Exhibit___(MJN-1T)

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE PETITION OF DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY, FOR ARBITRATION TO RESOLVE ISSUES RELATING TO AN INTERCONNECTION AGREEMENT WITH QWEST CORPORATION	)))))))	Docket No. UT- 043045

DIRECT TESTIMONY OF

MICHAEL J. NORMAN

DISPUTED ISSUES: 4 (Cageless Collocation Space Provisioning) and 5 (Regeneration Requirements)

JULY 15, 2004

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I. IDENTIFICATION OF WITNESS

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION WITH QWEST CORPORATION.

A. My name is Michael Norman. My business address is 700 W. Mineral Ave., Littleton Colorado. I am employed as a Director within the Technical and Regulatory Group of the Local Networks Organization of Qwest Corporation (Qwest).

Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE, AND PRESENT RESPONSIBILITIES.

A. I have been employed in the telecommunications industry for over 25 years. I began my career in 1978 as a contractor for AT&T in Washington State surveying routes to place cable in rural areas. In 1980, I was hired by Qwest (formerly Mountain Bell and then U S WEST) into the Local Network Organization. During my 14 years in the Local Network Organization I have held several different engineering positions including Outside Plant Engineering, Tactical Planning, Central Office Engineering, and Network Planning. In 1999, I was hired by Qwest Wireless as a Lead Network Engineer where I participated in building and planning a new state of the art Code Division Multiple Access ("CDMA") network.

In 2003, I began my current job as a Director in the Technical & Regulatory Group to represent Qwest in regulatory proceedings and to ensure compliance with regulatory requirements.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. The purpose of my testimony is to provide technical expertise on Disputed Issues Nos. 4 (Cageless Collocation Space Provisioning (Section 8.1.1.3)) and 5 (Regeneration Requirements (Sections 8.2.1.23.1.4, 8.3.1.9, 9.1.10)). I will demonstrate that Qwest's language for the parties' Interconnection Agreement ("ICA") is operationally and technically reasonable and consistent with regulations for regeneration in the cageless collocation and regeneration in the central office.

III. DISPUTED ISSUE 4: CAGELESS COLLOCATION SPACE PROVISIONING (SECTION 8.1.1.3)

Q. PLEASE EXPLAIN ISSUE 4.

A. Issue 4 relates to Covad's proposal to include in the provision describing cageless physical collocation (Section 8.1.1.3) the following sentence "Qwest shall provide such space [collocation space] in an efficient manner that minimizes the time and costs." Qwest objects to inclusion of this language because it is vague, ambiguous and subject to numerous interpretations.

Q. WHAT IS A CAGELESS PHYSICAL COLLOCATION?

A. Cageless physical collocation is a non-secured, non-caged collocation space in a Qwest premises. Therefore, carriers collocating in a Qwest premises, including Qwest, are not physically separated from one another by a caged barrier. This collocation option facilitates the placement of the CLEC's equipment in new or existing line-ups which often are next to or near Qwest's own equipment. One of the benefits of establishing collocation in this manner may eliminate the need for regeneration due to the short distances between the CLEC's equipment and the network components in which a CLEC may want to access Qwest Unbundled Network Elements ("UNE").

Q. DOES THE FCC GIVE QWEST ANY GUIDANCE AS TO HOW SPACE SHOULD BE ALLOCATED FOR COLLOCATION?

A. Yes. The FCC gave guidance to the Incumbent Local Exchange Carriers ("ILECs") on the assignment of space for collocation in its Fourth Advanced Services Order.[1] The FCC did this because in *GTE v. FCC*, the D.C. Circuit found that the FCC's prior interpretation of collocation obligations appeared to "diverge from any realistic meaning of the statute, because the Commission has favored the [ILECs'] competitors in ways that exceed what is 'necessary' to achieve reasonable 'physical collocation' and in ways that may result in unnecessary takings of [ILEC] property."[2] The D.C. Circuit vacated and remanded the First Advanced Services Order to the extent it gave requesting carriers the option of

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[1] *In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Fourth Report and Order (Fourth Advanced Services Order), CC Docket No. 98-147, (FCC 01-204) Rel. August 8, 2001.

selecting physical collocation space from among the unused space within the incumbent LEC's premises.[3] On remand, the FCC established principles to ensure the ILEC practices in assigning and configuring physical collocation space are consistent with the statutory requirement that the incumbent provide for physical collocation "on rates, terms, and conditions that are just, reasonable, and nondiscriminatory."[4] The FCC's rules require the ILEC to provide a report to a requesting carrier that details the space available in a particular office such that the CLEC can indicate its preferences prior to the assignment of the space. As the FCC stated: "We believe this approach [the space availability report] will help limit disputes over the availability of physical collocation space as well as the appropriateness of specific space assignments."[5] In fact, through the 271 proceedings, Qwest agreed to provide additional information with the space availability reports that was not required by the FCC.[6] There is no dispute here about this space availability report, which the parties' agreement addresses.[7] Thus, Covad can acquire information about space that is available in a particular premise and the collocation application forms provide a section for the CLEC to indicate its preferences or special needs.

In addition, even though it is not required according to the D.C. Circuit's decision and by the Fourth Advanced Services Order, Qwest provides CLECs the ability to request a tour of

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2 *GTE Service Corp. v. FCC*, 205 F.3d 416, 421 (D.C. Cir. 2000).

3 *Id.* at ¶ 426

4 *Fourth Advanced Services Order*, CC Docket 980147, (FCC 01-204) Rel. August 8, 2001, ¶ 92.

5 *Id. at* ¶ 97.

6 *See*, ICA and Qwest's 8th Revised Statement of Generally Available Terms ("8th Revised SGAT") at § 8.2.1.9.

the premises to view the available space after which the CLEC may request, and Qwest will provide, any space that is available. Thus, Qwest goes well beyond what is required by the FCC and the courts in trying to accommodate Covad's collocation needs.

Q. HOW DOES QWEST PROVISION CAGELESS PHYSICAL COLLOCATION SPACE FOR A REQUESTING CLEC?

A. In considering a location for any type of collocation, Qwest takes into account all applications for available space, interconnection terminations, power requirements, heat dissipation, grounding, and security. It is Qwest's responsibility to manage space for itself and others to maximize space usage and minimize conflicts among all competitive parties using collocation space. Qwest provisions collocation space on a "first come first served basis"[8] and encourages CLECs to forecast their space needs so that Qwest may plan for anticipated space requirements. Qwest evaluates, in accordance with FCC rules, each CLEC collocation request based upon space availability at the time it is received to determine the most appropriate location in the premises to fulfill the CLEC's needs. If the request is for additional space (i.e., an augment to the initial space), Qwest attempts to make contiguous space available. If adjoining space is not available, Qwest provides a route between the CLEC's collocation spaces connecting a CLEC's non-adjoining collocation spaces.

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7 *See*, ICA at 8.2.1.9.

8 47 CFR § 51.323(f)(1).

Q. IF THE CLEC IS NOT SATISFIED WITH THE ASSIGNED SPACE PROVIDED BY QWEST, WILL QWEST WORK WITH THE CLEC TO DETERMINE IF AN ALTERNATIVE LOCATION IS AVAILABLE?

A. Yes. Qwest first provides the CLEC with a Collocation Application form on which the CLEC indicates its first, second, and third choices, its desired space, and type of collocation requested. Qwest next conducts a feasibility study which confirms the location reserved pursuant to the CLEC's request for collocation. If the CLEC is not satisfied with the assigned location, a CLEC representative may tour the entire premises with Qwest personnel. If an alternative location is identified and requested by the CLEC on the site visit and this location is available, Qwest will provide that space for the CLEC.

Q. IS COVAD'S PROPOSED ADDITIONAL LANGUAGE APPROPRIATE TO CLARIFY QWEST'S OBLIGATIONS REGARDING CAGELESS PHYSICAL COLLOCATION PROVISIONING?

A. No. Section 8.1.1.3 defines cageless physical collocation, which is one type of collocation. It specifies the minimum square footage in which space is made available for this type of collocation and outlines the responsibilities of the requesting CLEC. This definition reflects the consensus reached by CLECs during the Section 271 proceedings and is based upon the definition of cageless collocation in the FCC's rules.[9] Covad's vague and general proposed language requiring Qwest to "minimize the time and costs" associated with provisioning this type of collocation merely introduces ambiguity into the definition,

potentially providing Covad with an open-ended invitation to dispute any allocation of this space.

Q. IN SUPPORT OF QWEST'S PROCESSES IN ASSIGNING COLLOCATION SPACE, CAN YOU PROVIDE SOME BACKGROUND REGARDING CAGELESS COLLOCATION?

A. Yes. To understand how Qwest's allocation of cageless collocation is consistent with Qwest's proposed Section 8.1.1.3 and why it is undesirable to include the language Covad proposes, some history of collocation is instructive. Collocation requirements were initially developed for interconnection with interexchange carriers under the FCC's Expanded Interconnection Orders.[10] After the passage of the 1996 Telecommunications Act ("1996 Act"), the FCC initially adopted the existing Expanded Interconnection requirements for interconnection with CLECs in its First Interconnection Order in August of 1996.[11] Basically, space was arranged under the old Expanded Interconnection Orders and then under the initial local competition rules of the FCC.

Following the passage of the 1996 Act, the telecommunications industry was booming, availability of venture capital was on the rise, and Qwest's access lines were growing at phenomenal rates. CLECs forecasted a great need for caged collocation, which necessitated unique space requirements that could not be integrated into the existing frame

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9 47 CFR § 51.323(k)(2).

10 *Expanded Interconnection with Local Telephone Company Facilities*, CC Docket No. 91-141.

line-ups due to the caged enclosure. As a result, Qwest designed and built space separate from Qwest's equipment in anticipation that the forecasted demand for caged collocation would be realized. As demand for caged physical space continued to increase and space capacity decreased, Qwest took the initiative to create a new version of collocation – Cageless Physical Collocation – which was introduced in 1998.[12] This product offering allowed Qwest to allocate smaller increments of central office space in an efficient manner for those CLECs not wanting the larger blocks of caged space. It also facilitated interconnection between CLECs within a given central office and often reduced the overall distance between CLEC collocation equipment. Unfortunately, the CLECs' forecasted needs did not result in orders for collocation, and in the early 2000s, when the telecommunications industry experienced a significant downturn, Qwest was left with a great deal of vacant and available collocation space. This downturn in demand from the CLEC community coupled with Qwest's offering of Cageless Physical Collocation resulted in a significant amount of vacant space beginning in 2001.

Thus, prior to the advent of Cageless Physical Collocation, Qwest planned space (which included the necessary infrastructure such as HVAC and power facilities) only for caged collocation in areas that were separate from Qwest's own equipment. When the telecommunications bubble collapsed and collocation demand subsided, Qwest was left

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[11] *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, First Report and Order, CC Docket No. 96-98, ("*First Interconnection Order*"), rel. August 8, 1996, ¶ 565.

[12] The FCC did not require ILECs to offer cageless collocation until 1999. *In the Matters of Deployment of Wireline Services Offering Advanced Telecommunications Capability*, 14 FCC Rcd 4761 (1999).

with significant sunk costs in floor space, power, HVAC, and overhead racking, and no CLEC to lease the space from it. While the telecommunications industry is slowly recovering, Qwest continues to have more collocation space than CLECs demand.

Q. DOES QWEST PROVIDE COST INCENTIVES TO CLECS TO RESERVE OR UTILIZE THE VACANT SPACE?

A. Yes. Contrary to Covad's assertions that Qwest deliberately builds new collocation space rather than using available space with existing power and HVAC, Qwest voluntarily offers a product, available today, through the Change Management Process ("CMP") for "Available Inventory." Instead of dismantling the excess collocation spaces left in the wake of the glut, Qwest makes those collocation spaces available to CLECs at a discounted price. Qwest developed this product offering with the CLECs through CMP to promote collocation and to provide a cheaper alternative for CLECs.

Q. PLEASE DESCRIBE QWEST'S VOLUNTARY AVAILABLE INVENTORY COLLOCATION OFFERING.

A. Initially, Qwest offered existing built-out collocation space to CLECs for a fifty percent discount where space became available due to a CLEC vacating a collocation space. In the first and second quarter of this year, Qwest made another offer on existing collocation space for an additional twenty-five percent discount making the total discount for existing collocation space seventy-five percent for those special sites which contained abandoned CLEC equipment and possibly a power source. This special promotion sunset at the end of

the second quarter. However, Qwest continues to offer the Available Inventory product on a 50% non recurring discount on an ongoing basis. Qwest posts the available inventory of collocation space ("Collocation Classifieds") on Qwest's disclosure website at **http://www.qwest.com/wholesale/collocation_space.html**. The CLECs can find an amendment contract for the reduced price for available inventory collocation space under amendments at **http://www.qwest.com/wholesale/clecs/amendments.html**. Thus, Qwest recognized the existence of vacant collocation space, and in an effort to optimize use of the space, has voluntarily identified to the CLEC community the available supply at a significantly discounted price for Cageless Physical and Caged Collocation.

Q. CAN CLECS MITIGATE ANY NEGATIVE FINANCIAL IMPACT THAT A COLLOCATION ASSIGNMENT MAY CREATE?

A. Yes. By accurately forecasting their collocation needs, a CLEC may help minimize the time and costs to itself of a collocation request. Qwest has developed a space reservation and space option product which allows the CLEC the opportunity to set aside collocation space and reserve breaker positions on Battery Distribution Fuse Boards ("BDFB"). For instance, a CLEC may plan to place its DSLAMs in one bay, splitters in another, DSX panels in another bay, and aggregate its electronics in the fourth bay where potential growth in all four bays is built into its forecasted plan. The CLEC would know the dimensions of the equipment so as to plan the number of shelves of equipment that fit into each bay. Thus a CLEC can efficiently plan and forecast space, power, and HVAC based upon its own equipment specifications. Also, because Qwest offers location choices

depending on available space, CLECs have additional opportunities to engineer to help reduce their costs and fulfill their future needs.

Q. WHAT WILL BE THE EFFECT OF INCLUDING COVAD'S REQUESTED LANGUAGE IN THE INTERCONNECTION AGREEMENT?

A. Regardless of whether the language "Qwest shall provide such space in an efficient manner that minimizes the time and costs" is included or excluded in the parties' interconnection agreement, Qwest provisions collocation requests in accordance with the FCC's rules and as developed through the Section 271 proceedings.[13] The "costs" associated with collocation are decided by this Commission during cost docket hearings. The "time" is negotiated between Qwest and each CLEC and agreed to for multiple product offerings and then published in the service interval guide ("SIG"). Also, Qwest already commits to providing "collocation on rates, terms and conditions that are just, reasonable and nondiscriminatory" in the agreement.[14] Inclusion of Covad's requested language will only add ambiguity and create disputes, rather than clarifying the parties' obligations.

IV. DISPUTED ISSUE 5: REGENERATION REQUIREMENTS (SECTIONS 8.2.1.23.1.4, 8.3.1.9, 9.1.10)

Q. PLEASE EXPLAIN ISSUE 5.

A. Covad's proposal requires Qwest to provide as a wholesale interconnection product channel regeneration for CLEC-to-CLEC Connections. Under certain circumstances,

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[13] *See* ICA and 8th Revised SGAT at § 8.2.1.10

Covad would have Qwest provide such service at no charge to Covad. The affected sections of the ICA are 8.2.1.23.1.4, 8.3.1.9, and 9.1.10.

Q. TO PUT THIS DISPUTE IN CONTEXT, PLEASE GENERALLY DESCRIBE THE PARTIES' FUNDAMENTAL DISAGREEMENT.

A. The parties fundamentally disagree on whether Qwest is required to provide a wholesale channel regeneration product on a CLEC-to-CLEC connection.

Q. WHAT IS CHANNEL REGENERATION AND WHY IS IT NECESSARY?

A. Channel regeneration is required when the length of a circuit prevents the transmission of the proper signal strength to the point where the signal quality is degraded. There are industry standards, based on signal quality, that limit the length of the cables that join pieces of equipment. If the length of the cable exceeds the requirements as provided by the American National Standard Institute ("ANSI") Standard T1.102-2003 "Digital Hierarchy-Electrical Interface; Annex B" then, regeneration of the signal is required to satisfy acceptable signal levels and circuit performance.

Q. DOES QWEST PROVIDE CLEC-TO-*QWEST* CHANNEL REGENERATION?

A. Yes. Qwest's proposed language on this issue, which reflects Qwest's current policy, provides that Qwest will provide regeneration without charge between Covad's collocation space and Qwest's network, i.e. CLEC-to-ILEC. This language is consistent with the

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[14] *See* ICA and 8th Revised SGAT at § 8.2.1.1.

Commission's orders arising from the section 271 workshops, in which the Commission found that Qwest must furnish any regeneration required in cross-connection between itself and CLECs.[15]

Q. IS QWEST OBLIGATED TO PROVIDE CLEC-TO-CLEC REGENERATION AS A WHOLESALE SERVICE?

A. No. Qwest is not obligated to manage or facilitate a CLEC's circuit service or any other coordination effort with the network of a third party CLEC. Qwest provides CLECs with access to its central offices and collocation space and routes within the central office which enables CLECs to properly engineer both cabling and cross-connections between CLECs without Qwest involvement or intervention.

Q. DOES QWEST OFFER CLEC-TO-CLEC CHANNEL REGENERATION AS A RETAIL PRODUCT?

A. Yes. In cases where regeneration is required on circuits between two CLECs, Qwest offers channel regeneration as a "finished service" to CLECs out of its FCC 1 Access Tariff. Where a CLEC requests that Qwest provide the CLEC-to-CLEC channel regeneration, the

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[15] Eleventh Supplemental Order; Initial Order Finding Noncompliance on Collocation Issues, *Investigation into U S WEST Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996, U S WEST Communications, Inc.'s Statement of Generally Available Terms Pursuant to Section 252(f) of the Telecommunications Act of 1996,* Docket Nos. UT-003022, UT-003040 (Aug. 2001), at ¶ 92 ("Qwest must furnish any regeneration required in cross-connection between LECs and CLECs"). *See also* Fifteenth Supplemental Order, Commission Order Addressing Workshop Two Issues: Checklist Items Nos. 1, 11, and 14, *Investigation into U S WEST Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996, U S WEST Communications, Inc.'s Statement of Generally Available Terms Pursuant to Section 252(f) of the Telecommunications Act of 1996,* Docket Nos. UT-003022, UT-003040 (Aug. 2001), at ¶ 60 ("the March 2001 Initial Order found that Qwest must furnish any regeneration required in cross-connections between itself and CLECs").

CLEC would purchase a private line or access service from Qwest and Qwest would design the service to include the necessary channel regeneration.

Q. WHAT IS A FINISHED SERVICE?

A. A finished service is a complete end-to-end service, such as a private line or access service, offered by Qwest to wholesale or retail customers. The definition of 'finished services' was agreed to through the 271 workshops.[16]

Q. IN QWEST'S EXPERIENCE DOES A CLEC-TO-CLEC CONNECTION TYPICALLY REQUIRE REGENERATION?

A. No. Except for all but a handful of central offices, there would be no requirement for regeneration even if the CLECs were placed at the far ends of a central office from each other. This in part is due to the size of most Qwest's central offices and more importantly due to the fact that Qwest designs interconnection to a common ICDF and provides access to that common ICDF for CLEC-to-CLEC cross connects.

Q. COVAD HAS ASSERTED ELSEWHERE THAT QWEST PROVIDES REGENERATION ON A CLEC-TO-CLEC CROSS CONNECTION AS A WHOLESALE PRODUCT. PLEASE COMMENT.

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[16] *See* ICA and 8th Revised SGAT at Section 4, Definitions for Finished Services.

A. Covad's assertion is incorrect. The wholesale product known as COCC-X is a Qwest cross connect product which CLECs may order. This product, however, does not include regeneration.

Q. WHAT OPTIONS, OTHER THAN PURCHASING A FINISHED SERVICE, ARE AVAILABLE WHEN REGENERATION IS NECESSARY TO MEET THE ANSI STANDARDS ON A CLEC-TO-CLEC CONNECTION?

A. When a CLEC chooses to connect to another CLEC either CLEC may regenerate the signal from its collocation space to boost the signal to meet the requirements of the ANSI standard. Qwest is not involved in actually provisioning the regeneration. Since the CLEC's facilities must traverse Qwest's route, however, Qwest will identify the route and provide the CLECs with information regarding the footage between the them, so that the CLECs may properly design and provision the connection.

Q. WHAT IS QWEST'S PROPOSED LANGUAGE FOR SECTION 8.2.1.23.1.4?

A. Qwest proposes the following for section 8.2.1.23.1.4:

> 8.2.1.23.1.4 CLEC is responsible for the end-to-end service design that uses ICDF Cross Connection to ensure that the resulting service meets its Customer's needs. This is accomplished by CLEC using the Design Layout Record (DLR) for the service connection.

Q. WHAT LANGUAGE DOES COVAD PROPOSE FOR SECTION 8.2.1.23.1.4?

A. Covad's proposed changes to Section 8.2.1.23.1.4 are underlined below:

> 8.2.1.23.1.4 CLEC is responsible for the end-to-end service design that uses ICDF Cross Connection to ensure that the resulting service meets its Customer's needs. This is accomplished by CLEC using the Design Layout Record (DLR) for the service connection. Depending on the distance parameters of the combination, regeneration may be required but Qwest shall not charge CLEC for such regeneration, if there does not exist in the affected Premises, another Collocation space whose use by CLEC would not have required regeneration, and such a space would not have existed except for Qwest's reservation of the space for its own future use.

Q. WHAT LANGUAGE IS PROPOSED FOR SECTION 8.3.1.9?

A. Qwest proposes to leave this section blank, however, Covad's proposed language appears below in underline:

> 8.3.1.9 Channel Regeneration Charge. Required when the distance from the leased physical space (for Caged or Cageless Physical Collocation) or from the collocated equipment (for Virtual Collocation) to the Qwest network is of sufficient length to require regeneration. Channel Regeneration Charges shall not apply until the Commission approves Qwest's authentication plan. After approval of the authentication plan, Channel Regeneration Charges shall not apply if Qwest fails to make available to CLEC: (a) a requested, available location at which regeneration would not be necessary or (b) Collocation space that would have been available and sufficient, but for its reservation for the future use of Qwest. Channel Regeneration will not be charged separately for Interconnection between a Collocation space and Qwest's network or between non-contiguous Collocation spaces of the same CLEC or to connect to the Collocation space of another CLEC. Channel Regeneration will not be charged separately for facilities used by CLEC to access Unbundled Network Elements

and ancillary services from the Collocation space, but if based on the ANSI Standard for cable distance limitations, regeneration would not be required but is specifically requested by CLEC, then the Channel Regeneration Charge would apply. If Channel Regeneration is required, based on the ANSI standard for cable distance limitations, Qwest will recover the costs indirectly and on a proportionate basis with equal sharing of the costs among all collocators and Qwest. Cable distance limitations are addressed in ANSI Standard T1.102-1993 "Digital Hierarchy – Electrical Interface; Annex B."

Q. WHAT IS QWEST'S PROPOSED LANGUAGE FOR SECTION 9.1.10?

A. Qwest's proposed language for Section 9.1.10 is as follows:

9.1.10 Channel Regeneration. Qwest's design will ensure the cable between the Qwest provided active elements and the DSX will meet the proper signal level requirements. Channel Regeneration will not be charged separately for Interconnection between a collocation space and Qwest's network. Cable distance limitations are addressed in ANSI Standard T1.102-1993 "Digital Hierarchy – Electrical Interface; Annex B".

Q. WHAT DOES COVAD PROPOSE FOR SECTION 9.1.10?

A. Covad proposes striking the entire section.

Q. WHAT IS THE PURPOSE OF SECTION 8.2.1.23 OF THE ICA?

A. Section 8.2.1.23 of the ICA addresses the availability of and the parties' responsibilities for CLEC-to-CLEC connections at the ICDF.

Q. DOES SECTION 8.2.1.23, OR ANY OF ITS SUBPARTS CONTEMPLATE REGENERATION ON A CLEC-TO-CLEC CONNECTION?

A. No. Covad's proposed addition to Section 8.2.1.23.1.4, however, seeks to inappropriately bind Qwest to providing regeneration at no charge to Covad if a determination is made that at the time Qwest originally provisioned Covad's collocation space, Qwest had not reserved for itself space that in hind sight, if assigned to Covad, would have eliminated the current need for regeneration.

Q. HOW DOES COVAD'S PROPOSED LANGUAGE IN SECTION 8.2.1.23.1.4 AFFECT QWEST?

A. As provided in the beginning of section 8.2.1.23.4 it is undisputed that "CLEC is responsible for the end-to-end service design that uses CLEC-to-CLEC Cross Connections to ensure that the resulting service meets its customer needs. This is accomplished by the CLEC using the Design Layout Record ("DLR") for the service connection."[17] The DLR is provided to the CLEC at the time collocation is established. Depending on the type of request by the CLEC, Qwest provides a path and length for CLEC-to-CLEC Direct Connects or CLEC-to-CLEC Cross Connects to facilitate a connection between CLEC collocations. This section clearly enunciates CLECs' responsibility of designing and provisioning the end to end service for its customers in compliance with ANSI standards. Covad's proposal, however, would have Qwest assume the responsibility to adhere to the

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[17] *See,* ICA and Qwest's 8th Revised SGAT at § 8.2.1.23.4.

ANSI standard by requiring Qwest to provision the end-to-end circuit design. This, as described above, is a Covad function not a Qwest function.

In proposing the addition of the following language: "[d]epending on distance parameters of the combination, regeneration may be required but Qwest shall not charge CLEC for such regeneration, if there does not exist in the affected Premises, another Collocation space whose use by CLEC would not have required regeneration, and such a space would not have existed except for Qwest's reservation of the space for its future use", Covad seeks to subject Qwest to a hindsight analysis of Qwest's prior collocation assignments, and prior, proper application of its right to reserve space for itself. For example, assume that CLEC A applies for collocation from Qwest in year 2001, and as described in my testimony on Issue 4, Qwest offers multiple options until the CLEC accepts the location that best meets the terms of the business need as requested. In year 2002, assume that CLEC B submits a request with Qwest and once again the business condition is satisfied. Qwest at the time of the initial application fulfills both CLEC requests and both CLECs accept collocation under the terms of the agreement. Assume further that in 2004, CLEC A and CLEC B make a business decision to form a partnership and to interconnect with each other between their separate collocation spaces as established earlier. It is inherently unfair and unjust for Qwest to have assigned collocation space which is accepted by the CLEC, and then to have the CLEC -- perhaps many years later as a result of a change in its business plan -- be entitled to question, object to, and profit financially from, Qwest's collocation assignment.

Q. IS COVAD'S PROPOSAL FOR QWEST TO PROVIDE REGENERATION FOR CLEC-TO-CLEC CONNECTIONS AT NO CHARGE TO CLEC REASONABLE?

A. No. Covad makes such requests under the unfounded assumption that Qwest purposely provisions collocation space for CLECs on different floors or at opposite corners of the central office, thereby making regeneration necessary, and thereby increasing the cost of CLEC cross-connections. This is simply not the case, as explained in my testimony on Issue 4.

V. SUMMARY AND CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY?

A. Covad's proposed addition to Issue 4 will add no value to the parties' understanding of their respective responsibilities under the ICA. Qwest's proposed language is consistent with the FCC's rules, regulations and supporting case law, and no where in that body of law is the requirement that Qwest provide CLEC-to-CLEC regeneration as a wholesale service. Qwest provides collocation space on a first come first served basis. Qwest cannot control the timing of individual CLEC collocation requests, the amount of space requested, or the evolution of CLEC relationships and future business decisions. It is predictable that CLEC business decisions over time may require circuit connections that need regeneration. It is unreasonable to expect Qwest to absorb the cost of regeneration as the result of third party partnerships, when Qwest is not involved in the exchange of traffic or the provision of any service related to the interconnection between third parties, especially when nothing precludes the CLEC from providing its own regeneration. Covad is insisting with its

language that Qwest be inserted as part of the circuit design between Covad and any other third party CLEC. As I have explained in detail Qwest has no place in the circuit design of a third party relationship. As set forth above, Qwest's language on these disputed issues is consistent with Qwest's obligations and reflects a fair and reasonable effort to meet Covad's concerns. Accordingly, the Commission should adopt Qwest's language on these disputed issues.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.