BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE CONTINUED (COSTING AND PRICING OF UNBUNDLED)

ELEMENTS, TRANSPORT AND (COSTING OF UNBUNDLED)

TERMINATION, AND RESALE (COSTING OF UNBUNDLED)

Part B

(FOR QWEST COMMUNICATIONS, INC. (COSTING OF UNBUNDLED)

DIRECT TESTIMONY

OF

BARBARA J. BROHL

ON BEHALF OF

QWEST CORPORATION

August 4, 2000

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I.IDENTIFICATION OF WITNESS

2 Q1PL	EASE STAT	TE YOUR NAME,	, EMPLOYER,	, POSITION.	, AND BUSINESS
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3 ADDRESS.

<u>1</u>

- 4 A1 My name is Barbara J. Brohl. I am employed by Qwest Corporation (formerly known
- <u>5</u> as U S WEST) as a Director in the Information Technologies Wholesale Systems
- **6** Regulatory Support Group. My business address is 1999 Broadway, 10th Floor, Denver,
- <u>7</u> Colorado 80202.

8 Q1HAVE YOU TESTIFIED BEFORE THIS COMMISSION BEFORE?

- **9** Al Yes. I provided direct testimony, supplemental testimony, response testimony, and
- 10 rebuttal testimony in Part A of this docket. I also provided testimony regarding
- 11 Unbundled Network Element (UNE) Deaveraging in the predecessor to this docket, UT-
- <u>12</u> 960369, UT-960370, and UT-960371.

13 <u>II.INTRODUCTION</u>

14 A. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

15 A1 The purpose of my testimony and associated exhibits is to discuss the impact of the UNE

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- 1 Remand Order¹ on Qwest's Operational Support Systems (OSS). I will describe in detail
- 2 the changes that Owest must make to its OSS to implement the order. I will also discuss
- 3 the cost of making these OSS changes.

4 Q1PLEASE BRIEFLY DESCRIBE THE UNE REMAND ORDER.

- A1 The FCC issued the UNE Remand Order in response to the Supreme Court decision
- invalidating 47 C.F.R. § 51.319.2 In the Order, the FCC re-defined the list of Unbundled <u>6</u>
- <u>7</u> Network Elements (UNEs) that ILECs such as Qwest must make available to CLECs.
- 8 These elements are described in detail in the testimony of Perry W. Hooks.

Q1DOES THE UNE REMAND ORDER IMPACT OWEST'S OSS? 9

- 10 A1 Yes. Because Qwest is obligated by the FCC's UNE Remand Order to make these
- redefined UNEs available to CLECs, and because Qwest is obligated to make its OSS 11
- **12** available to CLECs³, Qwest must change its OSS. These changes make it possible for
- **13** CLECs to access the required UNE information via Qwest's OSS to perform the

¹ See Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 99-238, ("UNE Remand Order"). 2 AT&T Corp. v. Iowa Utilities Board, 525 U.S. 366, 119 S.Ct. 721 (1999).

³ See In the Matter of Implementation of the Local Competition Provisions in the

Telecommunications Act of 1996, CC Docket No. 96-98, and In the Matter of

³ Interconnection between Local Exchange Carriers and Commercial Mobile Radio

⁴ Service Providers, CC Docket No. 95-185, ¶ 516 (rel. Aug. 8, 1996), (FCC First Report

⁵ and Order).

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1 functions of pre-ordering, ordering, provisioning, and maintenance and repair.

2 Q1WHAT UNE REMAND RELATED TOPICS DID THIS COMMISSION

3 ESTABLISHED FOR DISCUSSION IN THIS DOCKET?

- 4 A1 This Commission listed the following as items for discussion related to the UNE Remand
- <u>5</u> Order and other topics:⁴
- **6** UNE Platform
- <u>7</u> Subloop Unbundling
- <u>8</u> Recurring UNE Rates
- <u>9</u> High Capacity Loops
- <u>10</u> Loop Conditioning
- <u>11</u> Inside Wiring
- **12** Dark Fiber

^{1 4} In the Matter of Continued Costing and Pricing of Unbundled Network Elements,

² Transport, Termination and Resale (First Supplemental Order - Prehearing Conference

³ *Order*) *WUTC Docket No. UT-003013* ¶ 16.

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- <u>1</u> Shared Transport
- <u>2</u> Enhanced Extended Loops
- <u>3</u> Flat Rate Reciprocal Compensation

4 Q1DOES QWEST CONSIDER ANY ADDITIONAL ELEMENTS APPLICABLE

- 5 FOR DISCUSSION IN THIS PROCEEDING?
- 6 A1 Yes. The UNE Remand Order also identified and/or clarified the following UNEs:
- 7 Access to Loop information⁵
- **8** Operator Services and Directory Assistance⁶
- **9** Unbundled Switching⁷
- **10** Access to NID⁸
- 11 These elements, like all the UNE Remand items, are applicable to this docket as they may
- <u>12</u> necessitate OSS changes, resulting in additional costs to Qwest.

₁ ₅ UNE Remand Order ¶ 428.

¹ 6 UNE Remand Order ¶¶ 463, 441, 443.

¹ 7 UNE Remand Order ¶¶ 253, 285, 288, 291, 298.

¹ 8 UNE Remand Order ¶¶ 232, 233, 234

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1 Q1IS QWEST AUTHORIZED TO RECOVER THE COST OF UNE REMAND

2 RELATED OSS CHANGES?

- 3 A1 Yes. The Telecommunications Act of 1996 allows ILECs to recover the cost of UNEs.⁹
- 4 The FCC¹⁰ and this Commission¹¹ have recognized that ILECs have the right to recover
- <u>5</u> reasonable costs for UNEs. OSS are defined as a UNE, ¹² so ILECs such as Qwest have
- **6** the right to recover the cost of making OSS available to CLECs. Therefore, Qwest has
- <u>7</u> the right to recover the cost of making OSS changes necessitated by the UNE Remand
- 8 Order.

<u>9</u>

⁹ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, codified at 47

² U.S.C. §§ 151 et seq. (Telecom Act), §252.

The FCC most recently discussed the ILECs' authorization to recover costs in the Line

² Sharing order. See In the Matters of Deployment of Wireline Services Offering Advanced

³ Telecommunications Capability Implementation of the Local Competition Provisions in

⁴ the Telecommunications Act of 1996, CC Docket No. 96-98 and, ¶ 144 (rel. Dec. 9,

 ^{1999), (}FCC Third Report and Order on Docket No. 98-147 and Fourth Report and Order
 on Docket No. 96-98).

^{1 17}th Supplemental Order: Interim Order Determining Prices; Notice of Prehearing

² Conference, WUTC Docket Nos. UT-960369, UT-960370 and UT-960371 ¶ 100

^{3 (}authorizing cost recovery for QWEST and setting interim rates).

_{1 12} FCC First Report and Order ¶ 516.

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<u>1</u>	III.IMPACT OF THE UNE REMAND ORDER ON QWEST'S OPERATIONS
<u>2</u>	SUPPORT SYSTEMS

- 3 Q1DID THE UNE REMAND ORDER RESULT IN THE NEED FOR
- **4** ADDITIONAL SYSTEMS DEVELOPMENT PROJECTS?
- 5 A1 Yes. Whenever Qwest is ordered to provide access to new UNEs or UNE-based
- **6** products, Qwest must make changes or additions to its OSS to allow CLECs access to
- <u>7</u> these new UNEs. The UNE Remand Order had this impact on Qwest.
- **8** Q1WOULD THESE SYSTEMS DEVELOPMENT PROJECTS HAVE BEEN
- 9 UNDERTAKEN IF THE PRODUCTS HAD NOT BEEN ADDED TO THE UNE
- **10 LIST?**
- 11 Al No. Quest does not require UNEs for itself, nor does Quest sell UNEs to its retail
- <u>12</u> customers. Were it not for the requirements of the UNE Remand Order, Qwest would
- not have undertaken the systems development projects necessary to make these UNEs
- **14** available to CLECs.
- 15 Q1DOES QWEST BENEFIT FROM THESE SYSTEMS DEVELOPMENT
- **16** PROJECTS?
- 17 A1 No. Again, Qwest does not sell UNEs to its retail customers, and therefore has no

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- <u>1</u> need for the OSS changes required by the UNE Remand Order. The modifications do
- 2 not add any efficiencies or cost savings to Qwest's business. On the contrary, the
- 3 additional functionality and the additional data and systems infrastructure make
- <u>4</u> increased demands on Qwest's resources and require Qwest to operate and maintain a
- <u>5</u> more complex systems environment.

6 Q1DO CLECS BENEFIT FROM THESE SYSTEMS DEVELOPMENT

7 PROJECTS?

- **8** A1 Yes. The modifications to OSS in response to the UNE Remand Order are made to
- **9** better enable CLECs to provide products and services to their customers through the use
- 10 of Unbundled Network Elements. These modifications make the additional UNEs
- <u>11</u> identified in the UNE Remand Order available to CLECs through Qwest's OSS.

12 Q1WERE ANY UNE REMAND RELATED PROJECTS ALREADY

13 UNDERWAY WHEN THE UNE REMAND ORDER WAS ISSUED?

- 14 A1 Yes. Qwest began work on some systems development projects in 1999, prior to the
- UNE Remand Order. The original cost docket (UT-960369, UT-960370, and UT-
- 16 960371) was split into two parts, with the original OSS cost recovery portion of the
- docket remaining in Part A and the new Part B containing the list of UNEs resulting from
- <u>18</u> the UNE Remand Order. Some of the projects that resulted from the UNE Remand

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- 1 Order were already underway in 1999 and, as a result, were reported in the exhibits with
- 2 my testimony filed on January 31, 2000. As a result of splitting the cost docket in
- <u>3</u> Washington into two parts, those estimated dollars directly attributable to the UNE
- 4 Remand Order have been moved from their original project description categories, and
- <u>5</u> are now listed as UNE Remand projects. These projects are:
- <u>6</u> 15418ZZ UNE-P
- <u>7</u> 14768ZZ Sub-Loop
- **8** 15423ZZ High Capacity Loops and Access to Loop Information
- <u>9</u> 15433ZZ Shared Transport
- 10 The above projects are described in detail in exhibit BJB_19. Revised versions of exhibits
- 11 BJB-2 and BJB-3 are attached to show the movement of these projects from their original
- <u>12</u> categories.

13 Q1WERE NEW SYSTEMS DEVELOPMENT PROJECTS CREATED AFTER

14 THE UNE REMAND ORDER WAS ISSUED?

- 15 A1 Yes. New systems development projects were also started in 2000 as a result of the UNE
- **16** Remand Order. These projects are:
- **17** 15829ZZ Constrained Loop

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<u>1</u>	15612ZZ	OS/DA
<u>1</u>	15612ZZ	OS/D

- 2 16658ZZ Unbundled Switching
- <u>3</u> The above projects are also described in detail in exhibit BJB_19.

4 Q1DO THE NEW SYSTEMS DEVELOPMENT PROJECTS ADD TO THE COST

<u>5</u> OF MAKING OSS AVAILABLE TO CLECS?

- 6 A1 Yes. Any time changes must be made to OSS additional costs are incurred. The total
- cost of the projects attributable to the UNE Remand Order for 1999 was \$2,297,000. The
- **8** total estimated cost of projects initiated in 2000 in response to the UNE Remand Order
- **9** is \$1,033,000.

<u>10</u> <u>IV.CONCLUSION</u>

11 Q1PLEASE SUMMARIZE YOUR TESTIMONY.

- 12 A1 As a result of the UNE Remand Order, Qwest was required to make changes to its OSS.
- 13 These changes resulted in additional costs to Qwest, which Qwest is entitled to recover
- **14** from CLECs.

15 Q1DOES THIS CONCLUDE YOUR TESTIMONY?

16 A1 Yes, it does.