedicated transport that carries traffic between two offices that have at least four fiber collocators or at least 24,000 business lines (*TRO Remand* par. 66). The *TRRO* also sets limits on the number of unbundled DS1 Transport circuits on a single route to 10 DS1 circuits and the number of DS3 transport circuits on a single route to 12 DS3 circuits The *TRRO* also made a nationwide non-impairment finding for DS1 loops within the service area of a wire center having at least 60,000 lines and four fiber based collocators and for DS3 loops within the service area of a wire center having at least 38,000 lines and four fiber based collocators (*TRO Remand* par. 146). Similar to unbundled dedicated transport, the *TRRO* limits a CLEC to 10 DS1 loops or 1 DS3 loop to a single building.

noted above, the *TRRO* found that under certain circumstances unbundled access to DS1 and/or DS3 loops and transport is no longer required. Where there is no unbundled loop and/or unbundled dedicated transport (UDT), there can be no EEL combinations. Conversely, where high-capacity UNE loops and UDT will be available under the *TRRO*, FCC Rule 51.318(b) applies to them in an EEL configuration (as well as, where available, to any commingled arrangement involving UNE DS1/DS3 level loops with access high-capacity interoffice transport, and UNE DS1/DS3 dedicated transport with high-capacity access channel termination(s)).

IV. <u>DECLASSIFIED NETWORK ELEMENTS AND LAWFUL UNES</u>

AT&T UNE Issue 1a and Remand Order Rider Issue 1a; Wiltel and Navigator UNE Issue 1; CLEC Coalition UNE Issues 1, 49, 57, 60, 67; Remand Order Rider Issue 1, and NIA Issue 1; Navigator Embedded Base Rider Issue 1, GT&C Issue 1, Billing Appendix Issue 1, NIA Issue 1, and Pricing Appendix Issue 1; Pager Company NIA Issue 1; and Wiltel GT&C Issue 1:

Should the ICA obligate SBC Missouri to continue to provide network elements that are no longer required to be provided under applicable law, or should the ICA state that SBC Missouri is required to provide only UNEs that it is lawfully obligated to provide under Section 251(c)(3) of the Act?

CLEC Coalition OSS Issue 1 and Navigator OSS Issue 1:

Should the words "lawful" and "customer" be cared for in this attachment?

AT&T UNE Issue 1b:

Has the federal law on unbundling preempted state law so that the Commission may not order unbundling of network elements beyond those required by the FCC?

AT&T Remand Order Rider Issue 1b:

1	Does the FCC's rules allow for the state Commissions to
2 3	impose additional unbundling obligations?
3 4	CLEC Coalition ITR Issue 1, NIA Issue 11, and NIM Issue 1 and Charter
5	NIM 6:
6	Should a non-251(b) or (c) service such as leased facilities
7	be arbitrated in a Section 252 arbitration proceeding?
8	be aroundied in a section 232 distinution proceeding.
9	AT&T Network Architecture Issue 8:
10	May AT&T arbitrate language relating to a non-251/252
11	product such as Entrance Facilities that was not
12	voluntarily negotiated by the parties?
13	
14	AT&T Pricing Schedule Issue 4:
15	Should rates for entrance facilities be included in the ICA?
16	
17	
18	CLEC Coalition UNE Issue 28:
19	Is SBC obligated to provide access to UNEs in conjunction
20	with network elements that have never been or may
21	formerly have been UNEs?
22	
23	CLEC COALITION GT&C ISSUE 1:
23 24 25	Does the Commission have the jurisdiction to arbitrate
	language which pertains to section 271 and 272 of the Act
26	and which was not voluntarily negotiated and does not
27	address $251(b)$ or (c) obligation?
28	
29	AT&T UNE Issue 2a:
30	How should the parties reflect the declassification of
31 32	certain UNEs by the FCC in its TRO, as affirmed by the USTA II decision and TRRO?
33	USIA II decision and TRRO:
34	AT&T UNE Issue 2b:
35	Should the Agreement require SBC MISSOURI to provide
36	UNEs when they are not required under Section 251 of the
37	Act (i.e. when they are arguably required under state law
38	or Section 271)?
39	o. see 2/2/
40	CLEC Coalition GT&C Issue 2a:
41	Should the reference to "network element" be maintained
42	in the ICA, as distinguished from "unbundled network
43	elements"?
44	
45	CLEC Coalition GT&C Issue 2b:

1	Should SBC provide assurance of the continuation o
2	Network Elements, Combinations, and Ancillary Function.
3	during the term of the Agreement?
4	
5	AT&T UNE Issue 2c, CLEC Coalition and Wiltel UNE Issue 2; and
6	Navigator Sprint UNE Issue 3:
7	What is the appropriate transition and notification process
8	for UNEs SBC Missouri is no longer obligated to provide?
9	Control LINIE Lores 1 and Northeaders O. P. D. Lores 2.
10	Sprint UNE Issue 1 and Navigator O&P Issue 3:
11 12	Should SBC MISSOURI only be required to provide Lawfu
13	Unbundled Network Elements in accordance with Federa Law?
13 14	Luw:
1 4 15	Wiltel UNE Issue 25
16	Should the ICA obligate SBC to continue to provide
17	network elements that are no longer required to be
18	provided under applicable law?
19	provided under applicable law.
20	
21	MCIm UNE Issue 2: Which party's definition of lawful UNE should be included
22	in the Agreement?
23	
24	Navigator UNE Issue 2
25	Is it appropriate to include a provision to instantly include
26	elements that may be found to be UNEs after approval o
27	the Agreement (so-called "Reclassified" elements)?
28	·
29	Pager GT&C Issue 1:
30	In light of USTA, TRRO and the FCC's most recent orders
31	is it appropriate to utilize the term Lawful in this ICA?
32	
33	
34	Navigator GT&C Issue 2
35	Should the ICA contain language which specifies SBC
36	Missouri's obligation to provide only Lawful UNEs even if
37	the word "Lawful" is not always referenced in front of
38 39	Unbundled Network Elements?
39 40	MCIm Priging Schodulo Issue 22
4 0 41	MCIm Pricing Schedule Issue 22 Should the price schedule include SS7 prices for physical
42	SS7 links, STP ports, and SS&-Cross Connects?
1 2 43	557 tinks, 511 ports, and 55&-Cross Connects:
4 3 44	MCIm Pricing Schedule Issue 23
45	Should the price schedule include prices for the Line
46	Information Database (LIDB), Calling Name (CNAM)
47	Database and associated rate elements?

1 2 **MCIm Pricing Schedule Issue 24** 3 Should the price schedule include rates for CNAM Bulk 4 Downloads? 5 6 7 8 Q. WHY IS SBC MISSOURI PROPOSING TO INSERT THE TERM 9 "LAWFUL" BEFORE THE TERM "UNE" THROUGHOUT THIS ICA? 10 IAT&T UNE ISSUE 1, CLEC COALITION UNE ISSUES 1, 49, 57, 60, 67, 11 GT&C ISSUE 24 AND OSS ISSUE 1; SPRINT UNE ISSUE 1; WILTEL 12 UNE ISSUE 1 AND GT&C ISSUE 1; NAVIGATOR UNE ISSUE 1, O&P 13 ISSUE 3, AND GT&C ISSUE 1; AND PAGER COMPANY GT&C ISSUE 1] 14 The proposed language simply restates what is indisputably true under the law: A. 15 SBC Missouri is only required to unbundle network elements that have lawfully 16 been found to meet the federal standards for unbundling and that the FCC has 17 required to be unbundled in its orders pursuant to section 251(c)(3). 18 SBC Missouri's proposed "Lawful UNE" language ensures that there is no 19 dispute or confusion as to SBC Missouri's obligation to provide a network 20 element that is – or is not – required to be "unbundled" under section 251(c) of 21 the federal Act. The use of the term "Lawful" is not intended to be judgmental or 22 subjective - rather, it is a capitalized, defined contract term with a specific 23 meaning: 24 Lawful UNEs Appendix, Sec. 1.2.1: SBC Missouri shall 25 be obligated to provide UNEs only to the extent required by 26 Section 251(c)(3) of the Act, as determined by lawful and 27 effective FCC rules and associated lawful and effective 28 FCC and judicial orders, and may decline to provide UNEs 29 to the extent that provision of the UNE(s) is not required by 30 Section 251(c)(3) of the Act, as determined by lawful and 31 effective FCC rules and associated lawful and effective 32 FCC and judicial orders. UNEs that SBC Missouri is 33 required to provide pursuant to Section 251(c)(3) of the 34 Act, as determined by lawful and effective FCC rules and

associated lawful and effective FCC and judicial orders shall be referred to in this Agreement as "Lawful UNEs."

A.

As with all defined contractual terms, the defined term "Lawful," when placed in front of references to UNEs in the Agreement, makes clear that SBC Missouri is not agreeing to provide unbundled access or TELRIC-based pricing beyond that which is required by federal law. As the Commission can see from the disputes between AT&T and SBC Missouri, the parties disagree strenuously about what UNEs are lawfully required to be provided under the Act.

Accordingly, it is better to use ICA language that specifically expresses the parties' intent (to require only Lawful UNEs) than to assume that the parties intended to include only those UNEs required by law. The latter approach will likely lead to further disputes down the road. If the word "Lawful" itself is deemed to be too emotionally charged for adoption into the Missouri agreement, SBC Missouri would have no objection to another phrase being used, (e.g. "Section 251(c)(3)" UNE) as long as the definition was substantively the same.

Q. WHY IS SBC MISSOURI'S PROPOSED DEFINITION FOR "LAWFUL UNE" PREFERABLE TO MCIM'S PROPOSED DEFINITION? (MCIM UNE ISSUE 2)

SBC Missouri's proposed definition is more specific to the requirements of an arbitrated ICA, i.e., it limits the network elements required to be offered on an unbundled basis by SBC Missouri to those required under Section 251(c)(3) of the Telecommunications Act of 1996 (the "Act"). MCIm's proposed definition's reference to "applicable law" is too vague, and leaves the strong potential for disputes as to which "law(s)" qualify as applicable. SBC Missouri's proposed language should be adopted.

- Q. IS THE "LAWFUL" UNE LANGUAGE TIED TO OTHER ASPECTS OF SBC MISSOURI'S PROPOSED CONTRACT LANGUAGE? (AT&T, CLEC COALITION UNE ISSUE 1; NAVIGATOR GT&C ISSUE 2)
- 4 A. Yes. Use of the term "Lawful" UNEs distinguishes such network elements from "declassified" network elements, which are those that, under FCC and court decisions, are not required to be unbundled under governing law. I discuss the definition of declassified elements and SBC Missouri's proposed language for dealing with such elements below.

9 Q. IS SBC MISSOURI WILLING TO SUBSTITUTE ANOTHER TERM FOR "LAWFUL"?

- 11 A. In an effort to resolve this issue, SBC Missouri is willing to use the term Section
 12 251(c)(3) UNE instead of Lawful UNE. The language in UNE Appendix Section
 13 1.2.1 as shown above would remain the same in all other regards.
- 14 Q. DOES SBC MISSOURI'S PROPOSED LANGUAGE GIVE IT THE
 15 CONTROL TO DETERMINE WHETHER A NETWORK ELEMENT
 16 SHOULD NO LONGER BE CLASSIFIED AS A SECTION 251(C)(3) UNE?
 17 [CLEC COALITION UNE ISSUE 2A]
- 18 Absolutely not. The CLEC's argument is simply a way to attempt for them to 19 delay implementation of rulings that have been made by the FCC, or in certain 20 instances the Courts. The FCC is responsible for making the determination 21 whether a network element meets the requirements to be unbundled, and in the 22 circumstances may cause it to determine that a network element no longer meets 23 those requirements. The CLECs are well aware that the FCC has determined, after 24 judicial review, that certain network elements the FCC had previously required to 25 be unbundled in fact need not be unbundled. SBC Missouri's proposed language 26 simply denotes how the FCC's determination will be implemented by the parties 27 to these ICAs.

2	Q.	YOU BE DISCUSSING?
3	A.	This section of my testimony will discuss three topics related to why declassified
4		network elements (i.e., those network elements that are no longer subject to
5		unbundling) are no longer appropriately the subject of Missouri Interconnection
6		Agreements ("ICAs"). These topics, and the UNE Appendix section numbers
7		associated with these topics, are as follows:
8		1. What does "declassification" mean and how does it impact
9		interconnection agreements?
10		2. What are the network elements that have already been
11		declassified and are no longer required to be provided as
12		UNEs?
13		3. How will SBC Missouri and CLECs transition away from
14		the treatment of network elements as UNEs once a network
15		element has been declassified?
16 17 18	Q.	WHY DOES SBC MISSOURI BELIEVE IT IS NECESSARY TO USE THE TERM UNBUNDLED NETWORK ELEMENT RATHER THAN SIMPLY NETWORK ELEMENT? [CLEC COALITION GT&C ISSUE 2A]
19	A.	The purpose of these ICAs is to set the terms and conditions for Section 251(c)(3)
20		unbundled network elements, not all network elements. While SBC Missouri
21		understands that it is required to offer Section 251(c)(3) unbundled network
22		elements at TELRIC-based rates, if a network element is not required to be
23		unbundled under Section 251(c)(3), then SBC Missouri has no obligation to
24		provide that network element, and certainly not in an ICA at TELRIC based rates.
25		The CLECs' proposed language does not provide for such a distinction, and

1 absent the clarifying word "unbundled" the language could easily be interpreted 2 to require SBC Missouri to provide any network element, as defined by 47 U.S.C. 3 § 153(29), under the terms of this ICA. The Commission should approve SBC 4 Missouri's proposed language clarifying the network elements for which the ICAs 5 are setting the terms and conditions for are Section 251(c)(3) unbundled network 6 elements only.

O. WHY DOES SBC MISSOURI DISPUTE THE CLEC COALTION'S LANGUAGE IN GT&C **APPENDIX SECTION MISSOURI FROM** PROHIBITING SBC DISCONTINUING 10 NETWORK ELEMENT COMBINATION OR ANCILLARY FUNCTIONS 11 OFFERED TO THE CLEC UNDER THE ICA? [CLEC COALITION GT&C 12 ISSUE 2B1

7

13

14

15

16

17

18

19

20

21

22

23

24

25

26

A.

This is a clear example of the CLEC Coalition attempting an end-run around the FCC's declassification of network elements as UNEs. Among the other issues in this proceeding are whether the terms and conditions concerning the network elements declassified by the FCC in the TRRO should be detailed in a separate Rider to the ICA, as proposed by SBC Missouri, or included in the body of the ICA, as proposed by the CLEC Coalition. The CLEC Coalition argues that once those elements are no longer required to be offered as UNEs (following the transition period set by the FCC), the parties could go through change of law proceedings to remove the obsolete language. For reasons discussed elsewhere, SBC Missouri has objected to including those terms and conditions of the TRRO declassified network elements in the ICA itself. This proposed language in the GTC Appendix makes it clear why the CLEC Coalition wants that language in the ICA. If the CLEC Coalition has its way, the inclusion of the transitional language in the ICA, along with the proposed language at issue here, would require SBC

1		Missouri to continue providing these non-Section 251 elements to the CLEC
2		Coalition for the life of this ICA, long after the FCC has determined that a UNE
3		no longer needs to be provided and had set in motion the process to discontinue
4		such provision. The CLEC Coalition's proposed language should be summarily
5		rejected.
6 7 8	Q.	WHAT DOES "DECLASSIFICATION" MEAN AND HOW DOES IT IMPACT SECTION 251 INTERCONNECTION AGREEMENTS? [AT&T, CLEC COALITION, AND WILTEL UNE ISSUE 2]
9	A.	"Declassified" or "Declassification" is a term used to describe the situation where
10		SBC Missouri is not required, or is no longer required, to provide a network

11

12

13

14

15

16

17

18

19

20

21

22

23

24

three different ways:

1. when an unbundling rule or definition of a network element has been lawfully modified to no longer designate an item as a UNE;

element on an unbundled basis pursuant to governing law. Other terms for

declassification are used – for example, AT&T uses the term "delisted" to refer

essentially to the same thing. Declassification (or delisting) occurs in at least

- 2. when an unbundling rule is vacated or withdrawn; or
- when a network element has been determined to no longer be required to be unbundled because CLECs are no longer considered impaired without access to that element on an unbundled basis.

Accordingly, SBC Missouri's proposed ICA language provides that a network element may be declassified in several ways, including, but not limited

to: (a) by operation of the *TRO* or the *TRRO*; or (b) the issuance of a finding by the FCC that telecommunications carriers are not required to provide a particular network element on an unbundled basis. Other legal events as well may result in declassification, such as the 2002 D.C. Circuit Court of Appeals decision, *United States Telecom Association v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) ("*USTA I*"), and the recent *USTA II* decision, 6 both of which ruled that certain unbundling rules were unlawful.

If one looks at the FCC's *TRO* and *TRRO* decision, declassification can, for example, occur on an element-specific basis (*e.g.*, high-frequency portion of the loop – line sharing), route-specific basis (*e.g.*, dedicated transport, loops), use-or type-specific basis (*e.g.*, "enterprise market" switching), or class-specific basis (*e.g.*, OCn transport, OCn loops) basis.

CLECs like to characterize declassification as a "taking away" of UNEs, or as a "disconnection" of their services, provided over UNEs. That characterization is misleading and incorrect. By its very nature, when a determination is made by the FCC that a network element is not required to be unbundled, that determination represents a judgment that competitive telecommunications services may be provided without access to the particular item on an unbundled basis. In other words, CLECs can obtain any needed facilities, capabilities, etc. from non-UNE sources such as self-provisioning, obtaining facilities provided by other facility-based providers, resale, commercial

⁶ In various portions of my testimony, I reference aspects of telecommunications law and regulations as they existed before the *USTA II* decision. None of those references, even if inadvertently phrased in the present tense, are intended to alter or diminish the effect of the *USTA II* decision, including within this proceeding.

agreement, or via an SBC Missouri access tariffed service. It usually also represents a determination by the FCC that continued unbundling of a network element would be contrary to public policies, such as encouraging investment in competitive networks and encouraging innovation. In this context, the FCC has not "taken away" UNEs, it has simply determined that ILECs such as SBC Missouri are not legally required to provide them under the standards established by Congress in the Act . Furthermore, it is my understanding that for many of those previous UNEs, the FCC never made a legally sufficient impairment finding in the first place, and thus the CLECs are really complaining because unlawful unbundling isn't still being required.

11 Q. WHICH NETWORK ELEMENTS SHOULD BE CONSIDERED 12 DECLASSIFIED? [AT&T UNE ISSUE 2A, CLEC COALITION, AND 13 WILTEL UNE ISSUE 2]

- The following network elements previously required to be offered as UNEs are now either declassified or are otherwise no longer a Lawful UNE based upon the FCC's *TRO*, *USTA II* and/or *TRRO*. For each element that was subsequently impacted by *TRRO*, I have added a sub-bullet to describe the practical impact:
- Unbundled Dedicated Transport ("UDT);

A.

- DS0 Transport is no longer required
- OCN Transport is no longer required
- TRRO impact on DS1 dedicated transport carrying traffic between Tier 1 wire centers: This is no longer required to be unbundled under Section 251 of the Act at any level. CLECs may also have no more than 10 DS1 UDT circuits on a single route (TRRO paragraphs 126-128);

⁷ Tier 1 Wire Centers are defined in paragraph 112 of the *TRRO* as having either four or more fiber collocators or 38,000 or more business lines. Tier 2 wire centers are defined in paragraph 118 of the *TRRO* as having either three or more fiber collocators or 24,000 or more business lines.

1 TRRO impact on DS3 dedicated transport carrying traffic between 2 either Tier 1 and/or Tier 2 and Tier 1 and /or Tier 2 wire centers: 3 This is no longer required to be unbundled under Section 251 of the Act at any level. CLECs may also have no more than one DS3 4 5 UDT circuit on a single route (TRRO paragraphs 129-131); 6 Entrance Facilities; 7 Dark Fiber: 8 TRRO impact on Dark Fiber UDT routes between either Tier 1 9 and/or Tier 2 and Tier 1 and /or Tier 2 wire centers: They are no longer required to be unbundled under Section 251 of the Act at 10 any level (TRRO paragraphs 133-135); 11 12 TRRO Impact on Dark Fiber Loops: They are no longer required to 13 be unbundled under Section 251 of the Act at any level (TRRO 14 paragraphs 182-185); 15 High Capacity (DS1 and above) UNE Loop; 16 TRRO impact on DS1 loops served by a wire center with at least 60,000 business lines and four or more fiber-based collocators: 17 18 They are no longer required to be unbundled under Section 251 of the Act at any level. CLECs may also have no more than 10 DS1 19 20 unbundled loops in a single building (TRRO paragraphs 178-181); 21 TRRO impact on DS3 loops served by a wire center with at least 22 38,000 business lines and four or more fiber-based collocators: 23 They are no longer required to be unbundled under Section 251 of the Act at any level. CLECs may also have no more than one DS3 24 unbundled loop in a single building (TRRO paragraphs 174-177); 25 26 Enterprise market local circuit switching defined as having a capacity of 27 DS1 or above; 28 Mass market local circuit switching as defined as less than a DS1 capacity 29 or 1 - 23 DS0 lines; 30 TRRO impact: Mass market local circuit switching is no longer 31 required to be unbundled, and, since the FCC previously made a 32 finding of non-impairment with regard to enterprise market local circuit switching, this means that no switching is required to be 33 34 unbundled under Section 251 of the Act. Furthermore, given the 35 dependency of unbundled shared transport (often, UNE local

36 37

38

circuit switching and shared transport are referred to as "ULS-ST")

on the availability of ULS (see *TRRO* footnote 529) shared transport is not required to be unbundled under Section 251(c)(3)

2		base mass market ULS/UNE-P);
3	•	the Feeder portion of the Subloop;
4	•	HFPL/Line Sharing;
5	•	Enhanced Extended Loop ("EEL");
6 7 8 9		• TRRO impact: The finding of non-impairment for certain DS1 and DS3 loops and DS1 and DS3 dedicated transport circuits means that EELs are no longer available for any arrangements comprised of one or more of those declassified facilities; ⁸
10 11	•	any Call-Related Database (including AIN, etc), other than the 911 and E911 databases, when provided separately from ULS;
12 13 14 15 16 17		• TRRO impact: Because both mass market and enterprise market local circuit switching are no longer required to be unbundled, call-related databases, which are only required to be unbundled in conjunction with the purchase of unbundled local switching (other than 911/E911 databases) are no longer subject to unbundling under Section 251(c)(3) (subject to the TRRO's 1-year transition for embedded base mass market ULS/UNE-P);
19	•	SS7 signaling separate from ULS;
20 21 22 23 24 25		• TRRO impact: Because mass market and enterprise circuit switching are no longer required to be unbundled, SS7 signaling, which is only required to be unbundled in conjunction with the purchase of unbundled local switching, is no longer subject to unbundling (subject to the TRRO's 1-year transition for embedded base mass market ULS/UNE-P);
26	•	Packet switching, including routers and DSLAMs;
27 28 29 30 31 32	•	the packetized bandwidth, features, functions, capabilities, electronics, and other equipment used to transmit packetized information over Hybrid Loops (as defined in 47 C.F.R. 51.319(a)(2)), including without limitation, xDSL-capable line cards installed in digital loop carrier ("DLC") systems or equipment used to provide passive optical networking ("PON") capabilities;
33 34 35	•	Fiber to the Home ("FTTH") Loops, except to the extent that SBC Missouri has deployed such fiber parallel with, or in replacement of, an existing copper loop facility and elects to retire the copper loop, in which

⁸ As *TRO* paragraph 575 states, SBC Missouri is required to make loop-dedicated transport combinations ("EELs") available in all areas where underlying UNEs are available. If the underlying loop or transport component of the EEL is not available as a UNE, then the combination is not required to be offered.

case SBC Missouri will provide nondiscriminatory access to a 64 kilobits per second transmission path capable of voice grade service over the FTTH loop on an unbundled basis. (Fiber to the Curb ("FTTC") loops are subject to the same rules as FTTH loops pursuant to the FCC's October 18, 2004 Order on Reconsideration in the *TRO* proceeding)⁹ and;

 any other network element or class of network elements that the FCC or a court reviewing FCC rules has held is not required to be unbundled.

9 Q. WHY DOES SBC MISSOURI CONTEND THE ABOVE LISTED 10 ELEMENTS ARE DECLASSIFIED? [AT&T UNE ISSUE 2A, WILTEL UNE 11 ISSUE 2, CLEC COALITION UNE ISSUES 2 AND 28]

- A. Each of these elements has either been addressed by the FCC in its *TRO* or *TRRO*, where the FCC has determined that CLECs have sufficient alternatives available to them such that they are not impaired without unbundled access to these SBC Missouri network elements. The specifics of the decisions for each of the individual elements identified above are discussed in either my testimony, or the direct testimony of other SBC Missouri witnesses.
- Q. WHY SHOULD DECLASSIFIED NETWORK ELEMENTS NOT BE INCLUDED IN THE MISSOURI ICA? [AT&T UNE ISSUE 2A, WILTEL UNE ISSUES 2 AND 25, CLEC COALITION UNE ISSUES 1A, 2 AND 28, ITR ISSUE 1, NIA ISSUE 11, AND NIM ISSUE 1]

1

2

3 4

5

6

7

8

12

13

14

15

16

17

18

19

20

21

On October 18, 2004, the FCC released its Order on Reconsideration in CC Docket Nos. 01-338, 96-98 and 98-147. In its Order on Reconsideration, the FCC clarified its routine network modification rules adopted in the TRO by finding that ILECs are not obligated to build TDM capability into new packetbased networks or into existing packet-based networks that never had TDM capability. The FCC also stated that its rules addressing routine network modifications and access to existing TDM capabilities of hybrid loops apply only where the loop transmission facilities are subject to unbundling, and do not apply to FTTH or FTTC loops. See ¶ 20 and n.69. The FCC also recognized that where an ILEC has deployed FTTH or FTTC loops "some customers may require a modest format translation, typically at the customer premises, to make packet-based signals compatible with legacy customer premises equipment." The FCC clarified that the existence of this "TDM handoff" "does not change the scope of the Commission's unbundling relief." See ¶ 21. In its Order on Reconsideration, the FCC reconsidered its determination in the TRO that fiber-to-the-curb ("FTTC") loops should be characterized as hybrid loop architecture for the purpose of unbundling and revised its broadband unbundling rules to regulate FTTC loops in the same manner as adopted for FTTH loops in the FCC's TRO and MDU Reconsideration Order, 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, Order on Reconsideration, FCC 04-191 (rel. Aug. 9, 2004). See Order on Reconsideration, ¶¶ 7, 13 and 14 and 47 C.F.R. § 51.319(a)(3), as amended.

One of the principal purposes of a Section 251 interconnection agreement is to identify the terms and conditions under which the CLEC may obtain Section 251(c)(3) UNEs to the extent that an ILEC is obligated by law to provide them. Once a determination is made that CLECs are no longer entitled to unbundled access to an SBC Missouri network element under the law, SBC Missouri is no longer legally obligated to unbundle that network element. And since SBC Missouri is no longer legally obligated to unbundle a network element, the parties should not include mandated unbundling of network elements declassified by the FCC. Contrary to what the CLECs argue, this is not just a piece of "ILEC friendly" advocacy. The FCC, charged with the responsibility to set unbundling standards for the industry, has reduced unbundling obligations as compared to its previous unbundling requirements (which, prior to the TRO and then as to aspects to even the TRO, were all found to violate the Act and be unlawful), and has done so in order to "help stabilize the telecommunications industry, yield renewed investment in telecommunications networks, and increase sustainable competition in all telecommunications markets for the benefit of American consumers." TRO, \P 6. Beginning with the TRO, the FCC also knew, however, that the CLECs would resist that result, and that they would prefer to continue to rely on subsidized access to ILEC facilities, even where those facilities are capable of competitive supply. As a result, at the same time as it provided "individual carriers . . . the opportunity to negotiate specific terms and conditions necessary to translate our rules into the commercial environment," TRO, ¶ 700, the FCC took several steps intended to minimize delay.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

A.

With the expiration of the M2A and the arbitration of a new agreement, the FCC's decisions declassifying certain UNEs must be implemented without exception or delay. If the declassified elements are allowed to placed into ICAs as UNEs the required transition to commercial arrangements would effectively be thwarted.

As I outlined above, the *TRRO* has declassified mass market local circuit switching and dark fiber loops, as well as certain DS1 and DS3 loops, DS1 and DS3 dedicated transport routes and most dark fiber dedicated transport. SBC Missouri has thus proposed not to include references to network elements that have been declassified from the following Attachments and Appendices:

Appendix UNE

Pricing Appendix

Pricing Schedule

As proposed by SBC Missouri, the Missouri Commission should implement controlling law, up to and including the *TRRO*. The Commission should also adopt SBC Missouri's declassification approach to ensure that the parties have an orderly and prompt mechanism in the ICAs to govern the transition away from any additional elements that are declassified in the future. What the Commission cannot properly do at this point is include former UNEs in the ICA, which would enable CLECs to continue to reap the benefits of unbundling rules that no longer exist as a matter of law.

Q. DO STATE COMMISSIONS HAVE THE AUTHORITY TO REQUIRE ILECS SUCH AS SBC MISSOURI TO OFFER NETWORK ELEMENTS ON AN UNBUNLDED BASIS IF THE FCC HAS NOT FOUND SUCH NETWORK ELEMENTS MEET THE REQUIREMENTS TO BE

1	UNBUNDLED UNDER SECTION 251(C)(3)? [AT&T UNE ISSUE 1B AND 2B,
2	AND REMAND ORDER RIDER ISSUE 1B; CLEC COALITION REMAND
3	ORDER RIDER ISSUE 1 AND UNE ISSUE 1]

A. While this will be addressed in more detail in SBC Missouri's briefs, my understanding is that a state cannot require any "unbundling" that is inconsistent with the FCC's decisions and, as to those network elements that the FCC has determined should not be unbundled, a state commission is preempted from attempting to substitute its judgment under the rubric of State law for the nation-wide determinations made by the FCC.

Q. WHY SHOULDN'T THE ICA INCLUDE THE LANGUAGE PROPOSED BY THE CLEC COALITION IN APPENDIX UNE SECTION 1.2.1 RELATIVE TO THE POTENTIAL "RECLASSIFICATION" OF NETWORK ELEMENTS AS UNES? [CLEC COALITION UNE ISSUE 1D AND NAVIGATOR UNE ISSUE 2]

The CLEC Coalition's proposed language allowing for the possibility that the FCC or the Court would reclassify a network element as a UNE during the course of this ICA, should be rejected. I understand that the declassifications by the *TRO* are final and no longer appealable so those declassifications cannot be affected by any court action. As to the *TRRO*, even if a court were to vacate the FCC's declassifications or determinations in that order, the same result would apply -- those network elements would not be required to be unbundled because previous FCC orders and rules requiring unbundling have been vacated by court decisions such as *USTA II*, which I understand are all final and non-appealable.

The possibility that the FCC might at some point in the future find impairment with regard to a network element that it previously decided was not impaired is pure speculation. Even if that scenario were to occur -- which would be directly contrary to the clear path that has been set and followed by the courts

and the FCC (and technology and market changes) -- it would require a new FCC rulemaking proceeding, which seems highly unlikely to occur during the term of the ICAs to result from this arbitration. Further, it involves another pure speculation – that what the FCC might require would be the same or so close to the previous UNE definitions, etc., that SBC Missouri would be able to provision the new UNEs in such a short time period. In fact, the CLECs make a false comparison - to stop doing something (CLECs stop sending orders for declassified UNEs such as unbundled local circuit switching and unbundled shared transport; the ILEC stops accepting orders for and providing ULS-ST), is simply not the same as beginning to do something (it took several months to develop unbundled local circuit switching so that it could be provided; FCC merger conditions provided a year for SBC ILECs to develop and rollout AINbased shared transport in the former Ameritech states). Finally, as it has done in the past, including through the TRRO, the FCC may specify a transition period or method, and the ICA language might be "overridden" by the FCC's decision, like the FCC's "+\$1" for mass market ULS/UNE-P.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19 20

- Q. IS SBC MISSOURI REQUIRED TO ARBITRATE NON-SECTION 251 NETWORK ELEMENTS IN A ICA SUCH AS THE ONES BEING ARBITRATED IN THIS PROCEEDING? [CLEC COALITION GT&C APPENDIX ISSUE 1]
- A. No. While this will be addressed in more detail in SBC Missouri's legal briefs, it is my understanding that pursuant to the Fifth Circuit's recent decision in *Coserv*LLC v. Southwestern Bell Telephone Co., 350 F.3d 482 (5th Cir. 2003)("Coserv"), non-251(b) and (c) items are not arbitrable, unless both parties voluntarily consent to the negotiation/arbitration of such items. SBC Missouri has not, and does not,

1		voluntarily consent to negotiate/arbitrate the terms, conditions, and rates for these
2		facilities as contemplated by CoServ.
3 4 5 6 7 8	Q.	ARE THE ENTRANCE FACILITIES REFERENCED IN THE CLECS PROPOSED LANGUAGE REQUIRED TO BE PROVIDED BY SBC MISSOURI AS PART OF THE NETWORK INTERCONNECTION ARCHTECTURE APPENDIX REQUIRED UNDER SECTION 251? [AT&T NIA ISSUE 8 AND PRICING SCHEDULE ISSUE 4, CLEC COALITION UNE ISSUE 2B, MCIM NIM ISSUE 15C; AND CHARTER NIM 6]
9	A.	While SBC Missouri will address this issue in more detail in its legal briefs, it is
10		my understanding, they are not. Section 251(c)(2) of the Act is referenced by the
11		FCC in paragraph 140 of the TRRO, and that Section refers to the obligation of
12		SBC Missouri to interconnect "the facilities and equipment of any requesting
13		telecommunications carrier." Nothing in that section of the Act requires SBC
14		Missouri to provide the facilities that would be comparable to entrance facilities.
15		Therefore, the CLEC's request is for a non-Section 251 network element, and
16		SBC Missouri has no obligation to negotiate that element in terms of this ICA.
17		Likewise, SBC Missouri has no obligation to offer the CLEC Coalition
18		interconnection facilities at TELRIC.
19 20 21 22 23	Q. A.	HAS THE FCC MADE ANY PROVISION FOR RECLASSIFYING NETWORK ELEMENTS AS UNES ONCE THEY HAVE MADE THE DECISION TO DECLASSIFY THOSE NETWORK ELEMENTS? [CLEC COALITION UNE ISSUE 1D, NAVIGATOR UNE ISSUES 1 AND 2] No. It is my understanding that the FCC's order doesn't work that way; once an
24	71.	element is declassified under the <i>TRRO</i> , it remains declassified. See, e.g., <i>TRRO</i> ,
25		para 167, footnote 466 (after discussing the "disruptive" effect caused by
26		"reimposition" of unbundling obligations, the FCC makes clear that "once a wire
27		center satisfies the standard for no DS1 loop unbundling, the incumbent LEC
28		shall not be required in the future to unbundle DS1 loops in that wire center.

Likewise, once a wire center satisfies the standard for no DS3 loop unbundling, the incumbent LEC shall not be required in the future to unbundle DS3 loops in that wire center.") There's simply no provision under the *TRRO* or rules for reclassification if the facts that resulted in declassification under the FCC's rule later change. And there is nothing in the FCC rules, the *TRO*, or the *TRRO* that contemplates reclassification of the network elements for which the FCC has already made affirmative determinations of non-impairment (e.g., local circuit switching; network elements whose unbundled availability is dependent on ULS; OCn loops and dedicated transport).

A.

10 Q. SHOULD THE INTERCONNECTION AGREEMENT CONTAIN 11 REFERENCES TO THE NECESSARY AND IMPAIR STANDARD? 12 [MCIM AND WILTEL UNE ISSUE 4]

Yes. The necessary and impair standard contained in Section 251(d)(2) is a fundamental standard regarding UNEs and should be expressly included in the ICA that will govern the parties' use of UNEs. It is difficult to understand the CLECs' resistance to including language related to the necessary and impair standard, as that standard forms the only basis for the CLECs' ability to obtain UNEs. SBC Missouri's language simply affirms that SBC Missouri has no obligation to provide a given network element as a UNE unless that network element has met, and continues to meet, the standards as set forth in Section 251(d)(2) of the Act, and that it is not agreeing to provide any elements that do not meet those standards pursuant to the ICA. Inclusion of the language that SBC Missouri is proposing simply ensures that if a network element does not meet the necessary and impair standard as determined by the FCC, that network element should be considered declassified and will not be available to a CLEC as a UNE.

Q. SHOULD THE ICA INCLUDE REFERENCES TO NETWORK ELEMENTS REQUIRED TO BE PROVIDED UNDER SECTION 271 OF THE ACT? [AT&T UNE ISSUE 2B, CLEC COALITION UNE ISSUE 1A]; NAVIGATOR UNE ISSUES 1 AND 14)

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

A.

No. When the phrase "Unbundled Network Element" or "Lawful UNE" is used in the ICA, it should be understood to refer only to those network elements that have been determined by the FCC and pertinent judicial decisions to meet the criteria to be unbundled under Section 251(c)(3) in accordance with the standards of Section 251(d)(2) of the Act, and not to all network elements. Many network elements are not "UNEs" under the TRO, USTA II, and TRRO and, as such, access to those network elements may not lawfully be included in this ICA. While SBC Missouri recognizes that it has an obligation to provide certain Section 271 checklist items, it is not appropriate or lawful in the context of a Section 251/252 negotiation and arbitration and ICA to address the provisioning of Section 271 offerings. Thus, SBC Missouri has not negotiated Section 271 obligations in the current ICA negotiation. The FCC has clearly stated these 271 offerings are interstate offerings, and subject to its jurisdiction. (See, e.g., TRO, paragraphs 656 and 662 which state that the applicable prices, terms and conditions for § 271 "network elements" are subject to 47 U.S.C. §§ 201(b) and 202(a).). In the TRO, the FCC held that "section 251 and 271 . . . operat[e] independently." TRO ¶655. Thus, "[w]here there is no impairment under section 251 and a network element is no longer subject to unbundling, we look to section 271 and elsewhere in the Act to determine the proper standard for evaluating the terms, conditions, and pricing under which a BOC must provide the checklist network elements," because section 251 no longer governs those rates, terms, and conditions. Id. ¶656. And

in particular, "section 271 . . . does not require TELRIC pricing." Id. ¶659. This 1 2 position, too, will be fleshed out further in our legal briefing

Q. SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED LANGUAGE AT ISSUE IN AT&T UNE ISSUE 3, CLEC 5 COALITION UNE ISSUE 1; AND WILTEL UNE ISSUE 13?

> While this will be addressed in more detail in SBC Missouri's legal briefs, it is my understanding that SBC Missouri is not obligated to provide UNE combinations or commingled arrangements involving declassified elements given the TRO, USTA II, and TRRO decisions. The FCC rules and the Verizon decision 10 limit SBC Missouri's obligation to combine network elements to UNEs under Section 251 only (Rule 51.315 speaks only of combining UNEs with other UNEs, or with network elements possessed by the CLEC). More importantly, SBC Missouri should not be compelled to unbundle a network element when FCC rules and associated FCC and judicial orders say the opposite.

> SBC Missouri's proposed language also clarifies that required commingling arrangements are limited to those required by the Act. language is important to make clear, for example, that while SBC Missouri understands its obligations to commingle Section 251 UNEs and other wholesale services such as special access, the FCC's Errata to the TRO¹¹ clarified that ILECs such as SBC Missouri are not required to offer commingling arrangements consisting of Section 271 offerings.

¹⁰ Verizon Comm. Inc. v. FCC, 535 U.S. 467 (May 13, 2002)

3

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

A.

¹¹ Errata. 8 FCC Rcd. 19020 (2003).

1	Wilte	el Lawful UNE Issue 24a
2		Should the local loop be consistent with applicable FCC
3		rules?
4 5	Wilt	el LAWFUL UNE ISSUE 24B
6	VV 11 1	Is SBC Missouri required to provide loops where they are
7		not deployed or available?
8		
9	WilT	el LAWFUL UNE ISSUE 24C
10		What are the appropriate loop cross connects?
11 12 13	Q.	WHY SHOULD SBC MISSOURI'S PROPOSED LANGUAGE IN THE WILTEL UNE APPENDIX SECTION 8.2 BE ADOPTED?
14	A.	SBC Missouri and Wiltel substantially agree to the language in Section 8.2. The
15		only differences in SBC Missouri's proposal are: (1) SBC Missouri seeks
16		clarifying language that UNE loops will be made available subject to the FCC's
17		unbundling rules; (2) SBC notes that the availability of DS1 and DS3 loops is
18		subject to the impairment findings and caps established in the TRRO; and (3)
19		loops are available only where they are deployed, i.e., SBC does not have to
20		construct facilities to satisfy Wiltel's request for a loop. These restrictions are
21		fully supported by the FCC's TRO and TRRO and should be adopted. Deleting
22		the language as proposed by Wiltel would only lead to confusion and potentially a
23		post interconnection agreement dispute before this Commission.
24 25 26	Q.	WHY DOES SBC MISSOURI OBJECT TO WILTEL'S PROPOSED LANGUAGE LISTING THE DIFFERENT TYPES OF CROSS-CONNECTS IN UNE APPENDIX SECTION 18.4?
27	A.	There is no need to list the various cross-connects in the UNE Appendix. Each of
28		the cross-connects available to Wiltel are already listed in the Pricing Schedule,
29		with the applicable rates, and it is unnecessary to restate them in the UNE

Appendix. Doing so only creates the likelihood of confusion if the list were to

30

- 1 change, since the list would have to change in two places in the ICA rather than 2 just one. Wiltel's proposed language should be rejected.
- 3 PLEASE SUMMARIZE WHY THE COMMISSION SHOULD ADOPT Q. 4 SBC MISSOURI'S PROPOSED DECLASSIFICATION LANGUAGE, AND 5 WHY NETWORK ELEMENTS THAT HAVE BEEN DECLASSIFIED 6 SHOULD NOT **CONTINUE** TO \mathbf{BE} **PROVIDED** UNDER 7 SUCCESSOR INTERCONNECTION AGREEMENTS.

8

9

11

20

21

A. The FCC's TRO made it very clear that certain network elements do not meet the "necessary" and "impair" standards required for those elements to be considered 10 UNEs, and USTA II affirmed that decision. The FCC has now clarified the list of network elements that are not required in its TRRO. In other words, in the TRO 12 and the TRRO, the FCC conclusively decided that the CLECs have sufficient 13 alternatives to the ILECs' provision of these declassified network elements. It is 14 important to note that the only portions of the TRO vacated by the D.C. Circuit 15 Court's decision in USTA II, were those that mandated continued unbundling of 16 certain network elements or that improperly delegated matters such as impairment 17 decisions to state commissions. In contrast, the D.C. Circuit did not disturb any 18 of the FCC decisions to declassify former UNEs, nor did the FCC's subsequent 19 TRRO attempt to reinstate network elements as UNEs that were declassified by the TRO. The purpose of the Section 251/252 interconnection agreement is to identify the rates, terms, and conditions under which SBC Missouri fulfills certain 22 obligations under Sections 251/252 of the Act. The network elements that SBC 23 Missouri identifies in its declassification section have already been found not to 24 meet the 251(d)(2) standard, and thus not required under Section 251(c)(3). Thus, 25 there is no sound economic reason, and no regulatory or legal authority, to include 26 those declassified network elements in a Section 251/252 interconnection

agreement. Indeed, public policy, as determined by the FCC and the courts, dictate that they be removed. Clearly, agreeing on which elements have been, or should be, declassified, and establishing a transition plan with respect to those elements, should have the effect of encouraging competition, including commercial bargaining for replacement offerings among all wholesale vendors. Following declassification, CLECs must pursue their competitive options, whether those lie with SBC Missouri, with another provider, or through self-provisioning. The FCC has recognized the need for, and the benefit of, dynamic and commercial negotiations. Such negotiations provide the best means to develop the competitive telecommunications industry that will benefit everyone, *i.e.*, the end users, the CLECs, and the ILECs.

V. TRANSITION OF NETWORK ELEMENTS FROM BEING CLASSIFIED AS UNES

13 14 15

16

1

2

3

4

5

6

7

8

9

10

11

12

MCIM UNE ISSUE 9

What processes should apply to transition elements?

17 18

19 Q. WHAT IS YOUR UNDERSTANDING OF THIS ISSUE?

- A. These issues concern the competing language which relates to the transition procedures that would apply in the event a network element was declassified as a UNE subsequent to this ICA taking effect.
- 23 IS IT APPROPRIATE TO INCLUDE LANGUAGE ESTABLISHING A Q. 24 **TRANSITION PROCESS FOR** HANDLING THE **NETWORK** 25 ELEMENTS THAT BECOME DECLASSIFIED SUBSEQUENT TO THIS ICA BECOMING EFFECTIVE? [AT&T, CLEC COALITION, AND WILTEL 26 27 UNE ISSUE 2, MCIM UNE ISSUE 3; SPRINT UNE ISSUE 5, PART 4]
- A. Yes, there is no need to wait until the end of a lengthy "change in law" process (which inevitably requires not only negotiation, but often dispute resolution proceedings or arbitrations) to establish transitional processes for the

1 declassification of network elements by the TRO, USTA II, or the TRRO. By 2 establishing the appropriate process now in the ICA, the Commission can avoid 3 the issue being raised in future post-interconnection disputes, and can thus 4 conserve the time of the Commission and all parties involved.

Q. WHAT IS SBC MISSOURI'S PROPOSAL FOR TRANSITIONING NETWORK ELEMENTS THAT MAY BE DECLASSIFIED AS UNES 7 SUBSEQUENT TO THIS AGREEMENT BECOMING EFFECTIVE? 8 [AT&T UNE ISSUE, CLEC COALITION AND WILTEL UNE ISSUE 2; AND SPRINT UNE ISSUE 3; MCIM UNE ISSUE 9; NAVIGATOR UNE ISSUE 3]

5

6

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

A.

For any existing UNE that may be no longer required at some point in the future, SBC Missouri will provide CLECs reasonable notice (30 days) that an item or category of items has been declassified. Upon that notice, CLECs have multiple options. One option would be to obtain the element(s) from a third-party provider, in which case the CLEC would cease obtaining that network element from SBC Missouri. Another option is for the CLEC to engage in separate commercial negotiations with SBC Missouri for other products/services to serve as a replacement. (These negotiations, if successful, would result in an agreement that is separate from the ICA being arbitrated here.) CLECs may also obtain an alternative from the access tariff, if an analogous product or service is available there, or may pursue a resale strategy. Finally, if the parties have failed to arrive at a negotiated solution during the transition, or if the CLEC does nothing, SBC Missouri will replace and/or reprice the item accordingly, or – only in the event there is no analogous access service – will discontinue provision of that network element. These options maximize CLECs' choices, place the CLECs in control of making their own decisions, and minimize the chance of disruption and disputes. SBC Missouri will continue to provide the item as a "UNE" during the 30-day

1		period between the notice and the discontinuance or re-pricing and/or replacement
2		of the product. SBC Missouri's approach is reasonable and orderly, and should
3		help avoid disputes at the Commission.
4 5	Q.	WHY DOES SBC MISSOURI OBJECT TO MCIM'S PROPOSED LANGUAGE IN UNE APPENDIX SECTION 5?
6	A.	A primary concern with MCIm's proposal is that there is nothing to prevent
7		MCIm from retaining access to network elements that have been declassified as
8		UNEs through litigation and delay tactics. The only time frame referenced in
9		MCIm's proposal is some nebulous "applicable transition period" which is cross
10		referenced to certain sections of the ICA, although no specific sections are
11		referenced. Such open-ended language can only lead to disputes, and further
12		litigation. SBC Missouri's proposed transition language sets forth specific
13		timeframes, and should be adopted.
14 15 16 17	Q.	DOES SBC MISSOURI HAVE OTHER CONCERNS WITH MCIM'S PROPOSED TRANSITION PLAN FOR NETWORK ELEMENTS THAT BECOME DECLASSIFIED AFTER THE ICA BECOMES EFFECTIVE? [MCIM UNE ISSUE 9]
18	A.	Yes, there are several additional concerns with MCIm's proposed language in
19		Appendix UNE Section 5.1.
20		First, in MCIm's proposed Section 5.1 MCIm fails to clarify that this
21		section does not apply to those network elements already declassified by TRO and
22		TRRO.
23		Second, SBC Missouri does not believe it is appropriate to put specific
24		ordering processes into the UNE Appendix, as MCIm has proposed in Sections
25		5.1.1, 5.1.3, and 5.1.5. The purpose of this Appendix is to specify the terms and
26		conditions under which SBC Missouri is obligated to provide UNEs to CLECs,

not the ordering procedures. Therefore, the sentence that discusses how MCIm would convert to an analogous access service should be removed.

In MCIm's proposed Section 5.1.3, the last sentence is not applicable to this ICA. When converting to a commercial agreement, the terms and conditions of converting to the products and services being provided under such agreements should be subject to that commercial agreement, not the ICA.

Any language beyond the first sentence in Section 5.1.4 should be deleted.

As I explained earlier in my testimony, any terms and conditions relating to Section 271 are not appropriate to a Section 251 ICA.

MCIm's proposed Section 5.1.6 would put the onus on SBC Missouri to ensure that MCIm's end users service is not affected, despite the fact that the facilities are being provisioned on a network other than SBC Missouri' network. Such language is clearly unreasonable. In addition, this language again references the vague "transition schedules" without any indication of what such a transition would be. All MCIm proposed language beyond "SBC Missouri shall cooperate fully with MCIm" should be deleted from this section.

The language of Section 5.1.7 makes no sense and should be deleted in its entirety. Only the FCC can determine if a network element is a UNE and, in any event, this Section pertains to a transition from network elements that were formerly treated as UNEs to some other service. It is unclear what MCIm means by "State Law-Required Element." This Section should be deleted.

Q. DOES SBC MISSOURI HAVE ANY COMMENT ON MCIM'S PROPOSED APPENDIX UNE SECTION 5.2? [MCIM UNE ISSUE 9]

1	A.	Yes. SBC Missouri is willing to accept MCIm's proposed language as edited
2		below:
3		At the end of the applicable transition period, if MCIm has not
4		designated an Alternative Service Arrangement for a Transition
5		Element, SBC Missouri may convert such Transition Elements to
6		an analogous access service or resale service (at SBC Missouri's
7		discretion), if available, and provide such access services at the
8		month-to-month rates, and in accordance with the terms and
9		conditions, of SBC Missouri' applicable access tariff, with the
10		effective bill date being the first day following the applicable
11		transition period; provided that if no analogous access service is
12		available, SBC Missouri may disconnect such Transition Elements.
13 14	Q.	WHICH PROPOSED LANGUAGE SHOULD THE COMMISSION ADOPT FOR MCIM UNE ISSUE 9?
15	A.	For the reasons noted above, the Commission should adopt SBC Missouri's
16		revised proposed language in UNE Appendix Section 5, and reject MCIm's
17		proposed language.
18	VI. T	Transition Plans for TRRO Declassified Network Elements
19	AT8	T REMAND ORDER RIDER ISSUE 2
20		Should SBC Missouri have the ability to bill the access
21		service on a month-to-month basis until the Parties have an
22		opportunity to develop new service arrangements?
23		appearantly to develop new service and angements.

1	AT&T REMAND ORDER	R RIDER ISSUE 3
2		Is AT&T able to obtain UNE-P access lines after
3		March 11, 2005 in contravention to the TRRO Order?
4		Is AT&T able to obtain delisted elements on an "as is"
5		basis after March 11, 2005 in contravention of the TRO
6		Remand Order?
7		
8		Should SBC Missouri only be required to provide ULS
9		switching features under this Rider subject to the extent
10		that they are loaded and activated within the switch?
11		
12	AT&T REMAND ORDER	R RIDER ISSUE 4A
13		Is it appropriate for AT&T to alter the FCC's "transitional
14		pricing" for loops and transport ordered by the TRRO?
15	AT&T REMAND ORDER	R RIDER ISSUE 4B
16		Should AT&T be required to pay the transitional pricing
17		for mass-market ULS element(s) and mass-market UNE-P
18		beginning March 11, 2005?
19		
20	AT&T REMAND ORDER	R RIDER ISSUE 5
21		Should non-transitioned embedded base UNE-P rates
22		automatically be changed to resale pricing at the end of the
23		transition period?
24		
25	AT&T REMAND ORDER	
26		Should the Rider contain appropriate reservation of rights
27		language?
28		
29	AT&T UNE ISSUE 2D	
30		What is the appropriate process for handling
31		declassification of DS1/DS3/dark fiber loops/transport in
32 33		certain wire centers (and associated routes and buildings)
		that meet the FCC's TRRO criteria for non-impairment?
34	AT 0-T LINE ISSUE 10	
35 36	AT&T UNE ISSUE 19	For DCI and DC3 transport where the ECC has declared
30 37		For DS1 and DS3 transport, where the FCC has declared that it is declassified on routes between wire centers
38		meeting certain criteria, how will the parties implement the
39		declassification of such transport, where it was previously
40		ordered under the agreement on routes that were not, at
+0 41		that time, declassified?
12		mai mino, accumulica.
13	NAVIGATOR RIDER-EN	MBEDDED BASE ISSUE 1
14		Should the Remand Order Embedded Base Rider be
 15		included in Navigator's ICA?

1 2 Q. DID THE FCC PUT A TRANSITION PLAN INTO EFFECT FOR THE TRRO NETWORK ELEMENTS?

A.

Yes it did. Under the transition plan CLECs may not order any new or additional *TRRO* network elements; however, they may retain their embedded base of these network elements as UNEs for 12 months (18 months for Dark Fiber) from the effective date of the *TRRO* (March 11, 2005). The FCC's new unbundling rules indicate that the embedded base means those elements that were ordered prior to March 11, 2005, as each applicable rule indicates that the CLECs "may not obtain" the affected elements with the Order's effectiveness.

The FCC's transition plan also included rate implications for these TRRO network elements. Effective March 11, 2005, SBC Missouri is authorized to charge \$1.00 more than it charged for mass market ULS/UNE-P on June 15, 2004. The FCC also authorized ILECs such as SBC Missouri to charge 115% of the rate charged to CLECs for any dark fiber, DS1 loop, DS3 loop, DS1 dedicated transport, or DS3 dedicated transport that becomes declassified as a result of the *TRRO*.

Q. WHAT IS YOUR UNDERSTANDING OF AT&T REMAND ORDER RIDER ISSUE 1A PERTAINING TO STATE COMMISSIONS IMPOSING ADDITIONAL UNBUNDLING OBLIGATIONS?

A. As I read AT&T's proposed language in Section 3.1 of the Embedded Base Rider, I believe it is referring to the Missouri Commission making a determination that AT&T should be permitted to have adds, changes, and moves to its embedded base of unbundled network element platform ("UNE-P) as of the effective date of the *TRRO* ("*TRRO*"), i.e., March 11, 2005 and for the duration of the transition

1	periods outlined by the FCC.	SBC Missouri	believes	this	would	be a	direct
2	contradiction of the TRRO.						

- 3 Q. WHY IS SBC MISSOURI PROPOSING TO PUT THE TERMS AND CONDITITIONS RELATIVE TO THE *TRRO* EMBEDDED BASE IN A SEPARATE RIDER AS OPPOSED TO THE ICA?
- A. SBC Missouri believes it would cause unnecessary administrative work, and confusion, to have terms and conditions that will be obsolete for the most part in March 2006 in an ICA that has a life of 3 years.
- 9 Q. WHY DOES SBC MISSOURI BELIEVE CLECS SHOULD NOT BE
 10 PERMITTED TO MAKE ADDS, CHANGES, AND MOVES TO ITS
 11 EMBEDDED BASE OF UNE-P AS OF MARCH 11, 2005? [AT&T REMAND
 12 ORDER RIDER ISSUE 1A AND CLEC COALITION UNE ISSUE 2D]
- 13 A. SBC Missouri believes the FCC intended the phrase "embedded base" to mean 14 that SBC Missouri is required to continue providing any UNE-P arrangements 15 that were in place for AT&T customers as of March 11, 2005 for the transition 16 period, which is to expire no later than March 10, 2006.

17

18

19

20

21

22

23

The *TRRO* puts in place a carefully crafted transition plan to allow "competitive LECs and incumbent LECs to perform the tasks necessary to an orderly transition" *away* from mass market UNE-P. As the FCC itself repeatedly emphasized, the transition plan "does not permit competitive LECs to add new UNE-P arrangements using unbundled access to local circuit switching pursuant to section 251(c)(3)." Further, the new local circuit switching rule (51.319(d)) unambiguously states that "requesting carriers may not obtain new local switching

¹² TRRO ¶ 227; see also TRRO. ¶ 5 ("This transition plan applies only to the embedded base, and does not permit competitive LECs to add new switching UNEs"); TRRO ¶ 199 ("this transition period . . . does not permit competitive LECs to add new customers using unbundled access to local circuit switching."); 47 C.F.R. 51.319 (d)(2)(iii) ("requesting carriers may not obtain new local switching as an unbundled network element.").

as an unbundled network element." Adding a new mass market UNE-P line, even for a pre-existing customer necessarily requires that a CLEC "obtain new local switching" as a UNE in contravention of the new rule. The FCC clearly and unambiguously recognized that the transition away from mass market UNE-P does not simultaneously contemplate CLECs continuing to add new UNE-P arrangements during the transition period. It simply makes no sense that, after a nationwide finding of non-impairment for mass market ULS and the UNE-P and a quicker than normal effective date, even as the FCC clearly defined the fact that the CLECs are to move their "embedded base" away from UNE-P, it would simultaneously permit them to continue to add new UNE-P arrangements.

A.

11 Q. SHOULD THE COMMISSION ACCEPT AT&T'S PROPOSED LANGUAGE IN SECTION 3.1 OF THE EMBEDDED BASE RIDER?

13 A. No. AT&T should not be permitted to obtain any new mass market ULS, and
14 based on the TRRO there should not be any instances where this Commission
15 would be ordering SBC Missouri to offer new mass market ULS, thus the
16 proposed language is inappropriate.

17 Q. WHAT IS YOUR UNDERSTANDING OF THIS AT&T REMAND ORDER RIDER ISSUE 2?

It is my understanding that AT&T is proposing to have SBC Missouri's tariffed special access optional payment plans ("OPP") or term and/or volume discount rates applied to any network elements that were declassified by the *TRO* and for which SBC Missouri and AT&T have not reached agreement on how to be offered on a going forward basis after a 30-day transition period, or for any DS1 and DS3 loops or dedicated transport declassified by the *TRRO*, and that have not

yet been converted to some analogous service or been requested to be disconnected by AT&T as of the end of the transition period set forth in the *TRRO* (March 10, 2006). SBC Missouri believes that it is AT&T's responsibility to take appropriate action before the end of the FCC's transition period. If AT&T does not do so, the "default" position should be one that is relatively easy for SBC Missouri to administer. In fact, without AT&T's full participation, SBC Missouri would not be able to apply OPP or term and/or volume discount plans to the relevant facilities; accordingly, if AT&T does not properly transition away from declassified UNEs, SBC Missouri's proposed language would apply the tariffed special access month-to-month rates, rather than the tariffed special access OPP or term and/or volume discount rates proposed by AT&T, in those circumstances.

A.

Q. WHY ARE THE TARIFFED SPECIAL ACCESS MONTH-TO-MONTH RATES MORE APPROPRIATE UNDER THESE CIRCUMSTANCES?

First and foremost is the fact that CLECs are expected to comply with the FCC's *TRRO* and issue the service orders necessary to convert the embedded base to analogous services or find other provisioning options. To the extent that AT&T is interested in migrating certain arrangements to its Special Access OPP term and volume plan, it can do so by issuing the appropriate orders and designating the arrangement to be converted to. To the extent that AT&T fails to comply with the *TRRO* and does not issue the orders to convert its embedded base, SBC cannot be held responsible to determine the plan or plans that AT&T would want its arrangements transitioned to. Therefore, SBC will convert such arrangements to special access month-to-month services for AT&T and all CLECs that do not comply with the FCC's Order. Again, it is the CLEC's responsibility to

1 determine the arrangement it desires to use and to issue the appropriate orders to 2 do so. 3 For purposes of the application in question in Sections 2.2(c) and 2.4.3 of the 4 Remand order rider, the network elements in question are either those network 5 elements declassified as UNEs by the TRO, or DS1 or DS3 loops or dedicated 6 transport that have satisfied the criteria set forth by the FCC in the TRRO for 7 being declassified as UNEs. The Commission should adopt SBC Missouri's 8 proposed language in Sections 2.2(c) and 2.4.3 of the Remand order rider, and 9 reject AT&T's proposed language in Section 1.2.4(ii) of the Remand order rider. 10 WHAT IS SBC MISSOURI'S VIEW OF THE DEFINITION OF THE Q. 11 EMBEDDED BASE OF UNE-P? [AT&T REMAND ORDER RIDER ISSUE 4A; 12 **CLEC COALITION UNE ISSUE 2D]** 13 As I discussed in my discussion of Remand order rider Issue 1, SBC Missouri A. 14 believes the FCC intended the embedded base to mean any mass market 15 ULS/UNE-Ps that were in place as of March 11, 2005 for the transition period, 16 which is to expire no later than March 10, 2006. For the reasons identified above, 17 that means that CLECs may not order any new UNE-P arrangements as of March 18 11, 2005, nor is SBC Missouri required to permit moves or add UNE-Ps to the 19 existing UNE-P arrangements. 20 UNDER WHAT CIRCUMSTANCES SHOULD SBC MISSOURI BE 0. 21 TO OFFER SWITCH FEATURES TO AT&T WITH 22 EMBEDDED BASE LOCAL CIRCUIT SWITCHING? 23 Switch features are only required to be provided when CLECs are obtaining A.

unbundled local circuit switching, whether ULS is provided on a stand-alone basis

or as part of UNE-P. Therefore, SBC Missouri should only be required to offer

switch features on those mass market ULS/UNE-Ps that were in place as of

24

25

26

1	March 11, 2005, and then only if the underlying ICA contains rates, terms and
2	conditions for those features, and only until March 10, 2006, at which time SBC
3	Missouri is no longer required to offer any unbundled local switching, either as a
4	stand-alone offering or as part of UNE-P.
5 Q 6 7	HOW SHOULD THE COMMISSION DEFINE THE UNE-P EMBEDDED BASE FOR PURPOSES OF THE NEW ICAS BEING ARBITRATED IN THIS PROCEEDING?
8 A	The Commission should acknowledge the FCC's determination that ILECs such
9	as SBC Missouri are no longer required to offer new mass market ULS/UNE-P as
10	of March 11, 2005, and adopt SBC Missouri's definition of the embedded base.
11 C	WHAT IS YOUR UNDERSTANDING OF AT&T REMAND ORDER RIDER ISSUE 4B?
13 A	As I understand it, this issue has to do with how the true-up of the rates for the
14	embedded base as of March 11, 2005 of the TRRO declassified network elements
15	should be handled. SBC Missouri has taken the approach of sending CLECs bills
16	for the embedded base of TRRO declassified elements beginning March 11, 2005
17	at the FCC-designated transitional rates beginning on March 11, 2005. AT&T is
18	taking the position that SBC Missouri should not be billing the transitional rates
19	until the Remand order rider is executed.
20	Additionally, SBC Missouri is disputing the amount of detail required for the
21	transitional charges in AT&T's proposed language for Section 2.3.3 of the
22	Remand Order rider.
23 Q 24 25 26 27	WHY HAS SBC MISSOURI BEEN BILLING AT&T THE TRANSITIONAL RATES FOR NETWORK ELEMENTS DECLASSIFIED UNDER THE <i>TRRO</i> SINCE MARCH 11, 2005 DESPITE NOT HAVING AN EXECUTED REMAND ORDER RIDER? [AT&T REMAND ORDER RIDER ISSUE 4B]

1 A. The TRRO language in footnotes 408, 524, and 630 is clear that the network 2 elements "no longer subject to unbundling shall be subject to true-up to the 3 applicable transition rate upon the amendment of the relevant interconnection 4 agreements, including any applicable change of law processes." SBC Missouri 5 has been sending CLECs bills with the transitional rates since March 11, 2005 so 6 SBC Missouri can be assured that it is correctly identifying which mass market 7 ULS/UNE-Ps, dark fiber loops, declassified DS1 and DS3 loops and dedicated 8 transport, and declassified dark fiber transport were in place as of each billing 9 cycle. If SBC Missouri waited to bill the transition rates until some indefinite 10 date in the future and then attempted to true-up those transition rates beginning as 11 of March 11, 2005, it is unlikely that the true-up calculation could be accurately 12 performed. SBC Missouri's records do not maintain the necessary data to know if 13 any of these circuits or mass market ULS/UNE-Ps have been removed from 14 service during the transition. Thus, if SBC Missouri were to wait to bill for these 15 declassified network elements until the Remand order rider were executed, its 16 ability to implement the true-ups required by the FCC in the TRRO would likely 17 be compromised.

18 Q. HAS SBC MISSOURI IMPLEMENTED ANY COLLECTION
19 PROCEEDINGS AGAINST ANY CLECS THAT HAVE NOT PAID
20 THESE FCC DESIGNATED TRANSITIONAL RATES? [AT&T REMAND
21 ORDER RIDER ISSUE 4B]

22

23

24

25

A. No. SBC Missouri understands that the *TRRO* included language that said CLECs, such as AT&T, and ILECs, such as SBC Missouri, must execute amendments to the ICAs (or in the case of this proceeding, incorporate contract language into new ICAs, such as with the associated Remand order rider), prior to

the transitional rates becoming effective. The CLECs may look at the billing as a
benefit for them as well, since having the bills display the transitional rate gives
them the ability to budget what will be due SBC Missouri once they finalize an
amendment incorporating those transitional rates. As noted above, SBC Missouri
has sent bills including the transitional rates in order to have the ability to
efficiently and accurately effectuate the true-ups authorized by the FCC.

7 Q. HOW SHOULD THE COMMISSION RULE ON AT&T REMAND ORDER RIDER ISSUE 4B?

- 9 A. The Commission should reject AT&T's proposed language in Sections 2.3.1 and 3.3.1 of the Remand order rider, and adopt SBC Missouri's proposed language in Section 3.3.2 of the Rider.
- 12 Q. WHAT IS YOUR UNDERSTANDING OF AT&T REMAND ORDER 13 RIDER ISSUE 5?
- 14 A. This issue is quite simple. AT&T expects SBC Missouri to read its corporate
 15 mind and know that it wants any UNE-P arrangements that they have not
 16 addressed by March 10, 2006 to be converted to resold POTS retail service,
 17 without AT&T issuing any orders to actually have the transition accomplished.
 18 SBC Missouri's position is that if AT&T has not formally submitted orders to
 19 convert them to resold service, SBC Missouri will apply market based rates to
 20 those former UNE-Ps.
- Q. WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED LANGUAGE AND REJECT AT&T'S PROPOSAL? [AT&T REMAND ORDER RIDER ISSUE 5]
- A. It is not SBC Missouri's place or obligation to anticipate to what servicing arrangement(s) AT&T wants its embedded base of mass market ULS/UNE-Ps converted to. That embedded base is serving AT&T's end users, and AT&T

should be making the decisions and taking affirmative action on how to serve those customers. The *TRRO* is clear that it is the responsibility of the CLECs such as AT&T to "transition the affected mass market local circuit switching UNEs to alternative facilities or arrangements." If AT&T has not made such a transition, and does not meet its obligation under the *TRRO*, and has not taken the steps necessary to ensure that its end users are converted to analogous services, then AT&T should not be dictating the terms under which they will be charged after March 10, 2006. It is critical to note that only AT&T has the details about its end users serviced via UNE-P in terms of the features and services that its end users have. As a result, only AT&T can be operationally accountable to make sure that it captures such features and services when issuing orders to ensure that the end users are appropriately served after the transition. SBC Missouri's proposed market based pricing for these prior UNE-P arrangements should be adopted.

Q. WHY IS SBC MISSOURI PROPOSING TO INCLUDE RESRVATION OF RIGHTS LANGUAGE IN THE REMAND ORDER RIDER?

The Rider is not physically a part of the ICA; it is a separate document. Therefore, it makes sense to include language that reserves each party's rights, remedies, or arguments they may have under intervening law or regulatory changes, just as such language is included in the ICA itself. It is my understanding based on the Remand Order Rider DPL, that AT&T thinks the reservation of rights language is already covered in the GT&C Appendix of the ICA; however, as I noted above, this is a separate and distinct document, and it is

A.

¹³ *TRRO* ¶ 227.

1		SBC Missouri's belief that all parties are better served by having the language in
2		the Rider itself.
3 4 5	Q.	HOW SHOULD SBC MISSOURI AND MCIM ADDRESS THE EMBEDDED BASE OF UNBUNDLED LOCAL SWITCHING? [MCIM UNE ISSUE 36]
6	A.	As SBC Missouri has proposed for the other CLECs in this proceeding, the terms
7		for the embedded base for any of the elements declassified in the TRRO should be
8		addressed by the TRRO Rider to the ICA. The fact that MCIm has no unbundled
9		local switching should have no bearing on this issue. In fact, it should not be
10		concerned with the language since it will not affect them at all. However, in the
11		event any other CLEC were to adopt the MCIm ICA, such language is necessary.
12 13 14	Q.	BASED ON THE <i>TRO REMAND</i> , WHAT ARE AN ILEC'S OBLIGATIONS REGARDING THE UNBUNDLING OF DARK FIBER LOOPS AND TRANSPORT? [AT&T UNE ISSUES 2D AND 19]
15	A.	The TRRO states that dark fiber Unbundled Dedicated Transport ("UDT") routes
16		between either Tier 1 and/or Tier 2 and Tier 1 and/or Tier 2 wire centers are no
17		longer required to be unbundled under Section 251 of the Act at any level (TRRO
18		\P 133-135). The <i>TRRO</i> further determined that dark fiber loops are no longer
19		required to be unbundled under Section 251 of the Act at any level (TRRO
20		paragraphs 182-185). The ICA should conform to these FCC requirements.
21 22	Q.	HOW WOULD YOU PROPOSE MELDING THE PROPOSED LANGUAGE OF SBC MISSOURI AND MCIM?
23	A.	As an initial matter, SBC Missouri is willing to incorporate MCIm's proposed
24		language in Appendix UNE Section 12.3.1.1 with the exception of the phrase
25		"Transition period for dark fiber loops" which would be unnecessary once
26		language proposed by SBC Missouri was incorporated. SBC Missouri proposed
27		language is necessary to direct the reader to the terms and conditions set forth in

Attachment 6: Unbundled Network Elements of the September 25, 2001 MCImetro Access Transmission Services LLC Missouri Interconnection Agreement to specify the terms and conditions that continue to apply to the embedded base. SBC Missouri also believes that it is important to include language providing that the 18 month transition may end early if MCIm were to decide to disconnect the circuits, or if some other arrangement is reached for those circuits. Accordingly, SBC Missouri proposes the following compromise language for Section 12.3.1.1:

As to each dark fiber Loop, after March 11, 2005, pursuant to Rules 51.319(a)(6) as set forth in the *TRRO*, SBC Missouri shall continue to provide access to MCIm's embedded base of dark fiber Loops (i.e. only dark fiber Loop ordered by MCIm *before* March 11, 2005), in accordance with and only to the extent permitted by the terms and conditions set forth in the Attachment 6: Unbundled Network Elements of the September 25, 2001 MCImetro Access Transmission Services LLC Missouri Interconnection Agreement for a transitional period of time, ending upon the earlier of:

- (a) MCIm's disconnection or other discontinuance of use of one or more of the dark fiber Loop;
- (b) MCIm's transition of an dark fiber Loop to an alternative arrangement; or
- (c) September 11, 2006.

For the duration of the transition period, any dark fiber Loop that MCIm leases from SBC Missouri as of that date shall be available for lease from SBC Missouri at a rate equal to the higher of: (a) 115 percent (115%) of the rate MCIm paid for the dark fiber Loop on June 15, 2004; or (b) 115 percent (115%) of the rate the Commission has established or establishes, if any, between June 16, 2004 and March 11, 2005, for that dark fiber Loop.

SBC Missouri has a similar compromise offer for Appendix UNE Section 12.4.2.3, which SBC Missouri proposes to read:

As to each dark fiber Transport that MCIm leases from SBC as of March 11, 2005, but which SBC is not obligated to unbundle pursuant to Sections 51.319(e)(2)(iv)(A) of the FCC's rules as of that date, SBC Missouri shall continue to provide access to MCIm's embedded base of dark fiber Transport (i.e. only dark fiber Transport ordered by MCIm before March 11, 2005), in accordance with and only to the extent permitted by the terms and conditions set forth in the Attachment 6: Unbundled Network Elements of the September 25, 2001 MCImetro Access Transmission Services LLC Missouri Interconnection Agreement for a transitional period of time, ending upon the earlier of:

- (a) MCIm's disconnection or other discontinuance of use of one or more of the dark fiber Transport;
- (b) MCIm's transition of an dark fiber Transport to an alternative arrangement; or
- (c) September 11, 2006.

A.

For the duration of the transition period, any dark fiber Transport that MCIm leases from SBC Missouri as of that date shall be available for lease from SBC Missouri at a rate equal to the higher of: (a) 115 percent (115%) of the rate MCIm paid for the dark fiber Transport on June 15, 2004; or (b) 115 percent (115%) of the rate the Commission has established or establishes, if any, between June 16, 2004 and March 11, 2005, for that dark fiber Transport.

Q. WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED APPENDIX UNE SECTION 12.4.2.3 RATHER THAN MCIM'S PROPOSED LANGUAGE?

SBC Missouri's proposed language is more detailed than MCIm's. SBC Missouri spells out what is required for a route to be declassified as a UNE, and then clarifies that once such a route has been declassified, MCIm may not order any unbundled dedicated transport on that route. In addition, MCIm is proposing language in this section of the ICA, as well as in Section 12.4.4, that would require SBC Missouri to attach a list of its wire centers indicating whether each of those wire centers is classified as a Tier 1, Tier 2, or Tier 3 wire center. Ms.

1		Chapman will be addressing why such a list is inappropriate in her direct
2		testimony.
3 4 5 6	MCI	M UNE ISSUE 39 What transition terms should apply to embedded base transport?
7 8	Q.	WHAT IS YOUR UNDERSTANDING OF UNE ISSUE 39 AND WHY SHOULD THE COMMISSION ACCEPT SBC MISSOURI'S PROPOSAL?
9	A	SBC Missouri and MCIm are both proposing language relating to Unbundled
10		Dedicated Transport ("UDT") for transitioning as determined by the FCC in the
11		TRRO. This issue was also addressed in part in UNE Issue 9 discussing the
12		transition period elements and process.
13		SBC Missouri's proposal for DS1/DS3 Transport Caps tracks the FCC's
14		regulation more precisely than MCIm's proposal in two key respects. First, as to
15		existing DS1 Dedicated Transport, SBC Missouri's proposal specifies that the
16		underlying terms and conditions for the embedded base of existing DS1/DS3
17		transport circuits comes from the old MCIm contract, in existence at the time
18		those circuits were established, and not from this new UNE Appendix.
19		Second, as to possibility of future declassification of DS1/DS3 Dedicated
20		Transport, SBC Missouri cross references to the new UNE Appendix Section 5's
21		Notice and Transition requirements for declassified UNEs. This cross reference
22		avoids any doubt that new orders for declassified UNEs must stop, regardless of
23		the terms in Section 15 on Dedicated Transport.
24		
25	VII.	CONVERSIONS
26	AT&	T and CLEC Coalition UNE Issue 8a

1 2		Should the ICA address requests for conversions made prior to the Effective Date of the ICA?
3	4 TT 0	T LOVEG C 111 INTL OF MOL INTL 12
4 5	AT&	T and CLEC Coalition UNE Issue 8b, MCIm UNE Issue 13 Must conversions be comprised solely of UNEs provided for in
6		the ICA?
7 8	AT&	T UNE Issue 8c
9 10		Is SBC Missouri obligated to make conversions in a seamless manner when there is no such obligation under applicable law?
11	A TTI O	TO LINITE Language
12 13	AIX	T UNE Issue 8f Should the Agreement contain processes when AT&T does not
14 15		meet the eligibility criteria for converting wholesale services to UNEs?
16		CIVES.
17	MCI	m UNE Issue 10
18		When converting wholesale services to UNE, what should the
19		contract specify regarding eligibility criteria and qualifying
20		service requirements?
21 22	Q.	WHAT IS SBC MISSOURI'S CONCERN WITH NAVIGATOR'S
22 23 24	Æ.	PROPOSED LANGUAGE IN UNE APPENDIX SECTION 2.7.1? (NAVIGATOR UNE ISSUE 3)
25	A.	SBC Missouri has a couple of concerns with Navigator's proposed language.
26		First, Navigator is proposing to retain terms and conditions for network elements
27		the FCC has declassified as UNEs, in the TRRO, in the ICA. SBC Missouri
28		believes it would cause unnecessary administrative work, and confusion, to have
29		terms and conditions that will be obsolete for the most part in March 2006 in an
30		ICA that has a life of 3 years.
31		The second concern with Navigator's proposed language is the inclusion
32		of language identifying types of business customers. There is no need for such a
33		listing of types of business customers. In the first place the FCC did not say
34		embedded base of business customers, it said embedded customer base; there is
35		no differentiation between business and residential customers. Second and more

importantly, it is immaterial whether Navigator's customers have signed contracts or not with them, the rules for embedded base refer to the UNEs in place as of March 11, 2005. That is why the FCC says, as I noted above, "[t]his transition period shall apply only to the embedded customer base, and does not permit competitive LECs to add new UNE-P arrangements using unbundled access to local circuit switching pursuant to section 251(c)(3) except as otherwise specified in this Order." Navigator's proposed language appears to be an attempt to require SBC Missouri to continue to provide new UNE arrangements to service Navigator's end users in direct contradiction to the *TRRO*.

10 Q. WHAT IS MEANT BY THE PHRASE "CONVERSION TO UNES"?

A. The phrase "conversions to UNEs" refers to the situation when a CLEC such as

AT&T requests SBC Missouri to convert a wholesale service comprised

exclusively of UNEs required by Section 251(c)(3) (i.e., there are no non
unbundled network elements, no collocation, and no CLEC facilities involved), to

a "pure" combination of individual UNEs, for example, prior to *USTA II* and the *TRRO*, conversions of retail local service to a UNE-P.

17 Q. WHY DOES SBC MISSOURI OBJECT TO AT&T'S PROPOSED LANGUAGE IN APPENDIX UNE SECTION 2.10.1? [AT&T UNE ISSUE 8A]

AT&T's language simply makes no sense. In the first place, AT&T's proposed language speaks to conversions made during the interim period between the effective date of the *TRO* and the effective date of this ICA. As I have discussed previously, there should no longer be any conversions premised on the availability of UNEs that have been declassified by either the *TRO* or the *TRRO* under this

Α.

¹⁴ TRRO Paragraph 227, footnote omitted

ICA. Thus, network elements that are no longer UNEs such as ULS, are simply not available to use in conversions of wholesale services. The AT&T's language is doubly objectionable because it would also apply rates from this ICA to a conversion that took place prior to this ICA taking effect; a conversion that presumably would have occurred under the terms of a prior ICA that had its own rates, terms, and conditions. Or, if the prior ICA did not have conversion provisions, then AT&T was not entitled to convert under its ICA and cannot create a right now that can somehow be applied all the way back to September or October of 2003. There is no basis for such retroactive treatment. Interestingly, AT&T seeks retroactive treatment of prior conversions, but isn't asking for retroactive treatment for all other changes including declassifications, as of the effective date of the TRO (e.g., elimination of enterprise market switching, entrance facilities) and of TRRO (e.g., elimination of mass market switching and dark fiber loops). That reveals the one-sided approach taken by AT&T - to get "FCC effective date" treatment of changes it believes benefits AT&T, but SBC Missouri's relief shouldn't be any earlier than the effective date of the ICA, if then. And, of course, if AT&T had wanted conversions at an earlier date, it could have negotiated the TRO and USTA II conforming changes more reasonably and more promptly as the FCC urged in the TRRO.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

Finally, the last line in AT&T's proposed language says "AT&T is nevertheless obligated to pay no more than the applicable UNE rates." SBC Missouri does not know what AT&T is referring to. Supposedly, based on earlier proposed language in this same section, AT&T should be charged the rates to be

1 found in this new ICA yet, again due to TRO and TRO Remand, the network 2 elements that AT&T may have converted prior to the effective date of this ICA 3 are no longer UNEs. Therefore, there will be no applicable UNE rates specified 4 in this new ICA for the conversion. If AT&T is saying it should be paying UNE 5 rates that were in effect from its prior ICA, this is an improper attempt to 6 circumvent the fact that the affected network elements are no longer UNEs, and 7 thus applicable rates are not required to be TELRIC-based. AT&T's proposed 8 language should be rejected.

- 9 Q. IS IT APPROPRIATE TO HAVE A SECTION IN APPENDIX UNE
 10 SPECIFICALLY ADDRESSING CONVERSIONS COMPRISED SOLELY
 11 OF UNES OR AS OTHERWISE PROVIDED FOR IN THE ICA? [AT&T
 12 AND CLEC COALITION UNE ISSUE 8B, MCIM UNE ISSUE 13]
- 13 A. Yes. Section 2.10.4 of the SBC Missouri/AT&T ICA¹⁵ simply indicates that the
 14 terms and conditions of Section 2.10 ("Conversion of Wholesale Services to
 15 UNEs") apply only to situations where wholesale services are converted to UNEs.
 16 This follows the FCC rules, and provides clarity to the ICA. The Commission
 17 should adopt SBC Missouri's proposal as consistent with the controlling law.
- Q. WHY IS SBC MISSOURI PROPOSING TO INCLUDE LANGUAGE IN UNE APPENDIX SECTION 6.1 OF THE MCIM ICA SPECIFYING THAT ANY CONVERSIONS FROM SPECIAL ACCESS TO A COMBINATION OF UNES MUST MEET THE MANDATORY ELIGIBILITY CRITERIA SET FORTH BY THE FCC? [AT&T UNE ISSUE 8F AND MCIM UNE ISSUE 10]
- A. The *TRO* set specific eligibility criteria for such conversions. As a result of the *TRO* and the *TRRO*, certain conversions are not available to CLECs. For instance, since SBC Missouri is no longer required to offer unbundled local switching, CLECs may not convert resale service to UNE-P. Furthermore,

¹⁵ In the SBC Missouri/MCIm ICA, SBC Missouri's proposed language is found in UNE Appendix Section 6.5.

1	CLECs may not convert Special Access circuits to UNEs when those circuits are
2	served in offices that have been found to be non-impaired based on the TRRC
3	(loops), or when those circuits are on routes that have been found to be non-
4	impaired based on the TRRO (dedicated transport). SBC Missouri's proposed
5	language appropriately incorporates those limitations.
6	
7	AT&T LAWFUL UNE ISSUE 15
8	(1) Where processes for any UNE requested (whether alone
9	or in conjunction with other UNEs or services) are no
10	already in place should SBC Missouri be permitted to
10	v 1
12	develop and implement such processes?
	(2) Anothe applicable Change Management anidelines th
13	(2) Are the applicable Change Management guidelines the
14	appropriate method for establishing new OSS system
15	changes, if any, for OSS functions related to UNEs no
16	already in place?
17	(3) Should SBC Missouri have an obligation to provide
18	UNEs, combinations of UNEs and AT&T elements and
19	Commingled Arrangements beyond the Act and curren
20	FCC rules?
21	AT&T LAWFUL UNE Issue 8e
22	Should SBC Missouri be permitted to assess nonrecurring
23	charges for converting wholesale services to UNEs?
24	
25	CLEC Coalition UNE Issue 30
26	May SBC establish guidelines and ordering requirements
27	for conversions?
28	jer comensions
29	MCIm UNE Issue 11
30	What processes should apply to the conversion of
31	wholesale services to UNE?
32	wholestic services to OND.
33	MCIm UNE Issue 21
34	
34 35	What ordering processes should apply to commingling requests?
	requesis:
36 27	Wiltel LINE Issue 8(a) and 8(b)
37	Wiltel UNE Issue 8(a) and 8(b)
38	(a) Is it reasonable to require that Wiltel's request for a
39	conversion process not previously established dictate

1 immediate (within 30 days) complete development and 2 implementation of a new process? 3 4 (b) Should SBC Missouri be required by this contract's 5 terms and conditions to bypass the CLEC Community's 6 prioritization in the Change Management Process in order 7 to implement a process for Wiltel? 8 9 MAY SBC MISSOURI ESTABLISH GUIDELINES AND ORDERING Q. 10 REQUIREMENTS FOR CONVERSIONS? [AT&T UNE Issue 15, Parts 1 and 11 2; CLEC Coalition UNE Issue 30; MCIm UNE Issue 11] 12 A. Yes. To the extent there are any wholesale services made up of network elements 13 that remain eligible to be converted to UNEs based on the TRO and the TRO 14 Remand, it is difficult to understand how the parties can implement their ICA 15 without guidelines and ordering requirements for conversions. Neither AT&T nor 16 the CLEC Coalition have proposed any alternative processes, nor have either of 17 them provided any detail regarding what conversions may be sought, other than 18 those already provided by SBC Missouri and which will remain available post-19 TRRO. Accordingly, SBC Missouri's position and language should be adopted. 20 Q. HOW SHOULD PROCESSES BE DEVELOPED FOR CONVERSIONS AND COMMINGLING REQUESTS WHERE SUCH PROCESSES DO 21 22 NOT CURRENTLY EXIST? [AT&T UNE ISSUE 15, PARTS 1 AND 2; MCIM 23 UNE ISSUES 11 AND 21; WILTEL UNE ISSUE 8B] 24 A. It is clear that the parties cannot identify all types of conversions or commingling 25 arrangements that would be potentially applicable under the terms and conditions 26 of the ICA resulting from this arbitration. It would be impossible for SBC Missouri to anticipate every "flavor" of conversion or commingling arrangement 27 28 that might be requested, and extremely wasteful for SBC Missouri to try to 29 develop processes for every imaginable conversion, only to find that there is no 30 CLEC demand for it. In the event processes were not already in place, 31 development of these processes should follow the Change Management

- guidelines (as discussed by SBC Witness Fred Christensen), so that uniform processes can be implemented for all CLECs interested in the same types of conversions, including AT&T.
- 4 Q. SHOULD SBC MISSOURI BE PERMITTED TO ASSESS SERVICE
 5 ORDER AND RECORD ORDER CHARGES TO MCIM FOR
 6 CONVERSIONS OF SPECIAL ACCESS SERVICES TO UNE
 7 COMBINATIONS? [AT&T UNE ISSUE 8E; MCIM UNE ISSUE 12]
- 8 A. Yes. SBC Missouri understands the FCC to be prohibiting the recovery of costs 9 that are not incurred by SBC Missouri when performing the conversion. For 10 example, when UNE-P was discussed in the TRO, the FCC indicated the charges 11 like "loop connection" and "port connection" were not appropriate if those 12 activities were not being performed like they would have been had a new UNE-P 13 been ordered. In this context, that means SBC Missouri should not be prohibited 14 from recovering its costs associated with the changing of the records, and 15 accepting and working the CLEC's service orders necessary to request the 16 conversion, just as SBC Missouri does with every other non-conversion record 17 change request or service order submitted by CLEC. There is no basis for 18 providing conversion requests truly "exceptional" treatment.

19

20

VIII. LOCAL CIRCUIT SWITCHING

21 Q. WHAT IS THE PURPOSE OF THIS SECTION?

A. The purpose of this section is to address issues concerning local circuit switching and associated topics such as customized routing and features. This section will also discuss SBC Missouri's positions on mass market local circuit switching, enterprise market local circuit switching, and any rate and charge issues associated with local circuit switching.

1 2	Q.	WHAT COMPONENTS OF THE NETWORK DOES UNBUNDLED LOCAL CIRCUIT SWITCHING ENCOMPASS?
3	A.	Unbundled local circuit switching ("ULS") was defined by the TRO, and it
4		includes the unbundled local circuit switch port (the physical point at which
5		unbundled local circuit switching is accessed) and available ancillary
6		functionalities of the switch such as technically feasible customized routing
7		functions and switch features.
8	A.	Mass Market Local Circuit Switching
10 11 12		CLEC Coalition UNE Issues 20, 58, 62 and 73 and Navigator UNE Issue 14 Given the TRRO decision, should CLEC be allowed to purchase UNE switching in this ICA?
13 14 15 16 17		CLEC Coalition UNE Issue 21 In light of TRRO, should AT&T be allowed to order UNE signaling since UNE switching is no longer available?
18 19 20 21 22		CLEC Coalition UNE Issue 22 In light of TRRO, should UNE shared transport be provided in this ICA?
23 24 25 26 27		CLEC Coalition UNE Issue 25 With TRRO's removal of the obligation to provide unbundled access to local switch ports, what provisions should apply in this ICA for unbundled access to call-related database language (except for 911/E911)?
28 29 30 31 32 33		CLEC Coalition UNE Issue 26 Is CLEC entitled to access proprietary SBC developed AIN services under the TRO and particularly in light of TRRO's removal of mass market local circuit switching?

1		CLEC COALITION UNE Issue 72 AND NAVIGATOR UNE
2		MAINTENANCE ISSUE 1
3		Should SBC Missouri be required to provide MLT testing
4 5		UNEs no longer required by applicable federal law?
6		Navigator O&P Issue 2:
7		Given the TRRO decision, should terms and conditions fo
8		UNE switching ordering, provisioning and maintenance l
9		in this ICA?
0		
1		Navigator GT&C Issue 20:
2		Whether SBC should include Coin Port functionality
13		part of its service offering.
4		
5		MCIm OS Issue 1: Should SBC Missouri be required to provide OS as a UN
6		
7		CLEC Coolition F011 Issues 2 and 6
8		CLEC Coalition E911 Issues 2 and 6
9		In light of TRO and TRRO, what obligations are
20		incumbent upon the parties in regards to the provisioning of 911 service in connection with local switching?
27		of 311 service in connection with tocal switching:
20 21 22 23 24 25	Q.	HOW DOES THE <i>TRRO</i> SPECIFICALLY IMPACT UNBUNDLE LOCAL CIRCUIT SWITCHING? [CLEC COALITION UNE ISSUES 20, 62; NAVIGATOR UNE ISSUE 14]
26	A.	In the TRO, the FCC abandoned its previous decisions on local circuit switching
27		all of which were held to be unlawful and made an affirmative, nationwi
28		determination that ILECs such as SBC Missouri were not required under Section
29		251(c)(3) to unbundle local circuit switching for serving enterprise market e
30		user customers. That determination was undisturbed by USTA II, and the FO
31		has not granted any waiver of that finding. Further, as discussed above, USTA
32		vacated, and then the TRRO finally removed any requirement for offering no
33		unbundled local circuit switching for serving mass market end user custome
34		Thus, the combined result of the TRO, USTA II, and the TRO is that no form
35		circuit switching is classified as a UNE, whether used to provi
36		telecommunications service to mass market customers or to enterprise mark

- customers or any other customer. On that basis, there is no reason for inclusion of
 any terms and conditions for the ordering of local circuit switching, or any
 network elements directly associated with local circuit switching (e.g., shared
 transport, and call-related databases (except 911/E911)) to be a part of the ICA
 being arbitrated in this proceeding.
- Q. WHY DOES SBC MISSOURI OBJECT TO NAVIGATOR'S PROPOSED
 LANGUAGE IN O&P APPENDIX RELATED TO THE PROVISION OF A
 LOOP AND SWITCH PORT COMBINATION? [NAVIGATOR O&P
 ISSUE 2 AND UNE ISSUE 14]
- 10 A. Navigator is proposing language that presumes it will be able to order new UNE-11 P arrangements, which is in direct contradiction of the FCC's rules adopted in the 12 *TRO* and the *TRRO*. Navigator's proposed language should be rejected.
- 13 Q. IS THERE ANY NEED FOR INCLUDING TERMS AND CONDITIONS
 14 FOR THE CONTINUED PROVISION OF ANY EMBEDDED BASE OF
 15 UNBUNDLED MASS MARKET LOCAL CIRCUIT SWITCHING AND
 16 ASSOCIATED NETWORK ELEMENTS IN THE ICA?
- 17 No. The FCC's TRRO provides for a 12-month transition period from the A. 18 effective date of the order (March 11, 2005), during which CLECs may maintain 19 their embedded base of unbundled mass market local circuit switching (ordered 20 prior to March 11, 2005), and associated network elements that are available on 21 an unbundled basis only with ULS. In recognition of that transition period, SBC 22 Missouri has proposed a Rider to the ICA that addresses the terms and conditions 23 under which SBC Missouri will provide the embedded base of mass-market local 24 circuit switching as of March 11, 2005. Such terms and conditions would include 25 the CLECs' ability to retain the embedded base of unbundled mass market ULS/UNE-P for the FCC's transition period, as well as the associated network 26 27 elements such as unbundled access to call related databases, to SS7 signaling, and

1		to shared transport. The terms and conditions would also reflect the increase to the
2		rates of \$1.00 over the rate for mass market ULS/UNE-P in effect on June 15
3		2004. There is no need to include any terms and conditions for the embedded base
4		of network elements declassified by the TRRO in the ICA itself, since SBC
5		Missouri's proposed Rider will account for any necessary terms and conditions.
6 7	Q.	WHAT APPEARS TO BE THE OVERALL AIM OF THE ULS LANGUAGE PROPOSED BY THE CLECS?
8	A.	The CLECs' language would continue to include switching as a "UNE" at
9		TELRIC-based prices by having this Commission ignore controlling FCC and
10		U.S. Court decisions, with no regard to federal law. The current state of the law is
11		that there are no FCC rules that require any ILEC to provide unbundled circuit
12		switching.
13 14	Q.	WHAT IS MEANT BY THE TERM "MASS MARKET" LOCAL CIRCUIT SWITCHING?
15	A.	In the TRO, the FCC defined mass market customers as "analog voice customers
16		that purchase only a limited number of POTS lines, and can only be economically
17		served via DS0 loops."16 Mass market switching would be unbundled local
18		circuit switching used to serve those end-user customers.
19 20 21	Q.	SHOULD THE ICA CONTAIN LANGUAGE PROPOSED BY THE CLEC COALITION IN UNE APPENDIX SECTIONS 2.3 AND 10.3? [CLEC COALITION UNE ISSUE 58,72, AND 73]
22	A.	No. As discussed earlier, the FCC has declassified local switching as a UNE, and
23		SBC Missouri will no longer be obligated to continue providing unbundled local
24		switching in place as of March 11, 2005 after March 10, 2006. The Remand Order
25		Rider proposed by SBC Missouri already addresses the issue of what usage will

¹⁶TRO ¶ 497.

be provided to the CLECs for the embedded base by referencing and maintaining
the terms and conditions of the prior M2As – the ICA between the parties on
March 11, 2005 These ICAs being arbitrated in this proceeding will be in place
for three years, so there is no logical rationale to include terms that expire less that
one year into the ICA in the document. The CLECs proposed language in UNE
Appendix Sections 2.3 and 10.3 should be rejected.

7 Q. WHAT ARE THE IMPLICATIONS OF THE TRO AND THE SUBSEQUENT TRRO?

- 9 A. While this will be addressed in more detail in SBC Missouri's legal briefs, it appears to me that these two decisions mean that neither mass market nor enterprise market local circuit switching is required to be provided as a UNE.

 With the exception of the transition period and pricing set forth in the *TRRO*, the situation is the same as it was following the issuance of *USTA II*.
- 14 B. ENTERPRISE MARKET LOCAL CIRCUIT SWITCHING
- 15 Q. HOW DOES SBC MISSOURI DEFINE "ENTERPRISE MARKET" LOCAL CIRCUIT SWITCHING?
- A. When the UNE Appendix was filed, SBC Missouri adopted the FCC's definition as stated in *TRO* footnote 1376, which says "we define DS1 enterprise customers as those customers for whom it is economically feasible for a competing carrier to provide voice service with its own switch using a DS1 or above loop." The FCC reiterated this definition in footnote 625 of the *TRRO*. SBC Missouri intends that there be no difference between the FCC's definition in the *TRO*, and the one proposed by SBC Missouri for the ICA.
- Q. WHAT WAS THE FCC'S CONCLUSION IN THE *TRO* RELATIVE TO IMPAIRMENT FOR "ENTERPRISE MARKET" LOCAL CIRCUIT SWITCHING?

1 A. In paragraph 451 of the TRO, the FCC said "we establish a national finding that 2 competitors are not impaired with respect to DS1 enterprise customers that are served using loops at the DS1 capacity and above." 3 4 0. DID THE TRO PROVIDE ANY OPPORTUNITY TO STATES TO REBUT 5 THIS NATIONAL FINDING OF NON-IMPAIRMENT FOR ENTERPRISE MARKET SWITCHING? 6 7 Yes, in paragraph 455 of the TRO, the FCC permitted "state commissions to rebut A. 8 the national finding of no impairment by undertaking a more granular analysis 9 utilizing the economic and operational criteria contained herein. State 10 commissions will have 90 days from the effective date of this Order to petition the 11 Commission to waive the finding of no impairment." (footnote omitted) TO YOUR KNOWLEDGE, DID THE MISSOURI COMMISSION SEEK 12 0. **SUCH A WAIVER?** 13 14 A. It is my understanding that the Commission did not seek a waiver of the non-15 impairment finding for enterprise market switching. DID THE USTA II RULING DISTURB THE FCC'S FINDING OF NON-16 O. 17 IMPAIRMENT FOR ENTERPRISE SWITCHING? 18 A. No, it did not. Therefore, enterprise market switching is no longer available as a 19 UNE, and has been declassified, and for reasons discussed above, should not be 20 included in any way in the ICA. 21 Q. SHOULD TANDEM SWITCHING BE IDENTIFIED AS A STAND-ALONE 22 UNE IN THE ICA (CLEC COALITION UNE ISSUE 20)? 23 No. The FCC defined unbundled local circuit switching in the TRO so to include A. tandem switching.¹⁷ SBC Missouri's proposed language follows that approach 24 25 exactly. At no point in the TRO or TRRO is stand-alone tandem switching noted 26 as a required UNE or UNE product offering, as it had been under previous FCC

¹⁷ 47 C.F.R. § 51.319(d).

unbundling orders. Therefore, based on the *TRO*, *USTA II*, and the *TRRO* the only tandem switching available to CLECs on an unbundled basis as part of the embedded base of ULS/UNE-P used to serve mass market end users.

4 Q. HOW IS SS7 SIGNALING DEFINED?

5 A. In footnote 1666 of the *TRO*, the FCC defined the SS7 signaling network as follows:

SS7 networks use signaling links to transmit routing messages between switches and call-related databases (such as the Line Information Database, Toll Free Calling Database, and Advanced Intelligent Network Databases). These links enable a switch to send queries via the SS7 network to call-related databases, which return customer information or instructions for call routing to the switch.

A.

Q. UNDER WHAT CIRCUMSTANCES IS SBC MISSOURI OBLIGATED TO PROVIDE ACCESS TO SS7 SIGNALING ON AN UNBUNDLED BASIS? [CLEC COALTION UNE ISSUE 21, MCIM PRICING SCHEDULE ISSUE 22]

As specified in the *TRO* (para. 544), the FCC has determined that ILECs such as SBC Missouri are required to provide access to their SS7 network only when the CLEC is purchasing ULS and then for use with that ULS only (e.g., a CLEC does not get unbundled access to SS7 everywhere and for all purposes if it purchases ULS). That same paragraph states: "[i]n all other cases, however, we determine that there are sufficient alternatives in the market available to incumbent LEC signaling networks and competitive LECs are no longer impaired without access to such networks as UNEs for all markets." Therefore, following *TRO*, *USTA II* and *TRO Remand*, which entirely eliminated the requirement that local switching be offered as a UNE, SBC Missouri is not obligated to provide access to SS7 signaling on an unbundled basis since that obligation was predicated on local switching being unbundled.

AT&T's proposed language in Section 5.1.1.4 of Appendix UNE violates the requirements of the *TRO*, notwithstanding *USTA II* or the *TRO Remand*. Paragraph 548 of the *TRO* directly contradicts AT&T's proposed language, stating "we are no longer requiring incumbent LECs, pursuant to section 251(c)(3) to provide unbundled access to their signaling networks." AT&T's proposed language in Section 5.1.1.4 of Appendix UNE includes the sentence "SBC Missouri shall provide AT&T with nondiscriminatory access to signaling on an unbundled basis, in accordance with 251(c)(3) of the Act." This language clearly is in conflict with the finding of the FCC. At best, it is meaningless because it purports to require something that has been eliminated. AT&T's proposed additional sentence should thus be rejected.

A.

12 Q. HOW DOES THE *TRRO* SPECIFICALLY IMPACT UNBUNDLED SHARED TRANSPORT? [CLEC COALTION UNE ISSUE 22]

As discussed above, *TRO*, *USTA II* and *TRRO* eliminated entirely any unbundling requirement for local circuit switching. As acknowledged by the FCC in the *TRO*, unbundled shared transport is only available under its rules and orders when a CLEC such as AT&T purchases unbundled local circuit switching (this is also true as a technical matter). Therefore, the *TRO*, *USTA II* and *TRRO* decision effectively eliminated unbundled shared transport as a UNE except as part of the mass market ULS/UNE-P transition. Since access to shared transport as a UNE is no longer required under Section 251, there is no reason to continue including it in the successor ICAs.

Q. WHAT IS MEANT BY CALL-RELATED DATABASES?

¹⁸TRO page 12. We find that carriers are impaired without shared transport only to the extent that carriers are impaired without access to unbundled switching.

1	A.	In paragraph 349 of the 1RO, the FCC described Call-Related databases as
2		follows:
3 4 5 6 7 8 9		Call-related databases are databases that are used in signaling networks for billing and collection or for the transmission, routing or other provision of telecommunications services. We have identified several specific databases as covered by our call-related database requirements: (i) LIDB; (ii) CNAM; (iii) Toll Free Calling; (iv) LNP; (v) AIN; and (vi) E911. (footnotes omitted)
10 11 12	Q.	IS SBC MISSOURI REQUIRED TO OFFER ACCESS TO CALL- RELATED DATABASES AS UNES? [CLEC COALITION UNE ISSUES 25 AND 26; MCIM PRICING SCHEDULE ISSUES 23 AND 24]
13	A.	No. SBC Missouri is only required to offer access to the 911/E911 databases. In
14		paragraph 551 of the TRO, the FCC predicated continuing use of call-related
15		databases as UNEs upon situations "where switching remains a UNE." Thus,
16		because SBC Missouri is no longer obligated to offer local switching as a UNE
17		(as explained above), there is no requirement to offer access to call-related
18		databases as UNEs.
19	Q.	WHAT IS YOUR UNDERSTANDING OF NAVIGATOR UNE ISSUE 20?
20	A.	I can't say for certain, since to my understanding this issue was never raised in
21		negotiations, and I am not aware of any language being proposed by Navigator
22		regarding coin functionality, which is how the issue statement has been phrased.
23		As I understand it, this issue was included in the errata GT&C DPL filed by
24		Navigator.
25 26	Q.	HAS NAVIGATOR RAISED THIS ISSUE IN OTHER STATES WHERE THEY ARE ARBITRATING ICAS?
27	A.	Yes. In Kansas, this issue was raised by Navigator witness Mr. Ledoux, and
28		similar to here in Missouri, Navigator did not propose any ICA language. Based

2		should be required to continue offering coin functionality on an unbundled basis.
3 4 5 6	Q.	UNDER THE ASSUMPTION THAT NAVIGATOR IS LOOKING FOR SBC MISSOURI TO PROVIDE COIN FUNCTIONALITY ON AN UNBUNDLED BASIS IN MISSOURI, WHAT IS SBC MISSOURI'S RESPONSE?
7	A.	As I stated in my rebuttal testimony in Kansas, any requirement that SBC
8		Missouri provide coin functionality on an unbundled basis should be rejected. As
9		I have discussed throughout this testimony, SBC Missouri is no longer required to
10		offer unbundled local circuit switching, and therefore, there is also no requirement
11		to offer such functionality as coin, since there is no longer an unbundled port to
12		add that functionality to.
13 14 15	Q.	SHOULD THE ICA INCLUDE REFERENCES TO THE PROVISION OF MLT? [CLEC COALITION UNE ISSUE 72; NAVIGATOR O&P ISSUE 2 AND UNE MAINTENANCE ISSUE 1]
16	A.	No. Like call-related databases, the provision of MLT is predicated on the
17		provision of unbundled local circuit switching inasmuch as the MLT is a switch
18		capability. Thus, because SBC Missouri is no longer obligated to offer local
19		switching as a UNE (as explained above), there is no requirement to offer MLT.
20 21 22 23 24	Q.	IF SBC MISSOURI ACKNOWLEDGES ITS REQUIREMENT TO OFFER ACCESS TO 911 AND E911 DATABASES ON AN UNBUNDLED BASIS, WHY IS THERE AN ISSUE CONCERNING THE CLECS' PROPOSED LANGUAGE IN THE E911 APPENDIX? [CLEC COALITION E911 ISSUES 2 AND 6]
25	A.	Although SBC Missouri recognizes its requirement to offer unbundled access to
26		the 911 and E911 databases, SBC Missouri objects to AT&T's language
27		referencing AT&T's ability to lease a stand-alone unbundled switch port and
28		UNE-P combinations. As I have noted above, SBC Missouri no longer has any

on that testimony, SBC Kansas believed Navigator was arguing that SBC Kansas

1

2		proposed language should be rejected.
3 4	Q.	WILL SBC MISSOURI CONTINUE TO OFFER UNBUNDLED ACCESS TO 911 AND E911 DATABASES TO NON-UNE-P PROVIDERS?
5	A.	Yes, SBC Missouri recognizes its obligations under the FCC's rules.
6 7 8 9 10	Q.	WHY HAS SBC MISSOURI CLARIFIED THAT FEATURES AND FUNCTIONS NECESSARY TO PROVIDE CUSTOMIZED ROUTING ARE LIMITED TO RESALE CLECS? [CLEC COALITION CUSTOMIZED ROUTING ISSUE CUSR 7, CUSTOMIZED ROUTING APPENDIX SECTION 1.7]
11	A.	As discussed above, there is no requirement to offer unbundled local circuit
12		switching; therefore, the customized routing offering would be limited to resale
13		customers.
14 15 16 17 18 19 20 21	A '. Q. A.	Is SBC Missouri obligated to provide UNE switching, and the rest of UNE-P, at TELRIC pricing even there has been no finding that impairment exists as to UNE switching? SHOULD SBC MISSOURI BE REQUIRED TO OFFER UNE-P AT TELRIC-BASED RATES IF THE REQUESTED LOOP PORTION IS A 2-WIRE ANALOG LOOP? [AT&T UNE ISSUE 22] No. Although the 2-wire analog loop remains a UNE, the UNE
23		loop/switching/shared transport combination ("UNE-P") is no longer required to
2425		be provided because switching and shared transport are no longer considered UNEs. Since SBC Missouri is not required to provide UNE-P, it certainly is not
26		required to provide it at TELRIC-based pricing.

obligation to offer unbundled access to local circuit switching, therefore, AT&T's

1

CLEC Coalition UNE Issue 59(A) AND 59(B)

(A) To the extent ULS is deemed applicable to this ICA, should call-flows be required to be included?

(B) If call flows are required, should they include applicable usage sensitive rate elements?

A.

Q. SHOULD CALL FLOW DIAGRAMS BE INCLUDED IN THE ICA? [CLEC COALITION UNE ISSUE 59]

No. This really is a meaningless issue. Call flows have been a tool utilized to give CLECs a better understanding of how SBC Missouri routes the CLEC's end users calls and which unbundled rate elements are applicable to the diagrammed call. As discussed above, switching and shared transport are no longer available on an unbundled basis. Therefore, the inclusion of call flows in this ICA would not be appropriate.

SBC Missouri has placed generic call flow information on the CLEC Online website, which is accessible to all carriers. If call flows were included in a CLEC's ICA, and changes were made to the generic call flows applicable to all CLECs subsequent to that inclusion, the call flows found in that CLEC's ICA would no longer be correct. Then SBC Missouri and the CLEC would have to go through the amendment process simply to reflect the change in those generic call flows. Moreover, the call flows that SBC Missouri has provided are illustrative examples only, and not "all encompassing." There are call flow scenarios not included, but which do occur in day-to-day calling, and the inclusion of the illustrative examples may cause confusion such that AT&T or a CLEC opting into that agreement might be tempted to contest SBC Missouri's ability to charge for calls that do not fit the included call flows. Of course, SBC Missouri is entitled to charge for the use of its network, and the call flows should not be permitted to be

1		used to defeat that right or support an argument to the contrary. Local switching
2		and shared transport are not required to be unbundled, so there should not be any
3		call flow language incorporated in this ICA.
4	IX.	<u>PRICING</u>
5		AT&T, CLEC Coalition Pricing Schedule Issue 1;
6		What are the appropriate rates for the elements in
7		dispute between the Parties?
8		dispute between the 1 arties:
9		CLEC Coalition Pricing Schedule Issue 2
10		Should those elements declassified by the FCC be
11		contained in a 251 Pricing Schedule?
12		contained in a 231 Tricing Schedule:
13		CLEC Caslition Driging Schodula Iggus 2
14		CLEC Coalition Pricing Schedule Issue 3
		Should the Pricing Schedule be limited to
15		network elements classified as UNEs under Sections 251
16		and 252?
17		CLEG COLLEGEOU CERC CHOCKE 45 AND DACED COMPANY CERC
18		CLEC COALITION GT&C ISSUE 15 AND PAGER COMPANY GT&T
19		ISSUE 13
20		When purchasing from the tariffs, should SBC be allowed
21		to charge the CLEC the most current tariff rate?
22		
23		MCIm Pricing Appendix Issue 1:
24		Which Parties language should be included in the Pricing
25		Schedule?
26		
27		MCIm Pricing Schedule Issue 1
28		Should the Price Schedule contain a Footnote about the
29		rates from previous MoPSC UNE Cost Dockets?
30		
31		MCIm Pricing Schedule Issue 2
32		Should the Price Schedule contain a footnote about the
33		nature of price increases on certain items?
34		
35		MCIm Pricing Schedule Issue 3
36		What are the appropriate rates for ISDN-BRI Loops?
37		
38		MCIm Pricing Schedule Issue 4
39		Should the DSL Capable Loop prices be included in the
40		price list?
41		r · · · · ·
42		MCIm Pricing Schedule Issue 5

1 2		What are the appropriate rates for Loop Qualifications for Mechanized, Manual and Detailed Manual?
3		
4		MCIm Pricing Schedule Issue 7
5		What are the appropriate rates for DSL Shielded and Non-
6		Shielded Cross Connects?
7		
8		MCIm Pricing Schedule Issue 9
9		What are the appropriate rates for Loop Cross Connects?
10		
11		MCIm Pricing Schedule Issue 17
12		Should the price schedule include charges for embedded
13		base ULS- Tandem Switching, Blend Transport (per
14		minute) And Common Transport (per minute)?
15		
16		MCIm Pricing Schedule Issue 18
17		Should the price schedule include rates for any level of
18		Entrance Facility?
19		
20		MCIm Pricing Schedule Issue 21
21		Should the price schedule include prices for Standalone
22		Multiplexing?
23 24		
24		MCIm Pricing Schedule Issue 29
25		What are the appropriate service order charges?
26		1.07 D.I. G.I.I.O
27		MCIm Pricing Schedule 30
28		What are the appropriate Time and Material Charges,
29		Nonproductive Dispatch Charges and Labor Rates?
30		1-07 D.I. G.I.I 4-
31		MCIm Pricing Schedule Issue 35
32		What should be the price for an NXX migration?
33		MOT DIE GLILL AC
34		MCIm Pricing Schedule Issue 36
35		Should the price schedule include a rate for the Local
36		Disconnect Report?
37		
38	•	WILLE IS VOUD UNDERSEANDING OF A FIRE DRIGING SOMEDIUS
39	Q.	WHAT IS YOUR UNDERSTANDING OF AT&T PRICING SCHEDULE
40		ISSUE 1 AND CLEC COALITION PRICING SCHEDULE ISSUE 1; AND
41		MCIM PRICING SCHEDULE ISSUES 3, 4, 6, 7, 9, 17, 18, 21, 29, 35, AND
42		36?
43	A.	With the exception of network elements SBC Missouri is not required to unbundle
44		under the TRO (Entrance Facilities, Enterprise Market local circuit switching,

OCn loops, OCn dedicated transport) and, subsequently, *TRO Remand*, and the transitional network elements (UNE-P, dark fiber loops, non-impaired DS1 and DS3 loops, non-impaired DS1 and DS3 dedicated transport, and non-impaired dark fiber dedicated transport), SBC Missouri is proposing to adopt the rates found in the original M2As that expired on March 6, 2005, for network elements that are still required to be provided on an unbundled basis under the Act. The rates for the transitional network elements should properly reflect the *TRRO* requirement. The transitional mass market local circuit switching rates would be the rates that were in effect on June 15, 2004 rates plus \$1.00. Rates for other transitional network elements would be the rates that were in effect on June 15, 2004 rate plus 15%. The CLEC Coalition has rejected SBC Missouri's proposed pricing schedule without explanation.

Q. WHAT SHOULD THE RATES FOR ISDN-BRI, ISDN-PRI, AND DSL LOOPS BE IN THE PRICING SCHEDULE? [MCIM PRICING SCHEDULE ISSUES 3 AND 4]

A. The rates for the ISDN-BRI loops are the same rates as the 2-wire digital loops, and the ISDN-PRI loops are the same rates as the 4-wire digital rates, which as discussed above should be maintained at the rates found in the M2A. ICAs that expired on March 6, 2005. Similarly, the 2-wire DSL rates should be equal to the 2-wire analog rates, and the 4-wire DSL rates should be equal to the 4-wire analog rates. As discussed above the 2 and 4-wire analog rates should be maintained at the same level as found in the M2A ICAs that expired on March 6, 2005.

Q. SHOULD THE PRICING SCHEDULE HAVE RATES FOR LOOP QUALIFICATION LOOP CONDITIONING, AND SHIELDED AND NON-

1 2		SHIELDED CROSS-CONNECTS? [MCIM PRICING SCHEDULE ISSUES 5, 6, AND 7]	
3	A.	Yes. It is interesting to note that MCIm agreed that loop qualification and loop	
4		conditioning rates should be part of the Pricing Appendix when negotiating the	
5		Appendix DSL, yet argue that those rates should be set at zero. SBC Missouri has	
6		absolutely no obligation to provide such activities to MCIm for free, nor should it	
7		be required to provide any cross connects to MCIm at no cost. As is the case for	
8		most of the other rates in the pricing schedule, with the exceptions noted above,	
9		these rates should be maintained at the same level as found in the M2A ICAs that	
10		expired on March 6, 2005.	
11 12 13	Q.	WHY DOES SBC DISPUTE MCIM'S PROPOSED TREATMENT OF TIME AND MATERIAL CHARGES? [MCIM PRICING SCHEDULE ISSUE 30]	
14	A.	MCIm has proposed setting these various labor rates on the quarter hour, although	
15		the statewide and industry standard billing increment has been the half hour.	
16		MCIm also proposed that there be no rate difference regardless of whether the	
17		labor is incurred in an overtime basis, on a weekend, or on a holiday, all of which	
18		are entitled to higher labor rates under the "overtime" or "premium" rates.	
19		MCIm's labor rate proposal fails to capture any of these labor rate standards, and	
20		should be rejected.	
21			
22 23	Q.	PLEASE STATE YOUR UNDERSTANDING OF AT&T AND CLEC COALITION PRICING SCHEDULE ISSUE 2.	
24	A.	This issue involves the question of whether network elements that have been	
25		declassified either as a result of the TRO, USTA II, or subsequently by the TRO	
26		Remand, and, therefore, are no longer UNEs, should be included on the pricing	
27		schedule of the Pricing Appendix attached to the Agreement in this case; and in	

1		the event they are included, whether the rates for those network elements should
2		be TELRIC-based.
3 4	Q.	PLEASE EXPLAIN THE BASIS FOR SBC MISSOURI'S POSITION IN THIS REGARD.
5	A.	As discussed above, the TRO and TRRO "declassified" each of the network
6		elements listed above, and therefore they are no longer subject to TELRIC-based
7		pricing. Once these network elements have been declassified, they are no longer
8		subject to Section 251, and thus do not belong in an ICA which is designed to
9		specify terms and conditions of Section 251 unbundled network elements. Thus,
10		to the extent any network elements have been declassified, they should not be
11		included in this Pricing Schedule.
12 13 14	Q.	SHOULD SBC MISSOURI BE REQUIRED TO INCLUDE NON-251 UNES IN THE PRICING SCHEDULE? [CLEC COALITION PRICING SCHEDULE ISSUE 3]
15	A.	Although SBC Missouri will address the issue in more detail in its legal briefs, it
16		is my understanding that Section 252 of the Act relates only to ICAs setting forth
17		the terms and conditions for Section 251 elements. Therefore, SBC Missouri
18		should not be obligated to include rates for any non-251 elements in the Pricing
19		Schedule of this ICA.
20 21	Q.	WHAT IS YOUR UNDERSTANDING OF MCIM PRICING APPENDIX ISSUE 1?
22	A.	As I understand it SBC Missouri is proposing language that would make any rate
23		changes ordered by either the Missouri Commission or the FCC effective with the

date set forth by the ordering Commission. If no effective data is ordered, then the

rates would be effective with the effective date of an amendment to the ICA

reflecting the new rates, or within 60 days of written notice given by either of the

24

25

Q.	WHY DOES SBC MISSOURI DISPUTE INCLUDING A FOOTNOTE
	effective until an amendment to the ICA becomes effective.
	parties, whichever is sooner. MCIm is proposing that any new rates not be

INCREASED? [MCIM PRICING SCHEDULE ISSUE 2]

- A. MCIm's proposed footnote is contractually irrelevant, potentially misleading, and should be struck. It is contractually irrelevant because the displayed rates will be charged regardless of whether the price reflects a change in the cost of capital, common cost allocators, or any of the myriad other variables that go into pricing. MCIm's proposed footnote is misleading because a new reader may mistakenly think that no other cost variables were involved. Mostly, though, the footnote is petty and meaningless, and adds nothing to the operation of the contract.
- Q. WHY IS SBC MISSOURI PROPOSING TO MAKE NEWLY ORDERED RATES EFFECTIVE WITH THE COMMISSION ORDERED EFFECTIVE DATE RATHER THAN THE EFFECTIVE DATE OF THE AMENDMENT TO THE ICA?
- A. The rates in question are those that would be determined by the Commission in a generic proceeding. Those rates apply to any CLEC involved in that proceeding, therefore, if the Commission sets an effective date for those rates, that date should apply to any CLEC, or ILEC for that matter, that was a participant in the proceeding. If that is not the case, then any effective date set by the Commission is meaningless.
- Q. WHY SHOULD PERMANENT RATES THAT REPLACE INTERIM
 RATES THAT WERE PART OF THE ICA WHEN IT BECAME
 EFFECTIVE BE RETROACTIVE TO THAT EFFECTIVE DATE?
- A. This is a case of being reasonable. If a rate was interim when the ICA becomes effective, by definition the assumption is that the interim rate is not cost based, and that it will be replaced by some Commission ordered rate that is cost based. It

1		follows that the replacement rates should have been in effect at the time the ICA
2		took effect, if only the Commission had the necessary data to set that rate. SBC
3		Missouri's proposed language making the replacement rate retroactive should be
4		adopted.
5 6 7 8	Q.	IF THE ICA CROSS REFERENCES A TARIFF RATE, SHOULD THE CHARGE TO THE CLEC AUTOMATICALLY CHANGE UPON AN EFFECTIVE CHANGE TO THAT TARIFF? [CLEC COALITION GT&C ISSUE 15 AND PAGER COMPANY GT&C ISSUE 13]
9	A.	Yes. That is the point of cross-referencing the tariff as opposed to taking a tariffed
10		rate and inserting the rate directly into the ICA. By having the cross reference
11		there is no concern that the tariff rate could change without a corresponding
12		change to the rate being charged under the ICA.
13 14	Q.	WHAT RATES SHOULD APPLY TO SBC MISSOURI'S USE OF AT&T'S SPACE? [AT&T PRICING SCHEDULE ISSUE 8]
15	A.	The Commission should authorize the use of SBC Missouri's proposed rates for
16		the use of AT&T's space. SBC Missouri is proposing rates that are based on what
17		it would charge AT&T for collocating similar equipment in its wire centers. SBC
18		Missouri's proposed rates are based on collocation rates that have been reviewed
19		and put into effect by this Commission. AT&T's proposed rates are from their
20		Federal tariff, and have no Missouri specific cost basis.
21 22 23 24 25 26	CI	LEC Coalition Resale Issue 1 Should the agreement contain a separate pricing list for the items available for resale?
24 25 26 27 28 29	CI	LEC Coalition Appendix Pricing Issue 4(1) What is the appropriate discount rate for all resale services?
29 30	CI	LEC Coalition Appendix Pricing Issue 4(2)

1 *Is it appropriate to have the Resale Price Schedule separate from* 2 the complete Appendix Pricing – Schedule of Prices which already 3 contains the resale services and discounts? 4 5 WHAT IS YOUR UNDERSTANDING OF THESE ISSUES? 0. 6 A. As I understand it, these issues revolve around whether resale rate elements 7 should be displayed in a separate rate schedule than all the other rate elements in 8 the ICA. In addition, SBC Missouri objects to the CLEC Coalition's proposal to 9 use a different Resale discount than the Commission approved 19.2% resale discount. 10 WHY DOES SBC MISSOURI PROPOSE TO HAVE A SINGLE PRICING 11 Q. SCHEDULE AS OPPOSED TO A SEPARATE RESALE PRICING 12 **SCHEDULE?** 13 Generally CLECs have requested that all rate elements be included in a single 14 A. 15 Pricing schedule. Administratively, maintaining all ICAs with a single structure is 16 much more preferable than treating an individual CLEC differently. It is my 17 understanding that there is disparity among the CLEC Coalition, that there is only 18 one CLEC requesting a separate resale Pricing Schedule. The Commission should 19 adopt a single Pricing Schedule for all ICAs being arbitrated in this proceeding. 20 Q. WHY SHOULD THE 19.2% RESALE DISCOUNT FACTOR BE **RETAINED FOR THIS ICA?** 21 22 This Commission has previously determined the 19.2% discount to be applicable A. 23 for resale, and there is no basis for the CLEC Coalition to get any greater discount 24 than that.

1	CLE	C Coalition White Pages-Resale Issue 1:	
2	Should the following listings: unpublished, unlisted,		
3	foreign, enhanced or other listings in addition to the		
4 5	primary listing on a per listing basis, be		
6		charged the applicable tariff rate?	
7	CLE	C Coalition White Pages-Resale Issue 2:	
8		Should the rates applicable to this Appendix appear in the	
9		Price Schedule?	
10			
11			
12 13	Q.	WHAT IS YOUR UNDERSTANDING OF THE CLEC COALITION WHITE PAGES - RESALE ISSUE?	
14	A.	My understanding of this issue is that the CLEC Coalition is looking to have the	
15		resale discount applied to directory listings, and opposes SBC Missouri's	
16		proposed language which would apply the tariffed rate to those listings in	
17		question.	
18 19	Q.	WHY IS SBC MISSOURI PROPOSING TO CHARGE THE TARIFFED RATE FOR THE DIRECTORY LISTINGS IN QUESTION?	
20	A.	SBC Missouri is not required to apply the avoided cost discount to directory	
21		listings, therefore, SBC Missouri is cross referencing the applicable retail tariffed	
22		rates. SBC Missouri's proposed language should be adopted for this ICA.	
23 24	Q.	WHY DOES SBC MISSOURI BELIEVE THE RESALE WHITE PAGES RATES SHOULD BE SHOWN IN THE PRICING APPENDIX?	
25	A.	For purposes of consistency, all rates applicable to the ICA should be in one	
26		place, and that place is the Pricing Schedule. If the ICA has a Pricing Schedule, it	
27		is logical that that is the first place anyone looking for a rate for whatever is	
28		provided via the ICA would look. If the resale white pages rates were elsewhere it	

1		could only cause confusion. The rates should be placed in the Pricing Schedule		
2	with all the other rates applicable to the ICA.			
3	X.	BONA FIDE REQUEST (BFR)		
4	WIL	TEL UNE ISSUE 22		
5		Is SBC Missouri entitled to charge for processing Wiltel's BFR		
6		request?		
7		What response intervals should apply to the Parties within the BFR		
8		process?		
9	**/**	MEN LINE ICCLIE 44		
10	WIL	TEL UNE ISSUE 23		
11		Is it appropriate to include the undefined term of "materially"		
12 13		complete?		
14	CLE	C Coalition UNE Issue 39(a) and 39(b)		
15	CLL	(a)Should CLEC be required to submit drawings and locations		
16		with every BFR?		
17		(b) Should CLEC provide a date when interconnection is being		
18		requested?		
19				
20	CLE	C Coalition Issue 43		
21		What should the Final Quote include and how shall the price be		
22		determined?		
23				
24	CLE	C Coalition UNE Issue 40		
25		What charges must CLEC pay if it cancels a BFR?		
26				
27	0	WILL THE AG A DOMA THOSE DECAMENTS		
28	Q.	WHAT IS A BONA FIDE REQUEST?		
29	A.	Section 2.37.1 of the new CLEC Coalition/SBC Missouri Appendix UNE defines		
30		a BFR as follows:		
31				
32		"Bona Fide Request ("BFR") is the process by which		
33		CLEC may submit a request for SBC MISSOURI to		
34		provide access to a Network Element that is new,		
35		undefined, or part of a Commingled Arrangement not		
36		identified in Appendix, (a "Request"), that is required to be		
37		provided by SBC MISSOURI under the Act but is not		
38		available under this Agreement or defined in a generic		
39		appendix at the time of CLEC's request. CLEC may		
40		request and, to the extent required by law and as SBC		

2 3		provide Unbundled Network Elements through the BFR process"	
4		In simple terms, the BFR process is a means for CLECs to request unbundled	
5		network elements (including UNE functionalities and features); combinations of	
6		unbundled network elements or commingled arrangements that are not identified	
7		in the CLEC's ICA. Once the parties agree upon terms for the BFR request, the	
8		parties file the terms as an amendment to the CLEC's ICA for Commission	
9		approval. When these terms become effective, the same terms will be available	
10		other CLEC consistent with the Act's requirements.	
11 12 13	Q.	WHY SHOULD WILTEL BE RESPONSIBLE FOR REIMBURSING SBC MISSOURI FOR THE COSTS TO DEVELOP THE PRELIMINARY BFR QUOTE? [WILTEL UNE ISSUE 22]	
14	A.	The only reason SBC Missouri would incur any costs to develop a preliminary	
15		BFR quote is as a result of a specific request from the CLEC that submits the	
16		BFR. It is clear that the CLEC - here Wiltel is causing SBC Missouri to incur	
17		the costs to develop the quote, therefore, the CLEC should be responsible for	
18		reimbursing SBC Missouri.	
19 20 21	Q.	WHY DOES SBC MISSOURI REQUIRE UP TO 90 DAYS AFTER RECEIPT OF AUTHORIZATION FROM WILTEL TO PREPARE A FINAL QUOTE? [WILTEL UNE ISSUE 22]	
22	A.	SBC Missouri requires up to 90 days to develop the final quote based on the need	
23		for multiple work groups to complete their analysis of what will be required to	
24		satisfy Wiltel's request. The preliminary estimate is based on a high level review	
25		that determines technical feasibility, as well as some broad estimates of what	
26		would be required, and how long it may take to complete. Before SBC Missouri	
27		can prepare a final quote each of the work groups involved must look at the	

project in-depth, and determine specifically all the steps that will be required to complete the project. Wiltel's proposed requirement that the analysis be completed in 30 days would create the likelihood that SBC Missouri would not be able to complete the analysis necessary to properly scope out the project. The Commission should adopt SBC Missouri's proposal of 90 days (which is the same as in the expiring M2A) to provide the final BFR quote following acceptance of the preliminary quote from Wiltel.

It should be stressed that SBC Missouri's proposed language is for up to 90 days, which means that if SBC Missouri completes the analysis in a shorter time frame, it will provide Wiltel the quote at that time. SBC Missouri will not wait the full 90 days if the quote is available earlier.

12 Q. WHAT IS YOUR UNDERSTANDING OF THIS WILTEL UNE ISSUE 23?

- A. Wiltel is proposing language that would require SBC Missouri to begin the clock on a BFR request if Wiltel has submitted a BFR that is "materially complete".

 SBC Missouri objects to this proposal.
- 16 Q. WHY DOES SBC MISSOURI OBJECT TO WILTEL'S PROPOSED LANGUAGE? [WILTEL UNE ISSUE 23]
 - A. The reference to "materially complete" is much too vague. The submission of a complete BFR from a CLEC is the basis for starting the clock on the BFR timeframes. Who makes the determination as to what is materially complete? If Wiltel leaves off the CLLI code for one end of a UNE loop but has all the other information necessary to process the request for a commingling arrangement, would that be materially complete? Omitting such information would be critical in making a determination if such a facility exist that loop meets the eligibility requirements, and would render SBC Missouri helpless in completing its

preliminary analysis. The Commission must reject Wiltel's proposed language and require language that calls for a completed BFR request before SBC will begin processing the request.

4 Q. WHAT IS YOUR UNDERSTANDING OF CLEC COALITION UNE ISSUES 39(A) AND 39(B)?

A. The disagreement surrounding these issues appears to be one of degree.

Conceptually, I believe the parties are in agreement; however, there is disagreement as to the wording relative to UNE Issue 39A, and to the time frames in Issue 39B. In an effort to resolve these issues, SBC Missouri offers the following compromise language:

A.

CLEC may submit an Unbundled Network Element BFR in writing utilizing the Unbundled Network Element BFR Application Form, which will include a technical description of each requested Unbundled Network Element, drawings when reasonably necessary, locations where reasonably necessary, a reasonably requested date when interconnection is requested and the projected quantity of interconnection points ordered with a three (3) year demand forecast.

20 Q. WHAT IS YOUR UNDERSTANDING OF CLEC COALITION UNE ISSUE 43?

It appears that this issue is a case of the CLECs not understanding cost development under the BFR process. In the BFR process there are multiple types of charges involved. In one case, assuming SBC Missouri has agreed that the CLECs request is for a lawful UNE, SBC Missouri will develop TELRIC-based recurring and non-recurring charges. There does not appear to be any disagreement on this point. However, SBC Missouri also incurs costs to investigate the technical feasibility to develop the offering requested by the CLEC, since that UNE is not currently available in SBC Missouri's ordering,

1		provisioning, maintenance, and billing systems. In most cases these are time and
2		material related costs, and will be passed on to the requesting CLEC accordingly.
3		It appears that the CLECs are not aware of the distinction between the two types
4		of costs.
5 6	Q.	WHAT IS YOUR UNDERSTANDING OF THE DISPUTE IN UNE ISSUE 40?
7	A.	SBC Missouri is offering the same language as agreed to by the parties in Texas;
8		however, the CLEC Coalition is apparently disputing language requiring it to
9		reimburse SBC Missouri for costs incurred in implementing a BFR from the
10		CLEC Coalition that is subsequently withdrawn.
11 12	Q.	WHY SHOULD SBC MISSOURI'S PROPOSED LANGUAGE BE ADOPTED?
13	A.	SBC Missouri is not proposing to have the CLEC pay anything more than the
14		costs it has caused SBC Missouri to incur due solely to a BFR submitted by that
15		CLEC. SBC Missouri's proposed language requires it to demonstrate that these
16		costs have been incurred in the process of implementing the CLEC's BFR; and
17		the language also indicates that if the CLEC has put down a deposit upon issuing
18		the BFR, SBC Missouri would refund any of that deposit that is in excess of SBC
19		Missouri's costs to the point the BFR is withdrawn. This language is eminently
20		reasonable and should be adopted by this Commission.
21		
22	IV.	COMBINATIONS, COMMINGLING, and EELS
23 24 25 26 27 28		AT&T and CLEC Coalition UNE Issue 4 Must CLEC meet certain conditions in order to access and use any UNEs?

MCIm UNE Issue 43

Should the terms and conditions of conversion of wholesale service to UNE (section 6) be referenced in the EELs (section 22) of this Appendix?

A.

Q. WHAT IS YOUR UNDERSTANDING OF AT&T'S AND THE CLEC COALITION'S UNE ISSUE 4?

SBC Missouri provides language addressing conditions for accessing those UNEs that remain after the *TRO* and the *TRO Remand*. This language identifies the need for the CLEC's to be a telecommunication carrier (section 251(c)(3)), and that the CLECs must use Lawful UNEs for the provisioning of a telecommunication service, consistent with Section 251(c)(3); it also confirms that a CLEC must notify SBC Missouri if the CLEC ceases to be a telecommunications carrier. AT&T has offered no completing language, therefore, SBC Missouri's proposed language should be accepted.

The CLEC Coalition is proposing language that improperly seeks to expand the scope of SBC Missouri's statutory obligation to provide UNEs. For example, it is improper for a CLEC to include Section 271 terms and conditions in this Section 251 agreement, which is further discussed in UNE Issue 10.

Additionally, the FCC's orders and rules, including the *TRO* and the *TRRO* define the scope of an ILEC's obligations to provide UNEs, and the CLEC's ability to obtain and use UNEs and any limitations thereon. SBC Missouri anticipates that the CLEC may assert 47 CFR § 51.309(a) in support of its language. Rule 51.309(a) states that an ILEC shall not impose limitations, restrictions or requirements on UNEs for the service a CLEC seeks to offer, except as provided in Rule 51.318. The D.C. Circuit did not vacate the FCC's

mandatory eligibility criteria and certification requirements. For example, Rule 51.318(b) codifies the FCC's extensive ruling on mandatory eligibility criteria for access to certain combinations of unbundled network elements and to certain commingled arrangements.) Moreover, the D.C. Circuit concluded that those criteria were "reasonable" and "satisfactorily explained" even though the court vacated and remanded that portion of the TRO that excluded long distance as a "qualifying service" (USTA II, 359 F.3d at 592-93). Of course, the FCC's Errata in Rule 51.318 is exclusive, as the other statutory and FCC-established requirements and limitations continue to apply. For example, right under 51.309(a) in 51.309(b), the FCC prohibits the use of UNEs exclusively to provide long distance or mobile wireless services. Obviously, that Rule applies and must be given effect notwithstanding the limited express exception of 51.309(a). SBC Missouri's language should be adopted, as it simply carries forward the limitations imposed by federal law, particularly the FCC's regulations imposed by the TRO and the TRO Remand.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

A.

Finally, specific to Birch's proposed language, Sections 3.1.3, 3.1.4, 3.2, and 3.4 all address "qualifying service" criteria that was vacated by *USTA II*, and thus should be excluded from the ICA.

Q. WHY SHOULD SBC MISSOURI'S PROPOSED LANGUAGE IN MCIM UNE APPENDIX SECTION 22.2.1 BE ADOPTED? [MCIM UNE ISSUE 43]

SBC Missouri believes it is necessary to add its proposed introductory phrase to confirm that there are limitations to MCIm's language, in particular as it applies to establishing new circuits. As discussed above, the FCC has set forth certain criteria according to which network elements (in particular subsets of DS1 and

DS3 loops and dedicated transport) are no longer required to be offered as new
UNEs. SBC Missouri's proposed language simply ensures that those limitations
are recognized in this section of the ICA.

4 Q. HAS THE FCC SET FORTH ANY ELIGIBILITY CRITERIA FOR ORDERING HIGH CAPACITY EELS? [MCIM UNE ISSUE 11]

- A. Yes, paragraph 597 of the *TRO* set forth the mandatory eligibility criteria that must be satisfied before SBC Missouri is required to provide high-capacity EELs or high-capacity commingled arrangements. SBC Missouri has detailed these same criteria in language proposed in the ICAs. The language proposed by SBC Missouri reflects the fact that strictly speaking, EELs are a combination of unbundled loops and unbundled dedicated transport; if high capacity access services or facilities are included as a result of the new commingling obligation, the serving arrangement is not an EEL, but may qualify as what is sometimes referred to as a "commingled EEL." Essentially, the criteria specified in the *TRO*, as represented in SBC Missouri' proposed language, are as follows:
 - The CLEC (directly and not via an Affiliate) has received state certification to provide local voice service in the area being served or, in the absence of a state certification requirement, has complied with registration, tariffing, filing fee, or other regulatory requirements applicable to the provision of local voice service in that area.
 - Each circuit to be provided to each End User will be assigned a local telephone number (NPA-NXX-XXXX) that is associated with local service provided within an SBC MISSOURI local service area and within the LATA where the circuit is located ("Local Telephone Number"), prior to the provision of service over that circuit (and for each circuit, the CLEC will provide the corresponding Local Telephone Number(s) as part of the required certification); and

¹⁹ High-capacity refers to DS1 capacity or above.

²⁰ For example, in the SBC Missouri/AT&T ICA, SBC Missouri proposes the criteria in Appendix UNE, Section 2.12.2.2.

1 2 3 4		Each DS1-equivalent circuit on a DS3 EEL or on any other Included Arrangement, must have its own Local Telephone Number assignment, so that each DS3 must have at least 28 Local voice Telephone Numbers assigned to it; and
5 6		Each circuit to be provided to each End User will have 911 or E911 capability prior to the provision of service over that circuit; and
7 8 9		Each circuit to be provided to each End User will terminate in a collocation arrangement that meets the requirements of Section 2.12.3 of this Attachment Lawful UNE; and
10 11 12		Each circuit to be provided to each End User will be served by an interconnection trunk that meets the requirements of Section 2.12.4 of this Attachment Lawful UNE; and
13 14 15 16		For each 24 DS1 EELs, or other facilities having equivalent capacity, the CLEC will have at least one active DS1 local service interconnection trunk that meets the requirements of Section 2.12.4 of this Attachment; and
17 18		Each circuit to be provided to each End User will be served by a switch capable of providing local voice traffic.
19		
20	MCIm UNE Issue	2.44
21		Which Party's language better implements the EELs service
22		eligibility criteria requirements set forth in the Triennial Review
23		Order?
24		
25	CLEC Coalition U	UNE Issue 9 and Navigator UNE Issue 5:
26		How should the parties incorporate the mandatory eligibility
27		criteria applicable to certain combinations of hi-cap loops and
28		transport (EELs)?
29	ATE OTE LINE Towns	. OL
30 31	AT&T UNE Issue	
32		Is it appropriate to include in the ICA examples of the conditions for providing access to EELS?
33		for providing access to EELS:
34	Wiltel UNE Issue	15
35	Whitel CIVE Issue	Should this agreement that is between Wiltel and SBC Missouri
36		require that Wiltel and not its affiliate receive state certification
37		for the provision of voice service?
38		
39	Wiltel UNE Issue	16
40		Should the ICA contain specific eligibility requirements to obtain
41		EELs
42		

- Q. WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S
 PROPOSED LANGUAGE SETTING FORTH THE FCC'S MANDATORY
 ELIGIBILITY CRITERIA FOR HI-CAPACITY EELS IN MCIM UNE
 APPENDIX SECTION 22.3.1, CLEC COALITION UNE APPENDIX 2.20,
 AND WILTEL UNE APPENDIX SECTION 2.18? [MCIM UNE ISSUE 44;
 CLEC COALITION UNE ISSUE 9; AT&T UNE ISSUE 9B; WILTEL UNE
 ISSUES 15 AND 16]
- 8 A. The TRO, at paragraph 597 and with FCC Rule 51.318(b), sets forth the eligibility 9 criteria that must be met before SBC Missouri is required to provide high-capacity 10 EELs and certain high-cap commingled arrangements. SBC Missouri's proposed 11 language includes these same criteria and reflects the fact that EELs are a 12 combination of unbundled loops and unbundled dedicated transport. If each 13 component of the loop/transport combination (EEL) is not required to be 14 unbundled, then SBC Missouri should not be required to offer an EEL, although it 15 might have to provide a hi-cap commingled arrangement of UNEs and wholesale 16 facilities or services. In either event, the mandatory eligibility criteria specified in 17 the TRO, as represented in SBC Missouri's proposed language, would apply.
- 18 Q. WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S
 19 PROPOSED LANGUAGE REQUIRING WILTEL TO BE STATE
 20 CERTIFICATED TO PROVIDE LOCAL VOICE TRAFFIC RATHER
 21 THAN AN AFFILIATE? [WILTEL UNE ISSUE 15]
- 22 A. Paragraph 597 of the TRO was clear that the CLEC must have state certification 23 to provide voice traffic. The specific language says "First, we find that each 24 requesting carrier must have a state certification of authority to provide local 25 voice service." Indeed, Wiltel's issue is really seeking to have the Missouri 26 Commission reconsider and overrule an express FCC requirement in the TRO: 27 "We emphasize that the entity seeking to obtain the EEL must have direct 28 authorization to [provide local voice service], and cannot rely on certification 29 granted to an affiliate." TRO, ¶ 601. This is entirely consistent with the FCC's

underlying requirement of the 51.318(b)'s mandatory criteria—namely, that the CLEC "Actually Provid[e] Local Voice Service to the Customer Over Every Circuit." TRO, VII.B.2.b.(ii), the heading of para. 602. The Missouri Commission is simply not authorized to relieve Wiltel of this FCC-imposed requirement.

MCIm UNE ISSUE 45

8 Which Party's language better implements the EELs
9 certification requirements set forth in the Triennial Review
10 Order?

A.

Q WHAT IS YOUR UNDERSTANDING OF MCIm UNE ISSUE 45?

A. SBC Missouri is proposing language that is consistent with the method used by
other CLECs for providing certification information. MCIm is proposing a
process which would only work for MCIm, is different that anything being used
today, and would not benefit anyone other than MCIm. MCIm must not be
allowed to expect and receive special treatment. MCIm should be required to
follow the current efficient means that all other CLECs use.

O. WHY IS SBC MISSOURI PROPOSING ITS ESTABLISHED PROCESS?

The form SBC Missouri has proposed is quite similar in form/function to that which was previously used for similar conversions under the FCC's *Supplemental Order Clarification*, which addressed the conversion of special access service to EELs. To ensure provisioning and record keeping simplicity and maintenance (and to be able to administer all of that), SBC Missouri wants to use a uniform process for certifications, including both the form and method of transmittal. This is fundamentally no different than needing CLECs to submit orders using the same forms. SBC Missouri should not be required to try to administer a special

1 system that gives MCIm ultimate flexibility and alternatives, when there is an 2 already existing process that can easily be adopted without any legitimate inconvenience – much less any "undue burden" – to any CLEC. 3 4 5 MCIm UNE ISSUE 46 Which Party's language better implements the EELs 6 7 auditing requirements set forth in the Triennial Review 8 Order? 9 10 AT&T UNE ISSUE 9D 11 What terms and conditions should apply to SBC Missouri's 12 right to audit AT&T's compliance with the mandatory 13 eligibility criteria? 14 15 WILTEL UNE ISSUE 18 16 17 What terms and conditions should apply to SBC Missouri's 18 right to audit AT&T's compliance with the mandatory 19 eligibility criteria? 20 WHAT IS YOUR UNDERSTANDING OF MCIM UNE ISSUE 46? 21 Q. 22 A. SBC Missouri and MCIm have both provided language discussing the procedure 23 for auditing MCIm's compliance with the mandatory eligibility criteria, as 24 determined by the TRO. SBC Missouri's proposed language is more detailed, 25 identifying specifically what information MCIm will need to provide as well as 26 SBC Missouri's obligations to MCIm as a result of the audit. For these reasons, as 27 well as having a lesser chance for disputes and future litigation, SBC Missouri's 28 language should be accepted. 29 WHAT IS SBC MISSOURI PROPOSING? Q. 30 A. SBC Missouri's proposal for carrying out audits of the mandatory eligibility 31 criteria provides needed contractual detail and clarity. The parties cannot rely 32 upon the audit provisions in the General Terms, especially if the subject of the audit provisions are limited to billing and payment disputes. SBC Missouri is not suggesting anything that is unnecessary or contrary to the rules established by the FCC or the *TRO*'s audit provisions. Nothing that SBC Missouri proposes is unduly burdensome.

5 Q. WHY IS SBC MISSOURI'S PROPOSED EEL AUDIT LANGUAGE 6 PREFERABLE TO THE LANGUAGE PROPOSED BY AT&T AND 7 WILTEL? [AT&T UNE ISSUE 9D, WILTEL UNE ISSUE 18]

SBC Missouri's proposed language more closely tracks the *TRO* on audits including the costs thereof, provides increased certainty on the how they are to be conducted and what is to be done with the results. AT&T's approach neglects areas that should be covered by the ICA, including that AT&T apparently believes the sole "remedy" for its non-compliance is partial reimbursement of the audit expense and prospective compliance only. SBC Missouri's approach is a much more comprehensive and reasonable one, and should be adopted.

15

16

17

8

9

10

11

12

13

14

A.

MCIm UNE ISSUE 47

Should the contract contain a non waiver clause with respect to provisioning EELs?

18 19

Q. WHAT IS YOUR UNDERSTANDING OF MCIM UNE ISSUE 47 AND WHY SHOULD THE COMMISSION ACCEPT SBC MISSOURI'S PROPOSAL?

A. SBC Missouri is proposing language that requires MCIm to pledge to comply with the eligibility requirements in the FCC rules and in the ICA and to avoid any assertion of "waiver" or similar concepts if SBC Missouri provides an EEL or a commingled arrangement not eligible under 51.318(b), or that MCIm does not submit the required certification. Otherwise, SBC Missouri would be incented to impose rigorous procedures to ensure compliance because the alternative would

be that MCIm could claim waiver. This is also a legal issue, and will be discussed further in SBC Missouri's legal brief.

3

4

1

2

MCIm UNE Issue 5

When should SBC MISSOURI be permitted to separate previously combined UNEs?

7 8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

A.

Q. WHAT IS YOUR UNDERSTANDING OF MCIM UNE ISSUE 5?

This issue concerns MCIm's proposed language in UNE Appendix Section 2.2.10, in which MCIm's proposed language would prohibit SBC Missouri from ever breaking up a combination of network elements within SBC Missouri's network without MCIm's permission. That proposed language is so broad, it is absurd. It is one thing to say SBC Missouri is not permitted to break up a combination of network elements that MCIm wants to use as a UNE combination (provided those elements satisfy the requirements of being UNEs); SBC Missouri acknowledges its obligation under the applicable FCC rule, 51.315(b). It is quite another to say that SBC Missouri is not permitted to disassemble a combination of network elements somewhere in SBC Missouri's network that are not being used to provide service, in order to use those individual network elements to provide a service elsewhere. Adopting MCIm's language could disadvantage customers of SBC Missouri and customers of other CLECs who might not be able to get service under MCIm's proposed language MCIm's proposed language should be rejected, and SBC Missouri's proposed language acknowledging SBC Missouri's ability to reuse its network elements should be adopted.

AT&T and CLEC Coalition UNE Issue 5A; Wiltel UNE Issue 3a

May CLEC combine UNES with other services (including access services) obtained from SBC Missouri?

1					
2		AT&T and CLEC Coalition UNE Issue 5B; Wiltel UNE Issue 3b			
3		May CLEC use the functionality of a UNE "without			
4		restrict	restriction"?		
5					
6		MCIm UNE Issue 1	4:		
7			Should the obligation to commingle be restricted to the		
8			extent required by FCC's rules and orders?		
9					
10		CLEC Coalition UN	NE Issue 7and Navigator UNE Issue 4:		
11			Should SBC MISSOURI be required to provide or allow		
12			combinations of UNEs no longer required by applicable		
13			federal law?		
14					
15		Sprint UNE Issue 5			
16		•	Should the Parties include terms and conditions in the		
17			agreement that track the Verizon order?		
18					
19			Should the agreement contain provisions that would allow		
20			the CLEC to order elements that would put SBC Missouri's		
21			network at a disadvantage?		
22					
23			Should SBC Missouri be immediately relieved of any		
24			obligation to perform any non-included combining		
25			functions or other actions under this Agreement upon the		
26			effective date of any regulatory, judicial, or legislative		
27			action setting forth, eliminating, or otherwise delineating		
28			or clarifying the extent of an incumbent LEC's combining		
29			obligations?		
30					
31			Should the Lawful UNE Appendix contain clarifying terms		
32			and conditions on the negotiation timeline for a new		
33			conforming amendment to change of law event?		
34					
35		Wiltel UNE Issue 14	4		
36			Should SBC be required to combine elements including		
37			access services and non-qualifying services?		
38					
39					
40	Q.	WHAT IS YOUR U	INDERSTANDING OF THESE ISSUES?		
41	A.	The CLECs seek to	require SBC Missouri to combine network elements beyond		
42		and in addition to the	ose that are required to be unbundled.		

Q. WHY IS IT NECESSARY TO INCLUDE THE WORD "UNBUNDLED" WHEN DISCUSSING SBC MISSOURI'S UNE OBLIGATIONS UNDER THE ACT? [AT&T UNE ISSUE 5A; WILTEL UNE ISSUE 3A] 3

1

2

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

A.

Although this will be addressed in more detail in SBC Missouri's legal briefs, it is my understanding that "unbundled network elements," as used in the Act and by the FCC, are those "network elements" that ILECs have been ordered to unbundle based on a finding by the FCC that those particular network elements meet the "necessary" and "impair" standards for unbundling set forth in Section 251(d)(2) of the Act. Accordingly, "unbundled network elements" are a subset of "network elements" (which is a phrase separately defined by the Act, at 47 U.S.C. § 3(29)). As discussed by the Supreme Court in AT&T Corp. v. Iowa Utils. Bd., 119 S.Ct. 721 (1999), "[i]f Congress had wanted to give blanket access to incumbents' networks on a basis as unrestricted as the scheme the Commission has come up with [referencing the FCC's pre-TRO rule scheme], it would not have included § 251(d)(2) in the statute at all. It would simply have said . . . that whatever requested element can be provided must be provided."

When the term "Unbundled Network Element" or "Lawful UNE" is used in the ICA, it should be understood to refer only to those network elements that have been affirmatively determined by lawful and effective FCC rules and associated lawful and effective FCC orders and court decisions, to meet the criteria to be unbundled in accordance with the standards of Section 251(d)(2) of the Act and thus required to be provided pursuant to Section 251(c)(3). Many network elements are not "UNEs", whether as a result of the TRO or the TRRO or because the FCC has not affirmatively determined that they should be and, as such, access to those network elements may not lawfully be included in the ICAs

resulting from this arbitration. While SBC Missouri recognizes that it has an obligation to provide certain Section 271 checklist items, it is neither appropriate nor lawful to include the provisioning of Section 271 offerings in the context of a Section 251/252 negotiation and arbitration and ICA. Thus, SBC Missouri has not negotiated Section 271 obligations in the current ICA negotiation. The FCC has clearly stated these 271 offerings are interstate offerings, and subject to its jurisdiction. See, e.g., TRO, ¶ 656 and 662 which state that the applicable prices, terms and conditions for § 271 "network elements" are to be determined in accordance with 47 USC §§ 201(b) and 202(a). In the TRO, the FCC held that "section 251 and 271 . . . operat[e] independently." TRO, ¶ 655. Thus, "[w]here there is no impairment under section 251 and a network element is no longer subject to unbundling, we look to section 271 and elsewhere in the Act to determine the proper standard for evaluating the terms, conditions, and pricing under which a BOC must provide the checklist network elements," because section 251 no longer governs those rates, terms, and conditions. Id.¶ 656. And in particular, "section 271 . . . does not require TELRIC pricing." Id.¶ 659.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

In their proposed ICA language AT&T and other CLECs refuse to define terms relative to Section 251 UNEs. For example, AT&T seeks to require SBC Missouri to provide, combine and commingle "network elements" possessed by either party, without limiting that requirement to Section 251 UNEs, or otherwise include the federally-established limitations on UNE combining and commingling. AT&T's language is not only inconsistent with the *TRO* and the *TRRO* and the Supreme Court's *Verizon* decision, but is also a recipe for

confusion and future dispute. The parties should not be compelled to unbundle any network element, whether on a standalone basis or in combination, when there is no such requirement under FCC rules and associated FCC and judicial orders.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

By proposing that AT&T or any other CLEC may combine any UNE with "any other element facility, service, or functionality without restriction", AT&T's language could require SBC Missouri to combine non-251 network elements, including those network elements that have been declassified. As noted above, SBC Missouri has no such requirement to go beyond its UNE combining and commingling obligations. Further, AT&T's proposed language could be read to ignore limitations to the permissible uses of 251 UNEs as established by the FCC and the Courts. For example, the FCC has established the 51.318(b) mandatory eligibility criteria on the availability and use of high-capacity EELs and high-cap commingled arrangements. AT&T's language ignores the existence of those mandatory criteria. By referencing "network elements" rather than UNEs and by use of the "without restriction" language, AT&T could arguably require SBC Missouri to combine, for example, "enterprise market" local circuit switching with other UNEs or non-UNEs, which is a direct contradiction with the FCC's TRO, which held that "enterprise market" switching was not available on an unbundled basis. AT&T's overbroad proposed language requiring combinations of network elements must be rejected.

Additionally, while the *TRRO* has eliminated UNE dedicated transport and hi-cap UNE loops in some instances and thereby making the eligibility criteria

inapplicable in those instances (i.e., where the requisite network elements are no longer available as UNEs),

3 Q. SHOULD THE CLECS BE PERMITTED UNRESTRICTED ACCESS TO UNES IN ORDER TO PROVIDE SERVICE TO THEMSELVES? [AT&T UNE ISSUE 5B; WILTEL UNE ISSUE 3B]

6 A. As previously noted, UNEs may only be accessed for the provision of 7 "telecommunications services" and, as noted in my testimony, access to UNE 8 combinations or commingling must be consistent with FCC rules and orders, as 9 well as the standards enunciated in the Supreme Court's Verizon decision. The 10 Commission should reject all of the CLEC-proposed language. Most importantly, 11 the FCC has stated that UNEs/UNE combinations cannot be used "exclusively for 12 the provision of telecommunications services in the mobile wireless and long 13 distance markets." TRRO ¶ 5; FCC Rule 51.309(b). The CLEC's language 14 appears to provide a basis to avoid these and other FCC statements on the 15 permitted use of UNEs, and must be rejected.

16 Q. HOW SHOULD THE COMMISSION RESOLVE THESE ISSUES?

17

18

19

20

21

22

23

24

25

A. Each of the CLECs has proposed language (sections cited above) that would require SBC Missouri to permit the use of UNEs, UNE combinations, and commingled arrangements to an extent much broader than that required by its current obligations. In addition, the language seeks to impermissibly expand all of the CLECs' "commingling" ability. For example, AT&T wants the ICA to contain the right to commingle a UNE with any "service, or functionality" even though the commingling obligation is much narrower. FCC Rules 51.5, 51.309(e), (f). For these reasons, and because of the *TRO* and *TRRO* decisions and the associated FCC rules, the CLECs' proposed language should be rejected.

1 2 3 4	Q.	WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED LANGUAGE IN UNE APPENDIX SECTION 7.1 CLARIFYING THE COMMINGLING REQUIRMENTS ARE SUBJECT TO THE FCC'S RULES? [MCIM UNE ISSUE 14]		
5	A.	SBC Missouri is merely clarifying that any commingling obligations exist		
6		because of regulatory rules as described above. No harm can come from pointing		
7		that out in the contract at the beginning of the section on commingling.		
8				
9	AT&	T UNE Issue 7		
10		Should AT&T's use of UNEs and UNE combinations be limited to		
11		end user customers?		
12				
13	Q.	WHAT IS YOUR UNDERSTANDING OF AT&T UNE ISSUE 7?		
14	A.	AT&T's proposed language for Section 2.4 has been addressed in AT&T UNE		
15		Issue 5.		
16	AT&	T UNE ISSUE 13		
17		Should SBC require AT&T to submit a BFR for every		
18		commingling request?		
19		Should AT&T be charge a time and materials charge for		
20		commingling work done by SBC Missouri?		
21				
22	CLE	C COALITION UNE ISSUE 13		
23				
24		Should SBC require AT&T to submit a BFR for every		
25		commingling request?		
26				

1 2 3	MCI	m UNE ISSUE 17	When is the BFR the appropriate vehicle for submitting certain commingling requests?
5 6 7	BIRG	CH IONEX ISSUE U	NE APPENDIX SECTIONS 3.7 AND 3.7.1.5 Is SBC obligated to perform work without cost recovery, in order to facilitate CLEC Commingling?
8	NAV	IGATOR UNE ISSU	TE 6:
9 10 11			What are the appropriate service order charges for commingling requests that have yet to be developed or flow through?
12 13	Q.		UNDERSTANDING OF AT&T AND CLEC COALITION ND MCIM UNE ISSUE 17?
14	A.	The CLECs object	to submitting a BFR for any commingled arrangements for
15		which SBC Misson	uri has not yet developed an ordering process. In addition,
16		AT&T objects to b	eing subject to time and material charges designed to recover
17		the costs of perfo	rming the functions necessary to provide the commingled
18		arrangements.	
19 20 21	Q.	ARRANGEMENT	MISSOURI IDENTIFIED ANY COMMINGLED S THAT DO NOT REQUIRE A BFR FROM THE S UNE ISSUE 6, PART 2)
22	A.	Yes. At this time,	SBC Missouri has identified the following 11 commingled
23		arrangements that C	CLECs may order without submitting a BFR:
24 25 26 27		Inter 2. UNE	E DS0 Loop connected to a channelized Special Access DS1 office Facility, via a special access 1/0 mux E DS0 Loop connected to a channelized DS3 Special Access office Facility
28 29			E DS1 Loop connected to a non-channelized Special Access Interoffice Facility#
30 31			E DS1 Loop connected to a channelized Special Access DS3 office Facility, via a special access 3/1 mux#
32 33			E DS3 Loop connected to a non-channelized Special Access Interoffice Facility#
34 35		6. UNE High	E DS3 Loop connected to a non-concatenated Special Access her Capacity Interoffice Facility (e.g., SONET Service)#
36 37			E DS1 Dedicated Transport connected to a channelized Special ess DS3 channel termination#

1 8. UNE DS3 Dedicated Transport connected to a non-channelized 2 Special Access DS3 channel termination# 3 9. UNE DS3 Dedicated Transport connected to a non-concatenated 4 Special Access Higher Capacity channel termination (i.e., SONET 5 Service)# 6 10. Special Access DS0 channel termination connected to channelized 7 UNE DS1 Dedicated Transport, via a 1/0 UNE mux 8 Special Access DS1 channel termination connected to non-11. 9 channelized UNE DS1 Dedicated Transport# 10 Special Access DS1 channel termination connected to channelized 12. UNE DS3 Dedicated Transport, via a 3/1 UNE mux# 11 12 13 Each of these arrangements are identified in SBC Missouri's CLEC Handbook 14 found on CLEC Online. At the time this testimony is being submitted, as the 15 CLEC Handbook indicates, SBC Missouri is still performing testing to ensure the 16 processes for offering these commingled arrangements will work properly for any 17 of the commingled arrangements listed above that have a "#" sign . SBC Missouri 18 will continue to evaluate other commingled arrangements that may be ordered 19 without going through the BFR process, and any such additional commingled 20 arrangements will be added to the CLEC Handbook as they become available. 21 0. WHY IS SBC MISSOURI REOUIRING THE SUBMISSION OF A BFR 22 FOR COMMINGLED ARRANGEMENTS OTHER THAN THOSE 23 **DESCRIBED ABOVE?** 24 A. A BFR is required when a CLEC requests a UNE, UNE combination, or 25 Commingled Arrangement that is not currently available (either for ordering or 26 provisioning). This is unlike circumstances involving commonly requested UNE 27 combinations (such as the UNE-P as previously available), where a substantial 28 amount of preparatory work has already been performed so that SBC Missouri 29 could accept orders for them, provision them, bill them, maintain them, etc. In

the case of Commingled Arrangements, none of the parties have ever worked with

the new obligation to provide "commingling." SBC Missouri has been hard at work creating the supporting infrastructure (processes; methods and procedures, or "M&Ps", which are internal instructions for SBC Missouri personnel that set forth how to effectuate the request in the appropriate manner, etc.) so that it can accept orders for certain commingling arrangements that SBC Missouri believes CLECs are most likely to want in light of the *TRO* and the *TRRO* decisions. Commingling is more complicated than AT&T appears to think. It is not simply a matter of changing billing rates.

A.

SBC Missouri would prefer to mechanize where it is efficient to do so but, as with UNE combinations, developing commingling so that the arrangements sought most frequently can be developed for ordering, provisioning, and maintaining takes time. And even then, as with UNE combinations, not every theoretically possible variation of commingling can be anticipated or should be developed in advance of an actual request or demand. For some possible commingling arrangements, the BFR will remain the most efficient manner to deal with them, particularly in the initial stages of commingling being available.

Q. WHY SHOULD THE COMMISSION FIND THAT THE BFR IS AN APPROPRIATE VEHICLE FOR REQUESTING NEW COMMINGLING ARRANGEMENTS FOR WHICH SBC HAS NO ORDERING PROCESSES IN PLACE?

Recognizing the uncertainty that exists surrounding commingling, the Commission should confirm that the BFR process is the fair, efficient and appropriate means for addressing the unknown requests that will be, initially, made by CLECs. As specific recurring commingling arrangements are identified, and ordering and billing processes are put in place for those arrangements, the

BFR will no longer be required. However, when a new commingling arrangement is ordered, the BFR process is necessary, just as it would be if ordering a new UNE combination.

This process closely follows the approach taken with UNE combinations. In that context, SBC Missouri has had a list of UNE combinations that have become readily available and that could be ordered, provisioned, etc., whether on a conversion basis (existing arrangement) or must be actually freshly connected (i.e., new UNE combination). Notably, that list did not spring fully formed in February 1996, when the 1996 Act became effective, but rather was the result of work over time. And UNE combinations that were not listed have been required to be requested by a CLEC via BFR. That already-existing method – use of list and BFRs – meets SBC Missouri's UNE combining obligations and satisfies SBC Missouri's commingling obligations as well.

The Commission should adopt SBC Missouri's proposed language.

Navigator UNE Issue 8

16 Is it appropriate for Navigator to submit the costs 17 associated with the BFR before requiring SBC Missouri to 18 implement the BFR request?

Q. WHY IS SBC MISSOURI PROPOSING LANGUAGE STATING THAT IT WILL NOT COMPLETE PROVISIONING OF A BFR REQUEST UNTIL IT HAS RECEIVED PAYMENT FOR THE FINAL QUOTE?

A. The only reason SBC Missouri would be incurring the cost of developing and provisioning a new UNE is due to the CLEC's request. Therefore, SBC Missouri is simply ensuring that by requiring payment of the final quote in advance the

²¹ That list was affected by the *TRO*, *USTA II* and the *TRO Remand*, which eliminated many of the UNEs that comprised the available UNEs (e.g., unbundled switching, entrance facilities, dark fiber loops and some unbundled dedicated transport and high-cap unbundled loops) and listed UNE combinations (UNE-P, and some EELs).

1		CLEC will actually order the new UNE. SBC Missouri is concerned that CLECs
2		would not follow-through with the new UNE, and SBC Missouri will have
3		incurred the costs for no reason, or without sufficient volumes to recover the costs
4		incurred in the development process.
5 6 7 8	Q.	WHY SHOULD CLECS BE RESPONSIBLE FOR REIMBURSING SBC MISSOURI FOR COSTS INCURRED IN PROVIDING THE COMMINGLED ARRANGEMENTS? [AT&T UNE ISSUE 13, NAVIGATOR UNE ISSUE 6, BIRCH/IONEX UNE APPENDIX SECTION]S 3.7 AND 3.7.1.5)
9	A.	When a CLEC requests a commingled arrangement, SBC Missouri is required to
10		perform certain work activities that are not included in its rates for the
11		components being commingled. SBC Missouri should not be expected to incur
12		these costs without being reimbursed by the party causing the cost, i.e., the
13		requesting CLEC.
14		
15 16 17 18	AT&	Γ, CLEC Coalition UNE Issue 9 Should the ICA contain specific eligibility requirements to obtain EELs when USTA II has vacated any EEL requirement?
19 20		INCLUDED: [ATTACHMENT 27, OPERATIONS SERVICE SUPPORT (OSS) ISSUE 2; CONTRACT REFERENCE 5.7]
21 22	Q.	WHAT IS YOUR UNDERSTANDING OF UNE ISSUE 9?
23	A.	SBC Missouri opposes AT&T and CLEC Coalition's proposed ICA language that
24		would require SBC Missouri to provide combinations of loop and dedicated
25		transport (EELs) in those situations where each of the component parts are not
26		UNEs pursuant to the FCC's rules resulting from the TRRO.
27 28	Q.	WHY DOES SBC MISSOURI OPPOSE THE CLEC'S PROPOSED LANGUAGE?
29	A.	In the TRRO, the FCC determined that under certain circumstances unbundled
30		access to DS1 and/or DS3 loops, and to DS1 and/or DS3 dedicated transport is no

longer required. Without both an unbundled loop and unbundled dedicated transport (UDT), there can be no EEL combination.

A.

A.

SBC Missouri also objects to language in AT&T's Section 2.10.5 that essentially sets up a change in law provision when the parties have already negotiated (and are arbitrating portions of) a change in law provision that they have agreed is applicable to the entire agreement. This additional clause is unnecessary and creates a very high risk of inconsistency and future disputes.

Q. DOES AT&T ACCURATELY ADDRESS THE FCC'S RULE 51.318(B)?

No, AT&T does not. It is my understanding that Rule 51.318(b) sets forth specific criteria for access to certain UNE combinations (EELs) and certain commingled arrangements. I understand that those criteria are in addition to, and not in lieu of, other FCC restrictions on the constituent UNEs. FCC Rule 51.318(b) was not vacated by *USTA II*, but instead expressly allowed the mandatory eligibility criteria and certification requirements to stand. *USTA II*, at 593 The D.C. Circuit concluded that the FCC's EEL eligibility criteria were "reasonable" and "satisfactorily explained" even though the court remanded that portion of the TRO dealing with special access conversions to UNEs. *USTA II*, 359 F.3d at 592-93.

Q. HOW SHOULD THE COMMISSION RESOLVE THIS ISSUE?

Given that some high-capacity EELs are no longer available after the *TRO Remand*, the terms and conditions in an interconnection agreement relative to EELs must clarify that such EELs are only available where the component network elements are also available as UNEs as required by the FCC's rules

1	issued under the TKO Kemana, and then subject to the FCC's mandatory
2	eligibility criteria (51.318(b))
3	Finally, it is my understanding that the CLECs are incorrect when they
4	suggest that a State commission has the authority to modify the FCC's rules. As l
5	understand it, nothing in the Act provides for any State modifications to rules
6	implementing the Act. Any State commission attempt to exempt or relieve
7	AT&T obligations would unquestionably be contrary to and inconsistent with
8	controlling federal law in direct violation of Section 261(c) of the Act.
9 10	
11 12 13 14	AT&T UNE Issue 10and CLEC Coalition UNE Issues 10 and 68 Is SBC Missouri obligated to allow commingling of 47 USC 271 checklist items UNEs?
15	MCIm UNE Issue 20
16 17	Is SBC Missouri obligated to allow commingling of section 271 checklist items?
18 19 20 21	AT&T UNE Issue 3a, CLEC Coalition UNE Issue 3 and Wiltel UNE Issue 10 Should SBC be obligated to provide combinations or commingled elements involving Declassified Elements?
22 23	Wiltel UNE Issue 13
24 25 26	Should SBC be required to commingle network elements that are not Lawful UNEs?
27 28 29 30	ALSO INCLUDED: [ATTACHMENT 8, MAINTENANCE CC UNE ISSUE 83: 1) SHOULD REFERENCES TO COMMINGLED ELEMENTS BE INCLUDED IN THIS ATTACHMENT?]
31	

Q. WHAT IS YOUR UNDERSTANDING OF THESE ISSUES?

1 A. These issues have to do with the CLECs' proposals to include language including
2 facilities, services or functionalities required under Section 271 of the Act as part
3 of SBC Missouri's commingling obligation.

4 Q. WHY SHOULD THE COMMISSION ACCEPT SBC MISSOURI'S PROPOSED LANGUAGE?

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

A.

Although this issue will be addressed in more detail in SBC Missouri's legal briefs, it is my understanding that the USTA II court upheld the FCC's decision not to require ILECs such as SBC Missouri to combine (commingle) Section 271 checklist items with Section 251 UNEs. See USTA II, 359 F.3d at 589-90. As explained by the FCC at ¶ 655, n.1990 of the TRO, the Section 251(c) combining obligation does not require SBC Missouri to perform the combining function for CLECs with respect to network elements under Section 271, and the FCC declined to impose any such obligation with respect to network elements under 271. The FCC held that section 271 checklist items are not governed by Section 251 of the 1996 Act, but instead are governed by "the standards set forth in sections 201 and 202" of the 1934 Communications Act. TRO, ¶ 656. See also id, ¶ 662 ("[i]f a checklist network element does not satisfy the unbundling standards in section 251(d)(2), the applicable prices, terms and conditions for that element are determined in accordance with sections 201(b) and 202(a)."). Those sections do not provide jurisdiction to state commissions, but instead grant the FCC certain powers and jurisdiction. Thus, the FCC held, "[w]hether a particular checklist element's rate satisfies the just and reasonable pricing standard of section 201 and 202 is a fact-specific inquiry that the Commission [i.e., the FCC] will undertake in the context of a BOC's application for section 271 authority or in an enforcement proceeding brought pursuant to section 271(d)(6)." Id., ¶ 664. See also Coserv v. Southwestern Bell Tel. Co., 350 F.3d 482 (5th Cir. 2003) (holding that an ILEC is only required to negotiate for inclusion in an interconnection agreement those items required by Section 251(b) and (c)).

The *TRO*, at ¶584, initially provided that "...we require that incumbent LECs permit commingling of UNEs and UNE combinations with other wholesale facilities and services, including any network elements unbundled pursuant to section 271 and any services offered for resale pursuant to Section 251(c)(4) of the Act." [Emphasis added]. However, in the Errata to the *TRO*, the FCC removed from that sentence, as an error, the reference to "any network elements unbundled pursuant to Section 271." As a result, the *TRO* now reads: "...we require that incumbent LECs permit commingling of UNEs and UNE combinations with other wholesale facilities and services, including [DELETION BY ERRATA] any services offered for resale pursuant to Section 251(c)(4) of the Act." By carefully deleting this erroneous language requiring commingling with 271 network elements, the FCC made it clear that SBC Missouri is not required to combine or commingle Section 271 network elements with Section 251 UNEs. The *USTA II* Court upheld that decision. (*USTA II*, at 589-590.)

In the same vein, a CLEC is not allowed to "convert" a service that comprises UNEs and Section 271 checklist items into a Commingled Arrangement. This Commission should not permit AT&T to establish a "loophole" that circumvents the *TRO* and *USTA II*. In addition, as discussed above, the *USTA II* decision vacated not only the piece-parts of EELs (e.g., the

1	unbundling requirement for dedicated transport), but also the FCC's conversion
2	requirements, at least as they apply to EELs. See USTA II, 359 F.3d at 593.
3	It should be noted that SBC Missouri did not negotiate regarding Section
4	271 checklist network elements in its negotiations with CLECs under Section 251
5	and 252 leading up to this arbitration since such negotiations were not required by
6	Section 251 or 252. ²²
7	Q. HOW SHOULD THE COMMISSION RESOLVE THESE ISSUES?
8	A. The Commission should accept SBC Missouri's proposed language, which
9	clarifies any misconceptions regarding the absence of an obligation to commingle
10	Section 271 checklist items with Section 251 UNEs.
11 12 13 14 15 16 17 18 19 20 21 22	What is the appropriate commingling order charge that SBC Missouri can charge AT&T? SBC Missouri Issue Statement: (1) Where processes for Commingling are not already in place, should SBC Missouri be permitted to develop and implement such processes? (2) Are the applicable Change Management guidelines the appropriate method for establishing new OSS systems changes, if any, for OSS functions related to Commingling?
23 24 25 26 27	CLEC COALITION UNE ISSUE 11 What is the appropriate commingling order charge that SBC can charge CLEC?
28	O. WHAT IS YOUR UNDERSTANDING OF UNE ISSUE 11?

Q. WHAT IS TOOK CIDENSTAILDING OF CIVE ISSUE IT.

²² See Section 251(c)(1) of the Act, which limits the ILECs duty to negotiate to the negotiations of "terms and conditions of agreements to fulfill the duties described in paragraphs (1) through (5) of subsection (b) and this subsection." The provision of Section 271 network elements is not included in those referenced duties. See also *Coserv v. Southwestern Bell Tel. Co.*, 350 F.3d 482 (5th Cir. 2003) (holding that an ILEC is only required to negotiate for inclusion in an interconnection agreement those items required by Section 251(b) and (c)).

A. SBC Missouri proposes language that would entitle it to recover costs for processes that may have to be developed or modified to meet new commingling requests by the CLECs. The CLEC proposed language appears to deny compensation to SBC Missouri for these new, yet-to-be-developed processes by stating any charges would be pursuant to the ICA or tariff. However, if no process is yet in place, it is hard for SBC Missouri to understand how the ICA or tariff would have charges in place.

A.

8 Q. WHAT IS SBC MISSOURI'S RESPONSE TO THE CLECS ON THIS ISSUE?

SBC Missouri is entitled to recover the cost of work performed on behalf of any CLEC. There are no rules that require (or authorizes the Commission to require) SBC Missouri to perform commingling activities on CLEC's behalf for free.

Based on the change management process, the timing involved, and the work required, SBC Missouri makes every effort to mechanize its ordering and provisioning systems where mechanization is cost-effective. However, a mechanized process is not always available. Unless mechanized processing is available, SBC Missouri expends additional manual resources to complete CLEC requests for which it is entitled to be compensated. For example, converting an existing telecommunications service to a UNE combination falls outside the scope of a "mere" billing change. Depending on the particulars of the conversion, a CLEC will need to issue the appropriate disconnect and install orders to ensure the sought-after Commingled Arrangement is provisioned as requested, then inventoried, billed and maintained as needed, while at the same time ensuring that

the previously existing service is correspondingly removed from inventory systems, account information, and billing.

Where manual effort is involved to meet a CLEC's request, it is appropriate for SBC Missouri to be fully compensated, at a manual rate, for the service order and record change charges where they are made manually. SBC Missouri has every incentive to mechanize manual requests as quickly as possible because requests that must be handled manually in SBC Missouri's Local Service Center ("LSC") may be relatively inefficient.

Q. DOES SBC MISSOURI HAVE ANY ADDITIONAL CONCERNS REGARDING THE CLEC COALITION'S PROPOSED LANGUAGE?

Yes. To the point raised in this issue, the terms, conditions and rates evolving from the completion of these new processes need to be added to the ICA, rather than moving between the ICA and a tariff. The adoption of the CLEC proposed use of the term "applicable under Commission-approved tariffs or this interconnection agreement" may lead to CLEC claims that SBC Missouri has to make processes available and not be permitted to charge for the work performed by SBC Missouri. And as a more practical matter, SBC Missouri has no tariffs for UNEs, so the CLEC's proposed language has no meaning.

SBC Missouri also contests the CLECs' language that implies that SBC Missouri will delay implementation of its commingling obligations. As noted elsewhere in my testimony, SBC Missouri is making every effort to institute processes to ensure the CLECs may order the requested commingling arrangements, presuming such commingling arrangements meet the FCC's requirements.

requirements.

A.

Q. HOW SHOULD THE COMMISSION RULE ON THIS ISSUE?

2 A. SBC Missouri's language regarding the cost recovery for work completed at the 3 request of any CLEC should be adopted. SBC Missouri is entitled to be paid for 4 the work and resources it puts into the project for any CLEC's benefit. SBC 5 Missouri is not required to donate its work effort to CLECs, especially when, as 6 here, it is done solely to benefit CLECs. AT&T's proposed language should be 7 rejected because it supports the misconception that all product offerings are flow-8 through eligible (e.g., capable of being mechanized to completion without any 9 Moreover, AT&T argues that UNE combinations and manual intervention). 10 commingled arrangements should be immediately available for ordering, 11 provisioning and billing. This is simply not possible, nor is it reasonable, as 12 explained above. Some previous product offerings (complex products like Centrex, 13 PRI and BRI ISDN) were not flow-through eligible, and required manual 14 intervention by the LSC or other SBC Missouri departments. Even though some 15 UNE combinations and commingled arrangements may be mechanized to a degree, 16 some manual intervention may be necessary.

AT&T and CLEC COALITION UNE Issue 12

Under what circumstances is SBC obligated to perform the functions necessary to commingle a UNE or combination?

19 20 21

17

18

1

MCIm UNE Issue 15

What should be the definition and scope of Commingling?

222324

25

MCIm UNE Issue 16

Under what circumstance is SBC Missouri obligated to perform the functions necessary to carry out commingling?

26 27 28

29

30

Wiltel UNE Issue 6(a) and 6 (b)

(a) Are there limited situations in which the FCC required the ILEC to do combining for the CLEC?

1 2 3		(b) Is it reasonable to include language that clarifies the obligations of both Parties in regards to performing the physical act of combining?
4		
5	Wilt	el UNE Issue 7(b)
6		Is it reasonable to include reference to the conditions set forth in
7		Verizon for the combining obligations?
8	XX 7*14	
9 10	WIII	el UNE Issue 11 and Sprint UNE Issue 6, Part 1:
11		Under what circumstances is SBC obligated to perform the functions necessary to commingle a UNE or combination?
12		functions necessary to comming to a OTVE or combination.
13	Spri	nt UNE Issue 5:
14 15	•	Should the Parties include terms and conditions in the agreement that track the Verizon order?
16		Should the agreement contain provisions that would allow
17		the CLEC to order elements that would put SBC Missouri's
18		network at a disadvantage?
19		
20		Should SBC Missouri be immediately relieved of any
21		obligation to perform any non-included combining
22 23 24 25		functions or other actions under this Agreement upon the
23 24		effective date of any regulatory, judicial, or legislative action setting forth, eliminating, or otherwise delineating
2 4 25		or clarifying the extent of an incumbent LEC's combining
26		obligations?
27		
28		Should the Lawful UNE Appendix contain clarifying terms
29		and conditions on the negotiation timeline for a new
30		conforming amendment to change of law event?
31		
32	Q.	WHAT IS YOUR UNDERSTANDING OF THESE ISSUES? [AT&T, CLEC
33		COALITION UNE ISSUE 12; MCIM UNE ISSUES 15 AND 16; WILTEL
34		UNE ISSUES 6A, 6B, 7B, AND 12; SPRINT UNE ISSUE 5, PARTS 1 AND 2]
35	A.	These issues deal with SBC Missouri's obligations for UNE combining and
36		"commingling" as defined by the FCC. SBC Missouri objects to AT&T's
37		proposed language requiring SBC Missouri to perform the functions of combining
38		the commingled elements upon AT&T's request; AT&T objects to SBC

Missouri's proposed language incorporating the *Verizon* decision, which limited the circumstances under which SBC Missouri has such a requirement.

SBC Missouri proposes language that clarifies when SBC Missouri is not required to perform the commingling and/or UNE combining function. For example, SBC Missouri should not be required to perform the functions necessary to commingle -- and/or combine UNEs -- if the CLEC request falls within a Verizon exception;²³ specifically: (a) if the commingling or UNE combination is not technically feasible;²⁴ including that network reliability and security would be impaired;²⁵ or (b) if SBC Missouri's ability to retain responsibility for the management, control, and performance of its network would be impaired;²⁶ or (c) if SBC Missouri would be placed at a disadvantage in operating its own network;²⁷ or (d) if it would undermine the ability of other telecommunications carriers to obtain access to UNEs or to interconnect with SBC Missouri's network.²⁸ Also, SBC Missouri's obligation exists where a CLEC is a new entrant and while initially unaware that it needs to commingle to provide a telecommunications service, 29 that CLEC has been informed by SBC Missouri of such need to commingle.

These regulatory limitations should apply equally in circumstances where

a CLEC seeks to commingle UNEs (standalone or otherwise) with

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

²³ Verizon at 1685-1687.

²⁴ 47 CFR § 51.315(c)(1).

²⁵ Verizon, 122 S.Ct. 1646, 1685.

²⁶ *Verizon* at 1685.

²⁷ *Verizon* at 1687.

²⁸ 47 CFR §51.315(c)(2).

²⁹ *Verizon* at 1686.

telecommunications services and facilities obtained at wholesale from SBC

Missouri, as well as when the CLEC requests that SBC Missouri perform the

functions necessary to commingle.

Q. BRIEFLY RESTATE SBC MISSOURI'S OBLIGATIONS REGARDING UNE COMBINING AND COMMINGLING. [AT&T, CLEC COALITION UNE ISSUE 12; MCIM UNE ISSUE 16; WILTEL UNE ISSUE 12; SPRINT UNE ISSUE 5, PARTS 1 AND 2]

Although this will be addressed in more detail in SBC Missouri's legal briefs, it is my understanding that SBC Missouri's obligation to commingle UNEs (whether stand-alone or combined), as defined by the FCC in its rules and the *TRO*, including at ¶579 and 584, with facilities or telecommunications services obtained by the CLEC at wholesale from SBC Missouri is narrower than AT&T's proposed language would indicate, and narrower than SBC Missouri's obligation to combine UNEs – and certainly is no greater than its UNE combining obligation, as the CLECs apparently believe.

"Commingling", in short, is connecting a UNE with a telecommunications service or facility obtained at wholesale from SBC Missouri.³⁰ "Combining", on the other hand, is the connecting of one UNE with another UNE, or with an element possessed by the CLEC.³¹ The FCC used essentially the same language in imposing the "commingling" obligation on ILECs as it used in imposing the UNE combining obligation – "perform the functions necessary to." (Compare 47 CFR §51.309(f) on commingling with §51.315(c) and (d) on combinations.) This clearly indicates that an ILEC's commingling obligations are of similar scope as its UNE combining obligation. Certainly, the commingling obligation should not

A.

³⁰ 47 CFR § 51.309 (f).

³¹ 47 CFR § 51.315.

be of a greater scope given the authority relied upon by the FCC in imposing the new commingling obligation, and reasons provided for now permitting commingling. The obligation to combine UNEs is statutory, "[b]ased on the nondiscrimination requirements of Section 251(c)(3)..."³² But with commingling, the FCC acted under its general authority and determined that "...section 251(c)(3) of the Act grants authority for the Commission to adopt rules to permit the commingling of UNEs and combinations of UNEs with wholesale services, including interstate access services."33 Since both combinations and commingling are based on Section 251(c)(3), the same technical feasibility and nondiscrimination requirements imposed by Section 251(c)(3) logically and rationally apply to both UNE combinations and commingling. Accordingly, the Verizon limitations should apply also to commingling and, frankly, some seem to be indisputably necessary, and a matter of simple common sense (technical infeasibility, impairing SBC Missouri's network, undermining other CLEC's ability to interconnect or access UNEs).

Thus, neither UNE commingling nor combining are permitted (and SBC Missouri is not obligated to combine or commingle) if technically infeasible, if it would harm network reliability or security, or if it undermines another CLEC's ability to access UNEs or interconnect. The FCC did not indicate that there were to be less limitations on the ILEC's commingling obligations than the *Verizon* limitations on UNE combining obligations, particularly inasmuch as the FCC used the same language in its commingling rule and both the commingling and

_

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

³² TRO ¶ 573.

³³ TRO ¶ 581.

UNE combining obligations are based upon Section 251(c)(3). Accordingly, those limitations, including the limitations discussed by the United States Supreme Court in *Verizon*, should apply to commingling and be expressly included in the ICA.

In a related matter, the ICA's UNE combination provisions (regarding both obligations and qualifications) do not somehow cease to apply just because the UNE combination is also commingled. Accordingly, SBC Missouri has proposed language that clarifies that the UNE combinations language still applies to a UNE combination even though that combination is also involved in a commingled arrangement. SBC Missouri's language should be adopted to add that needed certainty.

Q. DO THE FCC'S REQUIREMENTS AND LIMITATIONS ON UNES, UNE COMBINATIONS, AND COMMINGLING APPLY TO A CLEC WHEN IT IS DOING THE COMBINING AND/OR COMMINGLING FOR ITSELF?

Absolutely. The FCC's and *Verizon* limitations do not apply only when SBC Missouri is performing the functions necessary to combine UNEs and/or commingle UNEs with SBC Missouri wholesale facilities or services, or when the UNE combination is considered pre-existing. Those limitations apply generally, and without qualification regardless of which party is doing which functions. As a pre-condition to making or obtaining such an UNE combination or commingled arrangement, the FCC's requirements must be met (including FCC Rule 51.318(b) if it were to be applicable).

A.

AT&T and CLEC COALITION UNE Issue 14

Should the ICA set forth specific requirements for commingling?

1	MCI	m UNE Issue 14
2 3		: Should the obligation to commingle be restricted to the extent required by FCC's rules and orders?
4		
5		
6 7	Q.	WHAT IS YOUR UNDERSTANDING OF THESE ISSUES?
8	A.	SBC Missouri is proposing language regarding the legal requirements and
9		obligations for commingling.
10	Q.	WHY IS IT NECESSARY TO INCLUDE THIS LANGUAGE?
11	A.	SBC Missouri believes that this language is necessary within the commingling
12		section of the ICA because it specifically details what both SBC Missouri and a
13		CLEC's obligations are for commingling. The AT&T and CLEC Coalition ICAs
14		with SBC Missouri have proposed language by SBC Missouri specifically stating
15		that SBC Missouri:
16		"shall not be obligated to Commingle network elements that do not
17		constitute required UNEs under 47 U.S.C. § 251(c)(3) (including those
18 19		network elements no longer required to be so unbundled), or where UNEs are not requested for permissible purposes".
20		It also states, quite clearly that:
21		"if AT&T (CLEC) does not meet the applicable eligibility criteria or, for
22		any reason, stops meeting the eligibility criteria, including Statutory
23		Conditions for a particular UNE involved or to be involved in a
24		Commingled Arrangement, AT&T (CLEC) shall not request such
2526		Commingled Arrangement or continue using such Commingled Arrangement."
27		SBC Missouri's proposed ICA with MCIm has similar language which states:
28		"Subject to the provisions of this Agreement (including
29		Sections 21 (Lawful UNE Combinations) and 22
30		(Enhanced Extended Loops) of this Appendix), SBC
31		MISSOURI shall permit MCIm to Commingle a Lawful
32 33		UNE or a combination of Lawful UNEs with facilities or services obtained at wholesale from SBC MISSOURI to
33 34		the extent required by FCC rules and orders."

1		In order to prevent future misunderstanding of each of the parties' respective
2		obligations, the language is relevant and needs to be included.
3 4 5 6 7	Wilte	I UNE ISSUE 17 Should Collocation be a requirement for combination and commingling?
8 9 10	Q.	WHAT IS YOUR UNDERSTANDING OF THE ISSUE AND WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED LANGUAGE IN WILTEL UNE APPENDIX SECTION 2.18.2.2.7?
11	A.	Wiltel is contesting SBC Missouri's proposed language requiring any
12		combination of UNEs or commingled arrangement of loop and transport that does
13		not meet the collocation requirement set forth in §51.318(b) of the FCC's rules.
14		As noted in my discussion of the FCC's eligibility requirements, this collocation
15		requirement was set forth in the TRO, and SBC Missouri is unaware of why
16		Wiltel should object to a reference to the rule in this section of the ICA. The
17		Commission should adopt SBC Missouri's proposed language.
18		
19 20 21 22		AT&T UNE Issue 9a What is the definition of an EEL and should the ICA contain specific eligibility requirements to obtain EELs?
23		CLEC COALITION UNE Issue 15 How should EELs be defined in the ICA in light of the TRRO?
24 25 26 27 28		MCIm UNE Issue 42 Should MCIm's definition of high-capacity EELs be included in the agreement?
30	Q.	WHAT IS YOUR UNDERSTANDING OF THESE ISSUES?
31	A.	These issues concern whether SBC Missouri's or any of the CLEC's definitions
32		of EELs should be adopted

1	Q.	WHY DOES	SBC	MISSOURI	DISPUTE	THE	VARIOUS	CLEC
2		PROPOSED DI	EFINIT	TIONS FOR E	ELS?			
3	A.	The CLECs' pro	posal is	s inappropriate	for a variety o	of reason	s. First, for e	xample.

A. The CLECs' proposal is inappropriate for a variety of reasons. First, for example, AT&T has created its own definition of an EEL. AT&T's language is unclear and does not track the FCC's definition, which was set forth in the *TRO* and FCC Rule 51.5. Second, AT&T's language suggests that a stand-alone unbundled loop, or even multiplexing could be an EEL (i.e., "EEL consists of, at AT&T's option, any one or more of the following"). AT&T's proposal also includes a point-to-point configuration in the definition, which is also contrary to the FCC's new rule regarding high-cap EELs, 47 CFR § 51.318(b)(2)(iv). This rule specifically requires that each high-cap EEL (DS-1 or DS-3) terminate in a collocation arrangement meeting the requirements of FCC Rule 51.318(c).

MCIm's definition refers to commingling and channel terminations. An EEL is a *combination* of Section 251(c)(3) *unbundled* loops and Section 251(c)(3) *unbundled* dedicated transport. It is not a commingled arrangement. It is likely that CLECs such as MCIm may request commingled arrangements that are comparable to EELs, but the FCC has defined an EEL as *combination* of *UNEs*.³⁴

CLEC COALITION SPECIFIC UNE Issue 29

19 Should CLEC be prohibited from having SBC combine UNEs with 20 any SBC tariffed service or network elements possessed by CLEC?

Q. WHAT IS YOUR UNDERSTANDING OF THIS CLEC COALITION UNE ISSUE 29?

A. This issue is closely related to UNE Issue 5, which was addressed earlier in this testimony. This section addresses UNE combining only, but CLEC Coalition

³⁴ See TRO ¶ 575, which says "we continue to view EELs as UNE combinations consisting of unbundled loops and unbundled transport (with or without multiplexing capabilities).")." See also FCC Rule 51.5.

attempts to address commingling (connecting UNEs to "any SBC tariffed service") but on a scope beyond the FCC requirements (commingling limited to connecting to SBC Missouri services and facilities obtained at *wholesale*). Adding commingling language here in the UNE combining provisions would only confuse, create ambiguity, and lead to a greater potential for disputes. Commingling issues should be addressed in the commingling sections to avoid either expanding or contracting the commingling or UNE combining obligations by inadvertence or confusion.

SBC Missouri also objects to the CLEC Coalition insertion of "or by seeking resolution at the Missouri Commission" and "PUC proceeding" in the provisions addressing disputes that might arise over commingling. A proceeding before the Commission would be an option under SBC Missouri's proposals but only if the dispute resolution process between SBC Missouri and the CLEC does not, as a first matter, resolve any dispute. Since the CLEC Coalition has added it, it appears that the CLEC Coalition would like to circumvent the existing ICA dispute resolution process and instantly be able to go to the Commission. SBC Missouri believes the parties should first attempt to resolve disputes between themselves, before resorting to the Commission and wasting its limited resources on a matter that can be resolved by the parties.

MCIm UNE ISSUE 18

Which Party's "ratcheting" proposal should be included in this Agreement?

Q. WHAT IS YOUR UNDERSTANDING OF MCIM UNE ISSUE 18?

- 1 A. The parties disagree on which proposal regarding "ratcheting", as set forth in the
- 2 competing versions of section 7.5.1, should be included in the agreement.
- 3 Q. WHAT IS "RATCHETING"?
- 4 A. Per the TRO, "ratcheting" is a pricing mechanism that involves billing a single
- 5 circuit at multiple rates to develop a single, blended rate (*TRO*, footnote 1785)

6 Q. WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED LANGUAGE FOR THIS ISSUE?

- 8 A. First, SBC Missouri's definition addresses how all portions of the circuit (e.g.,
- 9 whether access or UNEs.) are to be billed. MCIm attempts to include only the
- definition and explanation of how the UNE portion of the commingled circuit
- would be billed, neglecting all of the other parts and pieces that make up the
- commingled product. This could either be misinterpreted to indicate that the
- 13 CLEC will receive the other pieces of the commingled arrangement for free, or
- that the CLEC would not expect to receive multiple billing, possibly with varied
- rates depending on the manner in which the various components of the
- 16 commingled circuit is ordered and provisioned.

17 Q HOW SHOULD THE COMMISSION RESOLVE THIS ISSUE?

- 18 A. The Commission needs to reject MCIm's proposed language due to lack of
- 19 clarity, confusion and misrepresentation of what the TRO states. MCIm's
- language invites future disputes and litigation, whereas SBC Missouri's language
- 21 accurately states the law, avoids unnecessary ambiguity and minimizes the
- 22 potential for future disputes.

CLEC COALITION UNE ISSUE 32

Should this section be clarified to identify the portion of the TRO where ratcheting is addressed, and to clarify, with respect to one situation in which ratcheting legitimately existed prior to the TRO, it will continue and was unaffected?

7 8

1

Q. WHAT IS YOUR UNDERSTANDING OF THIS ISSUE?

- 9 A. I believe this issue is a result of the CLEC Coalition's proposed language not 10 saying what it is intended to say. If I understand the CLEC Coalition's intent, it 11 wants language that says if a commingled arrangement includes a special access 12 service, and that special access service has a ratcheted rate, the special access 13 component of the commingled arrangement would retain that ratcheted rate. 14 Unfortunately, the proposed language does not clearly follow that apparent. 15 intent. SBC Missouri's concern with the CLEC Coalition's proposed language is 16 that it could be read to require ratcheting of the entire commingled arrangement if 17 that commingled arrangement includes special access as one of its components. 18 As I believe the CLEC Coalition is aware, that would be contrary to the FCC's 19 rules on commingling.
- 20 Q. DOES SBC MISSOURI HAVE ANY PROPOSED LANGUAGE THAT IT COULD ACCEPT THAT IT BELIEVES WOULD SATISFY THE CLEC COALITION'S INTENT?
- A. Yes. SBC Missouri proposes to replace the disputed language concerning ratcheting found in UNE Appendix Section 2.19.5 with the following:

Nothing in this Agreement shall affect any "ratcheting" or "ratchet rate" available as set forth in any SBC Missouri] tariff, including without limitation SWBT Tariff F.C.C. No. 73 (with "ratcheting" and "ratcheted rate" in this sentence having the meaning(s) as those or similar terms have within the relevant tariff and not in this Agreement). There shall be no blending of the rates of any UNE component(s) of the commingled arrangement with any special access component(s), i.e., no ratcheting of the commingled arrangement.

31 32

25

26

27

28

29

1		Presuming the CLEC Coalition can accept this proposed compromise
2		language, this should settle this issue.
3 4 5 6 7 8 9	CLE	C COALITION UNE Issue 32 Should this section be clarified to identify the portion of the TRO where ratcheting is addressed, and to clarify that where ratcheting legitimately existed prior to the TRO, it will continue and was unaffected?
10 11	Q.	WHAT IS YOUR UNDERSTANDING OF CLEC COALITION UNE ISSUE 32?
12	A.	SBC Missouri objects to the CLEC Coalition's proposed language because it is
13		limited, inappropriate and unnecessary. In an effort to resolve this issue with the
14		CLEC Coalition, in lieu of its proposed language, SBC Missouri would suggest
15		slightly editing the CLEC Coalition's language with the following phrase "as that
16		term is used in the FCC's Triennial Review Order."
17		The FCC did not establish a definitive definition of "ratcheting" in
18		paragraph 582 of the TRO although, in fact, the general definition suggested by
19		SBC Missouri follows the language of paragraph 582. However, the FCC also
20		addressed ratcheting elsewhere in the TRO, and those instances should not be
21		discarded in favor of exclusively pointing to paragraph 582 as the CLEC
22		Coalition is proposing. To do so would ignore other relevant and binding FCC
23		guidance on this issue.
24 25 26	CLE	C COALITION UNE Issue 61 Should the Attachment impliedly restrict combinations?
27	Q.	WHAT IS YOUR UNDERSTANDING OF THIS ISSUE?
28	A.	This issue has, for purposes of EELs and Section 251 product offerings, already
29		been discussed in UNE Issues 5 and 15 respectively.

CLEC COALITION UNE ISSUE 48

Given the USTA II ruling, is it appropriate for SBC to require CLEC to submit a BFR for a combination request?

4 5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Α

1

2

3

Q. WHAT IS YOUR UNDERSTANDING OF THESE UNE ISSUES?

SBC Missouri has proposed language discussing the manner in which a CLEC may request UNE combinations in the post-TRO and TRRO regulatory environment. CLEC requests can be made via a standard ordering process if available, or a bona fide request. Historically, SBC Missouri has provided a list of UNE combinations that SBC Missouri was able to accept orders for and provision to a requesting CLEC without further development work. That list – which was developed prior to USTA II and was intended to be a complete list of already developed UNE combinations -- in no way limited any CLEC's ability to request other UNE combinations, nor did it limit SBC Missouri's obligation to perform the functions necessary to combine UNEs under the then-existing law. Rather, the list identified those UNE combinations for which SBC Missouri had the needed ordering, provisioning, etc., processes currently in place to accept orders from any CLEC. For those UNE combinations not supported by such ordering, etc., processes, a bona fide request (BFR) would be used. Missouri's prior proposal at section 14.1 was clear on that point. Any CLEC was entitled to request additional UNE combinations through the BFR process including combinations of SBC Missouri's UNEs and network elements possessed by the requesting CLEC (also part of the FCC-mandated combining obligation).

1	However, the <i>IRO</i> and the <i>IRRO</i> decisions have declassified many of
2	those network elements that were included as part of the identified UNE
3	combinations. Since SBC Missouri is no longer obligated to provide those
4	network elements on an unbundled basis, combinations of such former UNEs are
5	no longer available either, and the list of available UNE combinations must
6	necessarily change to remove those involving "declassified" network elements
7	(and, also, those that remain available have new TRO Remand-imposed
8	limitations on their availability and use). Therefore, SBC Missouri's BFR
9	language is appropriate and should be adopted.
10	XIII. <u>UNBUNDLED DEDICATED TRANSPORT (UDT)</u>
11 12 13 14	CLEC Coalition Issue 23 Under what circumstances is CLEC allowed access to Dedicated Transport in light of the TRRO?
15 16	Wiltel UNE Issue 32 What terms and conditions should apply for Dedicated Interoffice Transport UNE?
17 18	AT&T UNE Issue 20
19 20 21	Is AT&T allowed access to Digital Cross-Connect System ("DCS") as part of Unbundled Dedicated Transport (UDT) in light of the USTA II decision?
22 23	CLEC Coalition Issue 24
24 25 26 27	Under what circumstances is CLEC allowed access to Digital Cross-Connect System ("DCS") as part of Unbundled Dedicated Transport (UDT) in light of the TRRO?
28	MCIm UNE Issue 40
29 30	Should the prices for Network Reconfiguration Service be included in Appendix Pricing, or outlined in SBC Missouri's tariff?
31 32	AT&T Pricing Schedule Issue 3
33 34	Should DCS rates be included in the ICA or should the ICA reference SBC's federal tariff for these rates?
35	MCIm Pricing Schedule Issue 20

1 2		Should the price schedule include prices for Digital Cross Connect System (DCS)?
3 4 5 6	Q.	WHY DOES SBC MISSOURI OBJECT TO THE CLECS' PROPOSAL REGARDING SBC MISSOURI'S OBLIGATION TO PROVIDE UDT? [CLEC Coalition UNE Issue 23; Wiltel UNE Issue 32]
7	A.	The CLECs are proposing language obligating SBC Missouri to provide UDT in
8		all cases. Following USTA II's complete vacatur of the FCC's TRO UDT
9		unbundling rules, the TRRO defined specifically what an ILEC's obligations now
10		are. The CLECs proposed language goes beyond these defined requirements.
11 12	Q.	BASED ON THE <i>TRRO</i> WHAT ARE AN ILEC'S OBLIGATIONS REGARDING UDT?
13	A.	Although this issue will be addressed in more detail in SBC Missouri's briefs, it is
14		my understanding that the TRRO states that DS1 dedicated transport carrying
15		traffic between Tier 1 wire centers ³⁵ is no longer required to be unbundled under
16		Section 251 of the Act. And, even where DS1 UDT is available, a CLEC may also
17		have no more than 10 DS1 UDT circuits on a single route (TRRO paragraphs 126-
18		128); additionally, regarding DS3 dedicated transport carrying traffic between
19		either Tier 1 and/or Tier 2 and Tier 1 and /or Tier 2 wire centers is no longer
20		required to be unbundled under Section 251 of the Act at any level. Even where
21		DS3 UDT is available, CLECs may also have no more than one DS3 UDT circuit
22		on a single route (TRRO paragraphs 129-131); Rule 51.319(e)(3).
23 24	Q.	SHOULD SBC MISSOURI BE OBLIGATED TO OFFER DSO TRANSPORT AS A UNE? [CLEC COALITION UNE ISSUE 2C, AT&T

³⁵ Tier 1 Wire Centers are defined in paragraph 112 of the *TRO Remand* as having either four or more fiber–based collocators or 38,000 or more business lines. Tier 2 wire centers are defined in paragraph 118 of the *TRO Remand* as having either three or more fiber-based collocators or 24,000 or more business lines.

PRICING SCHEDULE ISSUE 5]

1 A. No. The FCC has no rule that requires SBC Missouri to offer DS0 transport as a 2 UNE. The FCC rules detail the requirements of DS1 and DS3 unbundled transport, but there is nothing regarding DS0 transport. Simply because the FCC 3 4 does not issue a rule stating a network element such as DS0 transport is not a 5 UNE, does not mean that it is a UNE. Rather, unless the FCC definitively states 6 that a network element is required to be offered as a Section 251(c)(3) UNE, SBC 7 Missouri has no such obligation. The CLEC Coalition's proposed language 8 requiring SBC Missouri to offer DS0 transport should be rejected. For the same 9 reasons, there should be no DS0 unbundled dedicated transport rates included in 10 the Pricing Schedule.

WHAT IS A DIGITAL CROSS-CONNECT SYSTEM? 11 Q.

21

12 A. The DCS is a digital multiplexing switch that provides digital connections to 13 establish transmission paths between ports on the DCS. A DCS aggregates and 14 disaggregates high-speed traffic carried between another carrier's point of 15 presence ("POP") and an incumbent LEC's switching offices, a connection that is 16 often described as an "entrance facility" or "backhaul facility."

17 Q. IS THERE ANY REQUIREMENT THAT SBC MISSOURI PROVIDE ACCESS TO DCS AS A UNE? [AT&T UNE ISSUE 20 AND CLEC 18 19 **COALITION UNE ISSUE 24**]

20 A. No. The FCC has found that DCS is required only when offered with an entrance facility, and both the TRO and the TRRO clearly state that entrance facilities are 22 not UNEs. The FCC requires only that DCS be offered "in the same manner that the incumbent LEC provides such functionality to interexchange carriers."36 Since 23

³⁶ With the First Report & Order 47 C.F.R. §51.319(d)(2)(iv) and again with the UNE Remand Order §51.319(d)(2)(D).

1		services are not offered to IXCs as UNEs, there is no rationale for SBC Missouri
2		being required to provide the DCS to CLECS as UNEs either.
3 4	Q.	WHAT IS NETWORK RECONFIGURATION SERVICE? [MCIM UNE ISSUE 40]
5	A.	Network Reconfiguration Service ("NRS") is a Special Access tariffed offering
6		whereby an IXC uses the DCS to choose which trunk groups its traffic is routed
7		over a differing times.
8 9 10 11	Q.	WHY SHOULD ANY RATE(S) FOR NRS BE CROSS-REFERENCED TO THE SPECIAL ACCESS TARIFF RATHER THAN BE SPECIFICALLY SHOWN IN THE PRICING SCHEDULE OF THE ICA? [MCIM UNE ISSUE 40; AT&T PRICING SCHEDULE ISSUE 3; MCIM PRICING SCHEDULE ISSUE 20]
13	A.	NRS is a special access service provided via the SBC Missouri special access
14		tariff. Therefore the terms and conditions under which MCIm would be obtaining
15		NRS are derived from that tariff. If the terms, conditions, or rates of that tariff
16		were to change, then MCIm should be immediately subject to those changes.
17		Putting the rate(s) for NRS directly into the Pricing Schedule would require SBC
18		Missouri and MCIm to amend the ICA if the tariff were to change, which is
19		contrary to the fact that MCIm is obtaining the service from the tariff. This
20		Commission should adopt SBC Missouri's proposed language cross-referencing
21		the NRS rate(s) to FCC Access Tariff 73.
22	XIV.	DARK FIBER (DF)
23 24 25 26 27 28	CLEC	C COALITION UNE ISSUE 27 Contrary to TRO Remand, should this ICA contain terms and conditions for Dark Fiber loops beyond the transition period?
29 30 31	Wilte	UNE Issue 33: What terms and conditions should apply for Dark Fiber Transport UNE?

1 Q. WHAT IS YOUR UNDERSTANDING OF UNE ISSUE 27?

- 2 A. The CLECs are proposing language obligating SBC Missouri to provide 3 unbundled Dark Fiber Loops and Transport. The *TRRO* has now defined
- 4 specifically what an ILEC's obligations are with respect to these elements. The
- 5 proposed CLEC language goes beyond these defined requirements and must be
- 6 rejected to conform to TRO Remand.

7 Q BASED ON THE TRRO WHAT ARE AN ILECS OBLIGATIONS 8 REGARDING UNBUNDLED DARK FIBER LOOPS AND TRANSPORT? 9 [CLEC COALITION UNE ISSUE 27; WILTEL UNE ISSUE 33]

A. Although this issue will be addressed in more detail in SBC Missouri's briefs, it is my understanding that the *TRRO* states that Dark Fiber UDT routes between either Tier 1 and/or Tier 2 and Tier 1 and /or Tier 2 wire centers (Tiers are defined earlier in my testimony) is no longer required to be unbundled under Section 251 of the Act at any level (*TRRO* paragraphs 133-135). The *TRRO* determined that Dark Fiber Loops are no longer required to be unbundled under Section 251 of the Act at any level (*TRRO* paragraphs 182-185).

17

18

XV. MISCELLANEOUS

19 MCIm UNE ISSUE 6

20 Should MCIm be permitted to use SBC Missouri's unbundled 21 Network Elements to provide service to other Telecommunication 22 Carriers?

23

24 Q WHAT IS YOUR UNDERSTANDING OF MCIm UNE ISSUE 6?

A. MCIm is proposing language in Appendix UNE Section 2.3, that would allow
MCIm to use UNEs and/or UNE combinations "without limitation", for providing
telecommunication services. Because it remains silent on specifically to whom it
is providing the telecommunication services, MCIm may in fact attempt to use

1 UNEs for providing service to itself and/or its affiliates, something which is 2 prohibited by the Act.

3 Q. SHOULD THE CLECS BE PERMITTED UNRESTRICTED ACCESS TO UNES IN ORDER TO PROVIDE SERVICE TO THEMSELVES?

A.

No. UNEs may only be accessed for the provision of "telecommunications services" and, as noted in my testimony, access to UNEs, UNE combinations and/or commingling must be consistent with FCC rules and orders (including without limitation FCC Rules 51.309(b) and 51.318(b)), as well as the UNE combining standards enunciated in the Supreme Court's Verizon decision. The Commission should reject all of the MCIm's proposed language. Most importantly, the FCC has stated that UNEs/UNE combinations cannot be used "exclusively for the provision of telecommunications services in the mobile wireless and long distance markets." TRO Remand, ¶ 5 FCC Rule 51.309(b). The CLEC's language appears to provide a basis to avoid these and other FCC limitations on the permitted use of UNEs, and must be rejected.

I would note that Section 251(c)(3) states that CLECs may obtain access to UNEs "for the provision of a telecommunications service." The term "telecommunications service" is defined as the "offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used." 47 USC 153(46). MCIm must, therefore, use UNEs to provide telecommunications service directly to the public, i.e., to residential and business customers for their own use, and not to itself or to other telecommunications carriers.

The FCC's definitions of specific UNEs further support this conclusion. For example, the FCC's definition of the local loop (47 C.F.R. § 51.319(a)) provides that a loop is a transmission facility between an ILEC's central office and an "end-user customer premises." Similarly, the FCC's mandatory eligibility criteria related to EELs and certain commingled arrangements (47 C.F.R. § 51.318(b)) were designed to ensure that UNE combinations or covered commingled arrangements carry local voice traffic (see *TRO*, paragraph 604) to an end customer with an assigned telephone number and 911/E911 capability over every involved circuit (see *TRO*, paragraph 602).

Α

Further, CLECs may only use SBC Missouri UNEs to provide telecom service to residential and business end users. CLECs may not use SBC Missouri UNEs to provide service to themselves or other telecommunications carriers, who themselves have a right to become CLECs and negotiate ICAs directly with SBC Missouri.

O HOW SHOULD THE COMMISSION RESOLVE THIS ISSUE?

The Commission needs to reject MCIm's language because it is too broad and goes beyond requirements imposed by the Act, as well as ignores those rules and decisions of the FCC and the Courts, which are effective and in place to identify unbundling requirements, limitations and obligations.

- 20 Q. WHAT IS YOUR UNDERSTANDING OF AT&T GT&C ISSUE 1, CLEC COALITION UNE ISSUE 4, NAVIGATOR UNE ISSUE 1 AND CHARTER GTC ISSUE 24?
- A. The CLECs are proposing language in their GT&C Appendices that would require SBC Missouri to provide the CLECs with UNEs beyond SBC Missouri's local service area. SBC Missouri is contesting that language.

1 Q. WHY SHOULD THE COMMISSION REJECT ANY LANGUAGE SETTING FORTH SUCH A REQUIREMENT ON SBC MISSOURI?

A. Section 251(c) establishes additional obligations of "incumbent local exchange carriers," and Section 251(h)(1) defines an incumbent local exchange carrier by characteristics "with respect to an *area*." Failure to acknowledge the clear language of the statute can only lead to confusion.

7

8

MCIm UNE ISSUE 7

If MCIm orders a product from a SBC tariff, must it amend its agreement to remove the rates, terms and conditions associated with the product it is ordering from the tariff?

What are the appropriate terms surrounding MCIm ordering

What are the appropriate terms surrounding MCIm ordering products or services from an SBC Missouri tariff?

13 14 15

27

28

Q. WHAT IS YOUR UNDERSTANDING OF THIS ISSUE?

16 A. SBC Missouri is proposing language in UNE Appendix Section 2.15 which would 17 prohibit MCIm from "picking and choosing" more favorable terms and conditions 18 from a tariff when MCIm has the whim to do so. Although MCIm objects to this 19 language, it does not offer any other language to address SBC Missouri's 20 legitimate "pick and choose" concerns. Therefore, SBC Missouri's language 21 should be accepted. SBC Missouri is proposing this language because the terms 22 and conditions by which MCIm obtains UNEs are supposed to be set forth in a 23 negotiated or arbitrated interconnection agreement, not in a state tariff. MCIm, in 24 fact, cites no Missouri or federal tariffs under which SBC Missouri offers UNEs. 25 In addition, permitting MCIm to order UNEs from a tariff, if such a tariff were to 26 exist in the future, is unnecessary and would be administratively burdensome.

Q. SHOULD THE TERMS AND CONDITIONS OF A TARIFF SUPPLEMENT THE TERMS AND CONDITIONS OF AN ICA?

A. No, interconnection agreements are meant to address all the rates, terms and conditions pertaining to UNEs then available and that a CLEC may want to purchase through the negotiation and arbitration process. MCIm has had the opportunity to request and/or arbitrate any rates, terms and conditions it felt that it needed in the interconnection agreement being arbitrated in this proceeding.

6 Q. RECENTLY, THE FCC REVISED ITS "PICK AND CHOOSE" RULE. 7 DOES THAT DECISION IMPACT THIS ISSUE?

A. Yes, it does. Specifically, the FCC ordered that a CLEC that elects to adopt another CLEC's ICA must adopt all of the rates, terms and conditions of that ICA:

B. "All-or-Nothing" Rule

On the record now before us, we find that the pick-and-choose rule is a disincentive to give and take in interconnection negotiations. We also find that other provisions of the Act and our rules adequately protect requesting carriers from discrimination. Therefore, we conclude that the burdens of retaining the pick-and-choose rule outweigh the benefits. We also find the all-or-nothing approach to be a reasonable interpretation of section 252(i) that will "restore incentives to engage in give-and-take negotiations while maintaining effective safeguards against discrimination."

In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Second Report and Order, CC Docket No. 01-338 (July 13, 2004) ("Second Report and Order") allowing MCIm to "pick and choose" specific sections (or subsections) of language from a tariff goes against the premise of the FCC's order.

In addition, it is my understanding that the purpose of this arbitration is to develop product-offering terms and conditions to govern the parties' 251

relationships (interconnection UNEs, resale, collocation exchange of traffic) and
to embody those relationships in a single, comprehensive document – an
interconnection agreement. With that in mind, it is simply not appropriate to let
MCIm, if it wishes to do so, arbitrarily add rates, terms or conditions from the
tariff on a "pick and choose" basis.

6 Q. ARE THERE ANY OTHER REASONS WHY SBC MISSOURI'S LANGUAGE SHOULD BE ADOPTED?

Yes. Permitting MCIm to have the ability to "pick and choose" from two different sets of rates, terms and conditions would be administratively confusing and burdensome for SBC Missouri. There is no legitimate reason to allow MCIm to have the capability to order out of a tariff, in addition to ordering from its interconnection agreement with SBC Missouri, that is the result of the negotiation and arbitration that the 1996 Act requires.

MCIm UNE ISSUE 19

Which Party's proposal about tariff restrictions should be included in the Agreement?

17

23

24

25

26

27

8

9

10

11

12

13

14

A.

18 Q. WHAT IS YOUR UNDERSTANDING OF MCIm UNE ISSUE 19?

A. SBC Missouri is proposing language that would completely satisfy the need for any reference to commingling with regards to wholesale or access tariffs as applicable to commingling with UNEs.

22 Q. WHAT DOES SBC MISSOURI RECOMMEND?

A. SBC Missouri proposes that, for any concerns regarding SBC Missouri's obligations regarding wholesale and access tariffed services, the ICA simply reference the specific location where those issues are defined and discussed...the FCC Tariff, No 2. Section 5.21. This tariff has been reviewed and is currently in place and effective, and it also completely satisfies any of MCIm's concerns

1		regarding the fact that "this Appendix UNE complies with and satisfies the
2		requirements of SBC MISSOURI wholesale and access tariffs with respect to
3		Commingling". MCIm's language needs to be rejected because it is simply not
4		needed and may lead to confusion as to specifically what the
5		commingling/wholesale-access tariff relationship actually is.
6 7 8 9	MCI	m UNE ISSUE 8 Should MCIm be required to purchase collocation for access to unbundled Loops?
10 11 12	Q.	DO YOU BELIEVE THE ISSUE STATEMENT FOR MCIM UNE ISSUE 8 DESCRIBES THE DISPUTE OVER THE LANGUAGE IN UNE APPENDIX SECTION 4.2.4?
13	A.	No, I do not. There is no dispute that MCIm is permitted to access unbundled
14		loops without collocating, provided it does so in a manner that does not disrupt
15		SBC Missouri's network. The real dispute over MCIm's proposed language is
16		whether MCIm is permitted to combine network elements themselves at some
17		location within SBC Missouri's network, such as at the MDF. SBC Missouri
18		categorically objects to giving MCIm such authority.
19 20 21	Q.	WHY DOES SBC MISSOURI OBJECT TO PERMITTING MCIM TO PERFORM COMBINATIONS AT LOCATIONS WITHIN SBC MISSOURI'S NETWORK?
22	A.	This is discussed in more detail in SBC Witness Rex Hatch's direct testimony, but
23		the short answer is that permitting MCIm, or any other CLEC the ability to
24		physically access SBC Missouri network components would create unnecessary
25		risk to SBC Missouri's network.

CLEC COALITION TRANSITING/INTERCARRIER COMPENSATION ISSUE 10 AND AT&T ISSUE 2

Should CLEC Coalition have the sole obligation to enter into compensation arrangements with third party carriers that terminate traffic to CLEC Coalition when SBC Missouri is the ILEC entity providing the use of the end office switch (e.g., switching capacity) to such third party carriers, and if it does not enter into such arrangements, should it indemnify SBC when the third party carriers seek compensation from SBC?

A.

Q. SHOULD SBC MISSOURI BE REQUIRED TO COLLECT TRANSIT CLAIMS ON BEHALF OF AT&T OR SHOULD AT&T BE REQUIRED TO ESTABLISH ITS OWN COMPENSATION AGREEMENTS DIRECTLY WITH OTHER TELECOMMUNICATIONS CARRIERS?

SBC Missouri should not be held responsible for arranging for the carriage of, or be held financially accountable for any CLEC-related traffic that does not terminate to, or originate from, an SBC Missouri end user customer. In short, SBC Missouri should not be required to act as a clearinghouse or dumping ground for CLEC traffic. This Commission should reject any language requiring SBC Missouri to be responsible for, or to establish, maintain, manage, and settle on CLEC's traffic that originates or terminates using, or transits through, SBC Missouri's network, and that is handed off to any other carrier (including IXCs, CLECs, ICOs, and wireless carriers). Correspondingly, the ICA should clearly state that the CLEC is responsible for its own traffic (which includes that originated on UNE-Ps purchased by the CLEC during the 12 month transition period), and that the CLEC will hold SBC Missouri harmless from any claims related to the CLEC's traffic.

The transiting relationship in question is between the CLEC and a third party, and not between SBC Missouri and that third party. SBC Missouri's language simply clarifies its non-role in that relationship and that the CLEC has

responsibility for establishing and maintaining that intercarrier compensation matter. Without this language, SBC Missouri could become entangled in intercarrier compensation disputes for traffic that it has neither initiated nor requested on behalf of one of its non-CLEC customers. There is simply no basis for SBC Missouri to bear that risk and the associated costs for the CLECs.

This is simply an aspect of the CLEC's responsibility as a local carrier. Just as the CLEC is entitled to charge originating and terminating access, and reciprocal compensation for traffic to its end users (something that CLECs as a whole have steadfastly demanded and won), it must also arrange with other telecom carriers to carry that traffic and to pay intercarrier compensation to them for carrying and/or terminating that traffic.

WilTel UNE ISSUE 19

If SBC Missouri is requested by Wiltel to provide a Lawful UNE via this agreement that has yet to have processes developed, is it reasonable for SBC Missouri to require that the appropriate rates, terms and conditions apply once the processes are developed for Wiltel?

Q. WHAT IS YOUR UNDERSTANDING OF THIS ISSUE, AND WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S LANGUAGE?

A. Wiltel is objecting to SBC Missouri proposing language that clarifies that any
Lawful UNE that SBC Missouri is required to develop new processes for at
Wiltel's request should be subject to the associated rates, terms, and conditions
for that Lawful UNE. SBC Missouri's proposed language is completely
reasonable, obviously before the requested UNE can be provided, rates, terms,
and conditions must be available to be applied to that UNE. The Commission
should adopt SBC Missouri's language.

WILTEL UNE ISSUE 21:

1		Is Wiltel's language necessary?
2 3	Q.	WHAT IS YOUR UNDERSTANDING OF THIS ISSUE?
4	A.	I interpret this issue to be about Wiltel proposed language in UNE Appendix
5		3.2.1.1.relating to it sharing collocation space with a third party despite already
6		having agreed upon language that already satisfies that need. Wiltel's language is
7		unnecessary since the agreed upon language includes "shared cage" physical
8		collocation, which includes when the CLEC is purchasing collocation from a third
9		party who is Physically Collocated by subleasing space from the third party
10		collocator.
11 12 13 14 15 16 17 18	СНА	RTER GTC ISSUE 6B AND C Should this definition extend beyond Local 251 services and include Telephone Exchange Service? Should this definition extend beyond Local 251 services and include Telephone Exchange Service instead of local Exchange Service?
19 20 21 22	Q.	WHY SHOULD CHARTER'S USE OF UNES BE LIMITED TO LOCAL EXCHANGE SERVICE RATHER THAN CHARTER'S PROPOSED TELEPHONE EXCHANGE SERVICE?
23	A.	SBC Missouri is unclear why Charter does not want to reference local exchange
24		service as the service being provided by the local service provider. The FCC's
25		TRRO was clear that a provider could not use UNEs solely to provide long
26		distance or wireless services, that the CLEC must be providing local service to an
27		end user in order to use UNEs. SBC Missouri's definition encompasses that
28		requirement, Charter's definition does not. The Commission should therefore
29		adopt SBC Missouri's definition of a local service provider.
30		
31		

- 1 XVI. <u>CONCLUSION</u>
- 2 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?
- 3 A. Yes, it does.