

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Petition of Qwest  
Corporation to Initiate a Mass-Market  
Switching and Dedicated Transport Case  
Pursuant to the Triennial Review Order**

**Docket No. UT-033044**

**RESPONSE TESTIMONY OF**

**WILLIAM R. EASTON**

**ON BEHALF OF**

**QWEST CORPORATION**

**FEBRUARY 2, 2004**

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1                   **III.     ROLLING ACCESS TO UNBUNDLED SWITCHING**

2   **Q.     PLEASE EXPLAIN THE CONCEPT OF ROLLING ACCESS TO UNBUNDLED**  
3   **SWITCHING AS DEFINED IN THE TRO?**

4   A.     First, it should be noted that “rolling access” is only relevant for geographical areas in  
5     which a state commission, after applying a triggers analysis under Track One and the  
6     potential deployment analysis under Track 2, finds that impairment exists. For market  
7     areas in which the state commission finds there is no impairment, rolling access is  
8     inapplicable. Second, assuming a finding of impairment, rolling access is a means that  
9     must be considered by the state commission to address the impairment that it finds to  
10    exist. In its simplest terms, rolling access could be implemented to mitigate the  
11    impairment by allowing CLECs temporary access to unbundled switching in order to  
12    acquire customers. After a specified period from the time the customer is acquired,  
13    however, the CLEC would be required to transition off unbundled switching to another  
14    serving arrangement, such as UNE-L with switching supplied by the CLEC or acquired  
15    from a source other than the ILEC. Thus, for example, under a rolling access regime, a  
16    customer acquired in January by a CLEC may be required to transition to UNE-L or  
17    some other serving arrangement in April.

18   **Q.     PLEASE BE MORE SPECIFIC IN DESCRIBING HOW THE FCC PROPOSES**  
19   **THAT ROLLING ACCESS TO UNBUNDLED SWITCHING BE USED?**

1 A. Rolling access is addressed specifically in paragraphs 521 to 524 of the TRO and in  
2 section 51.319(d)(2)(iii)(C)<sup>1</sup> of the rules adopted by the FCC to implement the TRO.

3 Paragraph 521 of the TRO states:

4 If, after applying the triggers and the flexible analysis of potential deployment  
5 described above, a state commission concurs that requesting carriers are impaired  
6 in the mass market in any particular market, we conclude that it must next  
7 consider the use of “rolling access to unbundled circuit switching” to address  
8 impairment in that market. Specifically, we conclude that, in some cases,  
9 impairment in a given market could be mitigated by granting requesting carriers  
10 access to unbundled local circuit switching for a temporary period, permitting  
11 carriers first to acquire customers using unbundled incumbent LEC local circuit  
12 switching and later to migrate these customers to the competitive LECs own  
13 switching facilities.

14 Section 51. 319(d)(2)(iii)(C) states:

15 (C) Transitional use of unbundled switching. If the triggers described in  
16 paragraph (d)(2)(iii)(A) of this section have not been satisfied with regard to a  
17 particular market and the analysis described in paragraph (d)(2)(iii)(B) of this  
18 section has resulted in a finding that requesting telecommunication carriers are  
19 impaired without access to local circuit switching on an unbundled basis in that  
20 market, the state commission shall consider whether any impairment would be  
21 cured by transitional (“rolling”) access to local circuit switching on an unbundled  
22 basis for a period of 90 days or more. “Rolling” access means the use of  
23 unbundled local circuit switching for a limited period of time for each end-user  
24 customer to whom a requesting telecommunications carrier seeks to provide  
25 service. If the state commission determines that transitional access to unbundled  
26 local circuit switching would cure any impairment, it shall require incumbent  
27 LECs to make unbundled circuit switching available to requesting  
28 telecommunications carriers for 90 days or more, as specified by the state  
29 commission. The time limit set by the commission shall apply to each request for  
30 access to unbundled local circuit switching by a requesting telecommunications  
31 carrier on a per customer basis.

32 **Q. DOES QWEST BELIEVE ROLLING ACCESS TO UNBUNDLED SWITCHING**  
33 **AND UNE-P IS NECESSARY?**

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<sup>1</sup> 47 C.F.R. § 51.319(d)(2)(iii)(C).

1 A. Not for those areas where CLECs are not impaired in the absence of unbundled  
2 switching. The testimony of other witnesses in this case has demonstrated that, in several  
3 geographic markets in Washington, either the self-provisioning trigger has been met or  
4 the potential deployment analysis has demonstrated that it is economic for an efficient  
5 CLEC to serve mass market customers without access to unbundled switching—in many  
6 areas, both tests are met. For the reasons described in that testimony, CLECs are not  
7 impaired without access to unbundled switching in those markets. Accordingly, this  
8 testimony should not be interpreted as suggesting to the Commission or others that Qwest  
9 agrees that rolling access to unbundled switching is necessary in those markets.  
10 However, if the Commission disagrees with Qwest, and finds there is impairment in  
11 specific areas in Washington, Qwest believes that the impairment can be mitigated by  
12 rolling access in those areas.

13 **Q. HOW MIGHT ROLLING ACCESS MITIGATE PURPORTED IMPAIRMENT?**

14 A. Rolling access allows CLECs to retain access to unbundled switching for a temporary  
15 period from the time they acquire a new customer, thus providing them an opportunity to  
16 overcome impairment issues. For example, rolling access would provide CLECs a period  
17 in which to accumulate enough customers to allow them to make use of the batch hot cut  
18 process. It would also help mitigate costs associated with customer turnover or “churn.”  
19 Since new customer turnover is typically higher in the first few weeks or months after an  
20 end-user customer switches to a new local service provider, rolling access would allow  
21 CLECs a shakedown period from initial customer acquisition until the customer base

1 stabilizes somewhat. At that time, the CLEC would then need to convert the end-user  
2 customers who stay with a CLEC to UNE-L or some other serving arrangement.

3 **Q. HOW DOES QWEST PROPOSE IMPLEMENTING ROLLING ACCESS IN**  
4 **MARKETS WHERE IMPAIRMENT IS FOUND TO EXIST?**

5 A. In those markets, Qwest proposes to make rolling access available for a period of 90 days  
6 for each of the CLEC's working telephone numbers.

7 **Q. WHY DOES QWEST PROPOSE A 90-DAY TIME PERIOD FOR ROLLING**  
8 **ACCESS?**

9 A. A 90-day period allows CLECs to reasonably address churn and other impairment issues.  
10 The 90-day period, an option discussed by the FCC in the TRO, is supported by churn  
11 data compiled by WorldCom and provided to the FCC. As noted in the TRO, WorldCom  
12 claims that it loses 50% of all new customers in the first three months of service and that  
13 for its "Neighborhood" customers, it loses 25% in the first three months.<sup>2</sup> While these  
14 numbers may be debatable, they do make it clear that the first 90 days is the critical  
15 period according to the CLECs themselves. A 90-day period would also allow CLECs a  
16 reasonable period to accumulate enough customers to allow them to take advantage of the  
17 batch hot cut process to make the conversion to UNE-L.

18 **Q. HOW WOULD QWEST ADMINISTER THE ROLLING ACCESS PROCESS?**

19 A. As I mentioned previously, the process should be administered at a working telephone  
20 number level. Every working telephone number ordered by a CLEC as a UNE-P would

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<sup>2</sup> TRO ¶ 523, footnote 1604.

1 be identified at the time of the order. Within 90 days from the date of UNE-P going into  
2 service, the telephone number must be converted to a service other than UNE-P. To  
3 facilitate this, Qwest would mechanically add a rolling access tracking identifier to each  
4 UNE-P telephone number as it is ordered by a CLEC. The Firm Order Confirmation  
5 (FOC) issued to the CLEC as a part of the provisioning process, would identify the date  
6 on which the 90-day rolling access transition period ends, and by which the UNE-P  
7 combination telephone number must be converted from UNE-P to another service.

8 **Q. HOW WOULD THE CONVERSION PROCESS WORK?**

9 A. For UNE-P telephone numbers established after the implementation of rolling access, at  
10 any point during the 90-day time period Qwest would, at the request of a CLEC, convert  
11 the UNE-P service to whatever other service the CLEC orders.<sup>3</sup> If the CLEC does not  
12 initiate a conversion order, Qwest would automatically convert the UNE-P service to the  
13 equivalent Resale service after the expiration date of the 90-day rolling access period.

14 **Q. WHAT ARE THE CHARGES ASSOCIATED WITH THESE CONVERSION**  
15 **ORDERS?**

16 A. For batch hot cut conversions to UNE-L, a batch hot cut nonrecurring charge would  
17 apply. For conversions to other services, including conversions to resale initiated by  
18 Qwest, the applicable nonrecurring charges associated with conversions to those services  
19 would apply.

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<sup>3</sup> If a UNE-P telephone number with line splitting is converted to Resale, line splitting will be removed as it is not available with Resale Services.



1 **Q. ARE THERE IMPLICATIONS FOR THE EMBEDDED BASE OF UNE-P LINES**  
2 **IF A COMMISSION ORDERS ROLLING ACCESS?**

3 A. Yes. If the Commission determines that impairment issues can be mitigated through  
4 rolling access to UNE-P, the embedded base of UNE-P lines in the geographical area  
5 within which rolling access is ordered will need to be transitioned to other products or  
6 services since the goals of rolling access will have already been satisfied for these  
7 existing lines.

8 **Q. HOW WOULD THE TRANSITION OF THE EMBEDDED BASE OF UNE-P**  
9 **COMBINATIONS TAKE PLACE IN MARKETS WHERE ROLLING ACCESS IS**  
10 **ORDERED BY THE COMMISSION?**

11 A. The transition process for the embedded base of non-impaired mass markets customers  
12 detailed in the TRO, and discussed in my direct testimony (Exhibit No. RWE-1T), should  
13 be used to transition the embedded UNE-P base:

- 14 1) Thirteen months after a Commission finding that rolling access mitigates  
15 impairment, each CLEC would submit orders to transition one-third of its  
16 unbundled switching [UNE-P] end-users to another service;
- 17 2) Twenty months after the Commission finding, each CLEC would submit  
18 orders for half of the remaining unbundled switching end-users; and
- 19 3) Twenty seven months after the finding, each CLEC would submit orders  
20 to transition all remaining unbundled switching end-users.

21 **IV. RESPONSE TO CEDRIC COX TESTIMONY**

22 **Q. ON PAGES 15 AND 16 OF HIS TESTIMONY, MR. COX MAKES THE**  
23 **DISTINCTION BETWEEN A TRANSITION HOT CUT PROCESS AND A MASS**

1           **MARKET, OR ON-GOING, HOT CUT PROCESS (LINES 369-373). ARE**  
2           **THESE REALLY TWO DIFFERENT PROCESSES?**

3    A.    No, they are not. As noted in the batch hot cut testimony of Dennis Pappas filed on  
4           January 23, 2004, Qwest has developed a batch hot cut process that will become one of  
5           the several installation options that are available to CLECs on a going forward basis. *See*  
6           Exhibit DP/LN-1T at page 8. Mr. Cox is simply incorrect when he states that even if  
7           CLECs have rolling access they will not be able to rely on the batch hot cut process.

8    **Q.    MR. COX ARGUES THAT ROLLING ACCESS AND THE BATCH HOT CUT**  
9           **PROCESS WOULD ALLEVIATE ONLY SOME ASPECTS OF CLEC**  
10           **IMPAIRMENT SINCE THE BATCH HOT CUT PROCESS WOULD NOT**  
11           **HANDLE CLEC TO CLEC MIGRATIONS INVOLVING UNE-L (LINES 374-**  
12           **379). IS HE CORRECT?**

13   A.    No. As Mr. Pappas' testimony makes clear, the batch hot cut process will handle UNE-L  
14           CLEC to CLEC migrations where there is facilities reuse. *See* Exhibit DP/LN-1T at page  
15           45.

16   **Q.    MR. COX ALSO STATES THAT ROLLING ACCESS WOULD ACTUALLY**  
17           **INTRODUCE A NEW IMPAIRMENT ISSUE SINCE MCI CUSTOMERS**  
18           **WOULD BE FORCED TO FIRST BE PROVISIONED ON UNE-P AND THEN**  
19           **CONVERTED TO UNE-L, THEREBY LIMITING THEM TO QWEST**  
20           **FEATURES UNTIL THE UNE-L CONVERSION TAKES PLACE (LINES 380-**  
21           **390). PLEASE RESPOND.**

1 A. Mr. Cox misunderstands how rolling access would work. There is nothing in the TRO's  
2 discussion of rolling access or in the manner in which Qwest proposes to implement it  
3 that would force a CLEC to order UNE-P instead of UNE-L. The whole concept is to  
4 provide an option that would allow CLECs to have access to UNE-P for a limited period  
5 of time if they want it. Should a CLEC choose to not avail itself of this option and  
6 instead order UNE-L initially, there is nothing that would preclude it from doing so.

7 **V. RESPONSE TO ROBERT FALCONE TESTIMONY**

8 **Q. ON PAGE 20, LINE 12 OF HIS HOT CUT PROCESS TESTIMONY, MR.**  
9 **FALCONE STATES THAT IF THE COMMISSION MAKES A FINDING THAT**  
10 **ALL ECONOMIC AND OPERATIONAL IMPAIRMENT WOULD BE**  
11 **ELIMINATED BY THE BATCH HOT CUT PROCESS, THEN ROLLING UNE-P**  
12 **IS REQUIRED. DO YOU AGREE?**

13 A. No. Mr. Falcone has misread the TRO. The TRO is clear that rolling access is designed  
14 to mitigate impairment. In other words, it is only after a finding of impairment that the  
15 TRO directs state commissions to consider rolling access.<sup>4</sup> Should the Commission find  
16 that the batch hot cut process would eliminate all impairment issues, there would not be  
17 any impairment left to mitigate and, therefore, rolling access cannot be ordered by a state  
18 commission.

19 **Q. AT PAGE 20, LINE 14 TO PAGE 21, LINE 14 OF MR. FALCONE'S**  
20 **TESTIMONY, HE IMPLIES THAT ROLLING ACCESS IS NECESSARY IF A**

1           **BATCH HOT CUT PROCESS IS ADOPTED SINCE AT&T IS NOT AWARE OF**  
2           **ANY BATCH TRANSFER PROCESS THAT DOES NOT FIRST INVOLVE UNE-**  
3           **P. PLEASE COMMENT.**

4    A.    As noted in the testimony of Mr. Pappas (Exhibit No. DP/LN-1T), the batch hot  
5           conversion process will be available for CLECs for the conversion of UNE-P lines to  
6           UNE-L, Qwest Retail to UNE-L, Qwest Resale to UNE-L, and CLEC-to-CLEC  
7           conversions (i.e., when CLEC #1 converts a UNE-L to a UNE-L for CLEC #2). Thus,  
8           there are several options that do not involve UNE-P. The existence of a batch hot cut  
9           process, in and of itself, in no way leads to a conclusion that rolling access is necessary.  
10          Such a conclusion is neither fact based nor consistent with the TRO, which requires that  
11          rolling access is to be considered only if the Commission were to determine that  
12          impairment exists.

13                           **VI.    MODIFIED LINE COUNT INFORMATION**

14   **Q.    SINCE YOUR DIRECT TESTIMONY WAS FILED ON DECEMBER 22, 2003**  
15           **(EXHIBIT NO. RWE-1T), HAVE YOU HAD A CHANCE TO REVIEW THE**  
16           **LINE COUNT EXHIBITS PROVIDED AS A PART OF THAT TESTIMONY?**

17    A.    Yes. Since that testimony was filed, I have discovered that the Longview MSA was not  
18           properly identified in the exhibits. Although the line counts for the two wire centers in  
19           the Longview MSA were included in the total counts, they were inadvertently classified

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<sup>4</sup> The FCC directs state commissions to consider rolling access only “after” it has applied the impairment tests and has found that “requesting carriers are impaired in the mass market.” TRO ¶ 521.

1 as not being part of an MSA. I also discovered the total on Exhibit No. WRE-2C was  
2 misstated, even though the individual line counts by wire center were correct.

3 **Q. HAVE YOU PREPARED REVISED EXHIBITS?**

4 A. Yes. Attached as Confidential Exhibit WRE-6C is a revised listing of DS0 UNE-P line  
5 counts by wire center; this replaces the previously filed Exhibit WRE-2C. Attached as  
6 Confidential Exhibit WRE-7C is a revised listing of DS0 UNE-L loop counts by wire  
7 center; this replaces the previously filed Exhibit WRE-3C. Finally, attached as  
8 Confidential Exhibit WRE-8C is a revised listing of resale line counts by wire center; this  
9 replaces the previously filed Exhibit WRE-4C.

10 **VII. CONCLUSION**

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

12 A. Yes.