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BEFORE THE WASHINGTON UTILITIES AND

2

TRANSPORTATION COMMISSION

3

4 In the Matter of the Continued ) Docket No. UT-003013  
5 Costing and Pricing of )  
6 Unbundled Network Elements and ) Volume VI  
Transport and Termination. ) Pages 603-816  
\_\_\_\_\_)

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8 A hearing in the above matter was  
9 held on August 23, 2000, at 9:08 a.m., at 1300  
10 Evergreen Park Drive Southwest, Olympia, Washington,  
11 before Administrative Law Judge LAWRENCE BERG,  
12 Chairwoman MARILYN SHOWALTER and Commissioner RICHARD  
13 HEMSTAD.

13

14 The parties were present as  
15 follows:

15

16 QWEST, by Lisa A. Anderl, Attorney  
17 at Law, 1600 Seventh Avenue, Room 3206, Seattle,  
Washington 98191.

17

18 THE COMMISSION, by Shannon Smith,  
19 Assistant Attorney General, 1400 S. Evergreen Park  
Drive, S.W., P.O. Box 40128, Olympia, Washington  
98504-0128.

20

21 NEXTLINK WASHINGTON, ELECTRIC  
22 LIGHTWAVE, INC., ADVANCED TELCOM, INC., NEW EDGE  
23 NETWORKS, INC., NORTHPOINT COMMUNICATIONS, McLEOD  
USA, AT&T COMMUNICATIONS OF THE PACIFIC NORTHWEST,  
and TCG SEATTLE, by Gregory J. Kopta, Attorney at  
Law, Davis, Wright, Tremaine, LLP, 2600 Century  
Square, 1501 Fourth Avenue, Seattle, Washington  
98101-1688.

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1 VERIZON, by Jennifer McClellan, W.  
2 Jeffery Edwards, and Gregory Romano, Attorneys at  
3 Law, Hunton & Williams, 951 E. Byrd Street, Richmond,  
4 Virginia, 23219.

5 TRACER, RHYTHMS LINKS, INC., and  
6 TELIGENT SERVICES, INC., by Arthur A. Butler,  
7 Attorney at Law, Ater Wynne, Two Union Square, Suite  
8 5450, 601 Union Street, Seattle, Washington 98101.

9 COVAD, by Clay Deanhardt, Attorney  
10 at Law, 4250 Burton Drive, Santa Clara, California  
11 95054.

12 WORLDCOM, INC., by Ann E.  
13 Hopfenbeck, Attorney at Law, 707 17th Street, Suite  
14 3600, Denver, Colorado, 80202.

15 RHYTHMS LINKS, INC., by Doug  
16 Hsiao, Attorney at Law, 9100 E. Mineral Circle,  
17 Englewood, Colorado 90112.

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Barbara L. Nelson, CCR

Court Reporter

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1           JUDGE BERG: Let's be on the record,  
2 please. Today's date is Wednesday, August the 23rd.  
3 This is a continued hearing in Washington Utilities  
4 and Transportation Commission Docket Number  
5 UT-003013. Today's session will begin with the  
6 cross-examination of Mr. Larry Brotherson, Qwest  
7 witness. But before we begin with that, I understand  
8 there's a matter regarding a particular exhibit that  
9 counsel wished to bring to the Commission's  
10 attention. Ms. Anderl, I'll let you kick things off.

11           MS. ANDERL: Yes, Your Honor, thank you.  
12 And we have had some preliminary discussions with  
13 both Your Honor and other counsel off the record  
14 before we started today. As a first matter, what we  
15 would like to do is move the admission of Exhibit 43  
16 and C-43, which is a data request response from Qwest  
17 to Covad that was marked as a potential  
18 cross-examination exhibit for Mr. Thompson, but not  
19 used by Mr. Deanhardt or any other opposing counsel.

20           The reason why we would like that document  
21 included as a part of the record, and I understand  
22 that Mr. Deanhardt's going to have some objections to  
23 this, so let me just give you a little bit of  
24 background in terms of what happened.

25           The data request response is the Qwest

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1 response to Covad Request 01-013. And as I said, it  
2 is marked as Exhibit 43 and C-43 for the record.  
3 What it is is the cost study for the line sharing OSS  
4 costs that we talked about at length yesterday, the  
5 \$3.75.

6           The \$3.75 is, of course, in Mr. Thompson's  
7 testimony. The underlying cost number that we are  
8 seeking to recover, which is \$11.9 million, is in Ms.  
9 Brohl's testimony. However, the actual study itself,  
10 it came to light on Sunday, as I was doing hearing  
11 preparation, did not get attached to anyone's  
12 testimony to be admitted as a part of the record.

13           As you can see, it was produced in response  
14 to a data request to Covad fairly early on in the  
15 proceeding, and all of the other parties were copied  
16 with it. However, based on some conversations that  
17 I've had with Mr. Deanhardt, it has occurred to me  
18 that now that it has not been used or admitted, it  
19 will likely be Covad's position that Qwest has simply  
20 not established sufficient evidence on the record to  
21 support the \$3.75 charge.

22           I was concerned on Sunday when I realized  
23 that it wasn't an exhibit to any of my witnesses'  
24 testimonies, but seeing it as a potential  
25 cross-examination exhibit, I thought, Well, honestly,

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1 to the extent that that's a hole, it's going to be  
2 plugged, and I'm not going to worry about it. I had  
3 to worry about it again yesterday when it wasn't  
4 offered as an exhibit.

5 I apologize that we have to take up  
6 precious hearing time to even talk about this, but I  
7 feel that it is important enough and we really don't  
8 want to spend a lot of time arguing on brief about  
9 whether Qwest met its burden of proof because it did  
10 or didn't have an OSS line sharing cost study in the  
11 record.

12 We therefore respectfully request that it  
13 be included as a part of the record for consideration  
14 in this Part A. Alternatively, and we do understand  
15 this, we would -- if parties feel that they will be  
16 prejudiced by its late inclusion or if parties feel  
17 that there simply isn't time to deal with it at this  
18 point, we would respectfully request, as an  
19 alternative, that the issue, in its entirety, be  
20 moved to Part B for consideration.

21 The Part B testimony has only just recently  
22 been filed, there's a very long time before  
23 responsive testimony is due, and we believe that that  
24 would be an acceptable alternative way to handle it.

25 What we don't think should happen is that

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1 the \$3.75 should be rejected because of the lack of a  
2 study in the record. We think it's an important  
3 enough issue that we would ask the Commission to  
4 decide it on the merits whether or not we ought to be  
5 allowed to recover, and not the evidentiary issue of  
6 whether we did or didn't get the study into the  
7 record. That concludes my remarks. Thank you.

8 CHAIRWOMAN SHOWALTER: I have a question.  
9 I can't tell from the exhibit. When was it supplied?

10 MS. ANDERL: I meant to have that at my  
11 fingertips, but let me check. It would have been  
12 after June 9th, but -- Your Honor, my cover letter  
13 indicates that it was June 30th. The opening  
14 testimony was filed May 19th. The data request was  
15 filed June 30th. The next round of testimony was due  
16 July 21st, just so you have the --

17 CHAIRWOMAN SHOWALTER: So wait. So when  
18 was this supplied to Covad, is my question?

19 MS. ANDERL: June 30th.

20 CHAIRWOMAN SHOWALTER: Okay, thanks.

21 JUDGE BERG: Mr. Deanhardt, I understand  
22 you have objections, and after you, we'll also hear  
23 objections from any other counsel that may wish to  
24 state them.

25 MR. DEANHARDT: Thank you, Your Honor. I



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1 do have an objection. Ms. Anderl is correct that  
2 Qwest has the burden of proof by submitting cost  
3 studies to the Commission to establish its prices.  
4 That burden of proof is set out in 47 CFR Section  
5 51.505(e), a section, just as a point of reference,  
6 that was not affected by the Eighth Circuit's  
7 decision in the Iowa Utilities Two case.

8           The Commission has already set the  
9 precedent in this case that a late-submitted cost  
10 study should not be permitted to be brought into this  
11 case regardless of whether one of the opposing  
12 parties had access to it and actually had a copy of  
13 it in its possession or not.

14           And I think that that rule that has already  
15 been established by the Commission in the case -- in  
16 this case, obviously, I'm speaking of Covad's  
17 proposed substitute rates for the NRCs -- ought to be  
18 equally applied as between the parties. I think that  
19 it would not only be prejudicial, that it would be,  
20 in fact, discriminatory to say that Qwest can submit  
21 cost studies into the record in the middle of  
22 hearing, not even in rebuttal testimony, and that  
23 Covad and other CLECs cannot.

24           Again, particularly in the context of the  
25 fact that at least Qwest -- and I will, for the

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1 purposes of this discussion, segregate Verizon from  
2 this issue -- that cost study was, in fact, already  
3 in Qwest's possession and, in fact, they've already  
4 cross-examined on it.

5 All of the solutions that Ms. Anderl has  
6 proposed for resolving the prejudice caused by the  
7 failure to admit the exhibit are also solutions that  
8 would have worked and that, with the exception of the  
9 move it to Phase B situation, were proposed by Covad  
10 in arguing its motion. All of those solutions were  
11 rejected.

12 I do believe if the Commission is going to  
13 allow this exhibit to come in, and I strongly think  
14 that it shouldn't, but I, you know, I frankly -- and  
15 I always try to be very honest about these things, I  
16 understand that the Commission wants to have as  
17 complete a record as possible in order to make a  
18 decision, and that that could affect the  
19 determination of this case.

20 I think that the appropriate solution is to  
21 move the OSS portion of this and also the NRC portion  
22 of this to Phase B, and to allow both issues to be  
23 handled, if that's what we've decided to do.

24 I think that if we're not going to do that,  
25 if we're not going to even the playing field for both

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1 sides of this issue, then the exhibit should not be  
2 admitted. It is not part of the record. And you  
3 know, I will also, in the interest of candor, admit  
4 that, you know, I didn't introduce it precisely  
5 because I don't have the obligation to prove Qwest's  
6 case for it. Qwest has that obligation. It is my  
7 obligation to try to do the best I can to make sure  
8 that the Commission understands the deficiencies in  
9 Qwest's case, but not to prove Qwest's case for it.

10 I think I should also point out --  
11 actually, I think that I'm through. That's my  
12 objection. Thank you.

13 CHAIRWOMAN SHOWALTER: I just wanted to  
14 follow your argument. You said you do think it's  
15 appropriate or it would not be inappropriate to move  
16 this to Phase B, but then, did you follow it with  
17 something else?

18 MR. DEANHARDT: Well, what I followed it up  
19 with was if -- I wanted to explain to the Commission  
20 why Exhibit 33, I think it's 33, was not introduced  
21 yesterday. And --

22 JUDGE BERG: Forty-three.

23 MR. DEANHARDT: Forty-three.

24 JUDGE BERG: C-43.

25 MR. DEANHARDT: C-43. And I wanted to be

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1 very blunt and, again, in all candor, say it's  
2 because I don't have the obligation to prove Qwest's  
3 case for it. If the Commission thinks that we want  
4 to look at the cost study, as I said before, I can  
5 certainly sympathize with wanting to have all of the  
6 relevant information in the record and make that  
7 determination, but I think that the appropriate  
8 remedy that's the most fair for all parties for all  
9 issues is to move both OSS and NRCs for line sharing  
10 into Phase III and have follow-up on both issues.

11 CHAIRWOMAN SHOWALTER: And why is your  
12 logic just that if you get to move one issue to Phase  
13 B, that is OSS, you might as well also get to do NRC,  
14 or are they bound up together?

15 MR. DEANHARDT: Well, they are, actually,  
16 to some extent bound up together, as I established  
17 with Mr. Thompson yesterday, although that goes more  
18 to the effect of the OSS upgrades, some of which I  
19 can talk about with Barbara Brohl regardless of that.  
20 However, if we do move OSS to Phase III, and  
21 therefore, Barbara Brohl's testimony is moved to  
22 Phase III --

23 CHAIRWOMAN SHOWALTER: We're talking about  
24 Part B?

25 MR. DEANHARDT: I'm sorry, Phase B, sorry.

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1 Then, in fact, that would be correct. They'd be  
2 bound up in that way. But my point, actually, more  
3 goes to the equity of reconciling the Commission's  
4 previous rulings on the late submission of cost  
5 studies with Qwest's -- which, by the way, ruling  
6 came at the instigation of Qwest -- with Qwest's  
7 request now that it be able to do what it said Covad  
8 should not be able to do before.

9 JUDGE BERG: Mr. Deanhardt, I think you're  
10 presuming that the Commissioners have the  
11 circumstances behind the 6th Supplemental Order  
12 firmly in mind.

13 MR. DEANHARDT: I'm sorry, Your Honor.

14 JUDGE BERG: Would you please just briefly  
15 review the testimony that was submitted in rebuttal  
16 testimony by Mr. Klick --

17 MR. DEANHARDT: I will, Your Honor.

18 JUDGE BERG: -- that you're saying should  
19 be some kind of quid pro quo.

20 MR. DEANHARDT: I will, Your Honor. Thank  
21 you. This is going to end up -- there's no way that  
22 I can do this without inviting rejoinder from Lisa,  
23 so I'll do the best I can without not being too  
24 dogmatic about this, but I'll explain the way I think  
25 things happened.

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1           Mr. Klick is the Covad and Rhythms witness  
2 supporting its various cost proposals. When Mr.  
3 Klick submitted his responsive testimony, his  
4 responsive testimony, he felt that he did not have  
5 sufficient information, based on either the testimony  
6 that had been previously submitted by Qwest or the  
7 discovery that had been taken to date by either --  
8 from Qwest or Verizon to adjust Qwest's and Verizon's  
9 proposed numbers to come up with appropriate cost  
10 studies or cost proposals, I should say, because,  
11 frankly, they were based on Qwest and Verizon cost  
12 studies for collocation, line sharing collocation,  
13 and also for the nonrecurring charge for line  
14 sharing.

15           He expressly made that point in his  
16 responsive testimony and in the rebuttal testimony,  
17 based in part on responsive testimony from Mr.  
18 Zulevic, the information he had to date from Verizon  
19 and from Qwest, Mr. Klick still felt that he did not  
20 have sufficient information to adjust the  
21 nonrecurring cost proposals from Verizon or Qwest, so  
22 Mr. Klick proposed instead substituting rates that  
23 had been developed in our Minnesota cost docket,  
24 based on -- this gets a little complicated, but based  
25 on adjustments that Mr. Klick has testified are

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1 appropriate for line sharing, essentially eliminating  
2 manual steps, something I discussed with Mr. Thompson  
3 yesterday, and proposed submitting those rates as --  
4 you can almost consider them proxy rates -- as rates  
5 to be handled until such time as Qwest or Verizon  
6 provided sufficient information to adjust their own  
7 cost studies appropriately.

8 Ms. Anderl and Ms. McClellan filed a motion  
9 to strike all of Mr. Klick's testimony in response to  
10 that. The Commission issued an order allowing the  
11 testimony with respect to collocation issues and  
12 striking the testimony with respect to the  
13 nonrecurring cost study.

14 The reason that I tie these two issues  
15 together is the point that I made in my -- as we were  
16 discussing Qwest and Verizon's motion, is that, at  
17 least with respect to Qwest, and I have always  
18 acknowledged that Verizon is a somewhat separate  
19 issue on this point, Qwest has not only had the cost  
20 proposal that Mr. Klick put into the record here in  
21 its hands for actually -- since a lot longer than  
22 June 30th, but it's also cross-examined him on it  
23 and, in fact, despite the protestations regarding  
24 discovery here, when the proposal was made in  
25 Minnesota, took no discovery.

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1                   And my concern is simply that if the  
2 Commission is inclined -- the reason I tie these  
3 together is I believe if the Commission is inclined  
4 to allow late-filed cost studies at this point to be  
5 put into the record, that it's not equitable for  
6 Qwest to be allowed to do that and for the CLECs not  
7 to.

8                   CHAIRWOMAN SHOWALTER: Is there a  
9 difference between evidence that's filed to support  
10 underlying allegations or positions that have been  
11 known for some time versus filing a new, which may or  
12 may not be what this cost study is, versus filing  
13 essentially new arguments in a case?

14                   MR. DEANHARDT: I don't think so, because  
15 -- I mean, again, this goes back to the burden of  
16 proof issue. The burden is on Qwest and/or Verizon  
17 to establish its cost. Really, all that we can do,  
18 in particular because we don't have access to the  
19 same information that the ILECs do, is respond to  
20 that.

21                   Everybody -- I mean, just as a general  
22 issue, everybody always talks about CLECs doing their  
23 own cost studies. It's very hard to do our cost  
24 study when you're talking about an ILEC's cost.  
25 There are models that you can put together, there are



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1 things that you can try and do based on whether  
2 systems are in place or not, but it's hard to do  
3 that.

4           The testimony that Mr. Klick filed, again,  
5 in my view, and I think that the Commission has  
6 established it has a different view of this, was not  
7 saying, Hey, here's a new cost study we want to put  
8 in. What Mr. Klick, I think, believed that he was  
9 doing was saying, Okay, I don't believe that the NRCs  
10 that Qwest and Verizon have proposed are sufficiently  
11 backed up, and so what I'm proposing is a substitute  
12 number that I can testify came from the application  
13 of a cost study in a different way.

14           I don't even think -- I think if you asked  
15 him, he was not proposing that that be a final  
16 number, either, and I think his testimony, while  
17 maybe not explicit on that point, it certainly talks  
18 about using this as a substitute, not as a final  
19 number.

20           So in any event, I don't think so, Your  
21 Honor, particularly because in the case of Qwest,  
22 because this information has always been or has been,  
23 for several months, in their possession.

24           COMMISSIONER HEMSTAD: Specifically, how is  
25 Covad prejudiced if this cost study is admitted?

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1           MR. DEANHARDT: I think Covad is prejudiced  
2 because the result of an ILEC failing to meet its  
3 burden of proof as to cost is that the cost is --  
4 there is no cost.

5           COMMISSIONER HEMSTAD: Well, all right.  
6 But that goes to ultimately the advantage to Covad of  
7 not having the evidence in front of us, but Covad has  
8 had the information now for a month and a half, and  
9 you, in an appropriate circumstance, you might have  
10 even offered it here. How are you prejudiced?

11          MR. DEANHARDT: Again, I will answer, in  
12 all candor, I can probably make up any prejudice by  
13 cross-examining Ms. Brohl, Mr. Hubbard, and  
14 potentially, again, Mr. Thompson. I mean, I think  
15 that I can. There's pretty much no doubt about that,  
16 and I wouldn't try and claim otherwise.

17          I think that the prejudice here would be in  
18 what I think will be disparate application of the  
19 rule that I think the Commission established in  
20 response to Qwest's earlier motion.

21          COMMISSIONER HEMSTAD: All right. Thank  
22 you. I appreciate your argument. That's for us to  
23 determine, whether these two issues are linked or  
24 not.

25          MR. DEANHARDT: Yes. But in response to

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1 your question, I think I can cross-examine. I would  
2 have to look at the evidence again to see if we'd  
3 have to call back Mr. Thompson. I will say there is  
4 more in that exhibit that I did not cross-examine Mr.  
5 Thompson on, you know, for the reasons that I stated  
6 before, so there's -- you know, if it's going to come  
7 in, there may be a need to do that. But certainly, I  
8 think the prejudice could be cured that way.

9 If we were going to do it that way, you  
10 know, I would suggest that Lisa's suggestion -- I'm  
11 sorry, Ms. Anderl's suggestion. I always try and do  
12 that when I'm on the record and I forget -- to move  
13 this to Part B may be the more apropos solution.

14 CHAIRWOMAN SHOWALTER: On that particular  
15 note, if these issues are not particularly linked and  
16 if the information's going to come in now or later,  
17 what is the point of waiting till later if you were  
18 the one who had originally put this in and are  
19 familiar with it, and Mr. Thompson, who we thought we  
20 were finished with him yesterday, and I see he's  
21 still here.

22 If we do rule that it's going to come in,  
23 isn't it more efficient just to keep -- to finish up  
24 again with Mr. Thompson?

25 MR. DEANHARDT: If we can. I mean, I have

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1 to -- I'd have to sit and look at it, and frankly,  
2 I'd probably like to address that point maybe after a  
3 break, after I look at it again. I would say this,  
4 though. We've had a number of scheduling issues and,  
5 you know, yesterday we were talking about the  
6 potential of moving some of my witnesses into  
7 Saturday. I think, obviously, if we're going to do  
8 that, I'm not particularly interested in  
9 inconveniencing my witnesses, but I think that's  
10 something that we can probably work out.

11 JUDGE BERG: Dr. Gabel.

12 DR. GABEL: Mr. Deanhardt, I just want to  
13 ask if this would be a correct characterization of  
14 one of your witnesses' testimony, Dr. Cabe. And that  
15 is, in his response testimony, he directly addresses  
16 the sufficiency of this cost study, is it adequate  
17 proof or not. Is that a fair characterization of his  
18 response testimony?

19 MR. DEANHARDT: I don't remember. If you  
20 point me to it -- I mean, I'm assuming if you're  
21 looking at it, I will take your word for it, but I  
22 just -- I've been so focused on worrying about their  
23 witnesses that I haven't reread Dr. Cabe's testimony  
24 any time recently.

25 DR. GABEL: Okay. Well, I'm just looking

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1 at my notes. Okay. I have at page 17 to 18, my  
2 notes, you know, I just wrote for myself, that he  
3 contends that Qwest has failed to provide adequate  
4 support for the level of costs that they seek to  
5 recover.

6 MR. DEANHARDT: If it's in your notes, it's  
7 probably true. I will just say I can't -- you know.

8 JUDGE BERG: Why don't you take a look at  
9 that now, Mr. Deanhardt, because I'm -- just based on  
10 -- the reason why it's being brought up is not to  
11 contradict any arguments you've made; it's merely to  
12 seek clarification.

13 MR. DEANHARDT: I understand. I'm happy to  
14 -- where did you say that was, Dr. Gabel?

15 DR. GABEL: Page 17 to 18.

16 MR. DEANHARDT: This is which set of  
17 testimony?

18 DR. GABEL: The response of Dr. Cabe.

19 JUDGE BERG: Do you have an exhibit number  
20 on that?

21 MR. DEANHARDT: It's Exhibit 94. I'm  
22 sorry, it's Exhibit 194. I apologize. I forgot I  
23 ran out of number tabs at 100 and had to restart.

24 JUDGE BERG: And it looks like that  
25 responsive testimony was filed July 21st.

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1 MR. DEANHARDT: I have to say, without  
2 reading this more carefully, I think probably there's  
3 a combination of things. I know that Dr. Cabe, in  
4 his earlier testimony, discussed general OSS pricing  
5 principles, the notion that it should be spread  
6 across loop costs, et cetera, and I know he continues  
7 to discuss that here.

8 It does look like it -- I don't see -- so  
9 far, I haven't actually seen a response to the cost  
10 study, but if you want to give me a minute, I'm happy  
11 to read it to -- you know, again, I want to make sure  
12 that everything's above board, so --

13 DR. GABEL: Well, at page 23, for example,  
14 there's the question, Please discuss the evidence  
15 presented by Qwest. That's page 23.

16 MR. DEANHARDT: I see that, but the only  
17 references that I see under that were the testimony  
18 from Ms. Brohl, the exhibits that were actually  
19 attached to the testimony from Ms. Brohl, again,  
20 which would be the only things that are evidence in  
21 this case to date.

22 So I mean, again, I can look through this,  
23 if you'd like, but I don't see any reference just  
24 skimming right now.

25 CHAIRWOMAN SHOWALTER: Do we want to hear a

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1 rejoinder from Ms. Anderl?

2 JUDGE BERG: I want to hear any other  
3 objections, then allow Ms. Anderl to respond to all  
4 parties at one time. Mr. Kopta, and then Mr. Butler.

5 MR. KOPTA: Thank you, Your Honor. We  
6 wouldn't have an objection to moving it to Part B,  
7 although we're obviously sensitive to moving one more  
8 issue into a part of the docket that we realize has a  
9 lot of issues that need to be considered. I think  
10 certainly we share the concern that cost studies  
11 should be submitted up front.

12 And one of the nice things about practicing  
13 before this Commission is that really it's much more  
14 a search for the truth, using the best evidence  
15 that's available within the parameters of fundamental  
16 fairness, as opposed to gamesmanship, and I certainly  
17 do not believe that Ms. Anderl or Qwest is engaging  
18 in any gamesmanship here, but I do think that it's  
19 something that should have been introduced before.

20 I don't think that the Commission should  
21 make a decision without looking at evidence that goes  
22 to the heart of a particular party's proposal simply  
23 because it was something that was not filed at the  
24 time out of error. We all are paranoid enough to try  
25 and avoid these situations whenever possible, and

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1 realize -- I sympathize with Ms. Anderl having to  
2 come to the Commission doing a mea culpa, and so I  
3 certainly would not castigate her, because I may very  
4 well be in her shoes, but I do think that there  
5 should be a sufficient opportunity for all of the  
6 parties to evaluate the evidence, as well as the  
7 Commission to have a complete record.

8           And so I think that the appropriate  
9 solution would be to consider that issue in the  
10 second part of this docket. Thank you.

11           COMMISSIONER HEMSTAD: I don't quite  
12 understand. Were we to determine that it should be  
13 allowed in, why would moving it make any difference?

14           MR. KOPTA: Well, the difference is the  
15 extent to which there's been a sufficient opportunity  
16 to address the information.

17           COMMISSIONER HEMSTAD: So that goes to the  
18 point of being able to prepare adequately to address  
19 the evidence?

20           MR. KOPTA: Yes, and I will certainly defer  
21 to Mr. Deanhardt, because as we have segregated our  
22 various preparation for the cases, it has followed on  
23 Covad and Rhythms to focus on the line sharing  
24 aspect, and it's not something that we have focused  
25 on, so I will defer it at least in terms of ability



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1 to prepare and to deal with that evidence to Mr.  
2 Deanhardt and to Mr. Butler.

3 I'm simply talking in general terms, that  
4 when one bases one's testimony on a cost study, it  
5 generally should be submitted at the time that one  
6 submits one's testimony.

7 COMMISSIONER HEMSTAD: Does that have other  
8 ripple effects if we don't address that material in  
9 Part A? Does that affect other aspects of this case?  
10 In other words, can we just pick this up and move it  
11 without --

12 MR. KOPTA: I believe that we can. I know  
13 that part of the Part B testimony that Qwest has  
14 submitted is additional OSS cost recovery for other  
15 systems, not particularly for line sharing, so OSS  
16 cost recovery is going to be an issue in Part B, so  
17 this would just simply be adding some additional OSS  
18 cost. So I think it would be expanding that issue a  
19 little bit. It wouldn't be bringing whole new  
20 issues, nor would it be something that would do any  
21 -- would undermine the Commission's ability to  
22 resolve the other issues that are presented in Part  
23 A.

24 MR. DEANHARDT: Your Honor --  
25 JUDGE BERG: Excuse me.

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1                   MR. DEANHARDT: Sorry, Your Honor. This is  
2 Mr. Deanhardt. I just wanted to say, in response to  
3 Dr. Gabel's question, I looked through Dr. Cabe's  
4 testimony, and I think that it addresses Ms. Brohl's  
5 testimony, but I don't see any references to the cost  
6 study itself.

7                   JUDGE BERG: All right. Mr. Butler, did  
8 you want to state an objection?

9                   MR. BUTLER: Yes, I simply wanted to echo

10 --

11                   JUDGE BERG: Please use the microphone,  
12 sir.

13                   MR. BUTLER: I simply wanted to echo the  
14 comments that were previously made, that we would  
15 support moving this to Part B, and I think that  
16 Commissioner Hemstad has really focused on what the  
17 heart of the matter is, from my perspective, and that  
18 is adequate time to prepare. Frankly, we didn't  
19 think we had to concentrate on this, because it  
20 wasn't included as part of the testimony to be  
21 submitted, and it's been an effort to prepare for the  
22 volume of evidence that is before the Commission  
23 right now, and that was maybe a strategic error on  
24 our part on the assumption that because the company  
25 didn't propose to introduce it, that we weren't going

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1 to have to prepare on it.

2 But I think if you're going to, at this  
3 late date, allow that in, that we need to be given  
4 that opportunity to prepare and cross-examine on it.  
5 And I think, given the pressure on the schedule that  
6 exists right now and what I think what would be the  
7 minimal impact on the resolution to the case as a  
8 whole, the best resolution is to move this issue to  
9 Part B. And that way, everyone gets their full shot  
10 at it.

11 JUDGE BERG: Ms. Hopfenbeck, Ms. Smith.

12 MS. HOPFENBECK: I'll just weigh in and  
13 echo the statements that Mr. Kopta made, and I'll  
14 just add this, that when I first started practicing  
15 law, a district court judge in Colorado spoke to the  
16 attorneys that had just been admitted and relayed a  
17 story about a young associate who'd failed to answer  
18 a complaint in a timely fashion. So it had a similar  
19 impact to failing to put in evidence on an issue that  
20 -- where you have to meet your burden of proof.

21 At any rate, he just discussed the fact  
22 that, essentially, we all have to keep in mind that  
23 there but for the grace of God go us all. I mean, we  
24 are all very pressed with many dockets. This  
25 practice is very different from many other practices,

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1 because we are all handling numerous dockets at the  
2 same time and in very short time frames.

3           And so I think that on the one hand is that  
4 side of it; on the other side is the Commission's  
5 interest in maintaining an orderly schedule and in  
6 ensuring that parties aren't deprived of their due  
7 process and their ability to prepare. And this seems  
8 to be a situation in which, one, because we do have  
9 the luxury of having a Phase B in this proceeding, we  
10 have the ability to sort of move this issue without  
11 really disturbing other issues into that phase, and  
12 perhaps also consider the issues that were raised by  
13 Mr. Klick.

14           And so we can serve the Commission's  
15 interest in having orderly processes and still give  
16 parties adequate time to prepare and meet the due  
17 process interests.

18           MS. SMITH: This is Shannon Smith, for  
19 Commission Staff. We did not take issue with the  
20 amount of the line sharing OSS, so we can't speak to  
21 the amount of time that parties might need to address  
22 that cost study. The Commission Staff's interest in  
23 this is in how OSS costs in general are recovered,  
24 not the amount of this cost.

25           So there wouldn't be any prejudice to

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1 Commission Staff if this issue were moved to Part B.  
2 And again, I can't address the amount of time that  
3 parties might need if it were to stay in Part A to  
4 cross-examine this evidence if it came in.

5         The one concern that I do have about moving  
6 this to Part B is that Staff's primary witness for  
7 Part B planned a fairly lengthy trip based on the  
8 schedule of testimony for Part B, so if this does get  
9 moved, I would not like to see the filing dates for  
10 Part B really change significantly, so our primary  
11 witness will have an opportunity to address any new  
12 evidence that comes in in Part B.

13         JUDGE BERG: And Mr. Edwards, just to the  
14 extent that parties are discussing this Part B  
15 alternative, I think it would be prudent to have  
16 Verizon's position on the Part B alternative.

17         MR. EDWARDS: I do have a position, thank  
18 you, Judge Berg, on that. I too am sympathetic with  
19 Ms. Anderl's position and I respect the way that  
20 she's approached it this morning. I also respect Mr.  
21 Deanhardt's objection, as stated.

22         I take the position, however, that there's  
23 a very substantive difference between Mr. Klick's  
24 testimony, in his rebuttal testimony, which I think  
25 has a direct impact on the Phase B issue specifically

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1 as to Verizon, and the cost study, the complete cost  
2 study that's attached to the response to the Covad  
3 DR.

4           The objection, from Verizon's perspective  
5 -- and I thank Mr. Deanhardt for letting the  
6 Commission know that Qwest and Verizon are in two  
7 totally different positions with respect to this  
8 issue. Verizon is not involved, was not involved in  
9 the Minnesota docket and does not provide service in  
10 Minnesota.

11           When we received Mr. Klick's rebuttal  
12 testimony -- well, first, let me back up. Covad has  
13 sponsored NRC and collocation studies in other  
14 states, they have access to those studies, and made  
15 the decision -- we've specifically set the schedule  
16 to allow the parties to file cost studies or to  
17 update previously-filed cost studies, and Covad and  
18 the other CLECs here decided, made the conscious  
19 decision not to file cost studies, but instead to  
20 deal with the cost studies, at least from my  
21 perspective, with respect to Verizon that we would  
22 file. That was the decision that was made.

23           When those cost studies were filed and the  
24 original direct testimony was filed, we did not  
25 receive DRs from Covad specifically with respect to

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1 additional documentation for our cost studies.  
2 Instead, we received the response testimony of Mr.  
3 Klick that said I don't have enough information, so  
4 I'm going to wait and see what is filed in the  
5 responsive testimony. Again, that's a conscious  
6 decision that was made.

7         Then, when we received the rebuttal  
8 testimony, to our surprise, what we saw was, in fact,  
9 not a cost study, but simply the rate elements that  
10 came from a cost study that were not filed in this  
11 docket, which were filed in another state, from  
12 Verizon's perspective, that we're not involved in.

13         So we were faced with the situation then,  
14 not only did we not get the cost study on time, we  
15 didn't even get the complete cost study at a later  
16 time, we just got parts of it, and the parts that, in  
17 fact, did not even apply to us, because they related  
18 to whatever happened in Minnesota, and I'm not  
19 familiar with that.

20         That was our objection to Mr. Klick's  
21 testimony, with respect to that portion of his  
22 testimony, and that's why we moved to strike it.  
23 That objection would still apply, even if this is  
24 moved to Phase B. It's not a complete cost study;  
25 it's only a portion of a cost study. And frankly, in

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1 terms of how I deal with those cost studies, I often  
2 don't deal necessarily with the outputs; I deal with  
3 the inputs, and that's not part of what was even  
4 filed with respect to that testimony.

5           So that objection, from our perspective,  
6 would still remain, even if that testimony is moved  
7 to Part B.

8           With respect to Verizon's position, these  
9 issues are ripe for decision right now in this  
10 docket. And I recognize that the issues are a little  
11 different with respect to the dispute between Qwest  
12 and Covad and the other CLECs, and if the Commission  
13 were to decide to move those issues as to Qwest to  
14 Phase B, I would still hope the Commission would take  
15 the position that, as to Verizon, those issues are  
16 ripe here and they ought to be decided in this phase  
17 of the docket on the evidence as it now exists.

18           CHAIRWOMAN SHOWALTER: Before we hear from  
19 Ms. Anderl, I just have one question of Mr. Butler.

20           MR. BUTLER: Yes.

21           CHAIRWOMAN SHOWALTER: And that is I  
22 appreciate the argument you made about if we move  
23 this to Phase B, then, you know, everybody gets a  
24 little something, but my question is, if we decide  
25 that we will stick with our prior ruling on Mr.



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1 Klick's testimony, but we do allow this in, do you  
2 need more time to address this cost study?

3 I had the impression that this was going to  
4 be more Mr. Deanhardt, and he's, I think, said, more  
5 or less, that he's pretty familiar with this and with  
6 a little wiggle room now, he can deal with it. And  
7 my interest is whether you feel you can't do the job  
8 you need to do if this is admitted now.

9 MR. BUTLER: It takes me more time and more  
10 effort to get up to Mr. Deanhardt's speed. There's  
11 no question about that. I've generally tried to at  
12 least be prepared to address what I think are the  
13 major issues raised by the various testimonies, and I  
14 think, in large part, because I am not as well-versed  
15 as he is and not as young and not as smart --

16 MR. DEANHARDT: Or as pretty.

17 MR. BUTLER: I concede that one, too. I do  
18 not come up with a lot of points on my own that he  
19 does not already cover, but I still have to try to  
20 cover the same ground. It's going to take me more  
21 time. He may be able to do it quicker, but I do  
22 think that he is not -- he can speak for himself. I  
23 don't think he has spent the time to try to map out  
24 the kind of cross-examination he would need to do at  
25 this point and would need some more time. So at a

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1 minimum, he's going to have to have a little bit of  
2 time. Being slower, I may need more than he does.

3 COMMISSIONER HEMSTAD: I'm impressed with  
4 Mr. Butler's modesty.

5 MR. DEANHARDT: I'm impressed with his  
6 flattery.

7 JUDGE BERG: He didn't mention the HUNE  
8 once. Ms. Anderl.

9 MS. ANDERL: Thank you, Your Honor. First  
10 let me say that I very much appreciate the courtesy  
11 and the graciousness shown by opposing counsel on  
12 this issue. I think the professionalism with which  
13 counsel treat one another in these proceedings is one  
14 of the intangible rewards we get from practicing down  
15 here, and I really do appreciate that.

16 Obviously, we would like to see the matter  
17 addressed in this proceeding in Part A. I think that  
18 the distinction between having this cost study  
19 admitted now and Mr. Klick's testimony stricken is a  
20 clear one. They're not parallel situations.  
21 However, I'm not going to pound the table about that.  
22 And while -- and certainly Verizon has interests on  
23 the Mr. Klick issue, as well. It's not just Qwest's  
24 interests.

25 In short, we think, though, that because

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1 the parties did have this study, obviously had had a  
2 chance to review it, there is certainly less to no  
3 prejudice with Exhibit 43 being admitted than with  
4 new -- not only new cost study information, but new  
5 cost numbers being presented in rebuttal, which is a  
6 little bit of a different story from what we have  
7 here.

8           Mr. Thompson has had the \$3.75 number out  
9 there, it actually started out as \$3.55 in his first  
10 testimony, and then was corrected because of a  
11 spreadsheet error to 3.75, but that's been out there  
12 since May, and the \$11 million or \$11.9 million of  
13 aggregate OSS line sharing costs that we seek to  
14 recover has also been out there, and this study is  
15 just how you get from \$11.9 million to \$3.75 a month,  
16 and we therefore believe that it's very  
17 distinguishable from the type of cost information  
18 that Mr. Klick submitted, and we respectfully suggest  
19 that you can admit this in a manner that's consistent  
20 with your prior ruling. However, if it goes to Phase  
21 B, I'd say that's fine, as well.

22           JUDGE BERG: We're going to take a  
23 10-minute recess. We'll be back on the bench at  
24 10:00 sharp.

25           MR. DEANHARDT: Your Honor, I don't want to

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1 make any more argument, but if I can, I'd like to  
2 address very quickly three factual things that Mr.  
3 Edwards represented, because I'm not sure they're  
4 correct, and I just would like to address them, if I  
5 might.

6 JUDGE BERG: Mr. Deanhardt, the Commission  
7 has all the information it needs to rule at this  
8 time. And the Commission studied the issue very  
9 closely prior to the 6th Supplemental Order, and the  
10 Commissioners have the facts leading up to the filing  
11 of Mr. Klick's rebuttal testimony firmly in mind.

12 And I did not hear anything that would  
13 cause me any consternation. And so at this point in  
14 time, the Commissioners prefer to recess and rule on  
15 the issue.

16 MR. DEANHARDT: Your Honor, I would say --  
17 and I respect Your Honor's ruling -- these are three  
18 new things that Mr. Edwards raised, and I just want  
19 to state that I don't think that the record is  
20 correct as to some of the factual assertions that he  
21 made. The conclusions, I understand. And as long as  
22 that objection is on the record, I'm fine.

23 COMMISSIONER HEMSTAD: Well, I think Mr.  
24 Deanhardt ought to be able to respond to Mr. Edwards'  
25 comments, if he can do it briefly.

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1           MR. DEANHARDT: I can. It's just three  
2 very short things. Mr. Edwards is correct that we  
3 did not send data requests to GTE. That's because I  
4 stated earlier in this docket we tried to work with  
5 Rhythms not to duplicate efforts, and Rhythms sent  
6 the data requests that we jointly worked on to GTE.  
7 So I wanted to just correct that misperception.

8           Also, Mr. Edwards simply referred to the  
9 NRC studies and collocation studies. I have to say  
10 I'm not aware of any Covad NRC studies or collocation  
11 studies. What was in Minnesota was actually based on  
12 the AT&T NRC model. That may be true. I'm not --  
13 I've never seen such a thing. I'm not aware of them.  
14 Maybe Mr. Edwards is referring to joint filings, but  
15 I just didn't want the Commission to have the  
16 impression that I was walking around with cost  
17 studies in my pocket that I wasn't producing, because  
18 I'm not aware that we have any.

19           And finally, I would agree with Mr. Edwards  
20 that whatever the Commission's decision is on this,  
21 these OSS issues and anything else with respect to  
22 Verizon would be ripe and could go forward without  
23 having to be segregated.

24           JUDGE BERG: All right. With that, we'll  
25 be off the record.

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1 (Recess taken.)

2 JUDGE BERG: We'll be back on the record.

3 The Commissioners have carefully considered all  
4 factors mentioned by the parties in arguments  
5 regarding the admission of Exhibit 43, C-43.

6 As stated by the Commission in the 6th  
7 Supplemental Order in this case, parties who do not  
8 comply with procedural requirements and deadlines do  
9 so at their own peril. However, the public interest  
10 is not always served by inflexible requirements.

11 The Commission stated in the 6th  
12 Supplemental Order that it retains discretion to  
13 modify requirements and deadlines in the public  
14 interest when unfair prejudice can be avoided.

15 In the 6th Supplemental Order, on that  
16 basis, the Commission was able to distinguish between  
17 Mr. Klick's recommendations based on a cost study  
18 model presented in Minnesota and his testimony  
19 comparing line sharing cost inputs from Mr. Zulevic's  
20 response testimony with cost studies filed by Qwest  
21 and Verizon. On that basis, that the Commission, in  
22 fact, found it appropriate to not strike that  
23 testimony of Mr. Klick on rebuttal comparing those  
24 line sharing inputs with cost studies.

25 In the same vein, the Commission

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1 distinguishes between Mr. Klick's recommendations  
2 based on a cost study model presented in Minnesota,  
3 mentioned on rebuttal, with Qwest's failure to attach  
4 the cost study to Mr. Thompson's testimony, but  
5 production of that cost study in response to data  
6 requests on June 30th.

7           Furthermore, the Commission notes that the  
8 response to the data request identified as Covad  
9 01-013 was identified as a cross-examination exhibit  
10 and expects that all parties were familiar with the  
11 character of the exhibit cost study and, to some  
12 extent, with the substance.

13           The Commission finds that the prejudice to  
14 admitting Exhibit 43, C-43, is slight and can be  
15 remedied by Mr. Thompson returning to the stand  
16 during this week one, Part A hearing, and that means  
17 before the conclusions of hearings on Saturday.  
18 Exhibit 43, C-43, is admitted contingent on --  
19 conditioned on Mr. Thompson's availability for  
20 cross-examination before the close of hearings on  
21 Saturday.

22           I will discuss with counsel before the  
23 start of the afternoon session when we should expect  
24 Mr. Thompson to return, and that will be a decision  
25 that is based upon preferably consensus of the

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1 parties, but certainly based upon input from all  
2 parties. Any questions?

3 MR. DEANHARDT: Your Honor, could we defer  
4 that discussion until tomorrow morning, because I can  
5 -- I think if I have the evening to re-look at it  
6 again and look at the questions that I asked, I may  
7 have a better sense of how much has to be done. I  
8 think, also, frankly, as I said earlier, there are  
9 some things in Exhibit 43 that go beyond the OSS  
10 study. Some of those I may be able to cover even  
11 with Mr. Hubbard, so I think we'll have a better  
12 sense of what -- warning, Mr. Hubbard, warning. I  
13 think we may have a better sense of what it will take  
14 with Mr. Thompson tomorrow, rather than after lunch  
15 today.

16 JUDGE BERG: All right. We'll talk about  
17 that tomorrow morning, and I'll just remind counsel  
18 that we have a start time with the Commissioners of  
19 9:30 tomorrow morning, so counsel should be present  
20 here in the hearing room at 9:00, instead of 8:30.

21 I'll take note that Mr. Romano has joined  
22 Ms. McClellan at Verizon's table. Good morning, Mr.  
23 Romano.

24 MR. ROMANO: Good morning, Your Honor.

25 MR. DEANHARDT: I'm sorry, Your Honor.



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1 JUDGE BERG: Mr. Deanhardt.

2 MR. DEANHARDT: That made me think of  
3 something. I think we should also probably note for  
4 the record that yesterday, at around 2:00 p.m., Sarah  
5 Bradley, for Covad, left the proceedings, will not be  
6 here the rest of the week, but will be rejoining us  
7 next week.

8 JUDGE BERG: All right. Thank you for  
9 bringing that to the bench's attention. Anything  
10 further before we begin with Mr. Brotherson? All  
11 right. I'll just note for the record that exhibits  
12 related to the testimony of Mr. Brotherson were  
13 identified and entered into the record during  
14 yesterday's hearing proceeding. Ms. Anderl, will you  
15 please proceed? Excuse me. Thank you for the hi  
16 sign. Mr. Brotherson, would you please stand and  
17 raise your right hand?

18 Whereupon,

19 LARRY B. BROTHERSON,  
20 having been first duly sworn, was called as a witness  
21 herein and was examined and testified as follows:

22 JUDGE BERG: Please be seated. Now, Ms.  
23 Anderl.

24 MS. ANDERL: Thank you, Your Honor.  
25 D I R E C T E X A M I N A T I O N

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1 BY MS. ANDERL:

2 Q. Good morning, Mr. Brotherson.

3 A. Good morning, Ms. Anderl.

4 Q. I will remind you to pull the microphone  
5 close and speak into it so that everyone in the room  
6 can hear, and then if you would please state your  
7 name and your business address for the record.

8 A. My name is Larry Brotherson. My business  
9 address is Room 2350 at 1801 California Street,  
10 Denver, Colorado.

11 Q. And did you file direct and rebuttal  
12 testimony in this docket?

13 A. I did.

14 Q. And do you have those documents before you,  
15 marked as Exhibits 70 through 73?

16 A. I do.

17 Q. T-70. Mr. Brotherson, do you have any  
18 changes or corrections to make to your testimony?

19 A. I do. In my rebuttal testimony, on page  
20 three of Exhibit 73, I state that, in light of the  
21 D.C. Court of Appeals' decision saying that it was  
22 not required of the ILECs that CLECs be permitted to  
23 make collo-to-collo connections, that that matter was  
24 under consideration.

25 At this point that I'm now on the stand, I

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1 can say that Qwest does permit CLECs to make  
2 collo-to-collo connections.

3 Q. And with that change to your testimony, are  
4 the questions -- or answers in that direct and  
5 rebuttal testimony true and correct, to the best of  
6 your knowledge?

7 A. Yes, they are.

8 MS. ANDERL: Thank you. Your Honor, I  
9 would offer T-70, 71, 72, and T-73, and tender the  
10 witness for cross.

11 JUDGE BERG: Any objections? Exhibits  
12 T-70, 71, 72, and T-73 are admitted. Mr. Kopta.

13 MR. KOPTA: Thank you, Your Honor.

14 C R O S S - E X A M I N A T I O N

15 BY MR. KOPTA:

16 Q. Good morning, Mr. Brotherson.

17 A. Good morning, Mr. Kopta.

18 Q. I wanted to follow up on that point that  
19 you just made in correction to your testimony. There  
20 is no rate element that you have proposed for  
21 collocation that is specific to a CLEC-to-CLEC  
22 cross-connect in a Qwest central office, is there?

23 A. No, that's correct. I believe I stated  
24 that the CLECs are permitted to make the  
25 collo-to-collo connections, and that would not be a

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1 rate element in that respect. It would be a matter  
2 for the CLECs to undertake as a business relationship  
3 between the two companies, the two CLECs.

4 Q. So do I take it, then, that Qwest has not  
5 proposed a rate because it's not, at this point,  
6 anyway, a requirement that Qwest make  
7 cross-connections available to collocated CLECs?

8 A. Yes.

9 Q. Now, Mr. Brotherson, you filed your direct  
10 testimony, Exhibit T-70, on February 15th of this  
11 year, and the D.C. Circuit's opinion was in March,  
12 March 17th. So at the time you filed your direct  
13 testimony, there was a requirement that Qwest allow  
14 CLECs to cross-connect their collocated equipment;  
15 isn't that correct?

16 A. That would be correct.

17 Q. And yet, Qwest did not propose a rate  
18 element for that cross-connection at that time,  
19 either, did it?

20 A. I'm not sure. I would have to defer to Mr.  
21 Thompson in some respect. I believe there were rate  
22 elements, for example, for things like cable racking,  
23 if cable racking were required, there were rate  
24 elements for 50 feet of cable. So in some respects,  
25 some of the functions that were performed would

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1 probably be included in Mr. Thompson's cost study,  
2 but I don't believe there was a rate element for the  
3 CLEC-to-CLEC connection per se, no.

4 Q. And it's also true that the FCC is, on  
5 remand, considering the issue of whether or not to  
6 require CLEC-to-CLEC cross-connects?

7 A. I'm not aware of what the FCC is  
8 considering. I know it was remanded to the FCC.

9 Q. Have you read the FCC's notice of proposed  
10 rule-making following remand from the D.C. Circuit on  
11 its collocation rule?

12 A. I've read a number of proposed rule-makings  
13 lately, and it -- I'm sure I've read that one, but I  
14 don't have any recollection of all of the issues that  
15 they're addressing.

16 Q. Well, that order will speak for itself, but  
17 it's also true that this Commission may, as a matter  
18 of its own authority, require cross-connects between  
19 CLECs and a Qwest central office?

20 A. Again, I guess I would defer to my attorney  
21 in light of the Court of Appeals ruling what the  
22 final outcome of that decision will be.

23 Q. As I understand your testimony, it would be  
24 left to Qwest and the CLEC requesting the  
25 cross-connects to establish a price for that element;

00648

1 is that correct?

2 A. If two CLECs want to connect equipment in  
3 one collocation cage with the equipment in another  
4 collocation cage, it would be a business matter  
5 between those two companies, yes.

6 Q. Well, that sort of jumps ahead of where I  
7 was, but let's go there. Is it Qwest's position that  
8 the CLECs would be able to self-provision the  
9 cross-connect between their --

10 A. Yes.

11 Q. -- collocated equipment? And if necessary  
12 to establish that link, for example, if cable racking  
13 were required to be constructed, is that something  
14 that the CLECs would do, or is that something that  
15 Qwest would do?

16 A. I believe cable racking is normally  
17 installed by Qwest, and I believe those were elements  
18 in Mr. Thompson's cost study.

19 Q. So whatever tasks that Qwest would need to  
20 do to be able to allow the CLECs to run the  
21 cross-connects between their collocated equipment,  
22 the costs for that would be derived from the prices  
23 that Qwest has proposed here. Is that what I'm  
24 hearing you say?

25 A. Yes, and Qwest would undertake to perform

00649

1 those steps if they were necessary in order for the  
2 CLECs to make the connections between their two  
3 pieces of equipment.

4 MR. KOPTA: Thank you. Those are all my  
5 questions.

6 JUDGE BERG: Mr. Butler.

7 C R O S S - E X A M I N A T I O N

8 BY MR. BUTLER:

9 Q. Were you in the room when you were  
10 designated as the person to answer some questions I  
11 had about microwave collocation?

12 A. I was, sir.

13 Q. Let's see if I can go through a few of  
14 those now. Do you agree with me that a microwave  
15 collocation involves a fixed wireless provider for  
16 carrying and installing on a central office roof a  
17 microwave antenna, mast and supporting structures.  
18 Then, if there is not a weatherproof penetration  
19 available, penetration through the roof into the  
20 building would have to be created, cable would have  
21 to be extended through the building riser cable down  
22 to the collocation space located inside the building,  
23 and then appropriate interconnection equipment would  
24 have to be placed in either a caged or cageless  
25 collocation facility. Do you agree that that's an

00650

1 accurate description of what would happen with  
2 microwave collocation?

3 A. I believe so. You had a long list there.  
4 In some instances where there are a lot of microwave  
5 towers, there's a steel tower built, and various  
6 companies attach to that. In other central offices,  
7 in residential areas, for example, it's simply a  
8 rooftop mount and it doesn't involve some of the  
9 steps that you've described.

10 Q. Well, would you agree that once a microwave  
11 collocator penetrates the roof of the building and is  
12 inside the building, that then most of the  
13 collocation activities are the same as they would be  
14 for a standard physical collocator coming in through  
15 the ground, the basement, whatever?

16 A. I would agree.

17 Q. And the rate elements costs that have been  
18 identified by Qwest and submitted in this proceeding  
19 then would apply to those activities; is that  
20 correct?

21 A. Yes, that's correct.

22 Q. So really, what we're talking about here  
23 that's unique to a microwave collocator is focused on  
24 what takes place on the rooftop and the penetration  
25 of the roof; is that correct?



00651

1           A.     That's correct.  It's almost like the  
2 entrance facility for a company across the street.  I  
3 would say that in terms of penetration of the roof,  
4 there have been instances in 3-D central offices  
5 where AT&T may own intervening floors, but it's not  
6 necessarily gone through the roof, but rather then  
7 placed on the outside of the building.  But that's a  
8 small difference.

9           Q.     With the amendment when I say rooftop, it  
10 could mean other exterior space of the building?

11          A.     Yes.

12          Q.     Okay.  Now, with respect to what happens on  
13 the rooftop with a microwave collocator, it would be  
14 necessary for the collocator to rent space; is that  
15 correct?

16          A.     Correct.

17          Q.     And the space that's rented would not  
18 require any heating, ventilation, air conditioning;  
19 is that correct?

20          A.     Yes, that's a general rule.

21          Q.     Are the space rental costs that are  
22 identified in the cost studies and estimates  
23 presented by Qwest in this proceeding, do they  
24 include heating, ventilation, air conditioning,  
25 lighting in the costs?

00652

1           A.    I believe there are some basic components  
2 that you listed that are incorporated into the rental  
3 space. There are some additional charges if there  
4 are incremental additions, but yes, I believe those  
5 are included in the rental space.

6           Q.    So would you agree, then, that an  
7 appropriate space rental charge for rooftop space  
8 should be no higher, and perhaps less, than the  
9 rental charge that is imposed for space inside the  
10 building?

11          A.    I would agree, to the extent that no  
12 additional requirements are involved to place the  
13 equipment on the roof.

14          Q.    Okay. With respect to the penetration to  
15 the building, if a weatherproof penetration does not  
16 already exist that can be used and a new one would  
17 have to be created, is the coring that would be  
18 required there the same as the coring that would be  
19 required to enter the building in a standard  
20 collocation arrangement?

21          A.    I can't answer that. The coring in the  
22 standard arrangement normally involves drilling  
23 through a concrete or a block wall down in the  
24 basement in the vault. The type of roof on a central  
25 office is not always concrete and would involve

00653

1 perhaps different steps.

2 Q. Is there another witness who might be able  
3 to answer the question of whether those activities  
4 are similar enough so that the charges that you have  
5 proposed for coring could be applied in a microwave  
6 collocation context?

7 A. Mr. Hubbard perhaps can address that.

8 MR. BUTLER: Okay. I have no further  
9 questions. Thank you.

10 JUDGE BERG: Mr. Deanhardt.

11 MR. DEANHARDT: Nothing, Your Honor.

12 MS. HOPFENBECK: I do have some questions.

13 JUDGE BERG: Ah, Ms. Hopfenbeck.

14 MS. HOPFENBECK: It's just after I leave, I  
15 won't have any questions.

16 JUDGE BERG: It's important to make that  
17 clear.

18 C R O S S - E X A M I N A T I O N

19 BY MS. HOPFENBECK:

20 Q. Hello, Mr. Brotherson.

21 A. Ms. Hopfenbeck.

22 Q. Since we haven't met formally, I represent  
23 WorldCom in this proceeding. I just have a few  
24 questions. When Qwest receives a collocation order  
25 from a CLEC, Qwest is the entity that decides where

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1 within the central office to allow the collocation;  
2 is that correct?

3 A. That's correct.

4 Q. And there's nothing that prevents Qwest  
5 from locating caged and cageless collocators in the  
6 same general vicinity, so long as space permits; is  
7 that true?

8 A. Again, I would probably defer to Mr.  
9 Hubbard as the network witness, but the caged  
10 collocations are generally gathered together in an  
11 area of free space, if you will. The cageless  
12 collocations could be in that place, but they also  
13 have the ability to be located elsewhere, which is  
14 something that's not always possible with caged  
15 locations.

16 So it is possible that they can be located  
17 there. Whether or not that is the most advantageous  
18 space, if you're trying to retain some floor space  
19 where cages can be built, you may look to other  
20 places for your cageless, which have, you know, more  
21 flexibility in where you place them in a central  
22 office.

23 Q. Okay. Now, in discussions with Ms. Anderl  
24 about revisions to your testimony, you referenced  
25 Qwest's decision to permit collocators to connect

00655

1 with one another within the central office. My  
2 question is, has Qwest decided to permit connections  
3 between collocators regardless of how collocators are  
4 collocated in the office, regardless of whether it's  
5 physical or virtual, caged or cageless?

6 A. I can't see as that would be an issue. The  
7 cage itself is not a factor in permitting this, and  
8 without having direct knowledge of that answer, I can  
9 see no reason why that would make any difference, and  
10 that there would be no reason for that to be limited.

11 MS. HOPFENBECK: I have nothing further.

12 MS. SMITH: No questions.

13 E X A M I N A T I O N

14 BY DR. GABEL:

15 Q. Good morning, Mr. Brotherson. I'd like to  
16 ask you to turn to your direct testimony, Exhibit 70,  
17 page eight, lines 22 and 23.

18 A. Yes sir.

19 Q. Would you explain, please, why ITP replaces  
20 the expanded interconnection channel termination rate  
21 element and what's the difference between the two?

22 A. The term expanded -- or EICT, or expanded  
23 interconnection channel termination, was an FCC term  
24 prior to the Telecom Act and the collocation under  
25 the Telecom Act. The FCC had permitted interexchange

00656

1 carriers to collocate and to connect to US West -- or  
2 to Qwest and other ILEC equipment. That pre-dated  
3 the Telecom Act, and there was some disputes about  
4 whether or not there could be physical collocation  
5 and virtual collocation and the like.

6         But the fact remained that the  
7 interexchange carriers pre-dating the act were  
8 permitted to interconnect, and at that time, a  
9 product was developed that would permit the  
10 connection between the interexchange carrier and the  
11 Qwest equipment, and that was called an EICT.

12         Then, later, with the Telecom Act and all  
13 of the collocation obligations for CLECs that evolved  
14 came out, and in fact, I think early on, there was a  
15 tendency to refer to the connection that the CLECs  
16 also made to Qwest equipment as the EICT. However,  
17 that was not a perfect analogy. For example, the  
18 EICT in the FCC tariffs was only for virtual, did not  
19 permit physical and some other things. And so, to  
20 distinguish the two, the interexchange carrier  
21 connection under the FCC tariff and the contractual  
22 interconnection under the collocation rules, the  
23 second type of connection was given the name ITP.

24         Q.     And also, at line 22, you referred to a  
25 shared frame. Is the shared frame the intermediate

00657

1 distribution frame that I asked about yesterday with  
2 Mr. Thompson or -- is a shared frame, is that  
3 synonymous with an intermediate distribution frame?

4 A. I think I'm going to defer to Mr. Hubbard  
5 on this one. A shared frame is a sharing of more  
6 than one entity on a frame. I believe that's  
7 normally an intermediate distribution frame, but I'm  
8 not sure.

9 DR. GABEL: Thank you. I have no further  
10 questions.

11 CHAIRWOMAN SHOWALTER: No questions.

12 COMMISSIONER HEMSTAD: No questions.

13 JUDGE BERG: Ms. Anderl.

14 MS. ANDERL: No redirect.

15 JUDGE BERG: Any further questions by other  
16 counsel? All right. Mr. Brotherson, thank you very  
17 much for your testimony here today. You're excused  
18 from the witness stand. And at this point in time,  
19 Ms. Anderl, why don't you call your next witness.

20 MS. ANDERL: Yes, Qwest calls Jeff Hubbard  
21 to the stand. And it might just take him a moment to  
22 --

23 JUDGE BERG: All right. Let's be off the  
24 record until Mr. Hubbard takes the stand.

25 We'll be back on the record. Mr. Hubbard,

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1 will you please raise your right hand.

2 Whereupon,

3 ROBERT J. HUBBARD,

4 having been first duly sworn, was called as a witness

5 herein and was examined and testified as follows:

6 JUDGE BERG: I will note for the record  
7 that exhibits relating to the cross-examination of  
8 Mr. Hubbard were identified and entered into the  
9 transcript record during yesterday's proceeding. Ms.  
10 Anderl.

11 MS. ANDERL: Thank you, Your Honor.

12 D I R E C T E X A M I N A T I O N

13 BY MS. ANDERL:

14 Q. Good morning, Mr. Hubbard.

15 A. Good morning.

16 Q. Would you please state your name and your  
17 business address for the record?

18 A. Yes, my name is Robert J. Hubbard.

19 Business address is 700 West Mineral Avenue,  
20 Littleton, Colorado, 80120.

21 Q. Mr. Hubbard, did you file in this docket  
22 direct testimony, response testimony, and rebuttal  
23 testimony, as well as several exhibits?

24 A. Yes, I did.

25 Q. Do you have those documents before you?



00659

1 A. Yes, I do.

2 Q. If I were to ask you the questions  
3 contained in that testimony -- those testimonies  
4 today, would your answers be the same?

5 A. Yes, they would.

6 Q. Do you have any changes, additions, or  
7 corrections to make?

8 A. No, I do not.

9 MS. ANDERL: Your Honor, we would move  
10 Exhibits T-80 through T-84, inclusive, and tender the  
11 witness for cross.

12 JUDGE BERG: Any objections?

13 MR. DEANHARDT: No.

14 JUDGE BERG: All right. Those Exhibits,  
15 T-80 through T-84, are admitted. Mr. Deanhardt.

16 MR. DEANHARDT: Your Honor, I apologize,  
17 I'm looking for my binder that has my copy of Exhibit  
18 43. I guess I can try and expedite things, and I  
19 thought it was here. Right now, I can't find it.  
20 Can I have just one second?

21 JUDGE BERG: Yes, we'll be off the record  
22 just for a minute.

23 (Discussion off the record.)

24 JUDGE BERG: We'll be back on the record.

25

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1

2

C R O S S - E X A M I N A T I O N

3

BY MR. DEANHARDT:

4

Q. Good morning, Mr. Hubbard.

5

A. Good morning.

6

Q. Before we get good and started, I think it  
7 may be helpful, since we're going to be talking about  
8 a lot of technical things, if we walk through some  
9 basic definitions to begin with, make sure we agree  
10 on what these things are, and it may help the  
11 Commission as we go forward, and then maybe I won't  
12 forget to do it when we start talking about them.

10

11

12

13

A. Okay.

14

MR. DEANHARDT: And actually, I will also  
15 warn the Commission, Mr. Hubbard and I have  
16 conversations like this on a regular basis, both on  
17 legal and business issues. If at some point we say  
18 something that -- and we forget to define it, if you  
19 want to interrupt and ask us, to please feel free to  
20 do so. I will do my best not to do that, but since  
21 we have engaged in this before, we tend to get on a  
22 roll.

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JUDGE BERG: Thank you, Mr. Deanhardt.

24

Q. Let's talk first about -- let's do the easy  
25 one, bay and rack. A bay and a rack are -- a relay

25

00661

1 rack, rather, are essentially synonymous terms?

2 A. Yes, they are. We define them both ways,  
3 relay rack or a bay. Depends on kind of what context  
4 we're speaking to at the time or where our mind goes.

5 Q. And those are the -- those are, in essence,  
6 the iron work that holds equipment in a central  
7 office; correct?

8 A. That is correct.

9 Q. Now, a relay rack is different from ladder  
10 racking; correct?

11 A. Correct.

12 Q. And ladder racking is the racking that  
13 stretches close to the ceiling in a central office  
14 where cables are placed to go from one point in a  
15 central office to another; correct?

16 A. That is correct.

17 Q. Now, we have in your testimony and we've  
18 heard for the last couple of days references to  
19 different kinds of frames. So let's start with an  
20 MDF, or a main distribution frame. Now, a main  
21 distribution frame is a frame in the central office  
22 where lines coming from the outside plant terminate  
23 and are then distributed either to the switch or to  
24 some other place in the central office; correct?

25 A. That is correct. An MDF is traditionally a

00662

1 frame that's -- it's been around longer than what the  
2 frame we'll talk about next has. It has appearance,  
3 if you will, on the vertical side. There's two sides  
4 to an MDF. A vertical side has an appearance of all  
5 the outside cables that come into the central office.  
6 On the backside of the frame, the horizontal side  
7 basically has appearances from the switch and from  
8 other equipment that is located elsewhere within the  
9 central office.

10 Q. And when you use the term appearance, what  
11 you mean by that is that there's a block, each frame  
12 has a block, that there's a block on the frame where  
13 a wire can be connected that will then be connected  
14 at the other end of the wire to the switch or to  
15 whatever equipment it's going to?

16 A. That is correct.

17 Q. Now -- and actually, you were wrong. I was  
18 going to IDF next.

19 A. Oh. See, I anticipated COSMIC.

20 Q. Yes. We'll go ahead and do COSMIC, though.  
21 A COSMIC performs the same function as an MDF, but it  
22 is actually physically different and it performs it  
23 differently; correct?

24 A. That is correct. A COSMIC frame is  
25 basically a space-saving type frame. They're smaller

00663

1 blocks. We have appearances from the outside plant  
2 and from the switch side within the central office on  
3 the same side of the frame. There's not a front and  
4 a back; they're on one side. We basically, in that,  
5 use a short jumper concept. The outside plant pairs  
6 and the switched pairs are spread across the COSMIC  
7 frame.

8 JUDGE BERG: Mr. Deanhardt and Mr. Hubbard,  
9 knowing that you've had this rapport before, I would  
10 just ask that you do concentrate on pacing both your  
11 presentations for the benefit of the reporter.

12 MR. DEANHARDT: Thank you, Your Honor.

13 CHAIRWOMAN SHOWALTER: And the  
14 Commissioners.

15 MR. DEANHARDT: Thank you. I've done  
16 pretty good the last two days, but I was afraid this  
17 might happen with Mr. Hubbard.

18 Q. So the next phrase that I want to go ahead  
19 and define is IDF. That's an intermediate  
20 distribution frame; correct?

21 A. That is correct.

22 Q. And that is, I think, as Mr. Thompson  
23 described, a frame where cross-connections are made  
24 to equipment other than the switch; correct?

25 A. That is correct.

00664

1 Q. Now, in your testimony, I think it's in  
2 your testimony here, you also use the phrase  
3 interconnection distribution frame, or ICDF?

4 A. That is correct.

5 Q. Okay. And ICDF is just simply an  
6 intermediate frame that's used for interconnection by  
7 CLECs?

8 A. By CLECs or by Qwest. We can use the same  
9 frame.

10 Q. So an IDF and an ICDF are really the same  
11 thing?

12 A. Yes, they are.

13 Q. Okay. The last thing I think we ought to  
14 define in advance is the COEFM database.

15 A. That is correct.

16 Q. Can you please tell us what that one is?

17 A. Certainly. That's our central office  
18 engineering facilities module. It is basically where  
19 the central office prints are stored. It's a  
20 computer-based program where we do our design of  
21 central office equipment and our space planning on  
22 these.

23 Q. Thank you. Now, prior to your testimony  
24 today, I had a conversation with you and your counsel  
25 where I asked you to review Exhibits 173, 174 and

00665

1 175, which are graphic depictions of network  
2 architecture attached to Mr. Zulevic's response  
3 testimony in this docket. Do you recall that?

4 A. Yes, I do.

5 Q. And did you have an opportunity to review  
6 those exhibits?

7 A. Yes, I did.

8 Q. And would you agree with me that those  
9 exhibits accurately depict graphically the way that  
10 splitters would be collocated and connected in a  
11 central office under the three different kinds of  
12 splitter collocation that are referred to in yours  
13 and Mr. Thompson's testimony?

14 A. Yes.

15 Q. I'm sorry, let me finish, because,  
16 actually, I was going to mislead you there. In an  
17 architecture that did not use an intermediate  
18 distribution frame?

19 A. Yes, they graphically depict the  
20 architecture that is used.

21 Q. Okay. Now, let's just quickly -- again, to  
22 set the table, let's walk through the three types of  
23 splitter collocation that your testimony refers to.  
24 As I understand it, Qwest is proposing pricing for  
25 three types of splitter collocation based on what's

00666

1 described in the line sharing agreements between  
2 Qwest and the CLECs; correct?

3 A. Correct.

4 Q. And those three types are collocating the  
5 -- one type is collocating the splitter on a  
6 distribution frame; correct?

7 A. Yes.

8 Q. A second type is collocating the splitter  
9 in a common area of the central office that is not in  
10 the CLECs' collocation area; correct?

11 A. That is correct.

12 Q. And the third type is collocating the  
13 splitter in the CLECs' collocation area, whether that  
14 is caged or cageless; correct?

15 A. That is correct.

16 Q. Now, the POTS splitter that we are  
17 referring to serves the purpose of dividing the voice  
18 and the data frequencies from each other or  
19 recombining them, as the case may be, depending on  
20 which way the traffic is flowing; is that correct?

21 A. That's correct.

22 Q. Now, the POTS splitter is not a powered  
23 device. That is, it requires no electric power to  
24 function; correct?

25 A. That is correct. It is a passive device.



00667

1 Q. Now, you would agree with me that, in the  
2 case of a central office or a network configuration  
3 that did not use an intermediate distribution frame,  
4 that there would be no interconnection tie pair, or  
5 ITP, required to be used in such configurations;  
6 correct?

7 A. I might have to ask you to repeat that.

8 Q. Sure.

9 A. I was having a little trouble.

10 Q. Okay. Let's back up. First, an ITP is an  
11 interconnection tie pair; correct?

12 A. Right.

13 Q. And that interconnection tie pair is a tie  
14 pair that connects from either a COSMIC or an MDF to  
15 an IDF; correct?

16 A. Correct.

17 Q. So in a central office configuration, where  
18 an IDF is not used, you would agree with me that  
19 there would be no need for an ITP?

20 A. If I'm following you, I don't agree with  
21 that completely, because you have to tie back to your  
22 equipment or something, so that it's going to take a  
23 cable.

24 Q. That would be the standard tie cable that's  
25 referred to in the collocation study, but not --

00668

1 which is a nonrecurring charge for collocation  
2 installation, but not the ITP for which Qwest has  
3 proposed a recurring charge; correct?

4 A. You know, I don't know if I can answer that  
5 completely on the recurring and nonrecurring charge,  
6 and I apologize on that. You're probably correct,  
7 but I'm not completely sure.

8 Q. Well, I'll stick with the network and  
9 network issue, then. That would be a tie cable that  
10 -- the tie cable that you described, even without  
11 using an IDF, would be the type of tie cable that  
12 Qwest permanently puts in place at the time of  
13 collocation specifically dedicated to the CLEC;  
14 correct?

15 A. That is correct.

16 Q. Okay. And an ITP is not specifically  
17 dedicated to the CLEC, but is in fact a way just of  
18 getting traffic that terminates on some block at the  
19 MDF or COSMIC to the IDF, where it will then be  
20 cross-connected to the tie cable that's dedicated to  
21 the CLEC; correct?

22 A. I believe that's correct.

23 Q. And in the case of not having an IDF, you  
24 also would not have, obviously, an ITP; correct?

25 A. I believe that's correct, yes.

00669

1 Q. I promise, I wouldn't intentionally mislead  
2 you.

3 A. I didn't think you would.

4 Q. Let's talk for a minute about the basis for  
5 some of the numbers that you have proposed in your  
6 testimony. In your testimony, you suggest that the  
7 Commission use 100 feet as the average distance  
8 between the distribution frame and the CLEC splitter  
9 in the case where the CLEC splitter is being  
10 collocated in the common area; is that correct?

11 A. That is correct.

12 Q. And that testimony is based on a survey of  
13 central office installations that Qwest performed; is  
14 that correct?

15 A. Yes, it was.

16 Q. Okay. That survey was performed on central  
17 offices in Minnesota; correct?

18 A. That is correct.

19 Q. Okay. And that survey did not include any  
20 central offices in the state of Washington, did it?

21 A. That survey did not, no.

22 Q. And that survey was of 31 jobs in 13  
23 central offices in Minnesota; correct?

24 A. Your memory is good, yes.

25 Q. I've practiced. And there are actually 51

00670

1 central offices in Minnesota where CLECs have  
2 collocated splitters; correct?

3 A. I believe there's 53.

4 Q. Fifty-three, okay, thank you. Now, isn't  
5 it correct that under the interim line sharing  
6 agreement in Washington, there are 78 central offices  
7 where CLECs already have collocated splitters or are  
8 in the process of completing collocation of  
9 splitters?

10 A. On the 78, I'm not completely sure. I've  
11 seen a couple of different ones. As I've tracked  
12 along the route, we have one study of 62 offices and  
13 another one of 69. So if there are some more that's  
14 been completed that I'm not aware of, then I'll take  
15 78, subject to check.

16 Q. Okay. And actually, I have -- and I won't  
17 waste the time to find it now -- I have the  
18 confidential list of central offices that was  
19 attached to the interim line sharing agreement.  
20 Perhaps we can use that to check after -- at a break,  
21 and verify that for the Commission.

22 JUDGE BERG: All right.

23 MS. ANDERL: That's fine.

24 JUDGE BERG: Thank you.

25 Q. Now, the engineering -- well, actually,

00671

1 let's do this.

2 MR. DEANHARDT: Ms. Anderl, have you given  
3 Mr. Hubbard a copy of Exhibit 43?

4 MS. ANDERL: Indeed I have.

5 Q. Mr. Hubbard, if you can please turn to  
6 Exhibit 43?

7 A. I have that in front of me.

8 Q. Okay. Confidential Attachment A to Exhibit  
9 43, the first three pages of that document, this  
10 reflects the central offices that Qwest surveyed in  
11 preparation -- or that resulted in the 100-foot  
12 proposal that you make in your testimony; correct?

13 A. I believe that is correct, yes.

14 Q. And if you look -- and again, my apologies  
15 to the Commission for failing to number each of these  
16 pages consecutively, but if you will look on the  
17 sixth and seventh pages of Confidential Attachment A,  
18 that actually represents the survey of the 31 job  
19 numbers, or the 31 jobs that your testimony is based  
20 upon; correct?

21 A. Correct.

22 Q. Now, isn't it also correct that -- a  
23 foundational question first. Your testimony also  
24 proposes that the Commission use 20 hours as the  
25 average time that it takes to engineer a splitter

00672

1 collocation; is that correct?

2 A. That is correct.

3 Q. Okay. And that time formed the basis for  
4 the cost proposal made by Mr. Thompson in his  
5 rebuttal testimony for engineering costs; correct?

6 A. I believe that's correct, yes.

7 Q. And just because I forgot to ask this  
8 before, your 100-foot cable length proposal also  
9 formed the basis for Mr. Thompson's cost study;  
10 correct?

11 A. Correct.

12 Q. Now, it's also correct, isn't it, that to  
13 develop your engineering cost estimates, you had  
14 discussions with engineers who had handled the  
15 collocation of equipment in Minnesota?

16 A. Correct.

17 Q. Now, you have not engineered a splitter  
18 collocation yourself, have you?

19 A. No, I have not.

20 Q. Okay. Let's talk for just a moment about  
21 the distance that a splitter is placed from the  
22 central office, or from the frame, rather, in a  
23 central office. I'm correct, aren't I, that the  
24 100-foot distance is a number that only applies to  
25 the placement of a splitter in common area

00673

1 collocation; correct?

2 A. In this example, it's from the -- yes, from  
3 the common area -- common splitter location to the  
4 IDF for DSL termination.

5 Q. So in that configuration, I'm correct that  
6 there are at least two cables, one carrying the voice  
7 and data service and one carrying the voice traffic  
8 only, between the distribution frame and the  
9 splitter; correct?

10 A. In a common area -- not completely correct.  
11 There's -- in the back of a splitter, there's 12  
12 25-pair cables coming out. They have to connect to  
13 somewhere to get to 100-pair cable. So to the  
14 distribution frame, they have to physically connect  
15 to somewhere.

16 Q. I had forgotten about that. Right now,  
17 Qwest is installing these splitters by using 25-pair  
18 cable to connect -- well, by using 25-pair cables  
19 that are attached to the splitter; correct?

20 A. Yes, they have like an amphenol connection  
21 that plugs into the back of the splitter.

22 Q. And the -- well, let's do this one. An  
23 amphenol connector, the closest analogy that we could  
24 give to the Commission is that it looks kind of like  
25 what you plug a printer port into, or a printer cable

00674

1 into a computer; correct?

2 A. That is correct, and we can even do better  
3 than that.

4 Q. Don't tell me you brought it with you  
5 again?

6 A. No, Jason has that one. This is what is  
7 plugged into the back. There's 12 of these 25-pair  
8 cables on this connector that's plugged into the back  
9 of a splitter, and they have to physically connect  
10 somehow to 100-pair cable, so they have to go through  
11 a distribution frame, if you will, to connect to  
12 100-pair cable.

13 MS. ANDERL: Just so that the record is  
14 clear, Mr. Hubbard removed from his briefcase a cable  
15 with a connector end on it, and is showing that for  
16 all in the hearing room to see.

17 Q. Now, it is technically feasible, is it not,  
18 to use, in lieu of four 25-pair cables, one 100-pair  
19 cable that has been -- the word is, in fact,  
20 connectorized on each of the 25-pair and connect  
21 those -- each of four sets of 25 pairs, and connect  
22 those to the splitter; correct?

23 A. Okay. In your scenario, you're bringing  
24 in, if you will, three 100-pair -- is that --

25 Q. Let's do it the easier way. We'll do it in



00675

1 small pieces. Let's just assume the voice -- the  
2 combined voice and data traffic between the  
3 distribution frame and the splitter.

4 A. Okay.

5 Q. Okay. Now, right now Qwest is using four  
6 25-pair cable to carry that traffic between the  
7 splitter and the frame; correct?

8 A. That is correct.

9 Q. It is technically feasible, however, to use  
10 one 100-pair cable that has been connectorized on  
11 each of the -- each of four 25-pair binder groups  
12 within that cable; correct?

13 A. It is technically feasible. You'd have to  
14 special order the cables, if you will, to have it  
15 made that way.

16 Q. Or you could connectorize them yourself?

17 A. You could do that, but, you know, longer  
18 labor time, if you will.

19 DR. GABEL: Excuse me, Mr. Deanhardt. By  
20 connectorize, you mean placing that black piece of  
21 equipment at the end of the cable?

22 MR. DEANHARDT: I say yes.

23 Q. Do you say yes, Mr. Hubbard?

24 A. I say yes.

25 Q. Now, there are -- let's try this this way,

00676

1 then. You have to have two traffic flows between --  
2 at a minimum. Let's ignore the data cable for a  
3 second, and we'll handle that one in a moment.

4 A. Okay.

5 Q. But you have to have two traffic flows  
6 between the distribution frame and the splitter, one  
7 traffic flow for voice and data and one traffic flow  
8 for just the voice; correct?

9 A. That is correct.

10 Q. Okay. Now, the discussion we were just  
11 having is whether you can handle those traffic flows  
12 with either four 25-pair cable or one 100-pair cable  
13 for each separate flow; correct?

14 A. That's correct.

15 Q. And the reason we're focusing on 100 is  
16 because a splitter contains 96 ports; correct?

17 A. Correct.

18 Q. Now, the point I was trying to get to, and  
19 it took a lot longer than I thought, was I'm correct,  
20 am I not, that because you have those two traffic  
21 flows, each additional foot that a splitter is placed  
22 in distance away from the distribution frame is going  
23 to result in two total additional feet of cabling  
24 required for the splitter?

25 A. That is correct. And what you're concerned

00677

1 with is basically -- the splitter's a passive device.  
2 It doesn't provide power, doesn't basically do  
3 anything to the line. What Covad would be concerned  
4 with is the data side and the data length, if you  
5 will. That's the power output that they would be  
6 concerned with because of a distance reach on that.

7         There's two options, other than the common  
8 area, that you could place a splitter, one being at  
9 the IDF and the other one being in their collocation  
10 area. That would take distance limitations, if you  
11 will, or distance concern away from a splitter being  
12 in a common area.

13         Q.     Actually, I was going in a different  
14 direction, and we may have to come back and talk  
15 about that. Let's focus again on the question that I  
16 was asking, which is -- and remember that this is a  
17 cost docket, so I'm worried about cost here -- that  
18 every additional foot that the splitter is placed  
19 away from the distribution frame is going to result  
20 in two additional feet for each cable that's  
21 connected to the splitter; correct?

22         A.     If you will, yes, that's correct.

23         Q.     Okay. Now, we separated the -- we took the  
24 data cable out of our discussion there for a second.  
25 Let's add that back in. Now, there are two ways in

00678

1 this collocation scenario to get the data traffic to  
2 the CLEC; isn't that correct? I'll walk through  
3 them, but --

4 A. Yes.

5 Q. Okay. First, the first way to do that is  
6 by if you brought the data traffic from the splitter  
7 all the way back to the distribution frame, then  
8 cross-connected it to another block on the frame  
9 where the CLECs' DSOs terminated, or the lines that  
10 connect to their cage terminate, and then brought the  
11 traffic all the way back to the CLEC collocation area  
12 from there; correct?

13 A. That's correct.

14 Q. And that would then be a third cable or set  
15 of cables that would stretch from between the  
16 splitter and the distribution frame; correct?

17 A. That's correct.

18 Q. And then the other way that you could do  
19 this is to directly cable the data traffic from the  
20 splitter to the CLEC collocation area; correct?

21 A. Yes, you could do that.

22 Q. And by avoiding the distribution frame, you  
23 have eliminated at least the length of the cable  
24 between the splitter and the distribution frame and  
25 instead, basically replaced two cables with one cable

00679

1 between the splitter that would be connected between  
2 the splitter and the collocation area; correct?

3 A. That is correct. In most of the instances  
4 that we've had discussions about, the CLECs have  
5 reused existing cables that they've had from their  
6 collocation site to the IDF, if you will, and then we  
7 had to bring a cable, of course, over to the splitter  
8 location.

9 Q. Okay. But if I -- okay, just to kind of  
10 complete what we were talking about, if I use a  
11 direct cabling from the splitter to the collocation  
12 area, then I don't have to reuse my cable with my DSO  
13 terminations and I also don't create what I will call  
14 the Z, from the splitter to the frame back to my  
15 collocation area?

16 A. Yes, you can do that.

17 Q. Do you know what is the -- do you know what  
18 the distance is that's assumed from the splitter to  
19 the CLEC collocation area in the cost studies  
20 prepared by Mr. Thompson?

21 MS. ANDERL: I'm sorry, Mr. Deanhardt. The  
22 distance from the splitter to the CLEC collocation  
23 area?

24 Q. Yes. For this type of collocation?

25 A. Mr. Thompson and I have talked about that

00680

1 several times. The number that's in the cost docket  
2 eludes me right now.

3 Q. If you were to review Exhibit 43, do you  
4 think you could find it for me?

5 A. Well, I could sure try.

6 Q. If you would, please. I couldn't find it,  
7 so I'm hoping you can.

8 MS. ANDERL: I was just going to suggest  
9 that we might be willing to take something subject to  
10 check if it would speed things up.

11 MR. DEANHARDT: It's one of those dangerous  
12 cross-examination questions where you don't know the  
13 answer.

14 Q. Let's do it this way, Mr. Hubbard. I think  
15 you're having trouble, as well. Let me make record  
16 request next in order --

17 MS. ANDERL: I think it's 11.

18 JUDGE BERG: Record Request 11. Excuse me,  
19 there was a record request 11 that was denied, so it  
20 would be Record Request 12.

21 Q. Record Request 12 to be the distance  
22 between the splitter and the CLEC collocation area  
23 assumed for purposes of developing the collocation  
24 costs for placing a splitter in the common area in  
25 the central office.

00681

1           While we're doing this, Mr. Hubbard, let me  
2 also ask, do you know the distance that's assumed  
3 between the distribution frame and the CLECs'  
4 collocation area for purposes of developing these  
5 costs?

6           A.     Between where, again?

7           Q.     Between the distribution frame and the  
8 CLECs' collocation area. So not the splitter, but  
9 the frame and the collocation area?

10          A.     To the collo area?

11          Q.     Yes.

12          A.     Not completely, no.

13          MR. DEANHARDT: Let me ask Record Request  
14 Number 13.

15          MS. ANDERL: Make it A and B.

16          MR. DEANHARDT: We can make it A and B.  
17 We'll make it 12-A, and Record Request 12-B would be  
18 the distance assumed in the cost study between the  
19 distribution frame and the CLECs' collocation area.

20          JUDGE BERG: Would that also be for the  
21 splitter and the CO common area?

22          MR. DEANHARDT: That actually will end up  
23 applying to all three types of collocation. I'm  
24 assuming that they will have assumed one distance,  
25 and then it's just how you allocate it for the

00682

1 various things.

2 JUDGE BERG: Once more, from a distribution  
3 frame to the --

4 MR. DEANHARDT: To the CLEC collocation  
5 area.

6 JUDGE BERG: Got it.

7 MR. DEANHARDT: And let me actually refine  
8 that slightly, since there are several types of  
9 distribution frames. Let's make that from the  
10 distribution frames where the CLECs' DSOs terminate.

11 Q. That's one that we didn't cover, Mr.  
12 Hubbard. DSO is just a basic copper line; is that  
13 correct?

14 A. Yes.

15 Q. And when we talk about a DSO termination,  
16 we're talking about the place where copper lines that  
17 connect from the collocation area to a distribution  
18 frame are terminated on the frame, and those copper  
19 lines are generally contained in a tie cable; is that  
20 correct?

21 A. That is correct.

22 Q. So the termination itself is, using the  
23 terminology you used before, an appearance on a block  
24 that is contained on the frame?

25 A. Yes, using an intermediate distribution



00683

1 frame, yes.

2 Q. Now, Mr. Hubbard, have you performed any  
3 surveys to determine the average distance -- back up.  
4 Have you personally performed any surveys to  
5 determine the average distance between a splitter  
6 placed in common area collocation and a CLEC  
7 collocation area?

8 MS. ANDERL: I'm sorry. Again, Mr.  
9 Deanhardt, you're so familiar with this, you're  
10 talking so quickly that I'm missing the endpoints.

11 MR. DEANHARDT: I'm sorry. I thought I  
12 actually was going slowly.

13 Q. Have you performed any studies to determine  
14 the average distance between the splitter placed in  
15 common area collocation and the CLEC collocation  
16 area?

17 A. Between common area splitter location and  
18 the CLEC area itself?

19 Q. Yes.

20 A. Have I performed any personally? No.

21 Q. Okay. Has Qwest performed any such study,  
22 to your knowledge?

23 A. Yes, I believe they have, and I believe it  
24 was taken off of several Covad jobs, if you will.

25 Q. Okay.

00684

1           A.    And it could have been from the IDF to the  
2 collocation area.

3           Q.    Is this the same study we were referring to  
4 earlier in Exhibit 43?

5           A.    No, it was on a -- for this -- it was for  
6 the collo inputs, if you will. Like I said, the  
7 number eluded me exactly, but I believe they were  
8 taken -- from the IDF to the collo area was taken off  
9 of some Covad jobs.

10          Q.    And is that study also based on deployment  
11 in Minnesota?

12          A.    No, I don't believe so. I think it was  
13 across several states.

14               MR. DEANHARDT: Okay. Ms. Anderl, do you  
15 want to make this 12-C or 13?

16               MS. ANDERL: Well, do you want the distance  
17 or do you want the --

18               MR. DEANHARDT: The documents.

19               MS. ANDERL: -- actual survey? That will  
20 be 13.

21               MR. DEANHARDT: Record Request 13 would be  
22 for the documents, whatever study was developed by  
23 Qwest regarding the distance between a splitter and  
24 common area collocation and a CLEC collocation area.

25               MS. ANDERL: Well, now, as I understood Mr.

00685

1 Hubbard to be answering the question, that wasn't  
2 what he was saying we had done. So maybe we could --  
3 I understood the witness' answer to be that there was  
4 a survey done of the distance from the IDF to the  
5 collo area, and maybe that's the same thing that  
6 you're asking for, but I don't think that it is.

7 MR. DEANHARDT: Well, then let me back up.

8 Q. I thought -- okay. Then Mr. Hubbard and I  
9 may be talking past each other, because, Mr. Hubbard,  
10 I thought when I asked if there had been a study  
11 performed by Qwest on the distance between the  
12 splitter and the common area collocation  
13 configuration and the CLEC collocation area, in that  
14 configuration, that there had been such a study done.  
15 Was that incorrect?

16 A. Okay. Maybe we did talk past each other.  
17 There was a study from the IDF frame to the common  
18 splitter location that was done over the offices in  
19 Minnesota, and then there was another study from the  
20 IDF to the collo areas that -- and Mr. Thompson may  
21 be able to speak better to this, that was done based  
22 on Covad jobs, and I believe that was in several  
23 states. There's two different figures. Am I  
24 confusing you?

25 Q. No, but, actually, you may be talking about

00686

1 something that's confidential.

2 MR. DEANHARDT: Your Honor, could I ask for  
3 a short recess to do this offline?

4 JUDGE BERG: Are you just going to  
5 informally talk with --

6 MR. DEANHARDT: I'd like to clear this up.  
7 It will make this go faster, but I'd like to clear  
8 this up with Ms. Anderl and Mr. Hubbard and Mr.  
9 Thompson to see if we've just done something that we  
10 shouldn't have done.

11 JUDGE BERG: Sure. Let's take 10 minutes,  
12 but start again promptly at 11:40.

13 MS. ANDERL: Thank you, Your Honor.

14 JUDGE BERG: We're off the record.

15 (Recess taken.)

16 (Discussion off the record.)

17 (Lunch recess taken.)

18 JUDGE BERG: All right. Let's be back on  
19 the record. Mr. Hubbard, I'll just remind you that  
20 you remain subject to the vow you took earlier this  
21 morning.

22 THE WITNESS: Yes, thank you.

23 Q. Good afternoon, Mr. Hubbard.

24 A. Good afternoon.

25 Q. While we were off the record, you and I and

00687

1 Ms. Anderl and Mr. Thompson had some off-the-record  
2 discussions regarding trying to get some of the  
3 information that you and I were trying to discuss  
4 prior to lunch; correct?

5 A. That is correct.

6 Q. Okay. What I think I want to do is let's  
7 first turn to your Exhibit 81, please, which is  
8 Exhibit RJH-2 to your direct testimony.

9 A. I have that in front of me.

10 Q. Now, that is your depiction of the  
11 architecture for placing a splitter in a central  
12 office where the splitter is placed in common area  
13 collocation in a central office that uses an ICDF;  
14 correct?

15 A. That is correct.

16 Q. Okay. Now, before the break, we were  
17 talking about the length of distances assumed in the  
18 cost study, and in particular, the distances that we  
19 started to get confused on were the distance between  
20 the IC -- well, there were two distances. One was  
21 the distance between the ICDF and the CLEC  
22 collocation area; correct?

23 A. That is correct. That is one of the areas  
24 that we were having trouble with input, yes.

25 Q. And in this diagram, the ICDF can be seen,

00688

1 as can the collocation cage that's on the left. That  
2 distance would be the distance that, in this case, is  
3 crossed by that black line marked CFA; correct?

4 A. That is correct.

5 Q. Okay. Now, we have determined, I believe  
6 off the record, that the distance that is used in the  
7 cost study actually comes from the underlying  
8 collocation cost study sponsored by Mr. Thompson and  
9 comes, in particular, from page 45 of Exhibit C-15;  
10 is that correct?

11 A. That is correct.

12 Q. And it is the distance -- I won't give the  
13 distance, but it is the distance that is marked DSO  
14 cable in lines 30 and 31 of page 45?

15 A. I believe that is correct, yes.

16 Q. Now, the other distance that we were  
17 discussing is the distance between the POTS splitter  
18 and the CLEC collocation area; correct?

19 A. That is correct.

20 Q. And looking again at your diagram that is  
21 Exhibit 81, the POTS splitter is the smaller box in  
22 the center of the central office, just above the  
23 ICDF; correct?

24 A. That is correct.

25 Q. And so we would be talking about -- well,

00689

1 in your diagram, it's marked as POTS splitter bay and  
2 shelf; correct?

3 A. That is correct.

4 Q. So what we're talking about is the distance  
5 from that POTS splitter bay and shelf to what you've  
6 marked on your exhibit as the collocation cage;  
7 correct?

8 A. Right. And in my exhibit, I don't have a,  
9 if you would, a direct line connecting those.

10 Q. That's right. And we'll come back to that  
11 in a second to clarify that. But the distance  
12 assumed in the cost study for that distance is the  
13 same as the distance between the ICDF and the  
14 collocation cage; correct?

15 A. That is correct.

16 Q. And to be clear, again, that means it is  
17 assumed to be the same distance as what appears on  
18 page 45 of Exhibit C-15 under the heading DSO cable?

19 A. That is correct.

20 Q. However, I'm also correct that there has  
21 not been a separate study done similar to the one  
22 that's contained at Exhibit C-43 to measure actual  
23 connections between the splitter and the collocation  
24 area; correct?

25 A. That is correct. There's not been an

00690

1 actual, if you will, study in the central offices to  
2 do that.

3 Q. Now, as you said before, your diagram on  
4 Exhibit 81 does not show a direct connection from the  
5 POTS splitter bay to the collocation cage, and that's  
6 because, as we discussed earlier, there are two ways  
7 to bring the data cable to the collocation area, and  
8 this diagram shows the method we talked about where  
9 the data cable comes back to the interconnection  
10 distribution frame and is then cross-connected to a  
11 tie cable that goes to the collocation cage; correct?

12 A. That is correct. And the reason we did it  
13 that way is because, as I explained earlier, most of  
14 the CLECs have chosen to use existing cables that  
15 they have between their collocation area and the  
16 ICDF. Reuse those cables, if you will.

17 Q. And as we talked about earlier, however, it  
18 is technically feasible and an option that the CLEC  
19 can employ to directly connect the splitter bay data  
20 line to the collocation area; correct?

21 A. Oh, absolutely. It's an option that the  
22 DLECs have.

23 Q. Now, your diagram calls this a collocation  
24 cage. I should say Exhibit 81, rather than calling  
25 it your diagram. But in fact, that could be a



00691

1 cageless collocation area, as well as a caged  
2 collocation area; correct?

3 A. That is correct. It could be either one.

4 Q. Okay. As long as we're looking at this  
5 diagram, to clear up something that we were  
6 discussing earlier this morning, on Exhibit 81, the  
7 cable marked CFA and the cables that are dashed lines  
8 between the ICDF and the POTS splitter bay and shelf,  
9 those are the tie cables we discussed that are placed  
10 during the collocation process; correct?

11 A. Between the line sharing collocation  
12 process, yes.

13 Q. Okay. And the green lines that connect  
14 between what is marked as the COSMIC or MDF on the  
15 right-hand side of the central office in Exhibit 81  
16 and the ICDF in Exhibit 81, those would be the  
17 interconnection tie pairs, or ITPs, that we discussed  
18 this morning; correct?

19 A. That is correct, yes.

20 MS. ANDERL: Excuse me, Mr. Deanhardt. Let  
21 me just interrupt and confirm that the Commissioners  
22 did receive colored copies?

23 CHAIRWOMAN SHOWALTER: Yes.

24 MS. ANDERL: Okay.

25 THE WITNESS: That's good, because I don't

00692

1 have a colored copy.

2 CHAIRWOMAN SHOWALTER: Yes, either that, or  
3 we're not paying attention.

4 Q. And actually, I was pretty good up until I  
5 said green. I was staying away from the colors. But  
6 in fact, just for the record, and for people who have  
7 black and white copies, these would be the solid  
8 lines that connect between the COSMIC MDF and the  
9 ICDF on Exhibit 81; correct?

10 A. Correct.

11 Q. And thank you, Ms. Anderl. Now, you are  
12 familiar, I believe, with the interim line sharing  
13 agreement between the CLECs and US West; correct?

14 A. That is correct.

15 Q. Have you had an opportunity to review what  
16 has not yet been signed, but what the CLECs and US  
17 West have agreed -- or Qwest have agreed to as  
18 basically the final line sharing amendments?

19 A. I have read it, the final one. If you have  
20 specific questions on it, if you could direct me to  
21 specifics, I've seen a lot of copies over the last  
22 year.

23 Q. My only real question is that the  
24 architecture options that are described in the  
25 interim agreement are the same architecture options

00693

1 that are described in the final -- in what is going  
2 to become the final agreement; correct?

3 A. I believe so, yes.

4 Q. And the language that describes the  
5 conditions under which collocation or splitters will  
6 be provided in terms of describing the options and  
7 the architectures is identical or substantially  
8 identical to the language in the interim agreement?

9 A. I believe that is true, yes.

10 Q. You could accept that, subject to check?

11 A. I could accept that, subject to check.

12 Q. Now, isn't it correct that the agreement --  
13 actually, let's do a foundational step first. In  
14 deploying splitters in the configuration that's  
15 described on Exhibit 81 -- and let's make this  
16 easier. In the line sharing agreement, if a splitter  
17 is going to be placed in the common area as depicted  
18 in Exhibit 81, we created a new name for that called  
19 common area splitter collocation; correct?

20 A. I believe that's what we called it, yes.

21 Q. Okay. So for right now I want to focus for  
22 a few minutes on common area splitter collocation, as  
23 opposed to the other two collocation options that we  
24 have discussed, okay?

25 A. Okay.

00694

1 Q. In deploying common area splitter  
2 collocation, Qwest has built new -- a new bay in  
3 every central office where common area splitter  
4 collocation has been requested for the purpose of  
5 collocating the splitters; correct?

6 A. Yes, we developed basically a standard  
7 architecture, and with the amount of central offices  
8 that we had to equip that was requested for line  
9 sharing, we had to develop a standard configuration  
10 so we could do it as quickly as possible, because we  
11 were under time restraints. And so we did come up  
12 with the standard, if you will, of a common area  
13 collocation.

14 Q. Now, I want to actually clarify this,  
15 because I don't know the answer to this question. In  
16 Minnesota, Qwest, in the initial rollout, Qwest built  
17 two bays per central office. Has that continued in  
18 Washington?

19 A. I don't know if I know the answer to that.  
20 I believe in some of the offices, we may have gone  
21 down to one bay, but I can't answer that completely,  
22 Mr. Deanhardt.

23 Q. Now, in either event, there is nothing --  
24 the interim line sharing agreement itself does not  
25 require Qwest to install a new bay in order to -- as

00695

1 a place to put the splitter, does it?

2 A. Your question is, if I'm reading that  
3 right, is that Qwest is not required to build a new  
4 bay?

5 Q. Let me try it differently.

6 A. Okay, sorry.

7 Q. The interim line sharing agreement would  
8 permit Qwest to place splitters in existing Qwest  
9 bays or lineups; correct?

10 A. I would probably have to check the latest  
11 issue of the agreement. I believe that to be true,  
12 but what we've tried to do is establish these in a  
13 common area in reasonable distance of the ICDF, so in  
14 most instances that has required placement of a new  
15 bay.

16 Q. I'm going to ask your counsel, as soon as I  
17 can figure out which exhibit it is, to hand you a  
18 copy of Exhibit 115, which is the interim line  
19 sharing agreement attached to Ms. Brohl's testimony.

20 MS. ANDERL: That will take me just a  
21 minute.

22 Q. It would help, Mr. Hubbard, when you  
23 receive it, I'm going to ask you to turn to paragraph  
24 seven, which is on page two of 12 of Exhibit 115.

25 A. I have that.

00696

1 Q. Okay. Now, I would like for you, please,  
2 to review paragraph seven again, to yourself, and  
3 anything else you think may bear on this, and what I  
4 -- again, what I'm going to ask is, and I'd like to  
5 get confirmed, is that the agreement permitted Qwest  
6 to place splitters in its own -- in existing bays or  
7 collocation lineups and does not prohibit that?

8 MS. ANDERL: Mr. Deanhardt, that is the  
9 same document that's attached to Mr. Cabe's  
10 testimony, as well, isn't it?

11 MR. DEANHARDT: Yes, it is.

12 MS. ANDERL: That's the one I'll look at,  
13 then.

14 MR. DEANHARDT: And also for the record,  
15 Your Honor, since I know that there can be some  
16 confusion and the Commission would like as complete a  
17 record as possible, we received the copy of the final  
18 agreement last week, and I actually had intended to  
19 bring it and submit it as an exhibit, but it turned  
20 out that there were some errors, so it was not  
21 finally signed, so I thought that we would approach  
22 it this way.

23 But if the Commission obviously is  
24 interested, at the appropriate time, once we have a  
25 fully executed copy, we can make one available to the

00697

1 Commission.

2 JUDGE BERG: I don't think we have a  
3 position. We'll leave it to the parties to bring it  
4 forward if they think that it enhances the record and  
5 see how the other parties respond.

6 I do have a question. Is Exhibit 192 the  
7 same as Exhibit 115? They're both labeled as interim  
8 line sharing agreements, or are they different?  
9 That's the RC-3, the agreement attached to Mr. Cabe's  
10 testimony.

11 MR. DEANHARDT: They are the same, Your  
12 Honor.

13 JUDGE BERG: All right.

14 MR. DEANHARDT: Although this one is an  
15 unsigned version and the one attached to Dr. Cabe's  
16 testimony has Qwest's and Covad representative  
17 signatures.

18 CHAIRWOMAN SHOWALTER: So does that mean  
19 that is the executed version or there is yet another  
20 executed version, or corrected executed version?

21 MR. DEANHARDT: Well, because -- there are  
22 two agreements. In order to deploy this in a way  
23 that made the most sense, the CLECs and Qwest entered  
24 into an interim agreement to get basic deployment  
25 done, and what I call catch-up deployment. We then

00698

1 spent some time after that coming up with final line  
2 sharing agreements that will be submitted to the  
3 Commission for approval in accord with either 251 or  
4 252, and I always forget which.

5 CHAIRWOMAN SHOWALTER: I see. Thanks.

6 Q. Mr. Hubbard, have you had an opportunity to  
7 review paragraph seven?

8 A. Yes, I have.

9 Q. And paragraph seven and the collocation  
10 provisions in this agreement would permit Qwest to  
11 place splitters in its own existing bays, rather than  
12 -- well, it would permit Qwest to put splitters in  
13 existing bays; correct?

14 A. If I may on this, and the way I read this,  
15 the ILEC, which is Qwest, will install the POTS  
16 splitter in one of three locations in the central  
17 office: In a relay rack as close to the CLEC DSO  
18 termination points as possible, which usually  
19 requires a placement of a new relay rack; where an  
20 intermediate frame is used, place one on that frame;  
21 and where those two options are not available, or in  
22 offices less than -- well, in offices less than  
23 10,000 lines, on the main distribution frames, or if  
24 there's not space existing, if you will, which may  
25 include an existing ILEC relay rack or bay.



00699

1 Q. Okay. When you just -- one thing you said  
2 that I'm going to need to go back and challenge, you  
3 said that the option one, in a relay rack as close to  
4 the CLEC DSO termination points as possible, would  
5 generally require the construction of a new bay; is  
6 that correct?

7 A. In my experience, it usually does. In most  
8 instances, we don't have empty bays just sitting  
9 around. The ones that I have viewed that are being  
10 built have required the placement of a new bay, if  
11 you will.

12 Q. Now, a splitter fits on a shelf; correct?

13 A. Correct, inside a -- to be mounted in a  
14 bay, yes.

15 Q. And the way a bay is constructed, there are  
16 sufficient mounting plates for the placement of 14  
17 shelves of equipment; correct?

18 A. There is -- and I've stated that in my  
19 testimony, there is room for 14 bays, if you will,  
20 yes. Or 14 shelves, excuse me.

21 Q. So for the placement of a splitter if there  
22 is a shelf, as opposed to an entire bay, that is  
23 available, the splitter could be placed in that  
24 shelf; correct?

25 A. Is it technically feasible or possible,

00700

1 yes. Is it practical? Most of our bays are wired  
2 for equipment for power. A splitter, as we've  
3 stated, is a passive device, does not require power  
4 to be there. That may take up space in a rack if  
5 there was shelf space available that could be used  
6 for transmission equipment that needs to be powered.  
7 In most instances, we have been installing, of  
8 course, more than one, if you will, more than one  
9 splitter shelf within a bay. So it is required or --  
10 yeah, it is required, basically, placement of a new  
11 bay.

12 Q. There's nothing in the agreement that  
13 requires Qwest to put all of the splitter shelves in  
14 the same bay, is there?

15 A. There's nothing in the agreement, no.

16 Q. And in addition, the agreement permits  
17 Qwest, if it wanted to, to place its own equipment in  
18 the bay that's used for splitters; correct?

19 A. Again, on that note, the bays that we place  
20 do not have power going to them. Qwest does not use  
21 an external splitter the same as the CLECs do. If we  
22 placed -- or if Qwest placed equipment in that bay,  
23 most of the time I would say it would have to be  
24 powered. So in that bay, we would have to provide  
25 power to it. And these splitters, again, are passive

00701

1 things, do not require power to that bay.

2 Q. When Qwest needs bay space that requires  
3 power for its own equipment, it can install that  
4 power to power its own equipment, can't it?

5 A. Technically feasible, yes. And -- yes.

6 Q. And customary practice?

7 A. It could, yes.

8 Q. Yeah. I'm guessing that you guys don't put  
9 equipment that requires power into bays and not  
10 install the power feeds to power it?

11 A. That would be a correct statement.

12 Q. Now, Qwest, in the common collocation or  
13 common area splitter collocation scenario, Qwest  
14 maintains the splitter; correct?

15 A. That is correct.

16 Q. And I think the way that we've organized  
17 it, and I think this is in your testimony, or maybe  
18 Mr. Thompson's, is that the cost of the splitter  
19 itself, that either the CLEC can provide the splitter  
20 to Qwest or pay the cost of the splitter as a  
21 pass-through and have Qwest purchase one or more  
22 splitters on its behalf; correct?

23 A. That's the way we have the agreement, that  
24 the CLEC can either purchase the splitter or Qwest  
25 would purchase for them and be a direct bill back to

00702

1 them.

2 Q. And in either event, the CLEC turns a  
3 splitter over to Qwest much the same as equipment in  
4 virtual collocation?

5 A. That's correct.

6 Q. Okay. You can set Exhibit 115 aside. And  
7 I want to talk about the engineering time estimates  
8 that you have given, and I'd like for you to turn to  
9 your response testimony, which is Exhibit 83,  
10 beginning on page two.

11 Now, the basis for the 20-hour engineering  
12 time estimate that you have given to Mr. Thompson is  
13 your testimony in Exhibit 83, on pages two through  
14 eight; is that correct?

15 A. Yes.

16 Q. And in that testimony, you discuss various  
17 engineering tasks, beginning, I believe, with  
18 preliminary engineering and the work of a detail  
19 engineer; correct?

20 A. Correct.

21 Q. Now, again, you obtained these estimates  
22 based on interviews with Qwest engineers who had  
23 performed the work in Minnesota; correct?

24 A. Correct. In Minnesota, we -- Qwest was  
25 under very tight restraints for installing the

00703

1 splitter bays to get that -- get all of the 53  
2 offices up and running by a certain date. We had our  
3 most senior engineers working on the projects, and  
4 from their inputs of the time that was required is  
5 how we developed these costs. We looked at about,  
6 you know, looking at about 20 hours, if you will.  
7 Two and a half days to do a collocation job  
8 like this is a very short amount of time, and like I  
9 said, these were our senior engineers that were  
10 working on this project to get this built in the time  
11 that we had to build it in. And I think they did,  
12 you know, a very good job for -- actually, I think  
13 they underestimated their time, but this is what  
14 we'll go with.

15 Q. Okay. Mr. Hubbard, I like you, but if  
16 you're going to take off on those trips, that was a  
17 little bit more than -- the work that was done in  
18 Minnesota, I think, as you just said, was the first  
19 time that the engineers have ever worked on these  
20 kinds of projects; correct?

21 A. That is correct.

22 Q. Now, the detail engineer that you discuss  
23 beginning on page three of your testimony uses a  
24 database to extract the plans for the central office  
25 to do the engineering; correct?

00704

1       A.    Yes, and that is what we identified when we  
2 first started into this this morning, and that is the  
3 COEFM, which is the central office engineering  
4 facilities module.

5       Q.    And COEFM is updated on a regular basis as  
6 equipment is placed into the central office; correct?

7       A.    It's updated as -- you're right, as  
8 equipment is placed, as jobs are planned, they're put  
9 in there, although we don't have the actual data from  
10 a plan job, but all the planning goes into it for  
11 future jobs.

12       Q.    So in fact, the database is updated when  
13 the -- after the field survey that you describe in  
14 your testimony has been completed; correct?

15       A.    Yes, it is updated when the engineer does  
16 the field survey. We also look at actual builds of  
17 that equipment after it's done, because in some  
18 instances, even with the field surveys, the installer  
19 might have to place the bay a half a bay off, or for  
20 some reason that the engineer did not recognize when  
21 they were there.

22       Q.    And that would be because there would be  
23 inaccuracies in the COEFM database; correct?

24       A.    Not necessarily about inaccuracies. There  
25 may be, for whatever reason, the installer couldn't

00705

1 put it exactly where it was called for.

2 Q. Now, if the procedure that you've just  
3 described, where the information is placed in COEFM  
4 after a field survey is conducted is followed, then  
5 COEFM should accurately reflect the layout of a  
6 central office; correct?

7 A. If I may clarify this just a hair. It will  
8 reflect the piece of equipment that was installed.  
9 The whole central office may not be, but what would  
10 be put in there after they do the job is exactly  
11 their piece of what they did. The rest of the office  
12 still has to be updated on the other jobs as they  
13 come in.

14 Q. Okay. But to clarify, the fundamental  
15 premise of COEFM is that it accurately describes the  
16 placement of equipment in a central office up until  
17 the last time it's been updated; correct?

18 A. That is correct.

19 Q. So when someone comes in after a field  
20 survey and updates the drawings, it isn't that the  
21 rest of the equipment is not there; they're simply  
22 making an addition to the database that would be  
23 reflected the next time someone pulls out the plans  
24 for that office; correct?

25 A. That is correct.

00706

1 Q. Now, and if that's done correctly, then the  
2 COEFM is designed to make it so that engineers  
3 designing the placement of equipment can accurately  
4 place that equipment; correct?

5 A. That is the underlying reason that we have  
6 drawings of central offices or outside plant, but in  
7 a lot of instances, some things get a little bit off  
8 from a drawing. What is actually in the field is not  
9 always depicted, if you will, on the prints -- I  
10 can't -- I shouldn't say correctly, but maybe in the  
11 right location. That's why we do field surveys, we  
12 do them in outside plant, we do them in central  
13 offices, to make sure that when we do order the  
14 equipment, that, to the best of our knowledge, it  
15 will fit in the location that we called for.

16 Q. But if the information has been placed in  
17 COEFM correctly, then there would be no need for a  
18 field survey to determine whether the information was  
19 placed in COEFM correctly, would there?

20 A. In every job that we do, as far as I know,  
21 we do send an engineer to the field to look at these  
22 jobs. If you do a job right off the prints and  
23 something is wrong, then basically you have to start  
24 the process over again. So it is to the advantage of  
25 everybody, Qwest and the CLECs, to have a field



00707

1 survey done to make sure the job flows through, if  
2 you will, and is done correctly.

3 Q. Let's try it again. I mean, this is the  
4 same point we were talking about some with Mr.  
5 Thompson yesterday. If the database is updated  
6 correctly, and therefore is used for the purpose it's  
7 supposed to be used for, then a field survey should  
8 not be necessary, should it?

9 A. You're trying to get me to give up  
10 something that I don't exactly believe in, because I  
11 do believe that field surveys are necessary, both in  
12 central offices and outside plant. I believe that an  
13 engineer needs to take a look at what's really out  
14 there. If a database was completely accurate, you  
15 may be able to get by with just doing the job without  
16 looking at them.

17 Q. Well, your testimony contains engineering  
18 time for a field survey, for checking the database,  
19 and for placing information in the database after the  
20 field survey; correct?

21 A. That's correct, yes.

22 Q. So all that I'm trying to figure out is why  
23 I'm paying for updating the database if I've got to  
24 do the field survey; why would I have to pay for the  
25 field survey if I've updated the databases? It

00708

1 strikes me if one is supposed to -- if they both were  
2 intended to accomplish the same thing, which is to  
3 determine where the splitter or where the equipment  
4 goes in a central office, why should I pay to update  
5 a database if I still have got to pay for a field  
6 survey?

7 A. I understand that. What I said previously  
8 is when we update the database, we update exactly  
9 where that piece of equipment goes. If another piece  
10 of equipment goes in another location, if you will,  
11 then, again, a field survey's required for that  
12 location and to update the database there, also.

13 Q. Well, updating the database does not only  
14 occur for collocating splitters; correct?

15 A. No, it does not.

16 Q. It occurs whenever you've got any kind of  
17 equipment in the central office; correct?

18 A. That is correct, for that piece of  
19 equipment in that location, and it goes into this.

20 Q. And since it occurs after the field survey,  
21 it occurs well before the installation is complete;  
22 correct?

23 A. That is correct.

24 Q. Okay. Now, on these field surveys and  
25 walk-throughs, a field engineer will typically, when

00709

1 possible, do a single walk-through for multiple jobs  
2 in the same central office; correct?

3 A. For multiple jobs, if you will, in multiple  
4 jobs for a splitter location, if they have all the  
5 orders at the same time, they will look at more than  
6 one at the same time, if they have everything  
7 together at that time.

8 Q. Now, as we discussed earlier, Qwest is, at  
9 this point, putting all the splitters in one bay that  
10 it's created; correct?

11 A. That is correct.

12 Q. So that means that, for example, if Covad  
13 were to be the first company to place a splitter in  
14 common area collocation in a central office, and  
15 subsequently New Edge Communications were to place a  
16 splitter in the same central office, that it would,  
17 under current Qwest practice, more likely than not be  
18 placed in the same bay, if space is available?

19 A. I might have to ask you to repeat that last  
20 part. You said it would not place in the same bay?

21 Q. If New Edge came after Covad, would you  
22 stick the splitter in the same bay, if space was  
23 available?

24 A. If space was available.

25 Q. Now, when you do that, when New Edge

00710

1 places, in my hypothetical, the second request to put  
2 the splitter in common area collocation, you do not  
3 have to re-engineer that bay, do you?

4 A. The bay itself, no. Tie cables, yes, those  
5 would have to be engineered. The splitter, the  
6 cables coming out of the splitter to IDF, or wherever  
7 we're going with those, would have to be  
8 re-engineered. The bay itself would not have to be  
9 re-engineered.

10 Q. Okay. Now, you also talk or testify in  
11 your testimony about performing load assessments. Do  
12 you recall that?

13 A. Yes.

14 Q. Now, you would agree with me, wouldn't you,  
15 that central office space that is constructed to hold  
16 telephone equipment, I'm not talking about  
17 reclamation of office space, but the building of a  
18 central office where telephone equipment will be  
19 installed is built to certain pound per square foot  
20 specifications in advance because of the nature of  
21 the equipment that it's going to contain; correct?

22 A. That is correct. When we do the load  
23 assessment, it's not just the floor. It's the  
24 ceiling, also, to provide for hanging racks for  
25 cables.

00711

1 Q. And we'll get there. When you design a bay  
2 to put splitters in, that bay is going to be designed  
3 to be able to hold whatever's determined to be the  
4 maximum number of splitters that can fit into that  
5 bay; correct?

6 A. The bay, yes.

7 Q. Okay. So even if, for example, there was a  
8 requirement or a need to perform a load assessment  
9 for the installation of a bay in the first instance,  
10 there would not be a need to perform a load  
11 assessment -- again, for the bay only. We'll get to  
12 the ladder racking. But there would not be a need to  
13 perform a load assessment for that bay for, say, the  
14 second or third splitter that's placed in the bay?

15 A. In that location, the bay would be designed  
16 to handle the splitters that it's determined will go  
17 in there.

18 Q. Now, the ladder racking that you're talking  
19 about, again, to refresh everybody's recollection,  
20 when you were talking about load assessments at the  
21 ceiling, you were talking about the fact that cables  
22 are stretched across ladder racks, which are --  
23 actually, I don't know -- I assume are suspended from  
24 the ceiling?

25 A. That is correct. And not only cables --

00712

1 well, they are cables, whether they're transmission  
2 cables or whether they're power cables in different  
3 rackings. There's different levels of racking within  
4 central offices that handle different types of cable  
5 and power cables, transmission cables and power  
6 cables.

7 Q. Now, there are guidelines that Qwest has to  
8 determine how many different type -- how many cables  
9 of varying types can be placed in one section of a  
10 ladder rack, are there not?

11 A. There are tech pubs for that reason, yes.

12 Q. And those tech pubs, in essence, tell you,  
13 for example, that you could put 50 100-pair cables of  
14 X feet of length in this ladder racking, but no more,  
15 for example?

16 A. That would be the type of information that  
17 would be in a tech pub, yes.

18 Q. And those tech pubs are developed in order  
19 to provide instructions to meet the load assessment  
20 needs for the ladder racks; correct?

21 A. To meet the load assessment, that's  
22 correct. It's also, I believe, how high you can  
23 stack the cables, how much weight is on the lower  
24 cables, so they don't get crushed, if you will.  
25 There's different aspects that go into the tech pubs,

00713

1 and it's not just for load assessment. There's  
2 crushing of other cables, there's many different  
3 things.

4 Q. But load assessment's one of the things  
5 that's included?

6 A. I believe that's correct, yes.

7 Q. Now, we're going to need to clarify  
8 something that didn't get changed in your testimony  
9 here. If you'll look on page seven, lines nine  
10 through 11 of Exhibit 83?

11 A. Is that still my response?

12 Q. That's still your response, yes.

13 A. Yes. What lines again? I'm sorry.

14 Q. Page seven, lines nine through 11, where  
15 you refer to TIRKS, T-I-R-K-S?

16 A. I have to apologize. That's not on my page  
17 seven.

18 Q. Whoops.

19 A. I seem to be one page off on this. I have  
20 that as page six down at the bottom, basically 22  
21 through -- going into the next page, one through  
22 three.

23 MS. ANDERL: I think Mr. Deanhardt has the  
24 as-filed copy, though, so -- but if you see the  
25 reference.

00714

1 THE WITNESS: Okay.

2 Q. In either event, this reference to TIRKS is  
3 incorrect, is it not?

4 A. Yes, that is correct. We moved the DSO  
5 terminations, if you will, from the CLECs' cables.  
6 They were in the TIRKS database to --

7 Q. Switch?

8 A. We moved them to switch, yes, but we moved  
9 them there to have an easier flow of the line sharing  
10 orders. They flow easier through the switch database  
11 than through TIRKS. So I do apologize. That should  
12 be the switch database. Thank you, Mr. Deanhardt,  
13 for catching that.

14 Q. Just trying to be helpful. I save Lisa  
15 time on redirect this way. If you can turn to page  
16 eight of your -- I have it as page eight, lines 10  
17 through 11. The testimony that I'm referring to is  
18 your testimony where you say that all of the  
19 engineering work that you have described is  
20 necessary, regardless of whether a CLEC seeks  
21 collocation of a splitter in a common area, its cage,  
22 or the MDF. Do you see that? It's on the next page  
23 after the TIRKS testimony, so it's right there.

24 A. And did you read the line, Each phase of  
25 the work that I have described as necessary,



00715

1 regardless whether a CLEC seeks collocation of a  
2 splitter in a common area, in its cage, or in an MDF?

3 Q. That's it.

4 A. That's it, okay.

5 Q. Now, we've already established this, but  
6 your engineering assumptions include engineering time  
7 for engineering the bay; correct?

8 A. Correct.

9 Q. And you did not allocate that time, that  
10 bay engineering time across each of the shelves in  
11 the bay; correct?

12 A. I might have to refer that to Mr. Thompson  
13 on the cost study. I --

14 Q. I'm not taking the cost study. Your 20  
15 hours includes the time for engineering an entire  
16 bay; correct?

17 A. Engineering of a splitter job, yes.

18 Q. Okay. But in your testimony, what you  
19 describe as the engineering of a splitter job  
20 includes the engineering of the bay; correct?

21 A. Correct.

22 Q. Okay. Now, as we established, though, the  
23 second installation of a splitter would not require  
24 the time necessary to engineer the entire bay, would  
25 it?

00716

1 A. The entire bay, no. Where the splitter is  
2 located in the bay, yes.

3 Q. Now, in the collocation option where the  
4 CLEC can place the splitter in the CLEC's own  
5 collocation area, Qwest does not install a new bay,  
6 does it?

7 A. No, if it's in the collocation area, it's  
8 up to the -- if it's in their cage, it's up to the  
9 CLEC to install their own bay.

10 Q. So therefore, in that collocation  
11 arrangement, there would be no bay engineering time  
12 required?

13 A. No, not for the placement of a splitter in  
14 the collocation area.

15 Q. Now, in the scenario in which a CLEC  
16 collocates a splitter mounted on the distribution  
17 frame, again, there is no bay construction involved  
18 in that type of splitter collocation, is there?

19 A. There's not necessarily a bay construction.  
20 There is still engineering of where you're going to  
21 mount that on the frame.

22 Q. And that's analogous to, for example, the  
23 engineering for the splitter into an existing bay;  
24 correct?

25 A. Maybe the same as you state there. We

00717

1 don't have quite the -- of an ICDF, quite the records  
2 exactly as we would have for a splitter, so it might  
3 take just a little bit more time.

4 Q. I guess the analogy I'm trying to draw is  
5 you can think of this as being the same functional  
6 step, if not the equivalent time, of putting the  
7 splitter into an existing bay?

8 A. Then I will agree with that, if you look at  
9 it as the same function, basically.

10 Q. But in that scenario, again, there would be  
11 no engineering of an equipment bay?

12 A. Not per se, no.

13 Q. Okay. Now, your engineering time  
14 assessment also includes time for the engineering of  
15 the placement of tie cables; correct?

16 A. Yes.

17 Q. Again, if a CLEC were to use the  
18 collocation of the splitter in its own collocation  
19 area and use existing tie pairs for both the voice  
20 and data traffic and for the voice traffic, then  
21 there would be no need to do additional engineering  
22 for tie cables; correct?

23 A. That's not completely correct, because  
24 within the engineering is also updating the records.  
25 You would still, as we said, if you're using existing

00718

1 cables, have to move them out of TIRKS and into the  
2 switch database, and also the engineer would have to  
3 record those tie cable pairs in COEFM, because they  
4 don't track, if you will, in COEFM. The computer  
5 module there will cancel the collocation jobs if it  
6 doesn't show a virtual collection through there.

7 Q. So you have to enter DSO termination  
8 information into some databases, but you would not be  
9 required to do the type of engineering that's  
10 required, for example, to determine where the tie  
11 cables will go in the central office, the way that  
12 you would when you're installing new tie cables?

13 A. Mr. Deanhardt, I'll agree with part of  
14 that. You don't have to necessarily engineer,  
15 because they're existing cables, but you still have  
16 to engineer, as I said, the tie pairs themselves, to  
17 move them from one database to the other. You've got  
18 to restencil the blocks. That requires an  
19 engineering work order. They've got to know where  
20 those cables are terminated on at least one end of a  
21 frame. They've got to engineer that part of it. So  
22 there is quite a few of the steps that are same in  
23 all of this.

24 Q. Now, I may be mistaken. I did not think  
25 that you had to restencil the blocks if you had

00719

1 existing terminations, because you already have CFA,  
2 or circuit facility assignment information that you  
3 can provide to Qwest for a line sharing order?

4 A. I'm thinking about that for just a minute  
5 here. I know we did -- we do provide the CFA  
6 information, but I also thought -- and you know, I  
7 may have to do this subject to check, but I did think  
8 that we changed, when we moved it from one database  
9 to the other, that we changed nomenclature on that.  
10 So I could be mistaken on that.

11 MR. DEANHARDT: If we can do, please,  
12 record request next in order to determine whether  
13 restenciling is required for the reuse of existing  
14 CLEC DSO tie cables when they will be reused or  
15 rededicated for line share?

16 MS. ANDERL: Yes, we can respond to that as  
17 the next record requisition in line, Mr. -- I almost  
18 said Mr. Covad. Mr. Deanhardt, if you would get with  
19 me offline, so I can confirm that we have the  
20 verbiage right in the request.

21 JUDGE BERG: That would be Records Request  
22 Number 14.

23 MR. DEANHARDT: I'm just trying to decide  
24 how I respond to the invitation I'll get with Lisa.

25 JUDGE BERG: I think Mr. Covad would be a

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1 compliment. You certainly know your business.

2 Q. Okay. I'm not sure that we got this clear,  
3 Mr. Hubbard. In your 20-hour proposal, you did not  
4 allocate time for bay engineering to individualize it  
5 to splitter shelves, did you? You didn't take the --  
6 let's hypothetically say that 10 of your 20 hours are  
7 for the bay. That may not be right, but you didn't  
8 say that that would be one hour for each of 10  
9 shelves; you said that's a total of 10; correct?

10 A. I believe that's correct. Yes, sir.

11 Q. You know, we talked about what the  
12 agreement permits earlier, in terms of splitter  
13 collocation. Isn't it also true, however, that the  
14 CLECs, as a community, have agreed to work with US  
15 West to try to minimize the impact of splitter  
16 collocation by, for example, placing splitters in  
17 existing space, where possible, allowing Qwest to put  
18 its own equipment in bays dedicated for -- at this  
19 point, dedicated for splitters?

20 A. Mr. Deanhardt, could you run that all by me  
21 again, there?

22 Q. Sure. We were talking earlier about what  
23 the agreement permits.

24 A. Right.

25 Q. And prohibits or doesn't prohibit. Do you

00721

1 recall that?

2 A. Yes.

3 Q. Okay. I guess my question is, setting  
4 aside the agreement, isn't it correct that the CLECs,  
5 in deploying line sharing, have agreed to work with  
6 Qwest to find ways to try to minimize the impact of  
7 splitter collocation in ways including placing  
8 splitter shelves in existing relay racks and allowing  
9 Qwest to place its own equipment in relay racks that,  
10 at least at this point, have been originally designed  
11 to contain splitters?

12 A. Yes, that was a part of the original  
13 agreements that we had between Qwest and the CLECs,  
14 and that we all work together, Qwest work with the  
15 CLECs, CLECs work with us, to try to get all of the  
16 central offices built as quickly as possible to allow  
17 for the CLECs to have splitter collocation. So we  
18 did make a lot of agreements between each other to  
19 work together in a cooperative fashion, yes.

20 Q. Now, I want to talk for just a second about  
21 frames. Setting aside the COSMIC for a minute, the  
22 iron work for an MDF is the same as the iron work for  
23 an IDF; correct?

24 A. That's basically correct, yes. They're the  
25 same type of iron work, which is different than a

00722

1 bay.

2 Q. And when we talk about iron work, we're  
3 talking about the physical structure, or maybe you  
4 could call it the skeleton?

5 A. Yes, it would be where we hang all the  
6 blocks that we make connections to. It's the actual  
7 iron work.

8 Q. In fact, the difference between an IDF and  
9 an MDF really has more to do with function than with  
10 form; correct?

11 A. I would agree, with function and placement,  
12 yes.

13 Q. And in fact, and I believe you've used this  
14 phrase before, there's such a thing that people refer  
15 to as an IDF on or in the MDF, where Qwest simply  
16 dedicates a portion of the MDF to be used as an  
17 intermediate or interconnection frame?

18 A. That is correct. On the backside, or the  
19 horizontal side of the MDF, Qwest has had, in some  
20 instances, space at the end of that lineup where we  
21 have designated that as an IDF.

22 Q. Now, in your -- well, in using a COSMIC  
23 frame, it's Qwest's -- I'll call it belief that using  
24 a COSMIC frame requires the additional use of an IDF  
25 for interconnection of not only CLEC equipment, but



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1 also Qwest's own non-switch equipment?

2 A. Actually, that is true, but it's also --  
3 COSMIC frame was developed, if you will, by AT&T,  
4 which is now Telcordia, and the concept behind the  
5 COSMIC frame was several intermediate frames  
6 throughout the office to tie pieces of equipment  
7 together. That is the concept. Did I answer your  
8 question?

9 Q. Yeah, I think so. I mean, the bottom line  
10 is that if you're going to use a COSMIC and do  
11 anything other than provide voice service from one  
12 carrier, under current Qwest practices, you require  
13 the use of an IDF?

14 A. That is correct. Not only for a CLEC, but  
15 for ourselves.

16 Q. Now, so that means in any central office  
17 where you're going to do anything other than voice,  
18 you have to have both a COSMIC frame and an IDF;  
19 correct?

20 A. That is correct. Like I said, both for  
21 ourselves and the CLEC; that's right.

22 Q. But it is, however, possible to directly  
23 connect to an MDF in offices that have MDFs; correct?

24 A. Is it possible, yes; but in most of the  
25 instances, we also have IDFs in offices with MDFs.

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1 Q. The typical use for an IDF in an office  
2 with an MDF is, for example, in -- is it called  
3 Seattle Main here, the six-story one downtown? In  
4 Seattle Main, where you have multiple floors and you  
5 are cross-connecting from one floor to another;  
6 correct?

7 A. You say is that the most or the --

8 Q. That's the --

9 A. That's how we would typically use IDFs,  
10 would be to tie floors together?

11 Q. I'm saying that that's the typical time  
12 that you will find a need for an IDF to be used with  
13 an MDF, is in a multi-floor environment for  
14 distribution of cable?

15 A. That is one place you'll find it. I still  
16 think you'll find it in other offices to tie  
17 equipment together, whether they're single-floor or  
18 not.

19 Q. Now, in your testimony that is Exhibit 84,  
20 it's your rebuttal testimony, and in my -- in the  
21 record copy, it is in pages three and four --  
22 actually, it's on page three, where you make the  
23 assertion that in a truly forward-looking central  
24 office, there would not be any opportunity for line  
25 sharing at all, making the argument that all the

00725

1 loops would be fiber fed loops. Do you recall that  
2 testimony?

3 A. Yes, I recall it.

4 Q. Isn't it correct, however, that under  
5 current design standards based on current economics,  
6 even in a forward-looking telecommunications  
7 environment where fiber is deployed, copper loops  
8 would still be used to reach homes within 12,000 feet  
9 of the central office?

10 A. If I got this right, when you stated that  
11 in a truly forward-looking central office, that we  
12 would -- a telecommunication provider would still use  
13 copper within 12,000 foot of the central office; is  
14 that correct?

15 Q. Yes.

16 A. I've heard of -- I haven't seen it  
17 personally, but I've heard of a CLEC with an  
18 all-fiber central office, if you will, and I believe  
19 it's in Utah. I don't know, Mr. Deanhardt, if we had  
20 the luxury to do that, to have a completely central  
21 office, it may be fiber, may be fiber to the curb.  
22 So I can't say that's a completely true statement.  
23 We design our current offices with basically a  
24 12-kilofoot breakover point, where possible, as we  
25 back up electronics.

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1 Q. Are you familiar with what I think is  
2 called the RRD design standards?

3 A. Yes.

4 Q. Okay. And it's those RRD design standards  
5 that have that 12,000-foot or 12-kilofeet break point  
6 that you're talking about; correct?

7 A. Has -- yeah, it's basically -- it's not  
8 really, if you will, based on footage. It's based on  
9 an ohms distance, which equates down to a footage  
10 distance, yes.

11 Q. Now, based on current Qwest central office  
12 construction practices, would you agree with me that  
13 there are approximately seven rows of bays or relay  
14 racks within approximately 25 feet of the  
15 distribution frame?

16 A. Five to seven, yeah, I'll agree with that.

17 Q. And just to give the Commission a picture  
18 of that, the relay racks, the rows of relay racks are  
19 basically laid out in parallel rows extending away --  
20 in parallel with the distribution frame, extending  
21 away from the distribution frame; correct?

22 A. Correct. And usually in a central office,  
23 when it's being built, the main distribution frame is  
24 closest to one wall and we start our builds from  
25 there going away from it.

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1 MR. DEANHARDT: Thank you, Mr. Hubbard.  
2 Your Honor, I've concluded.

3 JUDGE BERG: All right. Mr. Kopta.

4 MR. KOPTA: Thank you, Your Honor.

5 C R O S S - E X A M I N A T I O N

6 BY MR. KOPTA:

7 Q. Good afternoon, Mr. Hubbard. I see you're  
8 surprised. You weren't expecting me to ask you any  
9 questions.

10 A. Well, no, I figured you would. I didn't  
11 think you'd let me get away with that, Mr. Kopta.  
12 It's been a while since we've sat across the table  
13 from each other.

14 MR. DEANHARDT: You just didn't think I'd  
15 ever finish.

16 THE WITNESS: That's what I was surprised  
17 about.

18 Q. Well, I'm sure that mine won't be as much  
19 fun as Mr. Deanhardt's, but they're fewer, so maybe  
20 that's the corresponding advantage.

21 A. That's always a plus.

22 Q. Now, I understand, from a representation  
23 your counsel made in response to a record request,  
24 specifically Record Request Number Five, that Qwest  
25 will allow line sharing on unbundled loops, either

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1 provisioned individually as an unbundled loop or as  
2 part of a combination of unbundled network elements?

3 A. Yes, and for the record, the CLEC has  
4 basically always had that option, under a BFR, to get  
5 unbundled loops and basically put on what they want  
6 to put on, as long as it did not harm the network.

7 Q. I want to talk specifically about  
8 provisioning that, with respect to -- I don't like  
9 the expression you just gave me, but -- the first  
10 example is a combination of network elements that  
11 could be used to provide local service, sometimes  
12 called the UNE platform, or UNE-P. Are you familiar  
13 with that term?

14 A. Basically, yes.

15 Q. If a CLEC were to obtain UNE-P from Qwest,  
16 but wanted to share the high capacity portion of the  
17 loop with Covad, for example, wouldn't the  
18 provisioning of that be exactly the same as you've  
19 outlined in your testimony when Qwest provides the  
20 voice service?

21 A. It would work -- I mean, the system, the  
22 signal would work the same. I think if you're  
23 referring to the UNE-P, it would physically have to  
24 be broken out, and we don't own the splitter, if you  
25 will. In a pure UNE-P platform with splitters like

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1 say what was ordered in 271 in Texas, the ILEC owned  
2 the splitters, so it's provisioned through that way.

3 I think in your scenario, where you're  
4 heading, it's provided the same way, but it would  
5 have to be ordered on a BFR, if you will. We haven't  
6 had any -- we don't have a product for it, we haven't  
7 had any requests for it. We will, you know, if need  
8 be, develop a product and a provisioning for however  
9 we're going to do it. Without any requests, we  
10 haven't had any reason to develop a product, and we  
11 don't -- in our instance, we don't own the splitter,  
12 so there's a little difference there.

13 Q. Well, let me --

14 A. I don't know if that helped or not.

15 Q. Let me rephrase the question. Qwest could  
16 provision line sharing with the UNE-P or allow the  
17 CLEC that obtains the UNE-P to provision line sharing  
18 through the same kind of mechanisms that you've  
19 outlined in your testimony for when Qwest provides  
20 the voice service?

21 A. And I believe I tried to answer that. That  
22 would be through the BFR, since we don't really have  
23 a product for it. You can do that, yes. Like I  
24 said, we don't own the splitters, so it would have to  
25 -- you would have to have your agreements. And like

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1 I said, we don't have a product, so I don't know  
2 exactly how that all would work, but it is -- it's  
3 possible and you can request it today through a BFR.

4 Q. And that's what the BFR process would do,  
5 would essentially establish the system for being able  
6 to order line splitting along with the UNE-P, or  
7 after you've installed the UNE-P, to allow for line  
8 splitting?

9 A. The BFR, if you will, will get your circuit  
10 built. We would have to develop a product and  
11 process if we had enough orders to show that that was  
12 going to be a product. And at that time, we would do  
13 that, develop the product and the process. But a BFR  
14 will get it built for you.

15 Q. Well, you lost me a little bit there,  
16 because, as I understand it -- well, perhaps let's  
17 use an example where Qwest has already deployed line  
18 sharing in a particular central office, so it is  
19 already in the process of sharing lines with one or  
20 more CLECs, the high capacity -- or not high  
21 capacity; the HUNE, for lack of a better short term.  
22 So it's already been built one way or the other, as  
23 outlined in your testimony. Do you have that  
24 assumption in mind?

25 A. Yes, it's already being built, and that is



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1 line sharing with Qwest, and Qwest is a voice  
2 provider.

3 Q. Okay. Well, let's assume that a CLEC  
4 captures a Qwest customer that is obtaining the voice  
5 service from Qwest, but the HUNE, or the high  
6 capacity services -- not the HUNE, but the DSL  
7 service from another CLEC. So you've already got a  
8 customer who is providing or obtaining both services  
9 over the same line; they're just getting the service  
10 from different providers.

11 A. Okay.

12 Q. And that customer decides that they want to  
13 change to a CLEC for the voice service.

14 A. Okay. I have that scenario.

15 Q. Okay. In those circumstances, you've  
16 already constructed what needs to be constructed to  
17 allow for line sharing. And am I correct that the  
18 BFR process would then simply be to enable Qwest to  
19 recognize that the CLEC is now -- a different CLEC is  
20 now providing the voice aspect of the service,  
21 because you've already got the construction done.  
22 You wouldn't need to do anything else from a  
23 provisioning standpoint, would you? Maybe that's the  
24 way I need to ask the question.

25 A. With another CLEC coming in and providing

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1 the voice, that would take, of course, a disconnect  
2 and a reconnect, the way I'm following your scenario.  
3 When we disconnect our voice, the CLEC providing data  
4 is also gone, if you will. Then it would cause the  
5 new CLEC, getting the voice, to have a reconnect and  
6 then basically a new connect for the data, too.

7 Like I said, without having any orders or  
8 any reason to follow this, you know, to develop a  
9 product, we haven't -- we don't know all the steps  
10 yet. A BFR would probably, if we did this, would  
11 help us establish some of the steps.

12 Q. But one possibility --

13 MS. ANDERL: I guess -- excuse me. I  
14 didn't mean to interrupt. I want to object. I know  
15 you should ask a question before I do, but --

16 MR. KOPTA: That's the usual procedure, as  
17 I understand it.

18 MS. ANDERL: Well, but basically, I guess  
19 it's more the way of a caution in that, you know, we  
20 responded to the will we do line splitting because we  
21 were asked to respond to a record requisition. I  
22 guess we kind of gave you what we could at the time  
23 and volunteered that Mr. Hubbard might be a person  
24 you could explore it with as a preliminary matter,  
25 but the fact of the matter is is that there is no

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1 direct testimony on the record anywhere about line  
2 splitting, really, in terms of proposing how it would  
3 work. I think there are a couple CLEC witnesses who  
4 refer to how it's an issue, but don't really go into  
5 it in any detail.

6           It just may be that this inquiry is a bit  
7 premature. So that was just the caution I wanted on  
8 the record there in terms of what we really are  
9 having here is Mr. Hubbard develop and lay out the  
10 proposal under cross, and maybe that's not the best  
11 way to do it.

12           MR. KOPTA: Well, it certainly wasn't my  
13 intention to have him lay out a proposal. I was just  
14 exploring the extent to which Qwest is willing to  
15 provide line sharing over an unbundled element,  
16 either as a combination or individually. And to the  
17 extent that -- I believe Mr. Hubbard has responded to  
18 the extent that he can, and that's really what I'm  
19 looking for at this point.

20           Q. The only other question that I would have  
21 is just when we're talking about an unbundled loop  
22 separately from the UNE-P, certainly, as a  
23 theoretical matter, one -- now that I understand it,  
24 Qwest is going to allow CLECs to run cross-connects  
25 between their collocated equipment, that is certainly

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1 one means by which the CLECs could, if they want to  
2 share the line, could do it without involving Qwest?

3 A. That is correct. You could make your own  
4 connections.

5 Q. But at this point, Qwest doesn't have a  
6 position as to whether facilities that Qwest would  
7 have constructed when Qwest is providing the voice  
8 part of the line and a CLEC is providing the DSL  
9 portion of the line, whether once the unbundled loop  
10 transfers over to another CLEC, whether those  
11 facilities would also be able to -- those facilities  
12 being the facilities used to split the line that you  
13 describe in your testimony -- would be able to be  
14 used by the CLEC?

15 A. You're talking about the splitter itself,  
16 whether that would be used? That belongs to --  
17 basically, is owned by another company. You would  
18 have to have the agreement with them, I think.

19 Q. Well, there are splitters and  
20 cross-connects, and maybe, as an example, if -- as  
21 another theoretical matter, another way that a CLEC  
22 could split a line with another CLEC just using an  
23 unbundled loop would be to run a cross-connect of --  
24 rather than -- you're running a cross-connect from  
25 the splitter to the IDF, and then from the IDF to the

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1 main distribution frame or COSMIC frame when Qwest is  
2 providing the voice service; correct?

3 A. That's the way the cables are run, yes.

4 Q. So rather than running that second tie  
5 cable from the IDF to the COSMIC frame, you could  
6 cross-connect to a tie cable that goes to the CLEC's  
7 collocation space, so you would still be using all of  
8 the same facilities that Qwest uses to split the  
9 loop. It's just that rather than directing it to  
10 Qwest through the COSMIC frame, you'd be directing it  
11 to the CLECs' collocation space. As a theoretical  
12 matter, that's one way -- that's another way that two  
13 CLECs could split the same line?

14 A. We may either have to walk through that  
15 again or I may have to draw it out as you talk. I  
16 was having trouble following you there a little bit.

17 Q. Well, at the risk of getting another  
18 objection from your counsel --

19 MS. ANDERL: Thank you for the signal.

20 Q. Let me just ask it this way. Qwest does  
21 not yet have a position as to whether a CLEC that  
22 wants to share a line with another CLEC would be able  
23 to use any of the facilities that Qwest has  
24 constructed to be able to enable it to share the line  
25 with another CLEC?

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1           A.     Maybe I can clear this up real quick, maybe  
2 I can't.  Maybe I can confuse the issue even more.  
3 To access unbundled network elements, and that's what  
4 Mr. Kopta would be doing, you have to be collocated  
5 somehow within a central office.  To be collocated  
6 within the central office, you have cables built.  
7 Can you use your own cables?  I believe so.  I mean,  
8 am I following you, am I trying to straighten this up  
9 a little bit?

10           I mean, you'd be leasing, if you will, or  
11 -- I don't know how you'd do it -- with the splitter  
12 ports with another company.  We would deliver  
13 unbundled network elements to the IDF.  How you  
14 cross-connect them with the other company, I guess  
15 that's your agreement.

16           Q.     No, I understand what your confusion is,  
17 and I'm just trying to explore to the extent that  
18 Qwest knows at this point, and I realize that it's  
19 something that is relatively novel.

20           JUDGE BERG:  Mr. Kopta, does this touch on  
21 technical feasibility?  Is that what you're trying to  
22 determine?

23           MR. KOPTA:  Well, I'm trying to really  
24 determine what the BFR process would do in terms of  
25 -- one of the limitations of the BFR process is that

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1 it takes some time to get to an end product, and to  
2 the extent that you have a limited range of issues  
3 that you're going to be looking at through the BFR  
4 process, then I just wanted to hone those down, so  
5 that if perhaps provisioning wasn't the issue, rather  
6 was ordering, so that Qwest would be able to  
7 recognize this as a product, as Mr. Hubbard has  
8 explained, then that's one issue.

9         If also there needs to be some exploration  
10 of how it would actually be provisioned once you  
11 recognize it as a product, then that is yet another  
12 issue. And I was seeing if I could narrow it down to  
13 really more of a product recognition order issue, as  
14 opposed to a technical issue. It sounds to me as  
15 though it may be a little of both, but at this point,  
16 Qwest has not thought it through to the point where  
17 it can take a position one way or the other, but  
18 that's a fair characterization?

19         A. It's fair to say we've never had an order  
20 for it. We'll sure do it or look at it when we get  
21 an order for it. Without any orders, we've never had  
22 any reason to look at it. And as I said, a CLEC, to  
23 get unbundled network elements, they have to be  
24 collocated within their central offices. There are  
25 tie cables that will be running to their cages or in

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1 a cageless area, they can definitely use their  
2 cables. They paid for them.

3 So I guess -- to walk through a whole  
4 product right now without having an order or knowing  
5 what -- I guess what it would really look like, since  
6 we don't own the splitters, especially, it's hard to  
7 say. We will deliver an unbundled network element  
8 and they can connect it to how they -- or how it's  
9 determined the appropriate way to connect it. And  
10 they'll have to have an agreement with whoever's  
11 splitter they're going to use or how they're going to  
12 do this outside of our own agreements with them.

13 MR. KOPTA: Thank you, Mr. Hubbard. That's  
14 all I had.

15 JUDGE BERG: Mr. Butler, can you give me an  
16 estimate of -- updated estimate of time you will be  
17 conducting cross-examination of this witness?

18 MR. BUTLER: Five to 10 minutes, maximum.

19 JUDGE BERG: All right. Why don't we  
20 finish your cross-examination before we take a break.

21 C R O S S - E X A M I N A T I O N

22 BY MR. BUTLER:

23 Q. Mr. Hubbard. First, with respect to the  
24 microwave collocation issue, I think you were in the  
25 room when I asked some questions, one of which got



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1 directed to you. And specifically, what I want to  
2 ask you about is when a microwave collocator has an  
3 antenna, support structure on the roof of a central  
4 office and then needs to enter the building in order  
5 to run cable down to collocation space, if there is  
6 not a weatherproof penetration available to use and a  
7 new penetration must be created, is the coring that  
8 is required in that instance essentially the same as  
9 the coring that is required in a standard collocation  
10 --

11 A. Okay.

12 Q. -- where a fiber provider's coming in?

13 A. Not being a microwave expert, I will try  
14 and walk through this, but I think I can address  
15 that. I heard Mr. Brotherson say that he believed  
16 that the roof was not the same concrete material. I  
17 think that's what I heard him say, but that's not  
18 true. The roof is a load-bearing concrete structure  
19 normally. We usually don't core drill through the  
20 roof because of water problems.

21 If we do for one level, it is a concrete  
22 bore, much like an entrance facility bore. A lot of  
23 cases, we will run it down the outside of the  
24 building, as Mr. Brotherson said, and enter through a  
25 different means, and that could even be back through

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1 the underground, through the POI hole. In that way,  
2 also.

3 Q. Would the work required there for the  
4 penetration cost essentially the same as the work  
5 that is required to penetrate the coring required to  
6 penetrate in standard collocation so that the cost or  
7 rate elements that you have included could be used  
8 for the penetration work that's required in the  
9 microwave collocation instance?

10 A. I'll have to answer that in this way, that  
11 as far as I know, we've only had 12 requests for this  
12 type of service, and with each office being so  
13 different, we've addressed each one of those  
14 basically on a BFR, or an individual case basis on  
15 the build and I would believe the pricing, because  
16 they are so different, the central offices. With  
17 multi floors, you have other vendors like AT&T that  
18 have a floor in there, we cannot come down from the  
19 ceiling and go through their floor, because we don't  
20 basically own that. We have to look at other  
21 alternative means. So each -- as far as I know, each  
22 request we get in is looked at on an individual case  
23 basis.

24 Q. To your knowledge, are the costs that are  
25 required of the variations of such magnitude that you

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1 could not come up with a standard cost proposal for  
2 that activity?

3 A. I don't believe that we have a standard  
4 microwave collo, if you will. I think that the  
5 magnitude of entering a building from the roof or  
6 coming down the outside is on an individual case  
7 basis. And also, with the -- actually, the small  
8 number of requests that we have had for that, it is  
9 difficult to establish uniform pricing.

10 JUDGE BERG: Mr. Butler, perhaps you could  
11 devise a hypothetical with certain assumptions that  
12 would get to where you want to go in an expeditious  
13 way.

14 MR. BUTLER: I got as far as I wanted to  
15 go.

16 JUDGE BERG: Thank you.

17 MR. BUTLER: If you want to force me to go  
18 through it.

19 JUDGE BERG: No, I should have kept quiet  
20 to begin with.

21 Q. Mr. Hubbard, I just have a few follow-up  
22 questions to what Mr. Deanhardt discussed with you.  
23 And I'd like you to have in mind the situation where  
24 the CLEC wants to locate the splitter in its  
25 collocation space. And it already has existing tie

00742

1 cables between the main distribution frame and the  
2 intermediate distribution frame, available capacity,  
3 and it has existing DSO terminations between the  
4 intermediate distribution frame and its collocation  
5 space. Do you have that in mind?

6 A. Yes.

7 Q. At page four, at least my page four of your  
8 Exhibit 83, which is your response testimony, do you  
9 have that? It's where you discuss the walk-through  
10 or field survey.

11 A. Okay.

12 Q. An engineer will conduct a splitter  
13 collocation. In the scenario that I've asked you to  
14 keep in mind, would that walk-through or field survey  
15 be required?

16 A. If everything was existing, possibly not.

17 Q. You discussed with Mr. Deanhardt the fact  
18 that your planning and engineering estimates were  
19 based on discussions with engineers in Minnesota.  
20 Were those experiences that you discussed with the  
21 engineers limited to cases where splitters were  
22 located in the common areas?

23 A. They were -- basically, when I talked to  
24 them it was all for all splitter types -- I was  
25 trying to remember at that time if Rhythms had

00743

1 located within their collo area. I think, in later  
2 dates, it did include that. We did have one company  
3 with frame mounted splitters going in, so it did  
4 include that, as far as I know.

5 Q. Is it correct that there were no instances  
6 in which the splitter was located in the collocation  
7 area?

8 A. If Mr. Deanhardt just gave you that note,  
9 that is probably correct, that we didn't move -- that  
10 Rhythms did not move to their collo site at that time  
11 in Minnesota, sorry.

12 Q. So just to sum up, the engineering and  
13 planning estimates that you have used in your  
14 testimony and are used in the cost studies did not  
15 include any experiences in which the splitter was  
16 located in a CLEC's collocation area?

17 A. That is probably a true statement on the  
18 ones we did in Minnesota, that is correct.

19 Q. And that's what you used for the estimates  
20 in this?

21 A. That is correct. That's what we used.

22 MR. BUTLER: Thank you. That's all I have.

23 THE WITNESS: Sure.

24 JUDGE BERG: Mr. Butler, I'd just take note  
25 that there was a Rhythms cross-examination exhibit

00744

1 marked as 85.

2 MR. BUTLER: I don't need it.

3 JUDGE BERG: All right. Thank you. All

4 right. I think it would be apropos to take a break

5 at this time till 3:20. We'll want to begin promptly

6 at 3:20. We'll be off the record.

7 (Recess taken.)

8 JUDGE BERG: We'll be back on the record.

9 Mr. Hubbard, we're getting pretty good at this. I'll

10 remind you remain under oath. Dr. Gabel, do you have

11 any questions you would like to ask?

12 DR. GABEL: Yes, thank you.

13 E X A M I N A T I O N

14 BY DR. GABEL:

15 Q. Mr. Hubbard, I'd like to begin with I think

16 one of your last statements before we took a break.

17 I believe you stated that in order to access

18 unbundled network elements, a CLEC has to be

19 collocated in a central office; is that a correct --

20 A. That is correct. They have several

21 options. Collocated in the cage, of course,

22 cageless, virtual, or what we call ICDF collocation.

23 So they have several options, yes.

24 Q. Does that standard also apply when a CLEC

25 is using the UNE platform, that they still are -- or

00745

1 the UNE combination, that they still have to be  
2 collocated in the central office?

3 A. I'm trying to picture that in my mind.  
4 UNE-P, basically, is the platform with the switched  
5 side and the outside plant side, with basically Qwest  
6 still providing the voice, if you will, in their --  
7 they basically have the service, correct, if I'm  
8 following you?

9 Q. As I understand, the UNE platform involves  
10 the loop, the switching and the transport, is the  
11 combination of all elements that exists when a retail  
12 service customer says that they would now like to  
13 change to a UNE customer -- to a CLEC. Is that your  
14 understanding of the UNE platform?

15 A. Yes, that is my understanding, but I  
16 believe -- and in that scenario, that is a pure voice  
17 scenario, if you will. There's no other equipment  
18 attached to that. With -- if you want to talk about  
19 line splitting in a UNE-P type platform, they would  
20 have to purchase, if you will, the unbundled network  
21 elements and have them brought to an ICDF location to  
22 go over to, say, a Covad splitter. So in that  
23 scenario, they would have ICDF collocation, if you  
24 will. Does that kind of make sense, Dr. Gabel?

25 Q. Well, I think it actually clears up

00746

1 something for me. But my next thing that I wanted to  
2 do is to follow up something Mr. Kopta was asking you  
3 about, and that was he was asking you about what  
4 would be involved if a customer who has line sharing  
5 takes voice services through the UNE platform. And  
6 your response was, if I understood correctly, is that  
7 there'd need to be a connection and a disconnection  
8 when that order is placed.

9           And now, is the reason why there has to be  
10 a disconnection is because even if the existing  
11 customer was taking Megabit service, there would now  
12 need to be a disconnection on that service because  
13 the connection would now run over to the  
14 interconnection distribution frame?

15           A. That is correct. There would have to be a  
16 physical disconnection to get over to the ICDF to  
17 connect to, say, a Covad splitter. There would also  
18 be a disconnect and reconnect basically in the switch  
19 side, if you will. When it changes service, there  
20 has to be paperwork or switch work to have an actual  
21 disconnect reconnection.

22           Q. If a customer was only taking voice  
23 services and a retail customer indicated now that  
24 they were going to rely on the UNE platform from a  
25 CLEC, there wouldn't be a physical disconnect; it



00747

1 would just be more of a software change in the  
2 billing; is that correct?

3 A. On a pure voice UNE-P platform, yes.

4 Q. And in response to a question from Mr.  
5 Deanhardt, did I understand correctly that your  
6 agreement, Qwest's agreement with Covad allows for  
7 the placement of splitters on the main distribution  
8 frame in offices where there are less than 10,000  
9 lines?

10 A. That is correct. Those are usually the  
11 smaller, if you will, rural offices that are very,  
12 very, very tight on space. And we said in those  
13 instances that not -- you know, bay takes up a little  
14 bit of room. In those instances, we would try to  
15 mount on an MDF, a frame mounted type splitter.

16 Q. Am I correct, in your testimony in this  
17 proceeding, did you allow for that exception or did  
18 you just state, in general, that Qwest was opposed to  
19 placing the splitters on the main distribution frame?

20 A. They can have the option of placing frame  
21 mounted splitters, but at what we call the DSO  
22 terminations, which is used in ICDF in bigger  
23 offices. Frame mounted splitters are -- it would  
24 take six of those to equal the same size of a 96-line  
25 splitter. They're smaller. Most of the options that

00748

1 the CLECs have taken is to place bay mounted 96-line  
2 splitters. And in fact, in Washington, we don't have  
3 any frame mounted splitters. None of the CLECs have  
4 placed frame mounted splitters.

5 Q. If a CLEC was to make a request to place a  
6 splitter in a small office, under 10,000 lines, and  
7 if that splitter was placed on the main distribution  
8 frame, would the cost of doing that be  
9 distinguishable from the cost that you have submitted  
10 in this docket, because -- what I have in mind is  
11 you're not running your cables the hundred feet to a  
12 common area and maybe other costs might be avoided?

13 A. Even in that small office, they've got to  
14 be collocated in there somewhere. They've got to  
15 have a DSLAM in there to provide, you know, xDSL  
16 service, if you will. So there is cables that are  
17 going to be run the distance in the smaller office.  
18 I don't know what that would be. But there does have  
19 to be cables from the MDF, if you will, over to the  
20 collocation space to provide data.

21 Q. But for the area that I recall Mr.  
22 Deanhardt and you talking about, there was a 100-foot  
23 cable. Isn't that 100 feet from the main  
24 distribution frame to the splitter?

25 A. We were talking about the hundred-foot.

00749

1 That's from the DSO terminations, which is basically  
2 the ICDF to the splitter, was 100 foot. Not from the  
3 main distribution frame.

4 Q. So in your cost studies, do you have a  
5 cable that runs from the main distribution frame to  
6 the intermediate distribution frame, and if so, what  
7 is the length of that cable?

8 A. And that's on the reoccurring piece of  
9 that, and the footage I believe we've used in that is  
10 a hundred foot, also. From the MDF, I've seen the  
11 output of a study for Washington from the MDF or  
12 COSMIC all the way to the splitter location for 62  
13 offices was 200 feet, and we've used the figure from  
14 -- that was actually done in Minnesota from the 13  
15 central offices and 31 jobs of a hundred foot from  
16 the ICDF to the splitter. So the other is a hundred  
17 foot.

18 Q. I'm sorry, but I'm going to have to ask  
19 this question again. If a CLEC wanted to place a  
20 splitter in a small central office, and we're going  
21 to use the 10,000 line criteria to identify what's a  
22 small central office. In that situation, would there  
23 be costs that are avoided that are not incurred in  
24 the larger offices that you have considered in your  
25 study?

00750

1           A.    There would -- I'm thinking now.  They  
2 would still have a collocation space, there would  
3 still be a tie cable from that space, one for the  
4 data.  On the MDF where the splitter was located,  
5 there would -- of course, there would be a frame  
6 charge, if you will, for mounting that, and depending  
7 on how many you mounted, and then there would be the  
8 cross-connect charges for jumpers on that.  You would  
9 probably, because those would be done, if you will,  
10 the cross-connects on the MDF would be done at that  
11 location, you would not have tie pair cables from  
12 there.  So you would have one tie pair cable coming  
13 from their collo spot to the MDF.  So that there is  
14 not as many elements, yes.

15           Q.    Thank you.

16           A.    There's still engineering and all that  
17 involved in that.

18           Q.    Again, in the cross-examination today, it  
19 was highlighted that you've relied on the distance  
20 measurement on data from Minnesota.  Could you  
21 explain why you did not collect that data from  
22 Washington?

23           A.    Sure.  We didn't have time.  Doing the  
24 Minnesota hearing, we had the engineers, if you will,  
25 track their time, and then we also asked the

00751

1 installation director there to give us some  
2 measurements. We, prior to this hearing, we have not  
3 had time to go out and measure the offices here.  
4 Like I said, I have seen the output of a study done  
5 by our CSPEC, which is central office space planning  
6 engineers, if you will, of the length from the MDF to  
7 the splitter, and I told you that that was about 200  
8 feet.

9           To have complete Washington footage,  
10 central offices are basically built the same anywhere  
11 in the country. They kind of look the same. If you  
12 take examples from several central offices in one  
13 state, they're pretty much going to correlate to  
14 another.

15       Q.    And in terms of deployment of line  
16 splitters in the state of Washington, did I  
17 understand, in response to a question from Mr.  
18 Deanhardt, that you're saying that there are  
19 approximately 70 central offices where line splitters  
20 will be placed at this point in time in Qwest central  
21 offices?

22       A.    Yes, and we haven't verified that on the  
23 subject to check yet, that Mr. Deanhardt referred to  
24 78 offices. I've seen them build as we go forward,  
25 and I didn't know the exact number that -- yeah,

00752

1 those have already been built and they're basically  
2 available for up and running.

3 Q. And that's, let's say 70 to 78 out of how  
4 many wire centers in Qwest's Washington network?

5 A. There are 162, I believe. That's pretty  
6 close. And if I will, Dr. Gabel, these offices were  
7 in a priority list established by all of the CLEC  
8 community, if you will, on where they wanted them  
9 placed in order to meet time frames.

10 Q. Do you have a sense of the degree to which,  
11 of those 78, these are offices where there are less  
12 than 10,000 lines?

13 A. I would say they're more than 10,000 lines,  
14 but I don't have that.

15 Q. And lastly, again, following up on a  
16 question by Mr. Deanhardt, as well as something that  
17 appears in your rebuttal testimony at page five, line  
18 13, you talk about using 12 25-pair cables. Could  
19 you explain, please, why you would use 12 25-pair  
20 cables, rather than 100-pair cables, three 100-pair  
21 cables?

22 A. I think I alluded to earlier that on the  
23 hundred-pair cables, and you could do three  
24 hundred-pair cables, we would have to either special  
25 order those with connections on them or to wire them

00753

1 with connections on it. The 25-pair cables, as far  
2 as I know, are basically standard, and that's how  
3 we've built all of our design right now. And there  
4 are many different manufacturers of splitters out  
5 there. Some come in -- there's different sizes, if  
6 you will.

7           Seems like the Secor (phonetic) 96-line  
8 splitter is the splitter of choice right now, but  
9 there's others. There's a 192-line splitter. We've  
10 just had in our lab an ADC 544-line splitter with 66  
11 of these coming out of the back of it. So there's  
12 many different sizes. The 25-pair cable with the  
13 amphenol connection seems to be a standard, and  
14 that's how we've built all of them.

15           Q. That's basically the standard you use for  
16 the provision of your own Megabit service?

17           A. Our own Megabit service, we don't use, if  
18 you will, an external splitter like this. It's  
19 internal into the equipment, into the DSLAM, it's in  
20 the card, if you will. It's got a built-in splitter  
21 in it. So it's a different configuration, and I  
22 don't know exactly how that's wired right off the top  
23 of my head.

24           DR. GABEL: Thank you.

25           THE WITNESS: Sure.

00754

1 JUDGE BERG: Commissioners, any questions?

2 E X A M I N A T I O N

3 BY CHAIRWOMAN SHOWALTER:

4 Q. Well, I hesitate to ask questions on such a  
5 technical topic. I think I understood some of your  
6 conversation with Mr. Kopta and Dr. Gabel to be  
7 comparing line sharing in which a CLEC takes the high  
8 end and Qwest keeps the low end to -- was your term  
9 line splitting or not? A different type of line  
10 sharing in which two CLECs share the line?

11 A. Yes, that's what, Chairwoman, that's what  
12 we were trying to portray here, that there is a  
13 difference there. In line sharing, if you will, the  
14 -- I believe it, and I can't remember which case, the  
15 FCC, when they basically ordered and it said the ILEC  
16 is the underlying voice provider. So in a line  
17 splitting scenario, that would be where the one  
18 company would basically purchase unbundled network  
19 elements and then them and another company would  
20 provide the voice and the data in that line.

21 Q. Okay. So my question is if you look at  
22 that end state of line splitting, does it make any  
23 difference how you get there? That is, if it starts  
24 out that one company does line sharing with Qwest and  
25 then along comes the second company and takes the



00755

1 voice part from Qwest, that's scenario one. So now  
2 they're line splitting, one CLEC has voice and the  
3 other has the high end.

4 A. Okay.

5 Q. But now, then, a different sequence, I  
6 suppose, would be one company takes the whole loop  
7 and then arranges with the second company, the second  
8 CLEC, to get to the same end state; is that correct?

9 A. That's correct.

10 Q. Okay. Of those two scenarios, is there any  
11 difference in the procedures that -- or costs that  
12 would be incurred?

13 A. I don't know. There would be, I think, a  
14 little bit of difference, and I don't know exactly  
15 what that would be. And there may not be. I'm  
16 sorry. The unbundled loop, or the unbundleds have a  
17 cost to them. Those are standard costs, I believe,  
18 in all the interconnection agreements for the  
19 unbundled network elements. If one CLEC took those  
20 unbundled network elements, that's what they would  
21 pay. Now, if they put a charge to say the data CLEC  
22 that they wanted to combine to for using the other  
23 frequency, that is basically between them.

24 In the other scenario, you're still getting  
25 unbundled network elements all the way through. If

00756

1 the CLEC took a Qwest voice customer, the only  
2 problem there is you do the disconnect and reconnect,  
3 you've also lost the data side of that. And there  
4 would have to be basically a new order on that  
5 placed, because Qwest wouldn't have control of that  
6 line, if you will. It would be another company.  
7 Cost-wise, I really don't know completely on that.

8 Q. All right. Then, if the sequence is the  
9 first company to come along is the one that takes a  
10 voice, is it necessarily unbundled network?

11 A. It's --

12 Q. Does that -- I think what I'm trying to get  
13 at is there's some way that the first company who  
14 takes voice and takes the whole loop and takes it as  
15 a whole, is that unbundled necessarily? But then it  
16 would have to be unbundled or it would have to be --  
17 I don't know about unbundled, but split when the  
18 second company comes along and deals with the first  
19 company?

20 A. And when you split that, you've basically  
21 got to bring it back to another frame, so then it is  
22 separate unbundled network elements, if you will.

23 Q. At that point, it definitely has to be  
24 unbundled, but does it at stage one?

25 A. At stage one, no, it's doesn't necessarily

00757

1 have to be unbundled. It's what we call the UNE  
2 platform, and it has the switch and it's just a  
3 transfer of ownership, if you will, or leasing.

4 Q. So the end state is the same, but does that  
5 sequencing make any difference in terms of costs? It  
6 sounds as if it makes little difference as to who  
7 pays what when. That is, the first company who is  
8 taking the UNE platform whole, less has to be  
9 incurred at that stage, but then at the point it  
10 turns around and ropes in the second CLEC to take the  
11 high end, the same things have to happen?

12 A. Unfortunately, Chairwoman, I'm not a cost  
13 person. I have a little trouble with the cost side  
14 of this. I don't know exactly, well, which would be  
15 cheaper.

16 Q. What about just the physics of it, then?

17 A. The physics of it, when you take the  
18 unbundled network elements and then you have to have  
19 at least ICDF collocation for it to bring those lines  
20 back to -- you're paying for the unbundled network  
21 elements. I don't know if that's a higher cost than  
22 a UNE-P.

23 Q. Okay.

24 A. I'm sorry. I don't know that.

25 Q. Also, are you the person who can tell me

00758

1 about -- on Exhibit C-67, you probably don't even  
2 have to look at it, well, maybe you do, but can you  
3 tell me --

4 A. I remember looking at that yesterday.

5 Q. Okay. Do you remember that we had a  
6 discussion about whether 500 is bigger than 4/0?

7 A. Yes, I do.

8 Q. First of all, what are those units?

9 A. They're the size of power cables. The 4/0  
10 is relatively small. 1/0 is bigger. When you get  
11 into the 500, therein, if you want to -- and I don't  
12 remember what it stands for, but kcmil, and they're  
13 getting huge at that point.

14 Q. So 500 is bigger than 4/0?

15 A. Yes.

16 Q. Well, that means maybe I'll have another  
17 question for Mr. Thompson, too. If he gets on the  
18 stand later, I'll ask him another question on this.

19 A. I may be able to answer your question if  
20 you're talking about footages or something that's  
21 related to --

22 Q. The question I heard Ms. Smith ask Mr.  
23 Thompson was on C-67, wasn't every order 4/0 or  
24 smaller, and I heard Mr. Thompson say yes. When I  
25 saw that 500, it made me -- there is a 500, it's only

00759

1 one on the list of Washington orders, and that's what  
2 prompted my question. Is 500 bigger or smaller than  
3 4/0? If it's bigger, then it seems to me the answer  
4 is no, that there's one order here that's bigger.  
5 It's not a big deal. I just wanted to understand the  
6 exhibit.

7 So if you looked at 67-C, would you say all  
8 but one of the Washington orders are 4/0 or smaller,  
9 and that the one is the 500?

10 A. I looked at it pretty quickly. I think  
11 there was some 1/0 on there, also.

12 Q. Oh, that's right, there was. I wasn't  
13 assuming that was bigger at that time, so --

14 A. Oh, okay.

15 Q. So maybe the word smaller was wrong. Maybe  
16 this can get clarified with one question when Mr.  
17 Thompson comes back.

18 A. Would you rather do that?

19 Q. Well, or go ahead?

20 MS. ANDERL: Your Honor, just so the record  
21 reflects that I handed the witness a copy of Exhibit  
22 C-67.

23 THE WITNESS: When I look down here at the  
24 power gauges, the 4/0 is the smallest.

25 Q. So really, it's all 4/0 or bigger?

00760

1 A. Or bigger.

2 Q. Okay.

3 A. Power cable has a lot to do with length and  
4 the amount of output, so every job is going to be  
5 different.

6 Q. It's 4/0 or bigger if that's what we're  
7 talking about, is measuring by size of cable?

8 A. Yes.

9 CHAIRWOMAN SHOWALTER: Okay. Thanks.

10 COMMISSIONER HEMSTAD: I don't have any  
11 questions.

12 JUDGE BERG: Okay. Ms. Anderl.

13 MR. DEANHARDT: If you wanted to do what we  
14 did yesterday.

15 MS. ANDERL: I was going to ask if there  
16 was further re-cross from other counsel before I  
17 finished redirect.

18 JUDGE BERG: All right. We'll proceed  
19 along the same lines. Mr. Deanhardt.

20 R E C R O S S - E X A M I N A T I O N

21 BY MR. DEANHARDT:

22 Q. Mr. Hubbard, I'm just going to try and  
23 maybe help clarify some things that Commissioner  
24 Showalter and Dr. Gabel were asking you. Let's take  
25 one more crack at this line splitting issue. I think

00761

1 I'm correct that if you're using -- if the second  
2 voice carrier, say AT&T, is using UNE-P, then the --  
3 and we'll assume they have an agreement with a CLEC,  
4 so we're not trying to use a Qwest splitter, then the  
5 physical configuration for line splitting within the  
6 central office would look exactly like any one of the  
7 three configurations that are described in your  
8 testimony; correct?

9 A. I think that is a fair assumption, that it  
10 would look the same physically. How it gets there or  
11 what has to be done may be a little different.

12 Q. Okay. And if the line splitting was done  
13 after the purchase of an unbundled loop, as opposed  
14 to UNE-P, that it would look the same, except that  
15 the voice path that returned from the splitter to the  
16 distribution frame would be directed to another  
17 CLEC's collocation area, rather than back to the  
18 Qwest switch; correct?

19 A. Did you say the voice side?

20 Q. Yes.

21 A. Yes, that is correct. It would be directed  
22 to a CLEC collocation site.

23 Q. So in essence, if we look again at -- was  
24 it Exhibit 81? Your chart. I believe that's  
25 correct. If we look at Exhibit 81, the cable that

00762

1 you have identified as voice that connects from the  
2 POTS splitter bay to the ICDF would instead either go  
3 -- I guess, actually, you could either take it  
4 directly from the POTS splitter bay to the CLEC  
5 collocation area or you could take the connection  
6 after it gets to the ICDF and run that to the second  
7 CLEC's collocation area; correct?

8 A. That is correct.

9 Q. So that would be the basic physical  
10 difference between those two scenarios?

11 A. That's correct. That's why I said  
12 physically how it got there, but it looks basically  
13 the same.

14 Q. I think that covers both pieces. I was  
15 trying to think if there was a third way, but I think  
16 that's the two. You were discussing with Dr. Gabel  
17 the time factor for doing a survey of Washington  
18 central offices. Can you please turn again to  
19 Exhibit 115, the interim line sharing agreement, and  
20 turn to paragraph 13, which begins on page four and  
21 continues onto page five?

22 A. Yes.

23 Q. Do you see --

24 A. I have that.

25 Q. Do you see where I'm referring to?



00763

1 A. Yes, I'm --

2 Q. And this paragraph sets out the schedule  
3 for central office splitter deployment, at least in  
4 terms of how many need to be done by a specific date  
5 in -- for all of US West's or Qwest's region;  
6 correct?

7 A. That is correct.

8 Q. And this is the schedule for if the  
9 splitters are being placed in the common area  
10 collocation configuration, whether that's on a frame  
11 or in a rack; correct?

12 Let me make this easier. Compare it to  
13 paragraph 12, and you'll see why I said that, and  
14 then we'll clarify the record.

15 A. All right. I read paragraph 12. And your  
16 question, again?

17 Q. Let me rephrase it to draw the comparison  
18 for the Commission. Paragraph 12 provides the  
19 schedule for deployment when a CLEC is going to place  
20 the splitter in its own collocation area and the --  
21 and reuses existing tie cable capacity; correct?

22 A. Correct.

23 Q. And paragraph 13 provides the schedule for  
24 deployment either where the splitter's going to be  
25 collocated in a relay rack in the common area or on a

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1 frame or -- well, actually in those two scenarios;  
2 correct?

3 A. That's correct.

4 Q. Now, according to paragraph 12, under the  
5 scenario we described there, all central offices  
6 across Qwest's territory would be completed by June  
7 6th, 2000; correct?

8 A. In paragraph 12; correct.

9 Q. And under paragraph 13, by June 26th, 2000,  
10 230 to 260 central offices would be complete, and all  
11 offices would be complete by July 31st; correct?

12 A. That is correct.

13 Q. Okay. Now, would you accept, subject to  
14 check, that there are, on the confidential central  
15 office list, there are approximately 36 central  
16 offices in Washington contained within the first 230  
17 central offices where line sharing was deployed? Did  
18 I finish that question?

19 A. Subject to check.

20 Q. Did I say 36 central offices in Washington?

21 A. Yeah.

22 MR. DEANHARDT: Ms. Anderl, I guess I just  
23 should ask this and also ask the Commission if they  
24 would like it. I brought the confidential list,  
25 basically so we could check those numbers as we

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1 talked about them. We did not originally submit it  
2 as an exhibit. We can either do this subject to  
3 check or, if you don't object or the Commission wants  
4 it and there's no objection from the bench, we could  
5 also make it as an exhibit. We will need to mark it  
6 as confidential. It is marked as confidential, but I  
7 don't have it on colored paper is the only thing.

8 MS. ANDERL: We have no objection to the  
9 numbers being done subject to check. I'm not sure  
10 that the exhibit itself would be determinative of any  
11 issues that have to be decided. So I don't see the  
12 need for another confidential exhibit, but I don't  
13 care, either. You know, I don't have a strong  
14 objection to it. I just wonder whether we need it or  
15 if we could just do the numbers subject to check.

16 MR. DEANHARDT: I actually would leave that  
17 to the Commission's discretion. If you'd like the  
18 list, I'm happy to provide it. We can do it either  
19 way.

20 JUDGE BERG: I think the Commission would  
21 like to see that, but we want to have it come in on  
22 colored paper to clearly indicate and signal that  
23 it's confidential material.

24 MR. DEANHARDT: Okay.

25 JUDGE BERG: Why don't we mark that as

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1 Exhibit C-86.

2 MR. DEANHARDT: If you'd like, I can show  
3 this to Mr. --

4 JUDGE BERG: Just characterize that for me  
5 once more, Mr. Deanhardt.

6 MR. DEANHARDT: Sure. Exhibit C-86 is the  
7 interim line sharing agreement central office  
8 deployment list. It is confidential. It is referred  
9 to in what has been marked as Exhibit 115, and also  
10 marked as Exhibit 192, the interim line sharing  
11 agreement. It is referred to as -- I can't find it  
12 right now, so I'll just fill that in later. It was  
13 attached to the interim line sharing agreement, but I  
14 can't find exactly, right off the top of my head,  
15 where it was referred to as.

16 JUDGE BERG: All right.

17 MS. ANDERL: No objection.

18 JUDGE BERG: C-86 will be admitted.

19 Q. Now, with Dr. Gabel, you were also  
20 discussing the splitter on the distribution frame.  
21 And I think in your testimony you said that, you  
22 know, the splitter would be on the distribution frame  
23 where otherwise CLEC DSO terminations would appear;  
24 correct?

25 A. I believe that's correct.

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1 Q. So one of the reasons I keep using  
2 distribution frame, as opposed to MDF or IDF, is  
3 because, depending on the central office, those DSO  
4 terminations could be either on an MDF or an IDF;  
5 correct?

6 A. That is correct.

7 Q. Now, Dr. Gabel referred to the portion of  
8 the interim agreement that -- it's paragraph seven of  
9 Exhibit 81 that -- I'm sorry, of Exhibit 115, that  
10 talks about splitter location on an MDF and central  
11 offices of less than 10,000 lines. Do you recall  
12 that?

13 A. Yes, I do recall that. That's correct.

14 Q. And we designed it that way in part because  
15 of the expected volume issues; correct? The idea  
16 being that because the distribution frame POTS  
17 splitters did have smaller capacity, they might be  
18 more efficient to use the smaller splitters in those  
19 offices; correct?

20 A. That is correct. That's why we came up  
21 with that, because of space constraints, yes.

22 Q. And the CLECs and Qwest, though, have  
23 continued to work together and to deploy splitters on  
24 the frame, even in larger offices where it made sense  
25 and where Qwest was willing to do so; correct?

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1           A.    That is correct.  We'll work together to  
2 place the frame mounted splitters where the requested  
3 -- where the DSO terminations are, yes.

4           Q.    I think that this finally got clear, but I  
5 just want to make sure.  In a frame mounted splitter  
6 arrangement, the only cable -- the only tie cable or  
7 cables that you need is the cable that carries the  
8 data signal from the splitter to the CLECs'  
9 collocation area; correct?

10          A.    Where that splitter's mounted on an MDF,  
11 that's all you needed.  On IDF, you still have the  
12 tie cables and stuff.  That's under different  
13 charges; right.

14          Q.    Okay, right.  Let's, again, just to  
15 clarify, I'll come back to the IDF in a second, but  
16 from the point where the splitter is mounted on the  
17 distribution frame, MDF or IDF, there's only one  
18 cable required, or one set of cables to carry data  
19 from the splitter to the collocation area; correct?

20          MS. ANDERL:  And I'm going to object.  I  
21 know that Mr. Deanhardt is trying to clear up the  
22 record, but that's a compound question.  We refer to  
23 the MDF and the IDF as separate entities, and I don't  
24 believe it's fair to ask the way it's been asked.

25          MR. DEANHARDT:  Well, actually, I

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1 established earlier that we were going to talk about  
2 distribution frames as the point where the DSO  
3 terminations are.

4 Q. So all that I'm asking is from the point  
5 where the splitter is mounted, there is only one  
6 cable or, again, set of cables, if you do it in, you  
7 know, less than 100-pair cable, from the splitter to  
8 the CLEC collocation area; correct?

9 A. To provide the data side, there is one  
10 transmission path, if you will, and that data only is  
11 one cable, if you will, it's one transmission path to  
12 get there from the collocation side to the splitter.

13 Q. To the splitter. And the issue that you  
14 raised a moment ago and that provoked your counsel's  
15 objection, is that if that splitter's placed on an  
16 intermediate frame, then under the way that Qwest  
17 configures the network, you still are required to  
18 have the ITPs, the interconnection tie pairs that we  
19 talked about earlier this morning; correct?

20 A. Yeah, and I will clarify that just a little  
21 bit, Clay, or Mr. Deanhardt. You said the way Qwest  
22 configures their networks. It's the way you have to  
23 configure, whether it's Qwest or anybody else in the  
24 world, and whether it's mounted on an IDF or MDF, you  
25 still have a cable or a path from the switch side to

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1 voice side, if you will, and a cable or transmission  
2 path from the outside plant with the voice and data  
3 coming back from the splitter. You still have the  
4 paths in there, and they are cables if it's mounted  
5 on an IDF, yes.

6 Q. There might be some debate about that  
7 point, but -- there is in the testimony, but in any  
8 event, when you run between a COSMIC and an IDF, you  
9 still have to have those ITPs that we talked about;  
10 correct?

11 A. Correct.

12 Q. Okay. And you eliminate the use of the tie  
13 cables we talked about earlier today in the bay  
14 mounted splitter configuration because instead of  
15 using those tie cables, you're using jumpers in the  
16 frame; correct?

17 A. We're back to the intermediate frame?

18 Q. Either frame. I mean, to the voice signal  
19 and the voice and data transmission paths coming out  
20 of the splitter, you don't have to have another tie  
21 cable, collocation type tie cable used in the  
22 splitter on the frame scenario; correct?

23 A. You replace that tie cable with a jumper,  
24 yes.

25 MR. DEANHARDT: That's all that I have.



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1 Thank you.

2 JUDGE BERG: Mr. Butler? Ms. Smith.

3 MS. SMITH: Thank you.

4 R E C R O S S - E X A M I N A T I O N

5 BY MS. SMITH:

6 Q. I'm Shannon Smith, of Commission Staff.

7 And I haven't questioned you yet today, but your  
8 answer to a question from Chairwoman Showalter about  
9 the size of the cable, I'd like to explore that a  
10 little bit with you. I'm wondering if your counsel  
11 could give you Exhibit C-64. Do you have that handy?  
12 And if not, I have mine. And if you could direct the  
13 witness' attention to -- and I apologize, these  
14 aren't numbered -- to the tenth page in on that  
15 exhibit.

16 MS. ANDERL: Ms. Smith, are we in the R.S.  
17 Means document?

18 MS. SMITH: I don't know if -- yes, it is.  
19 And it's fax page nine, and it's 10 pages in.

20 MS. ANDERL: Is that the one with the  
21 handwritten two at the bottom?

22 MS. SMITH: Yes, it is. That's where we  
23 are.

24 Q. I just want to clear up your testimony with  
25 respect to the size of the cables. And I believe in

00772

1 answering Chairwoman Showalter's question, you had  
2 said that 1/0 cable was larger than 4/0 cable?

3 A. I believe I said that, yes.

4 Q. Okay. And my question to you, if you look  
5 in the 2000-based cost columns of this page, you can  
6 see that the difference in cost of the cables, and it  
7 varies, does it not, with the different sizes of  
8 cable?

9 A. Are you going to the total side or just  
10 materials side?

11 Q. The material side would be fine.

12 A. I see variance, yes.

13 Q. And I don't believe that this would be  
14 confidential, but the cost for 1/0 cable is less than  
15 the cost for 4/0 cable, is it not?

16 A. And you're looking at the 1/0, if you will,  
17 about, oh, a quarter of the way down?

18 Q. Yes.

19 A. Okay. If that's the material cost on that,  
20 I guess that's what it looks like. I can't speak to  
21 that, for sure, that that's what that is.

22 Q. I guess I'm just trying to clear up your  
23 testimony. Is there anything about the cost of this  
24 cable that would cause you to change your testimony  
25 that 1/0 cable is, in fact, larger than 4/0 cable?

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1           A.     Not in my knowledge of what I know. As far  
2 as I know, the 1/0 is still larger than the 4/0. The  
3 pricing on here, you know, I don't know about the  
4 pricing on here. That is my knowledge of what I  
5 know, and I believe that the 1/0 is bigger than the  
6 4/0, whether the pricing is different or not.

7           MS. SMITH: That's all we have. Thank you.

8           CHAIRWOMAN SHOWALTER: Well, I'll just say,  
9 as a comment, this discussion makes me feel a lot  
10 better that I wasn't the only one in the room who's  
11 confused, but it still seems to me this hasn't quite  
12 been cleared up as to the original question that Ms.  
13 Smith asked Mr. Thompson.

14          MS. ANDERL: We'd be happy to talk with  
15 Staff offline and see if we can come up with --

16          MS. SMITH: Yeah, and I'd like to take that  
17 opportunity, if we can.

18          MS. ANDERL: This is obviously one of those  
19 rare instances in which there's totally a right or a  
20 wrong answer.

21          CHAIRWOMAN SHOWALTER: That doesn't stop us  
22 in the room from debating.

23          JUDGE BERG: I'm going to go ahead and  
24 identify this as a record request, if we haven't done  
25 so already, and I don't see it. So Record Request 15

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1 will be to confirm the relative size differential  
2 between 1/0 --

3 CHAIRWOMAN SHOWALTER: 4/0 and 500.

4 MS. SMITH: 500 kcmil.

5 JUDGE BERG: Okay. And with that, Ms.

6 Anderl, I believe the ball's in your court.

7 MS. ANDERL: Thank you, Your Honor. Mr.

8 Deanhardt, isn't it true that we have addressed your

9 Record Requisition Number 12 in our oral discussion

10 with Mr. Hubbard after the lunch break?

11 MR. DEANHARDT: 12-A, 12-B and 13.

12 MS. ANDERL: Thank you. And Mr. Hubbard, I

13 have one question for you, as well.

14 R E D I R E C T E X A M I N A T I O N

15 BY MS. ANDERL:

16 Q. You said, in a response to a question from  
17 Mr. Deanhardt, that you had never actually engineered  
18 a splitter installation. Do you recall that?

19 A. I recall that, yes.

20 Q. Have you had any involvement in engineering  
21 a splitter installation?

22 A. I have viewed the actual installations,  
23 both in the field trial in the lab in Mineral, the  
24 field trial in Minnesota that was conducted prior to  
25 the line sharing stipulation in Minnesota. I've also

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1 viewed some real installations, if you will, jobs in  
2 Minnesota being installed. Prior to that, I was  
3 involved and instructed, if you will, the engineers  
4 on the architecture and how to design the jobs. I've  
5 been involved with line sharing, fortunately or  
6 unfortunately, since before the FCC issued their  
7 further notice of proposed rule-making on it, and I  
8 basically developed the architecture that we use  
9 today.

10 MS. ANDERL: That was my only question.  
11 Thank you, Mr. Hubbard.

12 JUDGE BERG: Any questions from any other  
13 parties? Mr. Hubbard, thank you for your expertise  
14 and for your testimony here today. You're excused  
15 from the witness stand.

16 THE WITNESS: Thank you.

17 JUDGE BERG: At this point in time, would  
18 Qwest please call their next witness?

19 MS. ANDERL: Yes, Qwest calls Teresa  
20 Million to the stand.

21 JUDGE BERG: Let's remain on the record  
22 while Ms. Million is taking the stand. At this point  
23 in time, I'll request that the reporter enter into  
24 the record the identification of Exhibits T-90  
25 through C-97, as marked on the exhibit list that the

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1 reporter has been provided. All of those exhibits  
2 relate to the testimony of Ms. Million and  
3 cross-examination exhibits identified.

4 (The following exhibits were identified in  
5 conjunction with Teresa Million's  
6 testimony.)

7 Exhibit T-90, Direct Testimony. Exhibit  
8 91, C-91, Exec. Summary and Results, Startup Costs.  
9 Exhibit 92, C-92, Exec. Summary and Results,  
10 Maintenance. Exhibit 93, OSS Expenditure Trend  
11 Analysis. Exhibit 94, OSS Trend Analysis, Inflation  
12 Adjustment. Exhibit T-95, Rebuttal Testimony.  
13 Exhibit C-96, Validation of EDI and IMA Rate  
14 Calculations. Exhibit 97, C-97, WUTC 01-029.  
15 Whereupon,

16 TERESA K. MILLION,  
17 having been first duly sworn, was called as a witness  
18 herein and was examined and testified as follows.

19 MS. ANDERL: Thank you, Your Honor.

20 D I R E C T E X A M I N A T I O N

21 BY MS. ANDERL:

22 Q. Good afternoon, Ms. Million.

23 A. Good afternoon.

24 Q. Would you please state your name for the  
25 record?

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1 A. Teresa K. Million.

2 Q. And Ms. Million, do you have before you the  
3 testimony and exhibits that have been identified by  
4 the Administrative Law Judge as Exhibits T-90 through  
5 C-96 inclusive?

6 A. Yes, I do.

7 Q. And do you have any changes, corrections or  
8 additions to make to the testimony or those exhibits?

9 A. Yes, I have one correction to make to my  
10 direct testimony, Exhibit T-90.

11 Q. If you could direct us to the page?

12 A. I believe that that's on page seven,  
13 beginning on line three. In my original testimony  
14 filed in January, I stated that US West is not  
15 seeking to recover the costs it will incur to modify  
16 its OSS in support of line sharing in this  
17 proceeding. That was prior to the time that we  
18 changed from the old docket to the new docket number,  
19 and added line sharing to Part A, and so that  
20 statement is no longer applicable.

21 JUDGE BERG: So if we were to strike the  
22 word "not," Ms. Anderl, does that properly  
23 characterize Qwest's position?

24 MS. ANDERL: Sure. That wouldn't -- I  
25 guess, as a technical matter, that wouldn't have been

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1 true when she filed her testimony in January, but it  
2 is now.

3 CHAIRWOMAN SHOWALTER: Just for clarity,  
4 you want to eliminate the word "however" in the next  
5 sentence, to make sense.

6 MS. ANDERL: Thank you.

7 THE WITNESS: Yes.

8 Q. With that one change, then, is that -- that  
9 change to that one portion of your testimony, are  
10 your testimony and exhibits true and correct, to the  
11 best of your knowledge?

12 A. Yes, they are.

13 MS. ANDERL: Your Honor, we would offer  
14 Exhibit T-90 through C-96 inclusive.

15 JUDGE BERG: Any objections? Hearing none,  
16 Exhibits T-90 through C-96 are admitted.

17 MS. ANDERL: And thank you, Your Honor. We  
18 would tender the witness for cross.

19 JUDGE BERG: All right. Mr. Kopta.

20 MR. KOPTA: Thank you, Your Honor.

21 C R O S S - E X A M I N A T I O N

22 BY MR. KOPTA:

23 Q. Good afternoon, Ms. Million.

24 A. Good afternoon.

25 Q. I'm not sure you need a reference, but in



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1 case we do, in your direct testimony, Exhibit T-90,  
2 at page eight.

3 A. Yes.

4 Q. Specifically, the question and answer that  
5 begins on line eight. Is my understanding correct  
6 that the costs that are represented in your testimony  
7 are from the years 1997, 1998 and 1999 and are  
8 throughout the Qwest region?

9 A. Yes, that's correct.

10 Q. Is it your testimony that none of these  
11 types of costs that you're seeking recovery for in  
12 this proceeding were incurred prior to 1997?

13 A. That is correct.

14 Q. Did you conduct any review of costs  
15 incurred prior to 1997?

16 A. When we gathered the costs for 1997, we did  
17 identify some projects that began in 1996. However,  
18 we did not capture any costs for those projects in  
19 1996, and so they are not a part of the costs that  
20 we're seeking recovery for here.

21 Q. Would you turn to Exhibit 91, which is your  
22 Exhibit TKM-1, the 2000 cost study. And  
23 specifically, I would refer you to the page that is  
24 marked as page one, even though it's the third page  
25 of the exhibit.

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1 A. Yes.

2 Q. And I'm specifically interested in the  
3 information under subpart C, which is headed Study  
4 Methodology. Am I correct that the information in  
5 this subsection is a description of the system  
6 enhancements that Qwest has undertaken and for which  
7 it's seeking cost recovery?

8 A. The description in this section is, at a  
9 very high level, the understanding of the cost  
10 analyst. For true descriptions of the projects and  
11 the costs for which we're seeking recovery, you  
12 really would need to refer to Ms. Brohl's testimony.  
13 However, this does represent a broad general  
14 understanding of those projects, yes.

15 Q. I wanted to talk about a couple of these  
16 categories, and again, from a costing standpoint,  
17 which is what I understand your testimony to be  
18 focused on?

19 A. Yes, it is.

20 Q. And the first one that I wanted to ask you  
21 about is resale. You chuckle.

22 A. Surprise, surprise.

23 Q. Well, I'm not going to ask you what you  
24 think I'm going to ask you. Qwest resold services to  
25 competitors in Washington prior to 1996, did it not?

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1 A. I'm not aware of that. I'm sorry.

2 Q. Would you accept, subject to check, that --  
3 well, perhaps it's not the best thing to accept  
4 subject to check. Let's ask it a different way. Did  
5 you review any of Qwest's cost's to provide services  
6 to competitors in the state of Washington  
7 specifically prior to 1997?

8 A. No, I did not.

9 Q. So you don't know whether Qwest incurred  
10 any costs for OSS system development or to be able to  
11 provide competitors with any services prior to 1997  
12 in the state of Washington?

13 A. I'm not aware of any costs that Qwest would  
14 have incurred prior to 1997 that would have had  
15 anything to do with the requirement under the act to  
16 provide OSS as a UNE.

17 Q. Well, let me state it this way, so that we  
18 understand where we're coming from. One of the  
19 issues, and I believe you address it in your  
20 testimony, is the extent to which costs that Qwest  
21 has incurred to provide services to competitors are  
22 included in its rates for existing services or  
23 facilities. Do you recall that as being an issue?

24 A. Yes, I recall that.

25 Q. So the question that I have, and what I'm

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1 getting at here, is to the extent that Qwest was  
2 providing services to competitors prior to 1997 or  
3 prior to 1996, when the act was passed, were there  
4 any costs incurred to modify or adjust systems to  
5 enable Qwest to be able to provide those services or  
6 facilities to competitors?

7 A. I can answer that question this way. I am  
8 not aware of costs that Qwest would have incurred.  
9 That doesn't mean that Qwest didn't incur costs.  
10 However, those are not the same costs to modify  
11 systems that were incurred and are -- that we're  
12 seeking recovery for here. Any costs that we might  
13 have incurred in earlier years would not have been a  
14 part of the costs that we're seeking to recover here.

15 Q. But they may or would have been the same  
16 types of costs, wouldn't they, if you have to modify  
17 your systems from a monopoly environment to be able  
18 to provide facilities and services to competitors.  
19 Isn't that the type of cost recovery that you're  
20 seeking here today?

21 A. That is the type of cost recovery we're  
22 seeking here today. I have no idea if it's the same  
23 type of cost that we might have incurred prior to the  
24 1997 time frame.

25 Q. And I would assume that your answers would

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1 be the same for each of the categories that are  
2 listed under study methodology here?

3 A. Yes, that's correct.

4 Q. Before we leave this, I did want to ask you  
5 one additional thing. Again, under the resale  
6 category, and it's the second sentence, which is, as  
7 I understand it, description of -- high-level  
8 description of the modification of the systems that  
9 Qwest has undertaken. And it appears as though, from  
10 this sentence, that the modification made, at least  
11 with respect to resale, is an increase in capacity of  
12 the system; is that correct?

13 A. That is the way that we've stated it here,  
14 yes.

15 Q. Are you familiar with how Qwest calculates  
16 factors that it uses in determining rates or costs  
17 for services or facilities?

18 A. Yes, I am.

19 Q. And there is a factor for computers and  
20 systems-type costs, isn't there?

21 A. Yes, there is.

22 Q. Isn't one of the things that Qwest tries to  
23 do in coming up with an appropriate factor to take  
24 into consideration capacity expansion of computer  
25 networks or systems?

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1 A. Yes, it does, generally speaking.

2 Q. Would you turn to your rebuttal testimony,  
3 which is Exhibit T-95, on page 12. And my reference  
4 is the sentence that begins on line 13. Both you and  
5 Ms. Brohl make the same statement, and it may be that  
6 Ms. Brohl was probably the person I need to ask, but  
7 I thought I would ask you, since it's in your  
8 testimony, as well. Why would a CLEC need to  
9 duplicate Qwest legacy systems if Qwest didn't make  
10 the modifications that you're seeking to have cost  
11 recovery for?

12 A. I think the point that's being made in that  
13 sentence is that if a CLEC was coming into the  
14 telecommunications business for the first time all by  
15 itself without the existence of the legacy systems  
16 and the data that Qwest has accumulated over the  
17 years and years that it's been in business, that that  
18 CLEC would have to produce or accommodate not only  
19 access to the systems that we own and utilize to keep  
20 information about provisioning and the network and  
21 all of the detail that's out there about customers  
22 and so forth, but that CLEC would also have to  
23 establish those systems for itself. It would be more  
24 than a matter of simply paying to access existing  
25 systems; it would be total recreation of those

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1 systems on a stand-alone basis for itself.

2           And I think the point that we're making  
3 here is all we're seeking recovery for for the OSS  
4 UNE is the access to those systems and capacity on  
5 those systems, but not an entire replacement of those  
6 systems the way that we price a UNE in the network  
7 where it's a replacement cost for the network. We're  
8 not asking for replacement cost for the billions of  
9 dollars that have been spent to get to this point  
10 with the systems.

11           We have, and I believe that it's in the  
12 exhibits that I included with my testimony, nearly a  
13 billion dollars of expenditures on systems alone in  
14 1999. The OSS UNE is just a small piece of that.

15           Q.    And so I take it from that that you are not  
16 saying, certainly, that CLECs don't incur costs to  
17 construct their own OSS to be able to accept orders  
18 and provision --

19           A.    No, I'm not indicating that at all. All  
20 I'm saying is that you're not doing the other side of  
21 it, which is all of the data that we've accumulated  
22 over the years.

23           MR. KOPTA: Thank you. That's all I have.

24           JUDGE BERG: Mr. Butler.

25           MR. BUTLER: No questions.

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1 MR. DEANHARDT: No questions, Your Honor.

2 MS. SMITH: Thank you.

3 C R O S S - E X A M I N A T I O N

4 BY MS. SMITH:

5 Q. I'm Shannon Smith. I'm representing the  
6 Commission Staff. I'd like to begin in your direct  
7 testimony, which is marked in this record as Exhibit  
8 T-90. And if I can get you to page three.

9 A. Yes.

10 Q. And there you say that the total regionwide  
11 OSS startup costs estimated by Qwest consists of  
12 132.9 million of expense and 16.5 million of  
13 investment; is that correct?

14 A. I believe it's 132.9 of expense and 16.2  
15 million of investment, yes, capital expenditures.

16 Q. Thank you. With respect to the investment  
17 amount of 23.5 million, for which the company seeks  
18 recovery, that amount is calculated as the present  
19 value of the actual investment amount of 16.2  
20 million; is that correct?

21 A. Yes, that's correct.

22 Q. Does the \$16.5 million of investment  
23 represent the cost of the investment on an  
24 engineered, furnished and installed basis?

25 A. I'm not sure what your reference is. It is



00787

1 the capital expenditure for computers in Account  
2 2124. It's primarily hardware cost.

3 Q. Would it also include costs associated with  
4 the purchase, transport, installation, engineering,  
5 insurance and labor and taxes that the company would  
6 incur?

7 A. To install computer hardware, yes.

8 Q. And that would all be included in the 16.2  
9 million?

10 A. Yes, it would.

11 Q. If the Commission chooses to allow the  
12 company to recover only the 16.2 million, as opposed  
13 to the 23.5 million, what wouldn't the company be  
14 recovering?

15 A. The company wouldn't be recovering the time  
16 value of the capital expended from 1997 through 1999,  
17 on a current basis.

18 Q. And with respect to expenses, is it correct  
19 that the company is not seeking to recover the entire  
20 \$132.9 million of expenses, of OSS startup expenses,  
21 but a lesser amount of 121.8 million?

22 A. Yes, that's correct.

23 Q. So the amount of expense removed, then, is  
24 about \$11.1 million?

25 A. Yes.

00788

1 Q. Can you explain how you calculated that  
2 \$11.1 million?

3 A. If you can turn to my Exhibit C-91, and  
4 it's Attachment B, and it starts on page 16.

5 MS. SMITH: Okay. If we can have a couple  
6 minutes to get everybody on the same page.

7 JUDGE BERG: Ms. Anderl, would it be  
8 possible for US West to produce the confidential  
9 portion of 91, C-91 in electronic form? There's some  
10 data points that are very small print, and we will  
11 either need to have US West produce a very large  
12 magnifying glass or a very small diskette.

13 MS. ANDERL: Yes, I think so.

14 THE WITNESS: Could I address that?

15 MR. THOMPSON: If you're interested.

16 JUDGE BERG: I shouldn't be so flip. Ms.  
17 Million, did you want to --

18 THE WITNESS: The reason that that hadn't  
19 been provided electronically is that there's a very  
20 large pivot table that's a part of the raw data that  
21 supports the costs that we're seeking to recover, and  
22 it's a very difficult file to transfer  
23 electronically.

24 JUDGE BERG: All right. How about I have  
25 Dr. Gabel speak with you, Ms. Anderl, and you, Ms.

00789

1 Million, off the record about whether or not we can  
2 meet his needs and avoid some of those other  
3 technical complications.

4 MS. ANDERL: Sure. We'll talk about  
5 whether a CD ROM or some other type of electronic  
6 medium would work instead of a diskette. Thank you.  
7 Let me just clarify. I think this exhibit was filed  
8 before the mandate to consecutively number pages was  
9 clear, and there's an Attachment A and an Attachment  
10 B, but they are each numbered consecutively, I think  
11 one through 16, so as long as you're in the  
12 appropriate attachment, with A or B designated in the  
13 upper right-hand corner, you ought to be able to  
14 follow along.

15 CHAIRWOMAN SHOWALTER: I found Attachment  
16 B, and now what?

17 THE WITNESS: Page 16.

18 CHAIRWOMAN SHOWALTER: Okay.

19 Q. I would just like you to explain your  
20 calculation, if you would, please?

21 A. Yes.

22 Q. Thank you.

23 A. That's what I was about to do.

24 COMMISSIONER HEMSTAD: I'm sorry, there's  
25 more than one Attachment A and B, and I haven't found

00790

1 it yet.

2 CHAIRWOMAN SHOWALTER: Oh, what does -- if  
3 we're on the correct page, at the bottom, is there a  
4 little thing that says "notice?"

5 THE WITNESS: Yes.

6 CHAIRWOMAN SHOWALTER: Yes, good. All  
7 right.

8 THE WITNESS: There's a table here, and up  
9 in the left-hand corner, it says "OSS startup costs."

10 COMMISSIONER HEMSTAD: I have that now.

11 THE WITNESS: Okay. And this is a  
12 five-step process that we went through to address  
13 concerns that there might have been some sort of  
14 recovery of OSS-type expenditures due to expense  
15 factors that were developed in years earlier, I  
16 believe 1995 or 1996 data, and I do discuss this in  
17 my testimony.

18 We went through a process to eliminate any  
19 possibility that those costs that might have been  
20 recovered under prior expense factors could possibly  
21 be part of what we're seeking for recovery here. And  
22 so we started with the \$132 million figure, and then  
23 we calculated what, at the very most, could have been  
24 dollars that we would have recovered related to OSS  
25 in '96, and that's in step two, the \$15 million.

00791

1           And then, if you turn to the next page, we  
2 went through, and in 1997, 1998, and 1999, subtracted  
3 that \$15 million from the costs that were incurred  
4 during those years to come up with the amount that we  
5 were actually seeking recovery for. Those numbers  
6 were then input into our cost model for appropriate  
7 loadings and for the 19.62 percent directly  
8 attributable costs to be added on. And that then  
9 resulted in the \$121.8 million.

10           So subtracting out the \$15 million per year  
11 and then loading back onto the result with overhead  
12 type loadings, not common costs, but attributable  
13 costs resulted in the \$11 million difference.

14           Q.   How did you determine the \$15 million  
15 number that shows up on page 16?

16           A.   We determined -- if you go to the  
17 calculation in step two, what we did was we looked at  
18 the expenditures in 1997 as a percentage of total  
19 expenditures in the expense account for 1997 for the  
20 entire company. And we developed a percentage,  
21 which, if you look on the right-hand column, and we  
22 said, at most, we would have spent the same amount in  
23 1996, because as you'll see in that right-hand  
24 column, the trend for OSS expenditures is increasing  
25 during that time.

00792

1           And we said if we took the level of  
2 expenditures in 1997 and we applied it to the total  
3 company expenditures in the expense account for 1996,  
4 we would get -- and very conservatively, I might add,  
5 the total amount that we could possibly have spent in  
6 1996 on OSS.

7           Q.    If I can now get you back to your direct  
8 testimony, Exhibit T-90, on page five.

9           A.    Yes.

10          Q.    And there you show the resulting rates for  
11 recovery of OSS startup costs for IMA manual orders  
12 and for EDI orders?

13          A.    Yes.

14          Q.    And is it correct that the cost study that  
15 we were just visiting in Exhibit T-91, showing the  
16 development of the amounts requested for recovery is  
17 -- that the cost study that supports those is Exhibit  
18 T-91, where we just were; is that correct?

19          A.    Yes.

20          Q.    And was that cost study prepared by you or  
21 under your direction?

22          A.    Yes, it was.

23          Q.    And would you agree that one of the issues  
24 that the Commission Staff has raised in its testimony  
25 with this cost study is the inclusion of directly

00793

1 attributable and common costs?

2 A. Yes, the Staff has raised that issue.

3 Excuse me, but common costs are not a part of this

4 startup, and that's stated here in the testimony.

5 Directly attributable costs are the only costs that

6 are included here.

7 Q. Okay. I understand that that's your

8 testimony. And turning now to your rebuttal

9 testimony, if I could refer you to page five of that,

10 and I believe that's Exhibit T-95?

11 A. Yes.

12 Q. And on page five, at lines six through 13,

13 you indicate that it's appropriate to include the

14 administrative, product management and business fees

15 costs in the calculation of OSS startup costs because

16 the Commission has allowed these costs to be included

17 in the costs of unbundled network elements; is that

18 correct?

19 A. Yes. And those are considered directly

20 attributable costs.

21 Q. Is it the company's position that the rate

22 used to recover the OSS startup costs must be

23 developed in the same way as the rates for unbundled

24 network elements?

25 A. I'm not sure I follow your question. Could

00794

1 you repeat it?

2 Q. Yes. I mean, apparently, the way I read  
3 your testimony is that you have indicated that it's  
4 appropriate to include the administrative and the  
5 product management and business fee costs in the  
6 calculation of the OSS startup costs because the  
7 Commission has allowed those costs to be included in  
8 the cost of the UNE.

9 And I guess my question is is do you see  
10 OSS startup costs being established the same way that  
11 the Commission would establish costs for unbundled  
12 network elements?

13 A. I'm not sure there's a simple answer for  
14 that. I guess what I would like to say is that  
15 establishing the costs that we seek to recover, yes,  
16 we've put them into a cost study and developed a rate  
17 based on the principles that we apply to other cost  
18 studies, and we believe that that's appropriate.

19 Q. So just to make sure that I'm clear, that  
20 the development of that rate used to recover OSS  
21 startup costs is developed in the same way as the  
22 rates for unbundled network elements?

23 A. To the extent that we've taken a cost or  
24 we've started at an investment amount and an expense  
25 amount and then we have applied attributable --



00795

1 directly attributable costs, and then we have  
2 developed a total amount to be recovered, yes.

3 Q. Is it the company's position that the  
4 provision of access to the company's OSS is a UNE?

5 A. Yes, it is.

6 Q. And I'd like to refer you back to your cost  
7 study, which I believe is Exhibit T-91. And this  
8 time we're in Appendix A, and going to page 10,  
9 please.

10 A. Yes.

11 Q. And I think that's the wrong page.  
12 Actually, I was on the wrong page. Maybe everybody  
13 else is on the right page. And it's Attachment A,  
14 page 10 of your exhibit. And this page shows the  
15 development of the amount of shared OSS startup  
16 costs, startup expenses for EDI and IMA orders; is  
17 that correct?

18 CHAIRWOMAN SHOWALTER: I just want to make  
19 sure that I am on the right page. Is the first thing  
20 you see in bold says Account Code 2124?

21 MS. SMITH: Yes.

22 THE WITNESS: Yes.

23 Q. What is Account 2124?

24 A. Account 2124 is the capital account. This  
25 is a mislabeled page. Everywhere where it says

00796

1 expenses at the top of the page, we really are  
2 talking about expenses, and the account code should  
3 have been changed. If you look all the way through  
4 all of these pages, they're labeled 2124. The pages  
5 starting with 13 should be labeled 2124, and I  
6 apologize. The pages starting with 10 should be  
7 labeled 6724.

8 JUDGE BERG: Ms. Million, is there anything  
9 else on this page that would be corrected? For  
10 example, the description at the top, would that  
11 remain the same, expenses shared?

12 THE WITNESS: The description is correct.  
13 It's the account reference that's incorrect here.

14 JUDGE BERG: And provide that account  
15 reference one more time?

16 THE WITNESS: 6724.

17 CHAIRWOMAN SHOWALTER: So that should be on  
18 pages 10, 11 and 12?

19 THE WITNESS: Ten, 11 and 12.

20 Q. If I can have you turn to the next page,  
21 page 11, and the amount of direct IMA expense is  
22 shown at cell reference D-106; is that correct?

23 A. Yes.

24 Q. And I guess to flip you back, then, to page  
25 10, is it correct that the amount of direct expense

00797

1 actually incurred is shown at cell reference D-57?

2 A. No, not in relation to page 11, if that's  
3 what you're asking. The dollar --

4 Q. No, actually, I'm not. I'm just asking you  
5 with respect to page 10, and I jumped ahead of myself  
6 just a little bit.

7 A. I'm sorry.

8 Q. With respect to page 10, and it's the cell  
9 reference D-57, is it correct that the amount of  
10 direct expense actually incurred is what's at cell  
11 reference 57, D-57?

12 A. Yes.

13 Q. And skipping forward again to page 12, the  
14 direct expense for EDI is shown at cell reference  
15 D-155?

16 A. Yes.

17 Q. Are the direct expenses that we just  
18 identified on pages 10, 11 and 12 the expenses that  
19 were incurred by the company from 1997 through 1999?

20 A. Yes, they are.

21 Q. Is the 1999 portion of those expenses  
22 actual or estimated?

23 A. They are estimated.

24 MS. SMITH: As a record requisition, we  
25 would like the company to provide the 1999 actual

00798

1 expenses.

2 MS. ANDERL: We'll do that. Your Honor, is  
3 it Number 15?

4 JUDGE BERG: That would be Number 16, 1999  
5 actual expenses. And Ms. Smith, can you provide a  
6 cell reference?

7 MS. SMITH: Actually, we would like the  
8 company to restate the expenses using 1999 actual, as  
9 opposed to estimated.

10 THE WITNESS: Yes, we can do that.

11 JUDGE BERG: And what pages would that  
12 affect?

13 MS. SMITH: Ten, 11, 12.

14 JUDGE BERG: All right. Thank you.

15 THE WITNESS: Actually, it will also impact  
16 13, 14, 15, because of the capital actuals.

17 MS. SMITH: If we could either call that B,  
18 since we're looking at expenses and capital, we can  
19 --

20 MS. ANDERL: A and B.

21 MS. SMITH: Yeah, 16-A and then 16-B.

22 JUDGE BERG: Okay. A relates to 10, 11 and  
23 12. B relates to 13, 14 and 15.

24 Q. And with respect to the common costs shown  
25 on pages 10, 11 and 12, again, in Attachment A, has

00799

1 the company provided any testimony in this case  
2 discussing the basis for the inclusion of common  
3 costs in the OSS startup costs?

4 A. Let me explain something, if I may. We  
5 certainly have stated that we're not including common  
6 costs, and understand that in Washington the common  
7 costs are taken care of with the factor of 4.05  
8 percent, and the directly attributable costs are  
9 taken care of with the factor 19.62 percent. This is  
10 a regionwide study, and so while these sheets are in  
11 here and they do step through, as part of the  
12 regionwide study, the calculations that we would  
13 normally process in other states, in Washington, we  
14 would have this calculation here, but that wouldn't  
15 be applicable to the calculation of the final rate,  
16 because we would back up to the direct costs, add on  
17 the directly attributable at 19.62, and then we did  
18 not add on anything for common costs.

19 And so even though that's shown here in  
20 this study, because it's a regionwide study, it was  
21 not used in Washington to develop the rates for  
22 Washington. Unfortunately, when you use a regionwide  
23 study, oftentimes you have cells that are a part of  
24 your study that produce results that don't  
25 necessarily end up in the rates that you produce in a

00800

1 particular state.

2 Q. Now, on pages 13, 14 and 15 of Appendix A,  
3 is it correct that these pages show the development  
4 of the amount of OSS startup investment for shared  
5 IMA and EDI access that are used on page 20 of  
6 Appendix B in this exhibit?

7 A. Yes.

8 Q. I'd like you to look at page 13 of  
9 Attachment A, cell number 207, and that's capital  
10 recovery. Are you with me?

11 A. Yes.

12 Q. Does the company consider the capital  
13 recovery rate to be confidential?

14 A. I believe so.

15 Q. What is the source for that capital  
16 recovery rate?

17 A. I'd have to go back and check on that. I

18 --

19 Q. Could we make that a record requisition,  
20 the next one in order, please?

21 A. Certainly.

22 JUDGE BERG: Provide me the cell reference  
23 once more, Ms. Smith.

24 MS. SMITH: Yes, it's 207, capital  
25 recovery, B-207, to be more precise.

00801

1 Q. Is it correct, or will you accept, subject  
2 to check, that the average life of the computer  
3 account is 5.8 years and the future net salvage value  
4 is five percent?

5 A. Yes, I would accept that.

6 Q. Will you accept, subject to check, that the  
7 depreciation rate that results from the Commission  
8 authorized life and salvage is 16.4 percent?

9 A. Yes, I'll accept that.

10 Q. What I believe is my last question, if I  
11 could turn to your rebuttal testimony, which is,  
12 again, Exhibit T-95, and let me find the right page  
13 reference here. I'm sorry, I don't have it.  
14 Question -- yes, page seven, please, and beginning on  
15 line 14?

16 A. Yes.

17 Q. Where you discuss Y2K amounts that were  
18 booked to Account 6724 for 1997, 1998 and 1999?

19 A. Yes.

20 Q. And the total amount of Y2K amount, the  
21 total amount of expenses for Y2K for '97, '98 and  
22 '99, as stated in your testimony, is 153.7 million;  
23 is that correct?

24 A. Yes, that's correct.

25 Q. Is it possible for the company to break

00802

1 that total amount into the amount for 1997, 1998, and  
2 1999 separately?

3 A. I can go back to my sources and check.

4 MS. SMITH: Can we make that the next  
5 record requisition in order, please?

6 JUDGE BERG: That would be Number 18,  
7 referencing Exhibit T-95, page seven, line 14. And  
8 the specific request, we need to break out the number  
9 into separate years?

10 MS. SMITH: Yes, the Y2K expense amount of  
11 153.7 broken out for each year, 1997, 1998, and 1999.

12 JUDGE BERG: All right.

13 MS. SMITH: That's all I have. Thank you.

14 JUDGE BERG: Thank you, Ms. Smith. Dr.

15 Gabel.

16 E X A M I N A T I O N

17 BY DR. GABEL:

18 Q. Good afternoon, Ms. Million. I'd like to  
19 ask you to turn to Exhibit 90, your direct testimony,  
20 filed on January 31st.

21 A. Yes.

22 Q. Page 14, lines three to four, you state  
23 that recovery through retail rates and the potential  
24 for rebates to US West retail customers should not be  
25 an issue in this type of proceeding?



00803

1 A. Yes.

2 Q. Is there a type of proceeding where you  
3 believe it would be appropriate?

4 A. I believe that it would be appropriate in a  
5 rate of return proceeding.

6 Q. And is it your understanding that there  
7 will be a moratorium on rate of return proceedings in  
8 the state of Washington?

9 A. It's my understanding that that's the case  
10 now. It wasn't my understanding in January, when I  
11 submitted this testimony.

12 Q. And do you know how long that moratorium  
13 will last?

14 A. No, I do not.

15 Q. Let's just assume that it lasts for three  
16 years. Would you then -- is it your position that in  
17 three years, if there was a rate case, it would be  
18 appropriate to go back and look at cost and revenues  
19 during the three years of your study, 1998, 1998 and  
20 1999, and consider a rebate in year 2003 that applies  
21 to cost and revenues from '97, '98 and '99?

22 A. If the Commission felt that was  
23 appropriate, I suppose so.

24 Q. Turning to page 16, lines one through 13,  
25 you describe three ways in which you've developed

00804

1 your forecast for the number of orders. Is the  
2 development of the demand forecast contained in your  
3 work papers, or it's just the results?

4 A. The results. The numbers that we show were  
5 based on looking at the demand in the way that I  
6 describe here, that forecast was produced by some of  
7 our people in the product management organization who  
8 have responsibility for that kind of forecast.

9 Q. As a request from the Bench, could you  
10 provide the development of those three forecasts and  
11 how those three forecasts were combined to produce  
12 the numbers which -- and please let me know if I'm  
13 correct about this, the actual numbers that are  
14 generated from the forecast appear on page 19,  
15 Attachment B, Exhibit C-91?

16 A. I'm not sure what you're asking for.  
17 You're asking for the work papers that went into the  
18 forecast; is that --

19 Q. Yes, yeah. Well, that's -- okay. Well,  
20 let me, before I ask for it, let me ask you this.  
21 When you obtained these forecast numbers, where did  
22 you enter them into the work papers that you have  
23 provided us, this Exhibit C-91?

24 A. Right here in this page that you're  
25 referring to.

00805

1 Q. Okay.

2 A. That is where the numbers exist in this  
3 document.

4 Q. Okay. And you say that -- referring back  
5 to your testimony at page 16, that you had worked  
6 with three different forecasts. Does one forecast  
7 give you the numbers for lines three through five of  
8 page 19, the second forecast provide you the data for  
9 lines 17 through 18, and a third forecast provide you  
10 the data for lines 20 through 24?

11 A. It didn't work quite that way. We took  
12 information -- when I describe the three different  
13 approaches that we had to the forecasting, and when I  
14 say that the first component is a linear trend of  
15 service orders, that linear trend was applied to the  
16 actual service order information that we received  
17 from the forecasters in the product management  
18 organization. And yes, that, generally speaking, are  
19 those numbers in three through five.

20 And then we also had forecasted numbers for  
21 these other lines that are here, and we made some  
22 adjustments based on discussions with forecast  
23 people. For example, where we took the UDIT and  
24 EUDIT demand and used a multiplier there, based on  
25 what we were provided with information about how many

00806

1 service orders it would take for each one of those  
2 types of orders.

3 Q. And you just referred to a multiplier. Is  
4 that the multiplier that appears at line 17?

5 A. Yes, yes.

6 Q. Well, the request from the bench is that  
7 you provide the underlying work papers that were used  
8 to produce the forecasts that appear at page 19 and  
9 that the response include some explanation, some  
10 narrative that explains how this collected  
11 information was pulled together in order to populate  
12 the spreadsheet.

13 A. Okay.

14 JUDGE BERG: That will be Bench Request  
15 Three.

16 Q. Now, staying, if we could, for a moment on  
17 page 19, are the numbers that appear here just for  
18 inward movement, or both inward and outward movement?

19 A. I guess what I would suggest is that, in  
20 some cases, it's inward movement, and in some cases,  
21 it's inward and outward movement. For example, the  
22 numbers that represent migration to what, at that  
23 time, we were calling UNE-C or the UNE platform  
24 included the service orders that we expected to  
25 generate for disconnecting and connecting the new

00807

1 service.

2 Q. In that case of the UNE-C or UNE-P, is it  
3 the case that a request to transfer a customer from  
4 your retail service to the UNE combination requires  
5 an order that disconnects the existing retail  
6 service, and therefore, that's one order, and then  
7 there's a second order to connect the UNE platform?

8 A. I believe that's the way that it works, but  
9 I'm not entirely sure that information was provided  
10 to us by the forecasters, and they make that  
11 calculation. Or that assumption, I should say.

12 Q. Well, the reason I asked that, because I  
13 was wondering if you could explain why, for this area  
14 of UNE combinations that appears in lines 21 through  
15 24, we have multipliers, and I won't disclose their  
16 values, at line 23, that is less than the multipliers  
17 at lines 17 and nine?

18 A. The multiplier at line 23, particularly in  
19 the column for 2000, was really to serve a different  
20 purpose, which it wasn't -- it was to indicate more a  
21 rate of migration that we expected to happen during  
22 2000. In other words, it was designed to increase  
23 the expectation for 2000 specifically because we felt  
24 that that was a year where we were going to have  
25 significant migration over -- because the number

00808

1 that's represented there, if you see, represents both  
2 migration and new UNEs in the future, and so the  
3 feeling was that during the primary migration year,  
4 which we thought would be the year 2000, that that  
5 activity would be increased due to the migration.

6           It's not so much a representation that  
7 there are two service orders, but that, as it is in  
8 the other line, so much as it is a representation  
9 that the migration is going to increase the number of  
10 orders.

11         Q.    Using your value of two service orders, am  
12 I correct that -- and I believe I've already asked  
13 this question, but I want to be certain about it,  
14 when a UNE platform order is placed, it generates two  
15 service orders?

16         A.    I don't know that for certain. That would  
17 be something that the forecast people would have  
18 included in the number that they gave us.

19         Q.    Well, do you know, in terms of applying  
20 this rate, if one of the CLECs were to place an order  
21 using the UNE platform, would that generate two  
22 service order charges, one for disconnecting and the  
23 second for connecting?

24         A.    I believe that it would, yes.

25         Q.    Do you know if that -- but you don't know,

00809

1 then, if it's reflected in these numbers?

2 A. And that assumption would have been  
3 reflected in these numbers based on what we got from  
4 the people that do the forecast.

5 Q. Okay. So where would it be reflected?  
6 Would it --

7 A. In the total number on line 21.

8 Q. Okay. So it's your understanding, then,  
9 that the number that appears on line 29 would  
10 reflect, when a UNE-P order is placed, that there  
11 would be two service orders generated?

12 A. Yes, when we requested the forecast, we did  
13 request number of service orders. Some of the data  
14 that we had in the two lines where we've actually  
15 applied a multiplier ourselves, they didn't have that  
16 on a service order basis, and on other of these lines  
17 where we've got just a raw number, that included that  
18 on a service order basis, it was our understanding  
19 from the people that did the forecast.

20 Q. Is a service -- any time a service order is  
21 placed, does there have to be a USOC, a uniform --  
22 maybe you could -- maybe I'm using the wrong acronym.  
23 Within your billing system, any time, say, somebody  
24 places an order for POTS service, is there a special  
25 code associated with that placement within your

00810

1 computer system, so you say, okay, this is an order  
2 for plain old telephone service?

3 A. I do understand what you're getting at, and  
4 USOC is the correct term, but that is not my area of  
5 expertise, and so I don't know how that works  
6 mechanically.

7 Q. So you wouldn't know if, once an order for  
8 the UNE platform is placed and it involves  
9 disconnecting the retail service, does that activity  
10 have associated with it a USOC?

11 A. I don't know that.

12 MS. ANDERL: Your Honor, if I might  
13 interject for a moment. Dr. Gabel, you haven't  
14 asked, but I do believe that Ms. Brohl can answer  
15 some of these questions in connection with the actual  
16 ordering process.

17 Q. Well, let me just identify my general  
18 concern, and perhaps you can address this. My  
19 general concern is I guess -- well, let me ask first  
20 sort of a foundation question. Is there anything in  
21 Mr. Thompson's rate proposal that identifies when the  
22 charges, which you're sponsoring the rates that  
23 appear, in your direct testimony, at page five, how  
24 do we know when those charges apply and to what  
25 activities? For example, do they apply any time a



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1 disconnection order is placed, and do we know that  
2 whenever those charges apply, those activities are  
3 reflected in your demand forecast?

4 A. I believe I can answer that. Our  
5 assumption is that those activities apply any time a  
6 service order is placed, and a service order includes  
7 a connection, a disconnection, a to-from, a change  
8 order. There are several different types of service  
9 orders that the charge would apply to. And yes, to  
10 the best of our ability, with the information we had,  
11 we did try to reflect all of those items in the  
12 numbers that you see here for the demand.

13 Q. And for a CLEC that's placing a service  
14 order, how would it know when it places a service  
15 order how many of these charges it's going to be  
16 billed for?

17 A. I believe that we have provided, in  
18 response to a data request, a table that shows,  
19 generally speaking, the number of service orders that  
20 apply for various types of -- I believe the request  
21 was for on a product basis -- the number of service  
22 orders that apply.

23 JUDGE BERG: I'm sorry, Counsel, but the  
24 Bench does not know of any discovery or DRs produced  
25 other than those already marked as exhibits.

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1           MR. KOPTA: I will interject at this point  
2 that that is among the data requests that were  
3 outstanding at the time of the prehearing conference,  
4 and we have designated or will designate that data  
5 request and its response as an exhibit to be  
6 discussed with Ms. Brohl during her  
7 cross-examination.

8           JUDGE BERG: Thank you.

9           Q. I have to confess, I'm still a little bit  
10 confused here and I want to understand. If I  
11 understand you correctly, line 21 reflects all  
12 service orders, both connections and disconnections  
13 and transfers; is that a correct understanding?

14          A. Line 21 for the service listed migration to  
15 UNE-C and from retail and then the wholesale, resale  
16 and new UNE-C service orders reflects, and this is  
17 what we requested and this is what we believe that  
18 number reflects, all of the service orders then that  
19 would be generated, including connections,  
20 disconnections, to-from, change orders.

21          Q. Okay. Then why is it, at line 23, you take  
22 all service orders and multiply it by a number that  
23 is in excess of a value of one? That's at cells --  
24 value of cell C-23, which is used to generate the  
25 value at C-24?

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1           A.    Again, the reason that we multiplied that  
2 was because we felt as though the migration would  
3 occur in the first year and not in the other years,  
4 and we were attempting to increase that projection by  
5 what we felt was an appropriate representation when  
6 the migration would occur.

7           Q.    But isn't that already reflected in the  
8 value that you have in, say, cell C-21 versus cell  
9 D-21, that there's more activity in the year 2000  
10 than in the year 2001?

11          A.    Yes, that's true.  We were trying to make  
12 sure that we were not undercounting the demand.

13          Q.    Again, just to, you know, convey my concern  
14 here, it would seem like if you have correctly  
15 captured the service orders in the information you  
16 received from your forecasting group, I'm wondering  
17 why you felt it was necessary, why you made the  
18 adjustment when I -- as opposed to going back to the  
19 forecasting group and talking to them about the  
20 process that they used to generate the numbers?

21          A.    I can't tell you.

22          Q.    Could I ask you to turn to your rebuttal  
23 testimony.  It's Exhibit 95, page eight, lines 17 to  
24 19.  Do I -- well, could you, I guess, first, just  
25 summarize your disagreement here with Mr. Spinks

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1 regarding the inputs to the Qwest program?

2 A. Yes. Mr. Spinks, when he calculated the  
3 number that he was suggesting was the Washington-only  
4 number began with the direct costs without any  
5 attributable dollars loaded onto the direct cost. So  
6 in other words, he took what we used as our inputs to  
7 our cost model and calculated his number on that  
8 basis, and I believe that the appropriate way to  
9 calculate a Washington-specific number would be after  
10 the directly attributable dollars had been applied,  
11 the 19.62 percent.

12 Q. Okay, thank you. I guess my last question  
13 is Staff Attorney Smith has just asked you some  
14 questions about common costs. And as I understand  
15 your explanation, common costs are not included for  
16 Washington; is that a --

17 A. Yeah, for the startup dollars that we're  
18 seeking, there are no common costs applied to that;  
19 that's correct.

20 DR. GABEL: Okay. I have no further  
21 questions. Thank you.

22 JUDGE BERG: Commissioner Hemstad.

23 COMMISSIONER HEMSTAD: I'll waive any  
24 questions I have.

25 JUDGE BERG: All right. Mr. Kopta, Ms.

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1 Smith.

2 R E C R O S S - E X A M I N A T I O N

3 BY MS. SMITH:

4 Q. Ms. Million, with respect to your  
5 discussion with Dr. Gabel about the CLEC forecasts,  
6 could one look at the anticipated number of orders  
7 that CLECs are forecast to make and draw any  
8 inferences about how much market share Qwest  
9 anticipates will be lost?

10 A. I don't believe that I have an answer for  
11 that. That would be a product management type  
12 question, I assume.

13 Q. Do you know how many access lines Qwest has  
14 in its 14-state region, by any chance?

15 A. No, I do not.

16 MS. SMITH: That's all I have. Thank you.

17 JUDGE BERG: All right. Ms. Anderl.

18 MS. ANDERL: May I have just a minute?

19 JUDGE BERG: Yes.

20 MS. ANDERL: Your Honor, no redirect.

21 JUDGE BERG: All right. Then, Ms. Million,

22 thank you for your testimony. You're excused from  
23 the witness stand. We'll be adjourned for the day.

24 I would like -- Mr. Deanhardt?

25 MR. DEANHARDT: Your Honor, I would like to

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1 make one correction for the record. With respect to  
2 what we have marked as Exhibit C-86, which is the  
3 interim line sharing agreement central office  
4 deployment list, I continued to search to find where  
5 it was referred to, and it is referred to in  
6 paragraph 11 of Exhibit 115, but I believe that I  
7 said that it was also included as an attachment or an  
8 appendix to the agreement, and having found paragraph  
9 11, I refreshed my own recollection, and in fact, we  
10 did keep it separate, but it is referred to in  
11 paragraph 11.

12 JUDGE BERG: All right. Thank you for that  
13 clarification. With that, we'll be off the record.

14 (Proceedings adjourned at 5:28 p.m.)

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