BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of)
) DOCKET NO. UT-03304 4
QWEST CORPORATION)
)
To Initiate a Mass-Market Switching)
And Dedicated Transport Case)
Pursuant to the Triennial Review)
Order)

REBUTTAL TESTIMONY OF

JOHN P. LYNOTT

ON BEHALF OF

AT&T COMMUNICATIONS OF THE PACIFIC NORTHWEST, INC., AT&T LOCAL SERVICES ON BEHALF OF TCG SEATTLE, AND TCG OREGON (COLLECTIVELY "AT&T")

REGARDING DEDICATED TRANSPORT

February 20, 2004

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I. <u>INTRODUCTION OF WITNESS AND PURPOSE OF TESTIMONY</u>

2	Q.	PLEASE STATE YOUR FULL NAME, TITLE AND BUSINESS
3		ADDRESS.
4	A.	My name is John P. Lynott. I am an independent consultant providing analysis of
5		regulatory issues and testimony for telecommunications companies. My business
6		address is 16837 E. Crestline Place, Centennial, CO 80015.
7	Q.	WHAT IS YOUR RELEVANT EDUCATIONAL BACKGROUND AND
8		PROFESSIONAL EXPERIENCE?
9	A.	I graduated from Regis University in Denver Colorado in 1991 with a Bachelor of
10		Science Degree in Technical Management (Emphasis on Electrical Engineering
11		Technology [EET]), and a Minor in Economics. I received a Masters Certificate
12		in General Business from the Wharton School of Business at the University of
13		Pennsylvania. I have worked in the telecommunications industry for the past 24
14		years, and I have extensive experience in the design, implementation,
15		maintenance, and operation of telecommunications networks.
16		During my career, I have worked in the network systems, engineering, and
17		operations groups for Mountain Bell Telephone, Qwest, Lucent Technologies, and
18		AT&T. My responsibilities included providing the effective and timely
19		provisioning, maintenance, testing, growth, and service restoration of DS0, DS1,
20		and DS3 Transport Facilities. I managed teams who installed, tested, monitored,

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	augmented, and maintained Switched (POTS) and Private Line (DS0, DS1 and
	DS3) services in a Central Office (LSO) Environment. I also conducted technical
	analysis, acceptance, and interoperability of SONET Transport and GR-303 IDLC
	Network Elements. I have been a member of the Institute of Electrical and
	Electronic Engineers (IEEE) for the past 15 years, and I have previously testified
	in many other regulatory hearings. A copy of my resume is attached at Exhibit
	JPL-2.
Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
A.	The purpose of my testimony is to reply to the response testimony of Rachel
	Torrence, provide additional testimony on Ms. Torrence's Replacement Exhibit
	RT-9HC, and update AT&T's rebuttal testimony based on late responses to
	subpoenas and AT&T's data requests to competitive local exchange carriers
	("CLECs").
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Q.	ARE YOU ADOPTING THE DIRECT AND RESPONSE TESTIMONY OF
	ANTHONY J. GIOVANNUCCI?

II. RESPONSIVE TESTIMONY OF RACHEL TORRENCE

2	Q.	MS. TORRENCE ARGUES THAT AT&T'S PROPOSED NINE-MONTH
3		TRANSISTION PERIOD CONTRADICTS THE LANGUAGE AND
4		INTENT OF THE TRO. DO YOU AGREE?
5	A.	No. Ms. Torrence focuses exclusively on paragraph 703 of the <i>Triennial Review</i>
6		Order ("TRO"). There appears to be some disagreement between AT&T and
7		Qwest over the meaning of the nine-month period referred to in paragraph 703.
8		However, Ms. Torrence makes no reference to paragraph 417 of the TRO which is
9		cited in AT&T's direct testimony. Paragraph 417 of the TRO is explicit: "We
10		expect that states will require an appropriate period for competitive LECs to
11		transition from any unbundled transport that the state finds should no longer be
12		unbundled." The Federal Communications Commission ("FCC") could not be
13		any clearer that the states should adopt a transition period. The transition period
14		runs from the date of the finding by this Commission, not from the effective date
15		of the TRO, because the CLECs are entitled to obtain dedicated transport from
16		Qwest until the date of any finding by this Commission that the CLECs are not
17		impaired on any specific route.
18		The FCC also gives the states wide discretion. "Further we note that this
19		Commission voted unanimously to give the states unlimited discretion to
20		determine the appropriate transition period for migrating customers off of

¹ Direct Testimony of Anthony J. Giovannucci at 39, n. 72.

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1 enterprise loops and transport UNEs where they find no impairment for these 2 facilities. See e.g., supra para. 338 (stating expectation that states will give competitors an "appropriate period" to transition from unbundled loops)."² The 3 4 nine-month transition period proposed by AT&T is an "appropriate period." 5 Q. WHY IS NINE MONTHS A REASONABLE TRANSITION PERIOD? 6 A. As noted in AT&T's direct testimony, CLECs need a period of time to self-7 provision dedicated transport on any specific route where the Commission makes 8 a finding of non-impairment or they must acquire transport from a wholesaler, if 9 one is available. There may not be a wholesaler available if a finding of no 10 impairment was based on the self-provisioning trigger. 11 To self-provision transport, the CLEC may need to acquire, construct and 12 provision the transport facilities, collocation and attending equipment (assuming 13 collocation space is available), and the originating and terminating equipment. 14 This takes time. For example, Qwest's SGAT states that unforecasted collocation requests can take anywhere from 4 to 5 months,³ and possibly longer, to complete. 15 16 As pointed out in the prefiled testimony of Mr. Giovannucci, there are other 17 obstacles to building transport facilities, including the acquisition of needed capital and rights-of-way.⁴ Under ideal conditions it can take 12 months to 18

² TRO, ¶ 532, n. 1629.

³ SGAT § § 8.4.3.4.3 – 8.4.3.4.6.

⁴ Direct Testimony of Anthony J. Giovannucci at 12-15, 18-19.

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become "revenue ready." Based on my experience, a nine-month transition period is more than reasonable and actually may be too short a period. Even if a wholesale provider is available, the CLEC may face many of the same problems and may need to acquire, construct and provision collocation and attending equipment (assuming collocation space is available) and the necessary connections. As I pointed out above, unforecasted collocation requests can take from 4 to 5 months.

Q. MS. TORRENCE ARGUES THAT MIGRATION IS STRICTLY A

BILLING CHANGE. DO YOU AGREE?

A. Absolutely not. Ms. Torrence assumes that the CLEC will stay on Qwest's network if a finding of impairment is made on a specific route.⁶ However. according to the FCC, a finding of non-impairment is suppose to mean either that it is economic for the CLEC to self-provision on the route or that a non-ILEC wholesale alternative is available. The purpose of the transition is to give CLECs the time either to self-provision its own facilities or to find a wholesale alternative if one exists. In its discussion regarding the need for a transition period for the embedded UNE-P customer base, the FCC stated: "In instances when existing network elements may potentially be eliminated pending a fact-intensive investigation, we find that section 251(d)(2) gives us the authority to promulgate reasonable transition rules to protect the public interest by preserving the state quo

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⁵ *Id.*, at 15-16.

⁶ Response Testimony of Rachel Torrence at 12.

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pending the outcome of the investigation and by giving competitive carriers a realistic opportunity to deploy their own facilities."⁷ This rationale is equally applicable to a transition period for dedicated transport. In the meantime, the CLECs have existing customer contracts they must continue to honor. These contracts were entered into with the understanding dedicated transport was available as a UNE. Simply making a "billing change" and allowing Owest to assess special access rates may well make such contracts uneconomic. Thus, a flash cut with no transition would likely create economic hardship for competitors and reduce CLECs' incentives to continue to provide even facilities-based service to enterprise customers. In addition, the FCC noted that the purposes of a transition period include: (i) minimizing disruptions to customers, ⁸ (ii) promoting competitive investment and (iii) continuing customer choice, 9 none of which would be accomplished by a flash cut "billing change" while competitors seek alternatives to special access. Thus, Qwest's proposal is anticompetitive and should be rejected.

⁷ TRO, ¶ 528 (emphasis added).

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⁸ *Id.*, ¶ 266.

⁹ *Id.*, ¶ 531 & 532, n. 1629.

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1	Q.	DOES AT&T CONTINUE TO RECOMMEND THAT THE COMMISSION
2		ADOPT A MINIMUM NINE-MONTH TRANSITION PERIOD FOR ALL
3		ROUTES FOR WHICH A FINDING OF NON-IMPAIRMENT IS MADE?
4	A.	Yes. CLECs should have a minimum of nine months to transition from existing
5		UNEs to other facilities, subject to a further grandfathering for customers with
6		longer term contracts. During the transition period CLECs should continue to pay
7		UNE rates for dedicated transport.
8		III. REPLACEMENT EXHIBIT RT-9HC
9	Q.	MS. TORRENCE FILED A REPLACEMENT EXHIBIT RT-9HC. HAVE
10		YOU HAD A CHANCE TO REVIEW THE EXHIBIT?
11	A.	Yes.
12	Q.	DO YOU HAVE ANY COMMENTS ON EXHIBIT RT-9HC?
13	A.	Yes. First, Qwest deleted and added a number of CLECs on RT-9HC that it
14		believes self-provision dedicated transport or provide dedicated transport to other
15		carriers at wholesale. Second, Qwest added 4 more routes, bringing the total
16		number of routes to 29.
17		AT&T asked Qwest a number of data requests in an attempt to determine if Qwest
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provide any information in its data responses¹⁰ beyond what is identified in the 1 2 pre-filed responsive testimony of Mr. Giovannucci or reflected in his attached 3 exhibits. There is no reason to alter Mr. Giovannucci's initial analysis based on 4 the additional discovery. Q. 5 DO ANY OF THE FOUR ADDITIONAL ROUTES MEET THE TRIGGER 6 **REQUIREMENTS?** 7 A. No. Based on the responses to discovery requests and answers to subpoenas, 8 none of the carriers identified on routes 26-29 are self-provisioning dedicated 9 transport or providing dedicated transport on a wholesale basis. Furthermore, 10 Qwest has failed to provide any evidence that CLECs are self-provisioning 11 dedicated transport or are operationally ready and willing to provide dedicated 12 transport on a widely-available wholesale basis to other carriers at specific capacity levels on the 4 routes. 11 Therefore, none of the four newly identified 13 14 routes (routes 26-29) meet the trigger requirements.

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AT&T 08-434 through AT&T 08-473. All of these responses refer to Qwest's response to AT&T 03-203
(a-i), which is attached to Mr. Giovannucci's Responsive Testimony as an exhibit.
Also, several CLECs that may be identified on Exhibit RT-9HC should now be considered affiliated

Also, several CLECs that may be identified on Exhibit RT-9HC should now be considered affiliated parties for purposes of the trigger analysis. *TRO*, ¶ 408 & 414. *See* Exhibit JPL-3 attached to my rebuttal testimony.

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IV. SUPPLEMENTAL DISCOVERY

2	Q.	IN HIS PRE-FILED RESPONSE TESTIMONY, MR. GIOVANNUCCI
3		TESTIFIED THAT, BASED ON THE DISCOVERY HE HAD REVIEWED
4		ALL BUT 5 OF THE POTENTIAL ROUTES COULD BE ELIMINATED
5		BASED ON CLEC DISCOVERY RESPONSES. HAVE YOU REVIEWED
6		THE POTENTIAL 5 ROUTES TO DETERMINE IF ANY OF THE
7		ROUTES QUALIFY BASED ON CLEC RESPONSES TO DISCOVERY?
8	A.	Yes, although the correct number of potential routes is 4. The potential four
9		routes that I further reviewed are routes 7, 8, 14 and 15. When I say potential
10		routes, I mean routes identified by Qwest that were not eliminated because AT&T
11		had not received CLEC responses to discovery or had an opportunity to review
12		CLEC responses to subpoenas at the time the responsive testimony was filed. I
13		want to make it clear that it is AT&T's position that none of the routes qualify
14		because Qwest has failed to provide any information that the carriers identified in
15		Exhibit RT-9HC actually self-provision dedicated transport or are operationally
16		ready and willing to provide dedicated transport on a widely available basis to
17		other carriers at wholesale at specific capacity levels between Qwest wire centers
18		without going through a CLEC switch or hub. That being said, my review
19		confirms that routes 7, 8, 14 and 15 do not qualify based on the latest discovery

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responses from CLECs. 12 All of the carriers stated in response to discovery that 1 2 they either do not self-provision on the routes identified by Owest on Exhibit RT-3 9HC or do not provide dedicated transport at wholesale to other carriers on the 4 routes identified by Qwest. Even the few carriers that may have arguably 5 qualified their response, it is obvious the carriers believe that whatever transport 6 they may provide is not dedicated transport as defined by the FCC, and is obvious 7 that the carriers do not make whatever transport they do provide widely available. 8 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

9 A. Yes.

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 $^{^{12}}$ The discovery responses from B2, D1, J1, P4, Y3 and Z4 are attached to my testimony as **Exhibit JPL-4HC**.