

1 **SURREBUTTAL TESTIMONY**

2 **OF**

3 **STEVEN E. WATKINS**

4 **CASE NO. TC-2008-0225**

5
6 **Q. Please state your name and business address.**

7 A. My name is Steven E. Watkins. My business address is 2154 Wisconsin Avenue, N.W.,
8 Suite 290, Washington, D.C., 20007.

9 **Q. Are you the same Steven E. Watkins who filed Rebuttal Testimony in this case?**

10 A. Yes. I filled Rebuttal Testimony with the Commission in this case on December 19,
11 2008 ("Watkins Rebuttal").

12 **Q. What is the purpose of your Surrebuttal Testimony?**

13 A. The purpose of my Surrebuttal Testimony is to respond to points contained in the
14 Rebuttal Testimony of Commission Staff Witness William L. Voight dated January 27,
15 2009 as filed in this case ("Voight Rebuttal"). I will respond to those points related to the
16 subject matter in my initial Rebuttal Testimony.

17 **Q. Do you have any overall initial response to Mr. Voight's Rebuttal Testimony?**

18 A. Yes. I agree with several of Mr. Voight's factual observations and some of his public
19 policy discussion about the issues before the Commission in this case. However, I do not
20 agree with the apparent conclusions that he draws from his own observations. Some of
21 his conclusions are based on assumptions about interconnection requirements that go
22 beyond, or are not consistent with, the actual interconnection requirements under the
23 Communications Act of 1934, as amended ("Act"). In other instances, his conclusions

1 go beyond the factual record and, therefore, appear to represent his own speculation.
2 Mr. Voight also fails to recognize or respond to extensive and significant points
3 contained in my Rebuttal Testimony that are contrary to his conclusions.

4 Moreover, his discussion and explanation of concepts involving Points of
5 Interconnection ("POI") and the exchange of traffic subject to the interconnection rules
6 via POIs is not consistent with the FCC's rules and conclusions. His incorrect
7 interpretation of POI and traffic exchange concepts may have influenced his conclusions.

8 I appreciate Mr. Voight's discussion of the public policy aspects of transit
9 arrangements. (Voight Rebuttal at pp. 8-9.) Although there is absolutely no requirement
10 that CenturyTel must accommodate transit arrangements or route its traffic via a third
11 party transit arrangement simply because Socket makes such request, and the Act sets
12 forth no "rights" to Socket as Mr. Voight apparently believes exist, I am nevertheless
13 encouraged that Mr. Voight recognizes that such arrangements should be limited in
14 scope. I will address the policy implications later in this testimony.

15 **Q. What are some of his observations that are relevant here?**

16 A. First, I agree that this proceeding will rely, at least to some extent, "on a plain reading of
17 the current contract . . . that exists between the two parties." (Voight Rebuttal, p. 3, lines
18 9-11) While Mr. Voight also observes that it could be that "the contract does not address
19 the issues with enough specificity so as to permit clarity," he nevertheless goes on within
20 his Rebuttal Testimony to make conclusions that simply are not consistent with the
21 explicit contract language. As I have already explained in my Rebuttal Testimony and
22 further below, the language is more than clear and explicit, and it supports CenturyTel's
23 position. Neither the language of the contract nor the Commission's decision adopting

1 one form or another of either party's proposed draft contract language support either
2 Socket's or Mr. Voight's interpretative conclusions.

3 **Q. Can you provide an example of an improper conclusion?**

4 A. Yes. Without any explanation, Mr. Voight suggests (*Id.* at p. 6, lines 7-10) that the traffic
5 threshold provisions of subsections 4.3, 4.3.1, 4.3.3 and 4.3.4 of Article V cannot be read
6 to apply generally (regardless of whether the parties are exchanging traffic via an indirect
7 or direct interconnection) *simply because Section 4.1 exists*, and that somehow the related
8 analysis in my Rebuttal Testimony is negated by the existence of the language in Section
9 4.1. (*See* Watkins Rebuttal at pp. 3-6 and 17 for that analysis). But the mere existence
10 of Section 4.1 provides no support for his apparent conclusions. (Any reference herein
11 to contract section numbers is to sections within Article V.)

12 Section 4.1 can be read only for what it says:

13 When the Parties directly interconnect for the mutual exchange of traffic
14 covered by this Agreement, the Parties will initially interconnect their
15 network facilities at a minimum of one technically feasible POI on
16 CenturyTel's network in each LATA in which Socket offers
17 telecommunications services.

18
19 Section 4.1 simply states that *when* the Parties do interconnect directly there will
20 be a initial single point of interconnection -- nothing more, and nothing less. It neither
21 defines what is meant by "when," does not address any rights for either party to dictate
22 the conditions for "when," nor does it address the interrelationship with any other section
23 of the contract. For Section 4.1 to support Mr. Voight's conclusions that the entire
24 Section 4, including the threshold provisions of 4.3, are somehow inapplicable if the
25 parties are exchanging traffic indirectly under Section 7.1, Section 4.1 would have to
26 state such conclusion explicitly, but it does not! There is nothing in Section 4.1 to

1 suggest or to negate the general application of the traffic thresholds based on the clear
2 and actual criterion set forth in Section 4.3:

3 As the volume of traffic exchanged between the parties increases, Socket must
4 establish additional POIs . . .

5
6 In neither cited provision of the contract is there language stating that the
7 provisions of this section 4.0 (including the implementation of POIs as exchanged traffic
8 volumes increase) are not to apply in the event that the parties are exchanging traffic via
9 an indirect interconnection, or that the traffic exchanged between the parties via an
10 indirect interconnection should be excluded from the volume measurements.

11 Moreover, the application of the language is clearly and explicitly consistent with
12 CenturyTel's position. It was Socket's proposed words of Section 7.1 regarding transit
13 arrangements that the Commission merely accepted. Regardless of what POI or POIs are
14 established between the parties with respect to the Section 7.1 third party transit provider
15 language (see further discussion of POIs later in this surrebuttal), when the traffic
16 volumes of Section 4.3 rise to the appropriate levels, the parties will implement *an*
17 *additional POI* as the contract words clearly state. There is nothing in Section 7.1 that is
18 inconsistent with or negates the Section 4.3 provisions.

19 Finally, regardless of whether any threshold volume of traffic is reached, if and
20 *when* the parties interconnect directly, there will be at least a single POI, which is the
21 only conclusion to be drawn from the words of Section 4.1. This direct connection may
22 occur prior to any threshold being reached either with or without application of Section
23 7.1.

24 **Q. In your Rebuttal Testimony at p. 6, you set forth an excerpt from Mr. Voight's**
25 **testimony in a different complaint proceeding in which he concludes that Socket's**

1 **interpretation of the contract is wrong. Did the Commission reject Mr. Voight's**
2 **analysis?**

3 A. No. Mr. Voight is mistaken about the nature and timing of his previous testimony in the
4 complaint proceeding that I cited in my Rebuttal Testimony. (*See* Voight Rebuttal at p.
5 6, lines 11-17.) Mr. Voight concluded in TC-2007-0341 testimony that the language of
6 the interconnection contract does not exclude traffic exchanged between the parties via a
7 transit arrangement in the application of the traffic thresholds and the establishment of
8 POIs. (Watkins Rebuttal at p. 6, lines 6-24.) However, in Mr. Voight's most recent
9 Rebuttal Testimony in this instant proceeding, Mr. Voight now states that the cited
10 testimony was "Staff's support" of CenturyTel proposed language in the contract. That is
11 not correct. The cited testimony in Case No. TC-2007-0341 was submitted by Mr.
12 Voight many months after the final decision in the arbitration proceeding. Moreover, the
13 references by Mr. Voight in his TC-2007-0341 testimony are to language that the
14 Commission drafted on its own (*i.e.*, sections 4.3.3 and 4.3.4 of Article V) in the
15 arbitration proceeding, and this language was already in effect. This language was not
16 CenturyTel's proposed language.

17 Moreover, the Commission could not have possibly rejected his interpretation and
18 analysis of the contract language because he did not provide that analysis until many
19 months after the June 27, 2006 decision in Case No. TO-2006-0299 was issued. (*See*
20 Voight Rebuttal at p. 6, line 17 citing to the Commission's arbitration order that was
21 issued almost a year before his cited testimony in TC-2007-0341.) With all due respect
22 to Mr. Voight, he has not explained any logical rationale for the rejection of his own
23 previous analysis and conclusions in TC-2007-0341 about the application of the contract

1 language. He has now provided two sets of directly opposite testimony on the exact same
2 issue, for which there is no rational justification for the second version. Finally, a review
3 of the *Report and Order* that the Commission issued in TC-2007-0341 on March 26,
4 2008 finds that there is no rejection of Mr. Voight's analysis in that case.

5 Furthermore, there is also no evidence that the Commission, in the TO-2006-0299
6 arbitration proceeding, rejected the substance of Mr. Voight's analysis that he provided
7 12 months later about what the contract language states. While the Commission made
8 various comments in its arbitration proceeding about previous decisions and its
9 understanding of various interconnection requirements, the ultimate decisions on the
10 arbitration issues merely adopted language of either party or novel language uniquely
11 devised by the Commission (e.g., the threshold traffic volume language of Section 4.3)
12 without regard to whether that language specifically addressed specific interconnection
13 requirements, one way or another. As Mr. Voight similarly observes, "the Commission
14 typically chooses language proposed by either side . . ." and the proposals are often "less
15 than ideal." (Voight Rebuttal at p. 9, lines 1-3.)

16 Mr. Voight's analysis in TC-2007-0341 of the contract language concerning this
17 issue is the correct and only application of the contract words, and CenturyTel has relied
18 upon Mr. Voight's analysis and the clear meaning of the contract words. Traffic
19 exchanged between the parties via a transit arrangement is to be included in any traffic
20 volume determination for the threshold determinations -- there is absolutely no mention
21 that this traffic should be excluded.

22 **Q. In your Rebuttal Testimony at p. 4, you explain why Socket's interpretation (and**
23 **now Mr. Voight's apparent reversal of his analysis), if correct, would render the**

1 **traffic threshold provisions of the contract meaningless. Did Mr. Voight rebut that**
2 **point?**

3 A. No. Mr. Voight merely accepts Socket's witnesses' positions. As I stated in my
4 Rebuttal Testimony, under Socket's interpretation, Socket can completely avoid any
5 application of the threshold traffic volume and POI provisions by simply invoking the
6 use of a transit arrangement, making any implication of the traffic volume threshold
7 provisions moot. For those areas where the only traffic, or the overwhelming vast
8 majority of traffic, exchanged between CenturyTel and Socket is one-way traffic from
9 CenturyTel to an ISP served by Socket, there would never be any reason for Socket to
10 want any arrangement other than an indirect, transit arrangement because, for dial-up ISP
11 traffic, a transit arrangement maximizes the costs that Socket can avoid and foists upon
12 CenturyTel (and its customers) and other carriers the costs of transporting this ISP-Bound
13 traffic to distant points, solely to serve the interests of Socket and its ISP customers.
14 While there may be limited areas where Socket exchanges two-way calling with
15 CenturyTel, it remains my understanding that the traffic associated with those service
16 areas related to the POI complaint remains predominantly, if not totally, one-way traffic.

17 **Q. Are there other apparent conclusions in Mr. Voight's Rebuttal Testimony about**
18 **which you disagree?**

19 A. Yes. On page 6 of his Rebuttal Testimony, he states:

20 Socket's position [regarding volumes of traffic exchanged and application of the
21 POI threshold levels] is most supported by the contract, and the Commission
22 should decide this issue in favor of Socket. Mr. Kohly is correct: Section 7.1 of
23 Article V of the contract sets out the *sole criteria* that must be met when the two
24 companies indirectly interconnect. The criteria *simply require* that each company
25 must have a POI with the third party.

26 [Emphasis added.]
27

1 That analysis is incomplete and incorrect. In the arbitration proceeding, the
2 Commission simply adopted Socket's proposed contract language for Section 7.1 which
3 provides no right to either carrier to force the other carrier to "route" traffic through a
4 third party transit provider. Socket cannot change the explicit words of its own proposed
5 and adopted language to fit its *post hoc* interpretation. The explicit words of Section 7.1
6 allow (but do not require) either party to *choose to route traffic* subject to the agreement
7 through a third-party transit provider: "Where one Party chooses to route traffic through
8 a third-party Transit provider" Socket, and then Mr. Voight, neglect to recognize
9 this fundamental and prerequisite criterion for the entire section. Each Party routes its
10 own customers' originating traffic, and each party may choose whether to route that
11 traffic through a third party transit provider. Instead, Socket wants the Commission (and
12 Mr. Voight) to believe incorrectly that the introductory phrase of Section 7.1 says
13 something extremely different, perhaps: "When Socket demands that CenturyTel route
14 CenturyTel's traffic through a third-party Transit provider, CenturyTel must do so
15 regardless of any POI requirements set forth elsewhere in this Agreement." But that is
16 not what the language says, and Mr. Voight's "sole criteria" argument above is without
17 merit.

18 Indeed, Mr. Voight admits that the only arbitration issue was whether Socket's
19 language or CenturyTel's language regarding indirect interconnection should be adopted.
20 (Voight Rebuttal at p. 7, lines 2-3.) The Commission, at page 21 of its arbitration order
21 explicitly cites Socket language as: "7.1 Where one party chooses to route traffic through
22 a third-party Transit provider" and adopts Socket's language without any discussion of

1 some different interpretation from what the words in Section 7.1 actually say. (*See, also,*
2 Watkins Rebuttal at pp. 15-18 for further discussion of Section 7.1.)

3 **Q. Is there any other discussion in Mr. Voight's testimony with which you disagree?**

4 A. Yes. In his review of the contract language and arbitration decision, Mr. Voight
5 incorrectly confuses the concept of "*exchange*" of traffic with the explicit words in the
6 contract which refer explicitly to the choice of whether to "*route*" traffic. Mr. Voight's
7 analysis and the incorrect use of the word "*exchange*" are used in the context of his
8 discussion based on the notion that Socket has some "*right*" to demand that CenturyTel
9 "*route*" its traffic to Socket via a third party transit provider. But the Socket proposed
10 language which the Commission merely accepted and adopted did not present the issue of
11 whether Socket has any such right. As I have explained and Mr. Voight agrees, the
12 Commission simply adopted Socket's words which neither create nor discuss any such
13 rights.

14 **Q. You stated above that Mr. Voight's discussion and explanation of the concepts of**
15 **POI and traffic exchange are not consistent with the FCC's rules. Can you explain?**

16 A. Yes. At page 5 of his Rebuttal Testimony, Mr. Voight sets forth what he refers to as the
17 basic terms and his explanation of those terms. His explanations either describe POI
18 frameworks not consistent with the FCC's rules, or he provides examples that are too
19 rigid in that he explains only one option among others.

20 On line 6 of page 5, Mr. Voight explains that "indirect interconnections will
21 simply have POIs with the third party." By this phrase, Mr. Voight suggests that the
22 framework for indirect interconnection is one in which each of the two interconnecting,
23 competing parties have a POI with a third party. This form of "dual POIs with a third

1 party” is simply inconsistent with the FCC’s rules and discussion regarding the
2 interconnection point to be used by competing carriers when they are exchanging traffic
3 that is subject to Section 251(b)(5) of the Act.

4 **Q. Where does the FCC set forth the rules for the framework for the POI and**
5 **exchange of traffic subject to Section 251(b)(5) of the Act?**

6 A It is the FCC’s Subpart H rules within its Part 51 interconnection requirements. The FCC
7 could not have been clearer that there will be an “interconnection point” between the *two*
8 carriers that exchange traffic subject to Section 251(b)(5) of the Act. Specifically,
9 Section 51.701(c) of the FCC’s rules describing the framework of transport with respect
10 to Section 251(b)(5) traffic references the fact that transport is “from the interconnection
11 point between the two carriers” These rules do not include or discuss the possibility
12 of dual POIs, where those POIs are at points not within the incumbent LEC’s network.
13 The fact is that neither the Act nor the rules require any such arrangement.

14 Instead, the POI which represents “the interconnection point between the two
15 carriers” at which the parties exchange traffic must be within the network of the
16 incumbent and must comply with the other conditions set forth in the Act. As I already
17 explained in my Rebuttal Testimony at pp. 7-8, the FCC has recognized that the
18 “interconnection point between the two carriers” would be established as interconnection
19 is defined and set forth in Section 251(c)(2) of the Act. And as I have explained at
20 length, the criteria set forth in Section 251(c)(2) requires that the point be within the
21 incumbent’s network and that the resulting interconnection arrangement not require the
22 incumbent to provision a network arrangement beyond that which the incumbent
23 provides for itself or with other carriers.

1 The “dual POIs with a third party” concept also cannot be an interconnection
2 requirement to the extent that it assumes a third party transit provider, because the FCC
3 has acknowledged several times that no interconnection requirements exist for such
4 arrangements, and that it has not determined whether such arrangements are even
5 required by the Act.

6 **Q. What is the proper interpretation of these rules?**

7 A. Where two competing parties exchange traffic, for each traffic exchange arrangement, the
8 interconnection point must be within the incumbent network. Each party then fulfills its
9 duty to connect to an interconnection point(s) by connecting directly or indirectly to such
10 point(s). To the extent that Socket or some other CLEC fulfills its duty by connecting to
11 points indirectly (whether through a transit arrangement or through indirect dedicated
12 facilities, as discussed below), the POI(s) is still defined as one on the incumbent network
13 of CenturyTel. And the network that the CLEC uses on its side of that POI(s) are on
14 those of the CLEC.

15 **Q. Are there other aspects of the “dual POIs with a third party” framework that are**
16 **inconsistent with the actual requirements?**

17 A. Yes. To the extent that a “dual POIs with a third party” structure is requested by a
18 CLEC, it would be a prohibited form of interconnection under Section 251(c)(2) of the
19 Act because that structure would require carriers such as CenturyTel to be responsible for
20 provisioning a new form of local service for its customers and for the provision of
21 transport of local calls beyond its incumbent network. Such request would be for a
22 superior form of interconnection for which the courts have found is not required of an
23 incumbent. (*See Watkins Rebuttal*, at p. 8, line 9 through p. 11, line 23.) Also, I would

1 note that much of the FCC discussion regarding POIs, technical feasibility, and related
2 concepts, typically cited by CLECs, was written prior to the clarification by the courts
3 that superior interconnection is not required and was written assuming that the requesting
4 carrier would be responsible for the superior costs. Both concepts were subsequently
5 rejected by the courts. As such, any FCC discussion of these concepts must now be
6 moderated to recognize this important change.

7 Moreover, Mr. Voight's explanation assumes under this "dual POIs with a third
8 party" approach that CenturyTel has an interconnection POI with a subject third party
9 provider. In the context of the Act and the rules for the exchange of local competitive
10 traffic, CenturyTel has no such POI. Where facilities may exist between a CenturyTel
11 network and a third party tandem provider, those facilities are most often used for the
12 joint provision of access services to interexchange carriers. As such, the framework for
13 those facilities is one described in access tariffs under so-called meet point billing. The
14 FCC's Subpart H rules (for the transport and termination of Section 251(b)(5) traffic) and
15 the rules for access services (for Section 251(g) traffic) are mutually exclusive and
16 separate.

17 Finally, Mr. Voight's explanation concludes that indirect interconnection "refers
18 to arrangements where a third-party is used to transit traffic between two parties." In no
19 way is that the only possible manner in which two competing carriers could be
20 interconnected indirectly. The transit concept assumes that local, competitive traffic is
21 tandem switched onto common trunks that carry other forms of traffic and/or traffic of
22 other carriers. However, indirect interconnection to a properly established POI for the
23 exchange of traffic between two competing carriers may be accomplished via dedicated

1 trunks (without transit functions), where one party obtains the use of third party's
2 facilities for dedicated trunks to the properly established POI.

3 **Q. On pages 7-15 of your Rebuttal Testimony, you set forth extensive discussion and**
4 **evidence supporting your position that the Act does not provide Socket with any**
5 **right to request and require CenturyTel to route its traffic via a transit provider.**
6 **Does Mr. Voight recognize or discredit this evidence and your conclusions?**

7 A. No. Mr. Voight does not address my discussion. Moreover, Mr. Voight's Rebuttal
8 Testimony provides no support for the notion that Socket has a right to request and
9 require CenturyTel to route traffic via the transit arrangement that Socket requests.
10 However, as a public policy matter, Mr. Voight does argue in favor of limits on transit
11 arrangements which I will address further below. (Voight Rebuttal, at p. 8 line 16
12 through p. 9, line 19.) Although his public policy discussion appears to be prefaced
13 incorrectly on the belief that Socket has some right that does not exist, I appreciate his
14 policy position stated here. (E.g., Voight Rebuttal at p. 8, lines 21-22)

15 I need not repeat all of my analysis and conclusions that Mr. Voight did not
16 address. It should suffice here to say that Socket and other carriers' positions confuse the
17 clear meaning words of Section 251(a) of the Act to say something much different and
18 much more extensive than the actual statutory words and the FCC's implementing rules.
19 Section 251(a)(1) states:

20 (a) General Duty of Telecommunications Carriers. -- Each telecommunications
21 carrier has the duty -- (1) to interconnect directly or indirectly with the facilities
22 and equipment of other telecommunications carriers.

23 A carrier complies with this general duty simply by interconnecting directly or
24 indirectly. This provision does not bestow any right on a non-incumbent requesting
25

1 carrier to dictate choices to incumbent carriers and does not negate the limitations on the
2 requirements that arise under the Sections 251(b) and (c) standards which do not, at most,
3 require an incumbent LEC to fulfill interconnection requests that are superior to, or more
4 costly than, what the incumbent does for itself or with other carriers.

5 **Q. On pages 8-9 of his Rebuttal Testimony, Mr. Voight explains his public policy**
6 **position as to why transit arrangements should be limited in volume. Do you have**
7 **any response to his discussion?**

8 A. Yes. Regardless of any actual interconnection requirements or what terms to which
9 carriers may agree voluntarily outside of those requirements, transit arrangements should
10 be used only for small amounts of exchanged traffic.

11 Fundamentally, neither CenturyTel nor any third party carrier has any obligation
12 under the Act to transport and switch traffic from the CenturyTel incumbent network to
13 Socket at points beyond the CenturyTel incumbent network. (See Watkins Rebuttal at
14 pp. 7-15.) Nevertheless, the transit arrangement that Socket seeks would require carriers
15 other than Socket to transport and switch local traffic from the CenturyTel network to a
16 distant point with Socket, and the functions to do so would involve interconnection
17 arrangements beyond those that are equal to what the incumbents do for themselves.
18 While Mr. Voight is concerned about the cost of transport and switching, he wrongly
19 presumes that this concern is limited solely to the third party transit provider. The
20 potential burden of transporting traffic to Socket at distant points involves both
21 CenturyTel and any third party carrier.

22 I expect that his assumption is based on his belief that it is only the third party
23 transit provider that incurs costs for the extraordinary transport and switching of

1 interconnection traffic to Socket. But that may be only because the transit provider has
2 not yet sought to recover its transit costs from some other carrier. Obviously, as I
3 explained in my Rebuttal Testimony, the transit arrangement represents a superior
4 interconnection arrangement for which neither CenturyTel nor the third party has any
5 requirement to provide or any responsibility for its costs. Regardless, the third party
6 transit provider may attempt to recover its transit costs from CenturyTel, in which case
7 CenturyTel would be subjected to costs, and Mr. Voight's concerns would also apply to
8 CenturyTel. Therefore, the concern about providing transit is not confined solely to the
9 third party transit carrier.

10 **Q. Mr. Voight, at page 9 of his Rebuttal Testimony, recognizes that interconnection**
11 **agreements should not discriminate against a party that is not a party to the**
12 **agreement. What response do you have to his comments?**

13 **A.** I agree that two carriers have no right to enter into an interconnection agreement that
14 affects the rights or operations of other non-party carriers. Mr. Voight's comments,
15 however, suggest that such concern only applies to the transit provider. But this concern
16 applies equally to any other third party that is not a party to a bilateral interconnection
17 agreement. One must recognize the proper chronology of events. Competitive local
18 exchange carriers ("CLECs") such as Socket first entered into interconnection
19 agreements with large incumbents, such as Bell companies, in which the CLEC and the
20 Bell company agreed on transit arrangements that automatically and improperly affected
21 the rights of many other carriers that were neither parties to the negotiations, arbitrations,
22 nor the resulting agreements. As such, the CLEC and the Bell company entered into a
23 bilateral agreement under which the result was the attempt to impose rigid arrangements

1 on non-party, third-party carriers; i.e. transit arrangements and potential terms and
2 conditions and responsibilities regarding those arrangements. As such, those terms
3 presumably attempt to require the non-party carrier (e.g. CenturyTel or other smaller
4 LECs) to obtain services from and rely upon one of the bilateral carriers -- a carrier that
5 may be a competitor of the non-party carrier. As I have stated many times in testimony
6 across the country and in comments to the FCC, there will be a chilling effect on fair and
7 effective competition if two carriers that are parties to a bilateral agreement are allowed
8 to force a third, non-party carrier to acquiesce to the bilateral parties' plans and requests.
9 My only point here is that Mr. Voight is properly concerned over the effects that bilateral
10 agreements have on other carriers, but that concern also applies to third-party, non-parties
11 such as CenturyTel that is not the transit provider.

12 **Q. On page 13 of his Rebuttal Testimony, Mr. Voight states that he does not**
13 **understand CenturyTel's position on indirect interconnection and transit**
14 **arrangements. Can you help clarify?**

15 **A.** Yes. Fundamentally, as I explained at length on pages 7-15 of my Rebuttal Testimony,
16 Socket has no right to demand that CenturyTel must route and transport its traffic via a
17 third party transit provider. Moreover, while some state commissions have apparently
18 decided to impose transit service requirements on some carriers, there is no requirement
19 under the Act or under any FCC rules that require a carrier to utilize a transit arrangement
20 of some third party carrier. Nevertheless, CenturyTel had voluntarily proposed to do so
21 only for small amounts of traffic. CenturyTel's obligation with a requesting competing
22 carrier is only to deliver traffic to a POI that is consistent with the full set of criteria set
23 forth in the Act and the FCC's rules. Whether Socket chooses to connect to that point of

1 interconnection directly or indirectly is of no concern to CenturyTel other than the
2 arrangement must be consistent with the actual requirements. In any event, CenturyTel
3 has no obligation to obtain and arrange transport and switching of traffic through a
4 tandem switch of a third party carrier if CenturyTel does not route such traffic through
5 the tandem for itself or with other carriers.

6 Mr. Voight incorrectly believes that the concepts of "interconnection" and those
7 of "routing, transport, or exchange of traffic" are one in the same. But that is not the
8 case. The FCC defines "Interconnection" in Section 51.5 of its rules: "*Interconnection* is
9 the linking of two networks for the mutual exchange of traffic. This term does not
10 include the transport and termination of traffic."

11 The general duty of interconnection under Section 251(a) creates no obligation,
12 whatsoever, for a LEC (i) to originate or deliver traffic; (ii) to provision a particular local
13 service for its end users, or (iii) to provision some extraordinary form of service or
14 interconnection arrangement at the request of some other carrier. It is solely the Subpart
15 H rules developed under Section 251(b)(5) of the Act that govern the framework for the
16 exchange of interconnection traffic and the rules under Section 251(c)(2) that govern the
17 proper establishment of a Point of Interconnection. (*See, specifically, Watkins Rebuttal*
18 *at p. 7, line 20 through p. 9, line 21*)

19 Again, the point is that whatever duties may arise under Section 251(a) of the Act,
20 those duties do not include the requirement for CenturyTel to route and transport traffic
21 to Socket at points beyond what Sections 251(b)(5) and 251(c)(2) actually require. And
22 those sections only require that CenturyTel deliver traffic to a POI on its network and do
23 not require CenturyTel to provision an interconnection arrangement at Socket's request

1 that would be more than what CenturyTel does for itself or with other carriers. (Watkins
2 Rebuttal at pp. 7-15.)

3 **Q. On page 13, lines 15-20, of his Rebuttal Testimony, Mr. Voight attempts to interpret**
4 **your Rebuttal Testimony about what interconnection "CenturyTel seems resigned"**
5 **to accept? Would you like to respond and clarify?**

6 A. Yes. My Rebuttal Testimony that Mr. Voight references should not be viewed outside
7 the context of the actual interconnection requirements or the status of the existing
8 interconnection agreement language proposed by the parties, regardless of whether the
9 interconnection agreement language actually reflects the lawful requirements under the
10 Act. Given the decision by the Commission in the arbitration proceeding and the
11 proposed and existing contract language under review here, my only point is that the
12 Commission can certainly determine, within the given context, that the traffic thresholds
13 and resulting POI requirements should also apply including the recognition of traffic
14 exchanged via a transit arrangement. Any such recognition that the Commission has this
15 latitude at this time and given the existing circumstances does not change my or
16 CenturyTel's position on the fundamental issues. To the extent that Mr. Voight's
17 comment suggests something else, it is wrong. CenturyTel will connect to carriers
18 directly or indirectly at properly established POIs, but that does not mean that CenturyTel
19 is responsible for routing or transporting traffic beyond points that CenturyTel currently
20 transports local traffic.

21 **Q. Are there other potential aspects of interconnection contained in Mr. Voight's**
22 **Rebuttal Testimony that should be addressed?**

1 A. Yes. While it is not completely clear, it appears that Mr. Voight may be suggesting that
2 where CenturyTel's or Spectra's incumbent networks are geographically dispersed or
3 where CenturyTel or Spectra do not provide their own tandem for interexchange traffic,
4 the CenturyTel companies should be responsible for transporting local treated traffic to
5 distant locations to accommodate Socket. (*See, e.g., Voight Rebuttal at p. 5, lines 7-15.*)
6 His discussion gives rise to a large number of possible implications. Perhaps, where
7 individual service areas within a Spectra or CenturyTel company are not connected by
8 network facilities, his implications could be that the CenturyTel company could be
9 responsible for some form of new and extraordinary transport to link two exchange areas
10 to reach a Socket POI. Another possibility may be that a CenturyTel company may be
11 required to route traffic to a third party tandem, either a CenturyTel affiliate tandem or a
12 unaffiliated carrier's tandem. In both cases, the implications would create requirements
13 for CenturyTel that would violate the "no more than equal to" criterion in the Act. In
14 both cases, CenturyTel does not route or transport, and there is no reason to route or
15 transport, local traffic to such points as Socket may request. As such, Socket's request is
16 a request for a superior interconnection arrangement beyond that required by the Act.
17 (*Watkins Rebuttal at p. 8, line 9 through p. 10, line 11.*)

18 These examples of potential superior arrangements are very concerning to
19 CenturyTel because of the costs that could be incurred for the one-way nature of the ISP
20 traffic and the potentially large amount of minutes of use typically characteristic of dial-
21 up ISP traffic.

22 **Q. Does this conclude your Surrebuttal Testimony?**

23 A. Yes.