

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Investigation into)
U S WEST COMMUNICATIONS, INC.'s) Docket No. UT-003022
Compliance with Section 271 of the)
Telecommunications Act of 1996)
_____)
)
In the Matter of U S WEST)
COMMUNICATIONS, INC.'s Statement of) Docket No. UT-003040
Generally Available Terms Pursuant to)
Section 252(f) of the Telecommunications)
Act of 1996)
_____)

WORKSHOP 2 RESPONSE TESTIMONY

OF

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On Behalf of

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1 discuss issues related to Qwest's failure or refusal to perform its legal obligations under
2 its interconnection agreements with XO. Rather, XO's interest in the second workshop,
3 and consequently my testimony, is focused on Qwest's legal obligation to provide
4 interconnection and collocation.

5
6 With respect to interconnection, I address Qwest's refusal to compensate CLECs for
7 interconnection facilities other than entrance facilities and transport within the Qwest
8 local calling area, as well as Qwest's failure to provide XO with even that level of
9 compensation. XO deploys separate switches to serve the greater Spokane and Puget
10 Sound regions, and XO interconnects with Qwest primarily through collocation in Qwest
11 central offices. I recommend that the Commission refuse to certify Qwest as compliant
12 with Section 271 until Qwest accepts its responsibility for sharing the costs of all
13 facilities that are *actually used* for interconnection, not just for the minimum facilities
14 Qwest believes *should be needed* for interconnection.

15
16 I also address several collocation issues, including collocation pricing, Qwest's policy not
17 to proactively engineer for CLEC interconnection, and Qwest's refusal to permit CLECs
18 to cross-connect their collocated equipment to interconnect their networks. I recommend

1 that the Commission refuse to conclude that Qwest has satisfied its obligations under the
2 checklist item until (1) collocation prices have been established; (2) Qwest has
3 demonstrated that it makes power and transport facilities available coincident with
4 completion of collocation space construction; (3) Qwest is not permitted to excuse
5 untimely performance based on a lack of collocation facilities; (4) Qwest permits
6 collocating CLECs to cross-connect their collocated equipment; and (5) Qwest allows
7 CLECs to collocate equipment at field connection points, including remote terminals,
8 cabinets, and controlled environmental vaults.

9
10 Finally, I briefly describe problems that XO has experienced with Qwest's provisioning
11 of local number portability. I recommend that these issues be addressed when the
12 Commission evaluates Qwest's performance, rather than at the second workshops on
13 Qwest's compliance with Section 271.

14 II. INTERCONNECTION

15 **Q. WHAT ARE XO'S CONCERNS WITH RESPECT TO INTERCONNECTION**
16 **ISSUES?**

17
18 A. XO's primary concern is an issue that overlaps both reciprocal compensation and
19 interconnection – compensation for facilities used to interconnect Qwest and competing
20 carriers. Qwest's SGAT provides that Qwest will pay a share of interconnection facilities

1 in proportion to the amount of local traffic (exclusive of ISP-bound traffic) that Qwest
2 terminates to the CLEC based on the interconnection facilities Qwest provides. Qwest,
3 however, refuses to pay any portion of the costs of any other facilities used to provide
4 interconnection, including collocation (or its equivalent) in the Qwest central office or
5 CLEC office. My understanding is that Qwest takes the same position with respect to its
6 obligations under existing interconnection agreements.

7 **Q. WHAT IS QWEST'S RATIONALE FOR THIS LIMITATION?**

8
9 A. Qwest apparently believes that interconnection can be adequately accomplished through
10 the construction of entrance facilities and transport between the carriers' switches, and
11 that a CLEC's decision to interconnect through collocation is an option for which the
12 CLEC should be solely responsible. Qwest, therefore, is willing to pay a portion only of
13 the minimum facilities needed to interconnect networks.

14 **Q. WHAT IS XO'S POSITION?**

15
16 A. XO strongly disagrees with Qwest's approach. XO and Qwest are responsible for
17 installing and maintaining facilities used to interconnect their networks, and both
18 companies should share the cost of all such facilities that are actually used to provide
19 interconnection in proportion to their use of those facilities.

20

1 XO interconnects with Qwest primarily via facilities that XO has collocated in Qwest
2 central offices. Carriers have experienced severe network blockage problems when
3 interconnecting with Qwest due to facility shortages. XO obtained collocation in several
4 Qwest central offices, in part, to minimize these blocking problems, as well as to
5 minimize reliance on Qwest facilities and their attendant shortcomings. In addition,
6 interconnection via collocation is more efficient because XO uses collocation not just for
7 interconnection but to access Qwest unbundled network elements and to provide an
8 alternative source of interoffice transport to other companies.

9
10 A related issue is compensation for interconnection facilities that extend beyond the
11 boundary of a Qwest local calling area. Qwest has withdrawn the local calling area
12 provisions from its SGAT but has not affirmatively represented that it will pay its share of
13 the cost of interconnection facilities beyond the Qwest local calling area. Intercarrier
14 compensation for interconnection facilities should not be restricted to the facilities within
15 the Qwest local calling area. XO uses a single switch, rather than multiple switches, to
16 serve broad geographic areas in Washington, which is the most efficient form of
17 telecommunications network architecture, at least for a new entrant. XO has deployed
18 one switch in Spokane to serve customers in that area and one switch in Seattle to serve

1 customers in the Puget Sound region. Qwest has raised the hypothetical concern that
2 CLECs could inflate the costs of interconnection by deploying a switch in one state to
3 handle local traffic in a different state hundreds of miles away, but such a scenario is
4 unrealistic. XO's switches in Washington, for example, are used to provide local service
5 within the LATAs where they are located, not in other states or other LATAs. If carriers
6 interconnect using collocation, therefore, the costs of that collocation and associated
7 equipment attributable to interconnection should be shared proportionately, regardless of
8 whether those facilities extend beyond 20 miles or cross a local calling area boundary.

9
10 Qwest's refusal to pay its proportional share of the facilities actually used for
11 interconnection ignores the realities of how Qwest interconnects with CLECs and raises
12 additional concerns. First, Qwest's position represents an implicit recognition that
13 collocation is far more expensive than necessary if Qwest is not willing to pay its
14 proportional share of the costs Qwest imposes to collocate facilities used for
15 interconnection. Second, Qwest's position on this issue is fundamentally inconsistent
16 with its position on other costing issues, *i.e.*, that CLECs should pay the costs of the
17 actual network facilities, not a "hypothetical" network. If Qwest believes in its own
18 advocacy, it should be willing to live with those principles and pay its share of the costs

1 actually incurred, not lower costs for facilities the parties are not actually using. Finally,
2 the result of Qwest's position is that CLECs are required to shoulder more than their
3 proportional share of the facilities used for interconnection, impermissibly driving up the
4 costs of competitive entry. The local exchange market in Washington is not irreversibly
5 open to competition with such a barrier in place.

6 **Q. WHAT ARE THE INTERCONNECTION FACILITIES OF WHICH EACH**
7 **INTERCONNECTING CARRIER SHOULD SHARE THE COSTS?**

8
9 A. Qwest and CLECs generally use three ways to interconnect their networks: (1) through
10 facilities provided primarily by Qwest; (2) through facilities constructed by each carrier to
11 a meet point; and (3) through facilities provided primarily by the CLEC. Each scenario
12 raises slightly different issues of cost sharing, but the principle remains the same. Each
13 carrier should be responsible for its proportional share of the entire facilities used to
14 interconnect the companies' networks, and each company's proportion is determined by
15 the amount of traffic – including traffic bound for Internet Service Providers – that the
16 company routes over those facilities for termination by the other carrier.

17
18 Qwest-Provided Facilities. Qwest proposes cost sharing based on the circumstances
19 when Qwest provides the interconnection facilities outside the CLEC switching center.
20 These facilities include the “services” Qwest calls interconnection “Entrance Facilities,”

1 which essentially represent a pathway through the Qwest central office or CLEC
2 switching center to the switch, and “Transport,” which is the link between the Qwest
3 central office and the CLEC switching center. FCC rules have established the
4 presumption that the costs of these facilities will be determined based on Qwest’s costs
5 unless the CLEC can justify a higher cost for the facilities when the CLEC provides them.
6 When the interconnecting carriers rely predominantly on Qwest-provided facilities,
7 therefore, each carrier should pay its proportional share of Qwest’s nonrecurring and
8 recurring rates for 2 interconnection Entrance Facilities (one for the Qwest central office
9 and one for the CLEC switching center) and Transport (measured as the airline mileage
10 from the Qwest central office to the CLEC switching center).

11
12 Meet Point. A seldom-used option for physical interconnection is to have each carrier
13 construct facilities to a physical location between the Qwest central office and the CLEC
14 switching center. The only difference between this option and Qwest-provided facilities
15 is that both carriers construct the transport element. The cost recovery, however, should
16 be the same: each carrier should pay its proportional share of Qwest’s nonrecurring and
17 recurring rates for 2 interconnection Entrance Facilities and Transport.

18

1 CLEC-Provided Facilities. The third option for physical collocation is for the carriers to
2 interconnect through facilities the CLEC collocates in the Qwest central office. In these
3 circumstances, the CLEC provides the transport between its switching center and the
4 Qwest central office, as well as the Entrance Facilities in the CLEC switching center.
5 The interconnection Entrance Facility element equivalent for the Qwest central office,
6 however, is substantially different when provisioned via collocation. Under these
7 circumstances, elements from Qwest’s collocation service offering would apply,
8 including the following:

- 9 (a) Collocation Entrance Facility;
- 10 (b) Cable Racking;
- 11 (c) Multiplexing;
- 12 (d) DS-1/DS-3 Terminations;
- 13 (e) Interconnection Tie Pair; and
- 14 (f) Expanded Interconnection Channel Termination (“EICT”).

15 When interconnecting through collocated facilities, therefore, each carrier should be
16 responsible for its proportional share of the Qwest recurring and nonrecurring rates for
17 these collocation elements, as well as Transport and one interconnection Entrance Facility
18 to represent facilities provided by the CLEC.

1 **Q. IS QWEST PAYING OR CREDITING ANY COSTS FOR INTERCONNECTION**
2 **FACILITIES TO XO?**

3
4 A. Not to my knowledge. My understanding is that Qwest has not paid or credited XO for
5 any proportion of the costs of the facilities used to interconnect the companies' networks
6 in Washington.

7 **Q. DOES XO HAVE ANY OTHER CONCERNS WITH RESPECT TO**
8 **INTERCONNECTION ISSUES?**

9
10 A. Yes. XO has largely established interconnection facilities sufficient to exchange traffic
11 with Qwest in Washington based on current traffic levels, but XO is concerned with
12 Qwest's policy not to proactively engineer its network to accommodate CLECs. This
13 issue arises in the context of interconnection when Qwest informs carriers that its
14 network lacks the capacity to satisfy requests for interconnection. Although the
15 forecasting activities between the companies should minimize such occurrences, Qwest
16 has cited lack of facilities and funding to construct additional facilities when denying or
17 delaying interconnection requests. The Commission should ensure that measurements of
18 Qwest's performance of this checklist item include *all* orders for interconnection
19 facilities, including DS-1, DS-3, and OC-x interconnection trunking and switch hooks,
20 and do not exclude orders that Qwest fails to timely provision because of alleged lack of
21 facilities.

1 **III. COLLOCATION**

2 **Q. WHAT ISSUES DOES XO HAVE WITH RESPECT TO COLLOCATION?**

3
4 A. XO has the following concerns: (1) collocation pricing; (2) lack of facilities; (3) refusal
5 to permit collocating CLECs to run cross-connects between their collocated equipment,
6 and (4) collocation at remote terminals, controlled environmental vaults, and cabinets
7 located where fiber feeder and copper distribution facilities connect to serve distribution
8 areas in the network.

9 **Q. WHAT CONCERNS DO YOU HAVE WITH QWEST'S COLLOCATION**
10 **PRICES?**

11
12 A. Qwest has charged XO, on average, over \$175,000 per central office in Washington for
13 collocation, which is more than double the amount that even Qwest has stated in its
14 testimony in Docket No. UT-003013 is its average cost for collocation based on its
15 review of contractor invoices. The Commission is reviewing Qwest's collocation pricing
16 in Part A of Docket No. UT-003013, but the Commission should refuse to find that
17 Qwest has complied with its obligations under this checklist item until the Commission
18 has established reasonable, forward-looking prices for all elements of collocation.

19 **Q. WHAT ABOUT LACK OF FACILITIES FOR COLLOCATION?**

20
21 A. As with interconnection trunking, XO has already established collocation in many Qwest
22 central offices in Washington. XO has experienced repeated delays in Qwest's

1 collocation provisioning because of a lack of available facilities, particularly access to DC
2 power. Qwest, on occasion, has added insult to injury by insisting that XO pay recurring
3 charges for other collocation facilities even though XO has been unable to use those
4 facilities while awaiting a power augmentation.

5
6 XO's experience raises the fundamental policy issue of the scope of Qwest's
7 responsibility to provide collocation and other facilities to CLECs. Qwest's "[c]orporate
8 policy dictates that [it] will not proactively engineer for CLEC interconnection." Ex.
9 ____ (KSA-1). Qwest has tried to explain away this admission as the "inaccurate and
10 uninformed comment of a midlevel employee' that was 'not approved as a statement of
11 company policy.'" *Id.* XO's experience with Qwest, however, is fully consistent with the
12 policy as stated by that employee. Qwest frequently fails or refuses to plan for CLEC
13 facility needs, resulting in unnecessary and inexcusable provisioning delays. While this
14 issue will be examined in more detail in a future workshop devoted to performance
15 issues, I raise it now so that the Commission can ensure that measurements of Qwest's
16 performance include orders that Qwest has failed or refused to fill in a timely manner
17 based on alleged lack of available facilities.

18

1 Specifically with respect to collocation, however, the Commission should refuse to find
2 Qwest in compliance with its obligations under Section 271 until Qwest has demonstrated
3 that it timely provisions all aspects of collocation within the applicable time frame. This
4 should include not just DC power and other collocation-specific elements, but also the
5 provision of transport and other facilities accessed via collocation. Just as Qwest has
6 delayed provisioning DC power beyond the collocation delivery date, Qwest has refused
7 to allow XO even to submit orders for such facilities until after the collocation has been
8 completed. The result is further delay in XO's ability to make use of the collocation
9 space while nevertheless being required to pay for it. The Commission should require
10 Qwest to permit CLECs to order such facilities prior to completion of the collocation
11 construction and to coordinate provisioning of those facilities with delivery of the
12 collocation space. Finally, Qwest should be required to inform a CLEC immediately
13 when Qwest anticipates any delay in the provisioning of the collocation space or ordered
14 facilities to ensure that the CLEC can coordinate its network activities accordingly.

15 **Q. WHAT ARE XO'S CONCERNS ON CLEC-TO-CLEC INTERCONNECTION?**

16
17 A. Qwest currently does not permit CLECs that are collocated in a Qwest central office to
18 cross-connect their collocated facilities. While Qwest formerly permitted such CLEC-to-
19 CLEC cross-connection, Qwest recently informed XO that such cross-connection would

1 no longer be permitted. As closure of the merger between Qwest’s parent corporation
2 and U S WEST, Inc., approached, Qwest indicated that it was reviewing this policy and
3 would likely permit some form of CLEC-to-CLEC cross-connection. In Section 271
4 workshops in other states, Qwest represented that it would permit such cross-connection,
5 and I understand that a Qwest witness testified in the hearings in Part A of Docket No.
6 UT-003013 that Qwest would permit CLECs to cross-connect their collocated equipment
7 or arrange to have Qwest undertake the cross-connection if construction is required. In its
8 testimony and SGAT filed in this proceeding, however, Qwest makes no provision for
9 CLEC-to-CLEC cross-connections. XO has also requested to cross-connect with another
10 CLEC since Qwest represented that it would permit such cross-connects but was told that
11 Qwest was continuing to develop this “product” and would not be able to provide it for
12 some weeks.

13 **Q. WHY IS IT NECESSARY FOR COLLOCATED CLECs TO INTERCONNECT**
14 **THEIR NETWORKS AT THE QWEST CENTRAL OFFICE?**

15
16 A. CLEC-to-CLEC cross-connects at the Qwest central office permit CLECs to interconnect
17 their networks more efficiently and to access facilities and services provided by other
18 CLECs. CLECs with limited network facilities may find it more economical, as well as
19 efficient, to exchange local traffic via such cross-connects, rather than constructing much
20 more costly outside plant to interconnect their networks. In addition, a facilities-based

1 CLEC may be collocated in several Qwest central offices and would offer private line or
2 transport services between those central offices to other CLECs, such as data CLECs that
3 rely on leased network facilities. The only way a CLEC can provide such private line or
4 interoffice transport services to other CLECs is to cross-connect with those CLECs at the
5 central office where they are all collocated. Qwest's refusal to permit such cross-
6 connection thus serves to increase CLECs' network costs and to further monopolize the
7 local exchange market.

8
9 I understand that Qwest recently proposed new SGAT language in other Section 271
10 workshops that address CLEC to CLEC cross-connections and other collocation issues.
11 If Qwest provides this and/or other additional SGAT language on this issue sufficiently in
12 advance of Workshop 2, XO will be prepared to discuss this language and associated
13 issues during the workshop.

14 **Q. WHAT ARE XO'S CONCERNS WITH RESPECT TO COLLOCATION AT**
15 **REMOTE TERMINALS?**

16
17 A. The Act, the FCC, and this Commission require Qwest to permit collocation within
18 premises other than Qwest wire centers. Qwest's SGAT, however, contains no provision
19 that explicitly allows a CLEC to collocate equipment on remote premises to access loops.
20 Collocation within carrier distribution areas is critical both to making advanced services

1 more widely available (*e.g.*, to reach customers served via integrated digital loop carrier
2 systems) and to maximizing the bandwidth and speed of xDSL electronics. The
3 Commission, therefore, should refuse to find that Qwest is in compliance with Section
4 271 until Qwest has established, and the Commission has approved, enforceable terms
5 and conditions for providing collocation in the remote terminals necessary to provide
6 such access. Again, I understand that Qwest has proposed new SGAT language in other
7 states to address these issues, and XO will address this or any other additional SGAT
8 language Qwest proposes at the workshop.

9
10 **III. NUMBER PORTABILITY**

11 **Q. WHAT ISSUES DOES XO HAVE WITH RESPECT TO NUMBER**
12 **PORTABILITY?**

13
14 A. Although XO experienced severe problems when Qwest converted from interim to
15 permanent local number portability (“LNP”), XO’s current concerns are limited to
16 coordinated cut-overs of unbundled loops and LNP. Qwest has failed to coordinate
17 implementation of LNP with cut-over of an unbundled loop, often leaving customers
18 without service for an extended period of time. XO, however, views this issue as linked
19 to unbundled loop issues to be addressed in Workshop 3 and to provisioning issues,
20 which are primarily performance issues that should be considered when the Commission

1 evaluates Qwest's performance of its provisioning of checklist items following the ROC
2 testing. Accordingly, I will provide additional testimony on the number portability aspect
3 of these issues at a later time, to the extent it has not be resolved. .

4 IV. OTHER ISSUES

5 **Q. DOES XO HAVE ANY OTHER CONCERNS WITH RESPECT TO THE ISSUES**
6 **TO BE ADDRESSED IN THE SECOND WORKSHOP?**

7
8 A Yes. XO is concerned with the SGAT provisions that address how a CLEC with an
9 existing interconnection agreement could incorporate provisions from the SGAT into that
10 agreement. In the follow-up workshop to the initial workshops, Qwest provided language
11 it negotiated with AT&T and WorldCom in Colorado that would provide more definition
12 with respect to how a CLEC would "pick and choose" from the SGAT, but several issues
13 remain unresolved. XO has reviewed the proposed language and to the extent that the
14 Commission intends to address this language in the second workshop, XO has the
15 following three concerns:

16 (1) Proposed Section 1.8.2 requires the CLEC to prepare and sign an amendment that
17 includes the SGAT provisions the CLEC chooses to adopt. Qwest, however, has
18 historically retained document control of interconnection agreements and amendments.
19 XO, therefore, needs additional information and possible SGAT language revisions to
20 address the process by which a CLEC can adopt SGAT provisions.

1 (2) Proposed Section 1.8.2 contemplates that a CLEC may designate multiple SGAT
2 provisions for adoption and that Qwest and the CLEC may expeditiously resolve disputes
3 over additional related provisions, but Section 1.8.3 appears to require that the CLEC’s
4 entire request be subject to dispute resolution, even if some provisions are not disputed.
5 The SGAT should be amended to permit undisputed SGAT opt-in provisions to become
6 effective while the parties resolve disputes related to contested provisions.

7 (3) Proposed Section 1.8.4 provides that the parties “shall begin abiding by the terms
8 of the amendment immediately upon CLEC’s receipt of the signed amendment” but the
9 amendment is only “deemed effective upon approval of the amendment by the . . .
10 Commission.” This is unnecessarily ambiguous and confusing and would be better stated
11 as “the amendment shall be effective when it has been executed by both parties, subject to
12 approval by the Commission.”

13 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

14 **A. Yes, it does.**