Exhibit WS-1T

**BEFORE THE**
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

| | | |
|---|---|---|
| In the Matter of the Joint Application of | ) | |
| | ) | |
| VERIZON COMMUNICATIONS INC. AND | ) | DOCKET NO. UT-090842 |
| FRONTIER COMMUNICATIONS | ) | |
| CORPORATION | ) | |
| | ) | |
| for an Order Declining to Assert Jurisdiction | ) | |
| Over, or, in the Alternative, Approving the | ) | |
| Indirect Transfer of Control of Verizon | ) | |
| Northwest Inc. | ) | |
| ..... | ) | |

# TESTIMONY OF

# WILLIAM SOLIS

**On Behalf of**

**COMCAST PHONE OF WASHINGTON, LLC**

**** PUBLIC VERSION ****

November 3, 2009

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## I. INTRODUCTION AND SUMMARY

**Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.**

A. My name is William Solis. My business address is 5800 South Quebec Street, Greenwood Village, Colorado 80111. I am employed as Vice President of Voice Service Delivery Operations for Comcast Cable Communications, LLC. I am testifying on behalf of Comcast Phone of Washington, LLC ("Comcast").

**Q. PLEASE SUMMARIZE YOUR CURRENT RESPONSIBILITIES, EXPERIENCE AND EDUCATIONAL QUALIFICATIONS.**

A. I am responsible for wholesale provisioning for both Comcast and Comcast IP. In that capacity, I oversee a team of technical and management staff responsible for national voice service provisioning, activation, and repair. I am responsible for ensuring efficient and timely delivery of service to new voice customers, fulfilling existing customer initiated order requests, updating ancillary databases (*e.g.*, E-911 and directory assistance) and resolving problems with voice services.

I hold a Bachelor of Science degree in Civil Engineering from Michigan Technological University and am a licensed professional engineer in the state of Colorado. I have been with Comcast and its predecessor companies for over 15 years. I began my telecommunications career with Teleport Communications Group, which was subsequently purchased by AT&T, and have held a variety of executive, operational, provisioning, project management, and customer service positions supporting both commercial business and residential customers. In 2000, I transitioned from AT&T Local Services to AT&T Broadband as Vice President to

support national provisioning of AT&T Broadband's circuit-switched residential voice services. In 2004, following the acquisition of AT&T Broadband by Comcast, in addition to continuing to support provisioning and fulfillment activities of our existing circuit-switched and growing Internet protocol ("IP") voice residential businesses, I oversaw network planning and interconnection transport engineering and access ordering, switch configuration planning and implementation, legal demand center, customer voice billing operations, and carrier management departments. In 2007, as Comcast's voice operation and business continued to mature, I assumed sole responsibility for supporting service repair and provisioning activities within Comcast's National Customer Activation and Repair department.

**Q. PLEASE DISCUSS COMCAST'S SERVICES IN WASHINGTON, AND THE REASON IT INTERVENED IN THIS PROCEEDING.**

A. Comcast is a registered telecommunications carrier in Washington. Among other things, Comcast provides wholesale "PSTN interconnection services" to its interconnected voice over Internet protocol ("VoIP") service provider affiliate, Comcast IP Phone II ("Comcast IP") as well as originating and terminating exchange access services to interexchange carriers ("IXCs"). The service is available on a common carrier basis to other facilities-based providers of interconnected VoIP service pursuant to Comcast's Washington service catalog and federal tariffs. *See* http://www.comcast.com/MediaLibrary/1/1/About/PhoneTermsOfService/PDF/interconnection/Local_Interconnection_Service.pdf.

Comcast IP and its affiliates in 37 states and the District of Columbia began providing interconnected VoIP services in 2005 and now have more than 7 million customers nationwide, including over *** **BEGIN CONFIDENTIAL** *** *** **END CONFIDENTIAL** *** in Washington. Comcast IP markets its interconnected VoIP service offering under the trade name, "Comcast Digital Voice" or "CDV."

The tremendous growth of CDV and the benefits that consumers have derived from the service would not have been possible without the systems that support wholesale carrier-to-carrier transactions, known in the business as operational support systems ("OSS"). OSS refers, broadly, to the systems, databases and information used by the incumbent local exchange carrier ("ILEC") to facilitate preordering, ordering, provisioning, maintenance and repair of wholesale and retail services.

Most of Comcast IP's customers have been "won" from ILECs like Verizon Northwest Inc. ("Verizon"), who, as a result of various regulatory requirements, have put into place robust OSS interfaces so that end-users can easily and quickly transfer service from one service provider to another. These systems make local competition possible. Without them, the process for porting a customer would be too cumbersome and costly, and new entrant competitors would never have a chance to compete with the incumbents.

These systems are also used so that competitors can access centralized systems that are operated by only one carrier in a service territory. For example, consumers need only one white pages directory, and a directory is of no use if it is not

complete. ILECs, therefore, establish carrier-to-carrier processes so that competitors can place their customers' information into the directories that, in most places, the ILECs continue to publish. The same is true for emergency calling ("E-911") databases.

Comcast has intervened in this proceeding to ensure that if the sale of Verizon's properties to Frontier Communications Corporation ("Frontier") is approved, it does not adversely impact Comcast's ability to serve its current customers and so that it can continue to provide competitive and alternative service for new customers. This will require that Comcast continue to be able to obtain wholesale services from the "new Frontier" at rates, terms and conditions equal to what Verizon provides Comcast today. Comcast does not oppose, nor is it seeking to delay, the transaction. Comcast seeks only to ensure that the Washington Utilities and Transportation Commission ("Commission") puts into place reasonable conditions necessary to ensure the continuity of wholesale ordering and provisioning systems, services and operations so that consumers in Washington can continue receiving competitive voice services.

**Q. PLEASE EXPLAIN HOW VERIZON'S AND FRONTIER'S WHOLESALE SERVICES AFFECT A COMCAST RETAIL CUSTOMER'S EXPERIENCE.**

A. When a Washington consumer decides to move their voice services from the ILEC to Comcast, Comcast must initiate a carrier-to-carrier process to transfer the customer's telephone numbers, directory listings, 911 records, and other critical information. This process is initiated by Comcast's submission of an order, or initial request for

information, through the ILEC's automated OSS systems. Ideally, the order is submitted electronically and processed automatically. Automated processes minimize the amount of human intervention and the potential for error and are less costly.

When these processes do not work smoothly, service transfers can be delayed or blocked altogether. Retail customers may not be able to port their telephone number to new service providers, they may have problems accessing fully functional enhanced 911 service, or obtaining a proper listing of their name and number in printed directories. When such problems occur, the customer often assumes that the ***competitor*** is to blame, even though it may not be. In my experience, such problems are the main reason a prospective customer might cancel their pending service order and stay with the incumbent.

Similarly, Comcast relies on the ILEC's OSS to provision or augment interconnection facilities. (Interconnection facilities are used to link Comcast's network to the ILEC's, enabling the exchange of traffic so that customers on either party's network can call each other and to enable such services as 911.) If Comcast is unable to efficiently and timely establish or augment interconnection facilities, calls may not complete.

**Q. WHY DO YOU HAVE CONCERNS WITH THE PROPOSED TRANSACTION?**

A. Frontier and Verizon ("Joint Applicants") have provided vague, general assurances that everything will go smoothly. They have not, however, explained what steps they

will take to ensure that a smooth transition happens. Moreover – and this is my biggest concern – they have refused to enter into a comprehensive testing arrangement with affected CLECs, and to contract with an independent third-party auditor to verify and certify that the transition will, in fact, go smoothly ***before*** the new "replicated" Frontier systems go live and services are moved off of the existing Verizon systems. I cannot emphasize enough the importance of testing and verification, along with a third party certification that the replicated systems are ready for cutover to Frontier, and I urge the Commission to condition approval of the transaction on such testing and verification. My concern is reinforced by the fallout produced by two previous transactions Verizon recently completed in which it divested itself of service territories in New England and Hawaii. As Dr. Pelcovits notes with respect to Hawaiian Telcom and I detail below for FairPoint, in both transactions, Verizon failed to successfully transition the OSS, which negatively affected competitors' ability to process orders and, ultimately, the services provided to end-user consumers. The Commission needs to take steps to ensure that this does not happen again with the Frontier transaction.

**Q. WHAT FACTORS ADD TO THE COMPLEXITY OF THE PROPOSED TRANSITION?**

A. After closing, Frontier is poised to become an ILEC in Washington and a dramatically larger ILEC elsewhere. According to the data provided by the Joint Applicants, Frontier will serve the approximately 578,000 access lines that Verizon currently serves in this state. Frontier will go from having no local exchange

presence in Washington to becoming the second largest ILEC in the state. Nationally, Frontier will more than ***triple*** in size – from 2.25 million access lines to more than 7 million access lines. Clearly this is an enormous undertaking for Frontier, and one that will result in a corresponding dramatic increase in Frontier's interactions with CLECs. Under these circumstances, it is imperative that Frontier be required to operate and maintain Verizon's more sophisticated wholesale systems and procedures.

I am particularly concerned about the implications for Washington. After closing, Frontier will serve approximately 578,000 lines in Washington. The transaction encompasses 14 states in total, and the Washington portion of the transaction represents roughly twelve percent (12%) of the total number of access lines. Because the transaction involves so many states, and Washington represents a relatively small portion of the overall transaction, it is important for the Commission to ensure that Washington receives an adequate level of attention from the Joint Applicants.

## II. EXPERIENCE WITH VERIZON AND FRONTIER

**Q. PLEASE DESCRIBE THE EXTENT OF COMCAST'S CURRENT OPERATIONAL EXPERIENCE WITH VERIZON.**

A. On a nationwide basis, the service territories of affiliates of Verizon and Comcast

overlap in nineteen states and the District of Columbia, including Washington.[1] Over the last six months Comcast and its affiliates have executed approximately *** **BEGIN CONFIDENTIAL** *** *** **END CONFIDENTIAL** *** wholesale transactions with Verizon and its affiliates per month (across all of our territories). While Comcast takes issue with several Verizon business rules and number porting policies, we have found that Verizon's OSS arrangements and operating procedures work well overall, in large part because there is a high degree of automation in these systems, including electronic bonding capabilities, which Comcast uses.

Verizon did not establish these systems out of the goodness of its heart. Rather, high functioning OSS were mandated by regulators as the *quid pro quo* so that Verizon (f/k/a Bell Atlantic) could offer interexchange services (as part of the Section 271 approval process) and buy the former GTE. Regulators would not approve these expansions of Verizon's business without establishing wholesale OSS and change control processes that were capable of supporting robust competition. These systems and processes must be maintained.

**Q. PLEASE DESCRIBE THE EXTENT OF COMCAST'S CURRENT OPERATIONAL EXPERIENCE WITH FRONTIER.**

A. It is more limited. Nationally, Comcast and its affiliates and Frontier provide service

[1] The states are California, Delaware, Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, Oregon, Pennsylvania, South Carolina, Texas, Virginia, Washington, Wisconsin and West Virginia.

in overlapping service territories in ten (10) states.[2] Comcast and its affiliates execute a substantially smaller volume of transactions with Frontier than Verizon – approximately *** **BEGIN CONFIDENTIAL** *** *** **END CONFIDENTIAL** *** transactions per month. These are the same types of transactions we engage in with Verizon but, as I explain below, the process is very different.

Frontier's wholesale systems and procedures are substantially less sophisticated and less automated than Verizon's. The use of systems that are not fully automated results in increased human intervention, which in turn leads to more errors or omissions, the expenditure of additional resources, and ultimately longer provisioning intervals for some orders. These additional human errors or omissions ultimately impact the customer's service, affecting their ability to receive inbound calls after porting to the new service provider.

Verizon has *** **BEGIN CONFIDENTIAL** *** *** **END CONFIDENTIAL** *** currently effective interconnection agreements with CLECs in Washington.[3] Frontier has none. During calendar year 2008 Verizon processed more than *** **BEGIN CONFIDENTIAL** *** *** **END CONFIDENTIAL** *** number porting requests from competitors, and specifically for Comcast, Verizon has executed an average of *** **BEGIN**

[2] The states are California, Georgia, Indiana, Michigan, Minnesota, Mississippi, New York, Pennsylvania, Tennessee and West Virginia.

[3] Ex. MDP-3C (Joint Applicants' Confidential Response to Comcast Data Request ("DR") No. 7).

**CONFIDENTIAL ***** ***** END CONFIDENTIAL ***** port transactions per month.[4] Frontier processed no port requests for any carrier in Washington. Verizon has substantial experience providing wholesale service to CLECs in this state. Frontier has no such experience.

**Q. PLEASE DESCRIBE HOW YOU INTERFACE WITH FRONTIER FOR ORDER PROCESSING.**

A. Comcast and its affiliates, like all CLECs, order services from ILECs through the ILEC's OSS. As I mentioned earlier, Frontier's OSS are less sophisticated than Verizon's and have limited electronic bonding (or e-bonding) capabilities. E-bonding allows a competitive carrier's systems to directly interface with the ILEC's OSS, providing for the seamless flow of orders, return of order confirmation, auto population of data fields based on existing customer information, real time validation of input fields, and the exchange of related data without the need for human intervention. E-bonding greatly facilitates the ordering process, minimizes human error, and has been proven to be a critical function for processing meaningful order volumes.

Frontier's OSS does not provide e-bonding capabilities for local service requests or "LSRs", which are generally those orders types associated with preordering, ordering and maintenance for end user customers' services and ports. Since e-bonding is not available for these types of orders, Comcast affiliates are forced to place LSR orders with Frontier via a graphical user interface or GUI, which

[4] Ex. MDP-4C (Joint Applicants' Confidential Response to Comcast DR No. 56).

is much less operationally efficient.

Just recently, Frontier has made available e-bonding for submitting access service request or ASRs. This order type is generally associated with the purchase or augmentation of transport and interconnection facilities. Because e-bonding for ASRs has only recently been made available, Comcast affiliates have not yet had the ability to implement this functionality. As a result, orders for interconnection trunking must be submitted by e-mail by Comcast affiliates' third party partner. A technician must then manually enter the order information into Frontier's systems (where such systems exist) or process them manually.

Manual processes like Frontier's are more likely to lead to errors in the submission, receipt, confirmation and fulfillment of orders. Such processes are much more time consuming as they generally don't provide for real time validation of the entered data, or for the flow-through of orders without some type of human intervention.

**Q. DO THESE DIFFERENCES BETWEEN THE VERIZON AND FRONTIER SYSTEMS RAISE ANY CONCERNS?**

A. Yes, the differences raise several concerns about the potential impact on wholesale customers. First, Frontier will be acquiring and operating systems that are very different from its own in functionality, scope and scale. This migration will happen overnight and it is unclear if Frontier is equipped to handle such significant operational changes, which in turn creates significant operational uncertainly for wholesale customers and competitors. Second, Frontier's systems are not as

sophisticated as Verizon's, so it will result in a significant step backwards if wholesale customers and competitors like Comcast were forced to engage with less sophisticated systems like those currently used by Frontier.

## III. THERE IS INSUFFICIENT EVIDENCE TO CONCLUDE THAT WHOLESALE SERVICES AND SYSTEMS WILL BE SEAMLESSLY TRANSITIONED, AND ADEQUATELY SUSTAINED, AFTER CLOSING

**Q. VERIZON'S AND FRONTIER'S WITNESSES HAVE STATED THAT VERIZON'S EXISTING WHOLESALE SYSTEMS AND PROCEDURES WILL BE MAINTAINED. DOES THAT ADDRESS YOUR CONCERN?**

A. No. From my perspective, the most significant aspect of this transaction is the process by which Verizon's wholesale systems will be transferred to Frontier. Because the Joint Applicants have not provided many details about this process, we don't know how it will occur, and whether they will take all the steps necessary to ensure that there is no negative impact on wholesale customers like Comcast, and ultimately, Washington consumers.

Moreover, Frontier provides no information as to how long it will maintain Verizon's existing wholesale systems and operating procedures or assurances that a future decision will not be made to migrate back to Frontier's current and more manual systems interfaces. We don't know whether Frontier will abandon Verizon's current systems and procedures one, five, or ten years after the transaction is completed.

**Q. WHAT INFORMATION HAVE THE JOINT APPLICANTS PROVIDED ABOUT THE PLANNED TRANSFER OF WHOLESALE SYSTEMS?**

A. Verizon's witness, Timothy McCallion, stated in his prefiled direct testimony that Verizon continues to use the centralized computer systems that Verizon obtained from GTE in 2000.[5] "These systems are used to run essential aspects of [Verizon's] business, such as retail ordering and billing, CLEC ordering and billing, network monitoring and maintenance, and all customer support functions...."[6] The Joint Applicants' plan, according to Mr. McCallion, is for "[t]he existing GTE systems [to] be replicated so that they may be transferred to Frontier as physically separate functional systems, and substantially identical to the existing systems."[7] Frontier's witness, Daniel McCarthy, adds in his direct testimony that "[t]hese separate, centralized systems will be dedicated to the operations being acquired by Frontier."[8]

The Merger Agreement between Verizon and Frontier states that Verizon will, prior to March 31, 2010, create a "separate instance" of software in its Fort Wayne, Indiana data center that will "provide functionality ***substantially*** similar to, but no less favorable to the [new Frontier company] than, that which the [new Frontier company] received from Verizon and its Affiliates as of the date of this Agreement."[9]

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[5] McCallion Direct at 14, lines 8-10.

[6] *Id.* at 14, lines 10-12.

[7] *Id.* at 15, lines 3-5.

[8] McCarthy Direct at 50, lines 14-15.

[9] *See* Section 7.24(c), Agreement and Plan of Merger (dated May 13, 2009) (attached as Exhibit 1 to the Joint Application) (emphasis added).

Comcast has also obtained a bit of additional information through discovery and the Joint Applicants' presentation at the technical conference convened by Commission Staff in August 2009. The transition from Verizon to Frontier apparently will *not* be seamless. To the contrary, every single electronic interface that CLECs currently have with Verizon will need to be reestablished. These "replicated" systems, while titled in Frontier's name, will largely be supported, at least initially, by technical personnel and other resources retained by Verizon. Frontier will pay Verizon a fee of $94 million for the first year alone to maintain the systems after the closing.

Most recently, Verizon made presentations to Commission Staff on October 13, 2009, and to the staff of the Public Utility Commission of Oregon on October 15, 2009, in which Verizon disclosed additional information. I understand from counsel who attended those presentations that Verizon stated that it is developing its test plan for the replicated systems, but as of that date, Verizon did not know when that test plan would be developed. Verizon will share the results of its internal testing with Frontier but will not share those results with CLECs or state commissions. Frontier will review those results, after which it will develop its own testing plan, although Frontier has not established any date by which it will do so.

Verizon intends to turn up the replicated systems on April 1, 2010, and on and after that date, all OSS activity for the Verizon service territory will be handled by those replicated systems. Prior to that date, CLECs will be able to test their interfaces with the replicated systems but will not be able to test the systems themselves. The

first opportunity CLECs will have to determine how well the replicated systems work is when they place live orders for actual customers beginning on April 1, 2010. Verizon will use the replicated systems to serve retail and wholesale customers for 60 days prior to close. Although the need to remedy "material" systemic problems would be a basis on which the closing could be delayed, Frontier in its sole discretion will make that determination. Counsel for Verizon confirmed that two pages discussing this process in Verizon's highly confidential presentations contain only non-confidential information, and those pages are attached as Exhibit WS-2.

**Q. WHAT ARE YOUR CONCERNS WITH THE JOINT APPLICANTS' PLAN TO REPLICATE VERIZON'S WHOLESALE SYSTEMS?**

A. First, it is not clear ***how*** Verizon and Frontier plan to "replicate" Verizon's OSS. Initially, Verizon provided data in the August technical conference in this proceeding suggesting that there are *** **BEGIN CONFIDENTIAL** *** *** **END CONFIDENTIAL** *** systems to be replicated.[10] More recently in its highly confidential presentation to Commission Staff on October 13, 2009, I understand from counsel that Verizon provided conflicting data indicating that there are substantially fewer but still a large number of systems to be replicated. The Joint Applicants have not provided any explanation for these conflicting figures, but whatever the final number, it is clear that there are many systems, and an untold quantity of data, that will have to be replicated and migrated as part of this process.

[10] Ex. WS-3C (Realignment Overview, Aug. 20, 2009, at 13).

Comcast requested that the Joint Applicants explain this process in its discovery requests, but they declined to provide any details. All they did was point back to the very limited discussion of this issue (a mere 7 lines in total) in the testimony of Verizon witness Mr. McCallion.[11] In discovery, Comcast also asked for copies of any plans, arrangements, or agreements describing the planned systems transition. They provided only a single document, entitled "Realignment Plan," that, according to the cover letter transmitting it to Commission Staff and the parties, provides only an overview of the planned realignment of network systems from Verizon to Frontier. The document itself is marked as "highly confidential," but I am informed by counsel that it, like the confidential Realignment Overview presented at the August technical conference, offers very little detail regarding the plans to replicate systems used for wholesale services. Similarly, when Comcast asked the Joint Applicants to provide any back up, contingency, or secondary plans, to address the potential that the systems transition did not proceed as expected, they provided no documents.[12]

Collectively, the Joint Applicants' responses (to some very basic questions) in discovery and during the technical conferences indicate that Verizon and Frontier have not actually developed specific plans, or developed any back-up, or contingency, plans if the systems replication process fails. The lack of any detailed replication or back-up plans is significant because Mr. McCallion acknowledged in a deposition

[11] Ex. WS-4 (Joint Applicants' Response to Comcast DR No. 26).

[12] Ex. WS-5 (Joint Applicants' Response to Comcast DR Nos. 30 and 31).

taken in conjunction with the Public Utilities Commission of Ohio's review of the transaction that the replication process they are proposing here has never been attempted on this scale, or for these purposes.[13]

Second, although the Verizon and Frontier witnesses state that there will be no impact on competitors, the contract language governing the replication of these systems states that the "separate instance" of software created from the Fort Wayne, Indiana data center will "provide functionality ***substantially similar*** to" that which is currently used by Verizon. This provision concerns me for two reasons. First, what does "substantially similar" mean? It suggests that there may be some differences between the existing system, and the yet-to-be replicated system. What those differences are and how they will impact wholesale customers are simply unknown. A second concern is that the Merger Agreement provides that the wholesale systems functionality will be no less favorable ***for Frontier*** only. It provides no assurance that ***CLECs*** (and their customers) will not receive less favorable functionality.

**Q. HOW WILL WE KNOW IF THE REPLICATED SYSTEMS ARE CAPABLE OF PROCESSING WHOLESALE ORDERS AT REQUIRED VOLUMES?**

A. We won't; and that is Comcast's main concern. Verizon and Frontier do not intend to rely upon any independent third-party verification, auditing, or certification of the replicated systems.[14] Further, Verizon and Frontier have stated that they will not engage in interoperability testing in advance of the replicated systems going "live" to

[13] Ex. WS-6 (McCallion Ohio Deposition at 18, line 20 through 19, line 23) ("We haven't done it for a transaction such as this....").

[14] Ex. WS-7 (Joint Applicants' Response to Comcast DR No. 19).

ensure interoperability of wholesale ordering is maintained. During recent depositions, Verizon and Frontier's witnesses both rejected the notion that testing should occur. Verizon's witness, Mr. McCallion, acknowledged there are no formal plans for testing, and asserted that "we don't think that testing of systems ... needs to occur."[15] Adding to this point, Frontier's witness, Mr. McCarthy, stated that no test "scheme" has been developed, and that Frontier does not plan to have any CLECs engage in testing of the replicated systems.[16] This appears to be a step back from earlier statements, where the companies said, in response to discovery requests, that they would at least "evaluate" CLEC requests to engage in testing.[17] Verizon confirmed its latest position during its October 13, 2009 presentation to Commission Staff. The Joint Applicants' unwillingness to engage in testing is problematic because the replication process is unprecedented (as Mr. McCallion admits), and without testing Comcast will have no assurance that the replicated systems will operate in a manner identical to the original systems. Indeed, under the scenario the Joint Applicants envision, the first opportunity that Comcast or any other CLEC would have to "test" the operations of the replicated systems is when Comcast places actual customer orders beginning on April 1, 2010, when those systems go "live." The Commission should take a dim view of using end user customers as test subjects to determine whether Verizon's replicated systems operate properly.

[15] Ex. WS-8 (McCallion Ohio Deposition at 49, line 16 to 50, line 2).

[16] Ex. WS-9 ((McCarthy Ohio Deposition at 50, lines 13-24 and 54, lines 5-9).

[17] Ex. WS-10 (Joint Applicants' Response to Comcast DR No. 24).

As I explain below, the Commission needs to put into place a robust testing and certification process to assure that the transition goes smoothly and has minimal impact on consumers and consumer choice. And as I note below, this process does not need to be invented from whole cloth. Verizon's current OSS "change control" process, supplemented by third-party auditing, is a good place to start.

**Q. PLEASE DESCRIBE THE TESTING THAT SHOULD OCCUR.**

A. The Commission should order the Joint Applicants to engage in testing with interested CLECs, and require both interoperability and transactional testing. Interoperability testing assesses the ability for two systems to interface and operate in a cohesive manner. Transactional testing involves the exchange of wholesale orders and service requests (i.e. the "transactions" between two service providers). Although Verizon's witness Mr. McCallion testified that Frontier will be able to validate and confirm that the principal operating systems have been replicated properly in advance of closing, neither company has explained how that will be accomplished. Nor have the Joint Applicants put into place a mechanism for a competitor, or an independent third-party, to verify that the replication has in fact occurred properly.

Indeed, even Frontier will play only a very limited role in the replication process. Frontier's witness testified that he expects that Verizon will "keep Frontier updated" and "engage in ongoing discussions" as to the progress. Under those circumstances, Frontier would seem to be the primary beneficiary of testing that ensures the replicated systems are operating properly.

It is clear that Verizon and Frontier would like this transaction to close quickly. While Comcast does not oppose a timely completion of the transaction, we do not want it at the expense of untested and unproven support systems. Under these circumstances, there are serious concerns about whether the transition of wholesale systems will proceed smoothly. Commission-imposed conditions, therefore, are appropriate.

**Q. WHAT ASSURANCES HAVE THE APPLICANTS PROVIDED THAT FRONTIER WILL HAVE THE STAFF NECESSARY TO SUPPORT THESE OSS SYSTEMS?**

A. The applicants have provided very little assurance that they have the staff necessary to operate and support the OSS. It is critically important that Frontier, post transaction, have well trained and competent resources necessary to maintain the programs and hardware (information technology or "IT" support), run the systems on a daily basis (data center technical and operational support), and work wholesale orders (National Market Center Staff). My understanding is that Verizon's current IT support center will perform all the necessary IT and systems support functions (fixes, help desks, updates, maintenance, etc.) for the Verizon systems that will be transferred to Frontier – at least for the first year, and possibly for as many as five years after closing. It is unclear what resources will be used subsequently.

As part of the transaction, Frontier will also establish a "new data center" where necessary "hardware" will be installed.[18] But Frontier has provided no specific

[18] Ex. WS-11 (Joint Applicants' Response to Comcast DR No. 25).

details about whether it will have the staff to operate and maintain these enormously complex systems on a daily basis, which will be entirely new for Frontier personnel or reassigned former Verizon IT professionals.

And finally, Frontier will be establishing a new Network Market Center in Durham, North Carolina where it will work CLEC wholesale orders and related escalations. It is my understanding that the representatives staffing that center will not be experienced representative from Verizon's existing call center, but rather largely newly trained individuals.[19]

**Q. WHAT WILL HAPPEN IF STAFFING IS INADEQUATE?**

A. We know from past and recent experience, such as FairPoint Communications in the New England States, that the process of transitioning work and staffing for these centers can create serious problems for wholesale competitors. The process can lead to significant wholesale ordering and provisioning problems, including (1) failure to respond to local service requests ("LSRs") in a timely manner; (2) inability to provision service within the standard interval required by law or operational rules; and (3) lack of response to so-called "escalation" requests, all of which negatively affects consumers and their ability to move services to competitive providers.

**Q. CAN YOU PROVIDE AN EXAMPLE?**

A. Yes. One particularly instructive example is Verizon's recent relocation of a National Market Center from Idaho to Virginia in June 2008. Immediately after the transition Comcast, and other wholesale customers, began experiencing the problems I just

[19] Ex. WS-12 (McCallion Ohio Deposition at 77, lines10-25 and 78, lines 10-15).

described. A full year after that transition, Verizon has not yet resolved all of those issues. Verizon's witness, Mr. McCallion, acknowledged these problems during his recent deposition in the Ohio proceeding, and a detailed report of this problem is available on Verizon's website at the following URL: http://www22.verizon.com/wholesale/attachments/calendar/2009OpenCUFissues.pdf. As noted in that report, another CLEC experienced a significant decline in the level of wholesale support and service from Verizon, which has had a detrimental impact on the CLEC and its end user customers. The problems described in that report include: Verizon's failure to respond to LSRs; an increase in the interval between service request and service delivery; excessive hold times; and an inability to get responses to project requests.

The Commission should be concerned that these types of problems could also arise after Verizon transfers the replicated systems to Frontier. This was simply a transition within the same company, and did not involve a transition of systems and people from one company to another, as Verizon and Frontier have proposed here, so there are very good reasons to be concerned about the transition being proposed here.

**Q. WHAT ASSURANCES HAVE BEEN PROVIDED THAT FRONTIER WILL BE ABLE TO ACQUIRE THE NECESSARY HARDWARE TO OPERATE THE WHOLESALE SYSTEMS?**

A. Verizon and Frontier have suggested that they may not procure and install all of the necessary hardware to support the replicated systems by the closing date.[20] As a

[20] *See* McCallion Direct at 16, lines 4-7.

consequence, they have apparently made arrangements for Verizon to provide such hardware to Frontier some time after the closing if the need arises.[21] Remember, Verizon will continue to operate in California, Florida and Texas, and these systems will be used in those states. We don't know how Verizon will continue operating its systems for the properties it retains in California, Florida and Texas if it makes its hardware available to Frontier. Nor do we know on what terms Verizon will make the hardware available to Frontier. I note that Verizon provided similar support for the FairPoint companies in New England, until FairPoint determined that the costs of continuing to utilize Verizon support were prohibitive.

**Q. HOW WILL EXISTING AND PLANNED SYSTEM SOFTWARE UPGRADES BE ADDRESSED IN THE REPLICATION PROCESS?**

A. Verizon issues wholesale systems software releases on a preannounced schedule of six times a year – roughly once every two months. That means that Verizon will implement three wholesale systems software releases between now and March 31, 2010, the scheduled deadline for the Joint Applicants to complete the replication of the software. The documents filed by the Joint Applicants do not indicate whether Frontier will implement new software releases or how it will communicate this information with CLECs. This is another example of a practical, "blocking and tackling" issue that the Joint Applicants have not yet addressed. To avoid additional problems during the transition, the Commission should condition the transfer on the

[21] *See id.*

requirement that the planned systems replication occur within the predefined maintenance schedule that I have just described.

**Q. APART FROM WHOLESALE SYSTEMS, DO YOU HAVE OTHER UNANSWERED QUESTIONS AND CONCERNS?**

A. Yes. It is not clear what company will be responsible for hosting the local Automatic Location Identification ("ALI") database to support 911 emergency services or the procedures for updating such data will change. Comcast inquired about this matter in discovery, but Verizon and Frontier provided no substantive response, stating only that "the transaction will not affect the delivery of E-911 services in Washington."[22] The Commission should request further clarification of this issue from Verizon and Frontier to ensure that CLECs have continued use of, and access to, this critical database without interruption or degradation.

Also, to my knowledge Frontier does not currently have a forum in place for CLECs to discuss intercompany operational issues. In response to a data request from Comcast, Frontier would not commit to maintaining Verizon's CLEC User Forum – a forum that Comcast has found crucial for communicating, addressing and resolving intercompany operational issues. [23]

[22] Ex. WS-13 (Joint Applicants' Response to Comcast DR No. 54).

[23] Ex. WS-14 (Joint Applicants' Response to Comcast DR No. 14).

**Q. THE JOINT APPLICANTS' WITNESSES HAVE SAID THAT THIS TRANSACTION IS DIFFERENT FROM VERIZON'S SALE OF LINES TO FAIRPOINT AND HAWAIIAN TELCOM. DO YOU AGREE?**

A. I hope that it will turn out differently, but there are reasons to be concerned. As Comcast has experienced first hand, the Verizon-FairPoint transaction has been highly problematic for competitors and retail end-user customers in New England. Frontier's witness, Mr. McCarthy, asserts that this transaction will not face the problems those buyers faced in part because in the Hawaiian Telcom and FairPoint transactions, the buyers chose to develop operational, customer support and financial systems "from scratch."[24] In theory, the OSS replication process proposed by Verizon and Frontier is less problematic than developing an entirely new wholesale system as FairPoint has done. However, if I understand the process correctly, in this case Frontier will need to: (i) establish a data center, (ii) purchase new hardware; (iii) install software, (iv) populate the systems with customer data from Verizon, (v) appropriately staff the center with resources experienced in operating the replicated software and new hardware, and (vi) require CLECs to establish new interfaces with "replicated" systems. (Actually, as I understand it, the plan is for Verizon to do these things for Frontier, but the tasks remain the same.) This process is not significantly different from the process of developing a new system from scratch, and it is clearly fraught with a number of potential pitfalls.

[24] McCarthy Direct at 46, lines 18-21.

**Q. WHAT PROBLEMS HAVE CUSTOMERS IN NEW ENGLAND FACED BECAUSE OF THE LACK OF TESTING AND PREPARATION IN THE FAIRPOINT TRANSACTION?**

A. It is difficult to adequately convey the depth and breadth of problems caused by the FairPoint systems in New England. I discuss some of the more significant difficulties below.

- Comcast affiliates have faced significant difficulties in obtaining customer service records. Before Comcast can submit orders, it must obtain detailed information about the customer's service which is commonly derived from information the current service provider maintains and is called a customer service record ("CSR"). Among other things, a CSR describes all the services a customer currently receives. Rather than creating all of the customer's information from scratch, the accepted industry practice is to import the information from the old service provider. (It is done this way because customers can never recall, and may not even know, their particular service configuration.) In modern OSS systems, CSR information "flows through" automatically from one service provider to another. Such automated processes are far quicker and more accurate than older, less automated systems. After the transition from the Verizon systems, Comcast affiliates were unable to obtain CSRs from FairPoint and were forced to submit LSRs for number porting without proper confirmation of customer information. As a result, Comcast affiliates were unduly delayed in effectively porting customers whose account had any unique attributes, such as an

additional telephone number. Such information would have been immediately identified via the CSR process and included as part of the initial order – if a CSR was in fact accurate and could be functionally provided.

- The FairPoint systems sent numerous erroneous reject messages in response to valid LSR orders, resulting in the manual handling of many orders.
- Comcast affiliates did not receive any firm order confirmation ("FOCs"), which are the electronic notices that an order has been accepted. Therefore, on a daily basis, Comcast affiliates were required to manually generate a list of pending installations and attempted to verify that FairPoint would correctly port the number. For a variety of technical reasons, the lack of a FOC also created significant number porting problems. Many ports simply failed.
- Comcast affiliates did not receive complete Meet Point Billing ("MPB") files from FairPoint. As a result, without MPB files, Comcast affiliates initially were unable to bill interexchange carriers for terminating access and when MPB files were obtained from FairPoint the traffic levels were below historic levels.

I should emphasize that the above list is only a sample of the problems that Comcast affiliates and other CLECs encountered in New England, most of which directly caused negative customer experiences.

**Q. WAS FAIRPOINT ABLE TO RESOLVE THE OSS PROBLEMS QUICKLY?**

A. No. Gradually, the performance of the FairPoint OSS systems improved somewhat. However, as recently as June of this year, about 19 weeks after cutover, FairPoint's systems were still not functioning properly, requiring Comcast affiliates and FairPoint

to devote significant resources to try to handle orders manually. Comcast affiliates could not "pull" a CSR for a multiple telephone number account. FairPoint systems were generating many non-legitimate error messages, and the FairPoint systems were not returning FOCs consistently. Comcast affiliates were experiencing some issues with their customers, who had ported their numbers from FairPoint, not being able to receive calls from FairPoint customers on the day of install. At Comcast affiliates' request, FairPoint was sending them a list of scheduled ports in advance of the due date so that Comcast affiliates could confirm the list so that FairPoint could make sure the number would port properly. Comcast affiliates also were still receiving customer complaints of double-billing (FairPoint and Comcast affiliates both billing the customer).

Although FairPoint has made some progress, most of the issues I just described still persist to some degree, and the root cause of the problems has not been identified. FairPoint's recent bankruptcy filing adds further potential complications. We don't know whether and to what extent FairPoint will have the funds required to take the necessary corrective actions in a timely fashion or if the bankruptcy will have any other negative impacts on FairPoint's relationship with its competitors.

**Q. HOW DID THESE KNOWN PROBLEMS IMPACT RETAIL CUSTOMERS, AND CLECS' ABILITY TO COMPETE?**

A. There was a large backlog of orders that the FairPoint systems could not handle. A significant number of FairPoint and CLEC customers could not get service. There were significant billing issues, and customer call volumes overwhelmed the FairPoint

call centers. Simply put, consumers could not switch service when they wanted, encountered calling and billing problems, and competition suffered.

**Q. THERE HAVE BEEN NUMEROUS MERGERS AND ACQUISITIONS OVER THE LAST TEN YEARS. DID THEY CREATE SIMILAR PROBLEMS, AND IF NOT, WHY NOT?**

A. No they did not, and that is because they were very different deals. The largest telecom mergers over the past decade, (*e.g.*, Bell Atlantic-NYNEX, Bell Atlantic-GTE, SBC-Ameritech, SBC-AT&T; AT&T-BellSouth; Verizon-MCI), and some mergers and acquisitions among smaller carriers, such as CenturyTel-Embarq, are different because (among other things) the acquiring entity assumed control of wholesale support systems ***in their entirety***. Here, by contrast, Frontier is purchasing only customer data and the right to use replicated OSS software. Thus, the proposed transaction more closely resembles the Verizon-FairPoint and Hawaiian Telcom transactions than previous ILEC and ILEC-IXC mega-mergers. The potential for significant problems in the replication of enormously complex operational support systems is readily apparent.

**Q. FRONTIER STATES THAT IT HAS A "HIGHLY SUCCESSFUL TRACK RECORD" OF ACQUIRING AND INTEGRATING TELEPHONE COMPANIES. HOW DO YOU RESPOND TO THIS CLAIM?**

A. The size of this transaction is not comparable to Frontier's prior acquisitions. Frontier witness Mr. McCarthy cites Frontier's prior acquisitions of 12,000 access lines, 300,000 access lines and 750,000 access lines (spread out over seven years) as

relevant integration experience. But now Frontier is poised to more than ***triple*** in size overnight. It currently controls approximately 2.5 million access lines, but after closing will control approximately *7* ***million*** access lines upon closing. The proposed transaction to me represents an unprecedented increase in scope and complexity, as compared to Frontier's prior transactions.

## IV. COMCAST'S PROPOSED CONDITIONS WILL ENSURE THAT THE TRANSACTION DOES NOT IMPAIR COMPETITIVE SERVICES OFFERED TO WASHINGTON CONSUMERS

**Q. WHY ARE COMCAST'S RECOMMENDED CONDITIONS APPROPRIATE?**

A. I am told by counsel that the Commission will review this transaction under the "no harm" and "public interest" standard which requires, in part, that the Commission find that proposed reorganization is not likely to have a significant adverse effect on competition. To meet that standard, I recommend that the Commission specifically order the new Frontier to maintain the status quo when it assumes responsibility for Verizon's wholesale systems and procedures. The Commission can do so by imposing a number of targeted conditions, which I discuss below. Comcast's Recommended Conditions are set forth in full in the first attachment (Exhibit MDP-2) to the testimony of Comcast's other witness, Michael Pelcovits.

The Commission's goals and areas of focus should be as follows:

- **MAINTAIN THE STATUS QUO IN THE FORMER VERIZON PROPERTIES**

The Commission should require Frontier to maintain OSS functionality, performance and the degree of automation (via electronic data interfaces, or e-bonding) that is at least equal to that which Verizon provides in these exchanges today. This obligation

should extend indefinitely and include any subsequent modifications to or replacement of the OSS being replicated by Frontier.

Continuing Commission jurisdiction here is especially appropriate in light of the recent disclosure that Frontier plans to operate the former Verizon assets on the "replicated" Verizon on a transitional basis only. At the August technical conference, Frontier said that it plans to transition the replicated Verizon systems over to a new set of systems (which it has not yet built) after closing. No time frame has been announced but we were told at the conference that the transition could begin as soon as a year from now.[25]

Comcast is very concerned about this "second transition." Frontier has agreed to pay Verizon $94 million for the first year of OSS maintenance alone to support the replicated systems. Thus, Frontier has a significant financial incentive to move away from the replicated systems (or find a third party, who would necessarily be less familiar with the OSS than Verizon, to support the systems). FairPoint faced exactly the same financial incentive to stop using the Verizon OSS, as did Hawaiian Telecom, and neither carrier, of course, was ready. The Commission needs to make sure that consumers and competitors do not face the same operational impediments in this case.

Frontier should be required to maintain the status quo with respect to the ordering, provisioning and maintenance processes. In my experience, these processes

[25] On the other hand, Frontier's witness stated in a recent deposition for the Ohio proceeding that the company has no current plans to transition away from the Verizon systems. These conflicting statements raise legitimate questions about the company's intent, and the information they are providing regulators.

are working well with Verizon in Washington, and any degradation would be contrary to the "no harm" standard. We recently received communications from Verizon requesting a meeting to develop a schedule for potential changes to connectivity-related arrangements we have with Verizon's data center in Fort Wayne. While that is a step in the right direction, more specific action is necessary. Specifically, we recommend that the Commission establish the following specific conditions:

- Post transaction, Frontier must maintain OSS functionality, performance and e-bonding in the legacy Verizon service territory that is at least equal to that which Verizon provides in such territory today. For instance, Frontier should be required to maintain Verizon's Access Service Request ("ASR"), Local Service Request ("LSR"), Customer Service Request ("CSR") and Directory Listing ("DL") order processes, business rules and interfaces. This obligation should extend indefinitely and specifically include any subsequent modifications to or replacement of the OSS being replicated from Verizon.

- Frontier should, at a minimum, be required to preserve Verizon's current level of automation for trouble tickets, escalation responsiveness processes, and timeliness of resolution of service problems for wholesale services.

- Frontier should be required to ensure that post-transaction ordering and provisioning intervals are at least equal to that which Verizon currently provides. For example, Verizon's firm order confirmation ("FOC") interval for a DS-1 high-capacity (1.5 Mb/s) circuit is one day, and its provisioning

interval is five business days, while Frontier's intervals are twice as long: they deliver a FOC in two days (48 hours) and their standard provisioning interval is ten days. In order to avert service degradation for Washington CLECs, the Commission should require Frontier to step up to Verizon's current level of performance.

In order to assure the status quo is maintained, the Commission should maintain jurisdiction over the merger for at least three years. Comcast's other witness, Michael Pelcovits, will address the need for this condition in detail in his testimony. I will simply add that the Verizon-FairPoint transaction closed in March 2008, and we are still dealing with the fall-out from that deal – and will be for the foreseeable future.

- **REQUIRE OSS TESTING AND CERTIFICATION**

Verizon and Frontier apparently do not intend to engage an independent auditor, and claim that CLEC and third-party testing is "not necessary" because the existing Verizon OSS will simply be replicated. I could not disagree more strongly with that approach. Given the OSS transitioning problems that have occurred elsewhere, a rigorous testing regime, including independent third-party auditing and certification, of the many systems being replicated and associated data is critical. As I have explained, the OSS replication will be enormously complex and has the potential for multiple pitfalls. Verizon's and Frontier's position that we should simply trust them to do it correctly is not sufficient. To avoid another FairPoint or Hawaiian Telcom

debacle, the transition must include CLEC testing. I outline a proposed process below.

First, the review and testing should include all OSS functionality and processes, e-bonding capabilities, encompass Verizon's current Quality Baseline Validation Test Deck, and review and validate the process for transferring data to the replicated system (including pending orders). At least two months prior to the scheduled cut over date, the Joint Applicants should be required to make available to CLECs the replicated OSS in a test environment for (1) interoperability with CLEC systems; and (2) transactional (end-to-end order) testing. The Joint Applicants should be required to commit to an agreed-upon collaborative process with competitive carriers to inform carriers of changes to systems, both in test and live environments, prior to closing. This would not have to be invented out of thin air. The current Verizon testing process, which is described in detail on Verizon's web site, provides an excellent starting point. *See* http://www22.verizon.com/wholesale /systemsmeasures/local/systems/cte/1,,east-wholesale-cte-cte,00.html.

The test results should be provided to the Commission and CLECs, and the replicated OSS should not be implemented in the production environment (*i.e.*, be used to process actual orders) until the Commission has approved the test results. Independent certification prior to going "live" is the only way to ensure that the problems experienced in the FairPoint and Hawaiian Telcom transactions are not repeated in Washington.

Moreover, communication with CLECs during the transition process is vital. Therefore, Comcast recommends that, at least four months prior to the scheduled cut-over date for the replicated OSS, the Joint Applicants should be required to provide notice to CLECs of any OSS changes, detailing the specific functionality changes and providing any necessary information to enable e-bonding with the replicated OSS, and any network changes, including new SS7 point codes – which is essential for routing of calls. This will allow CLECs the time necessary to respond to any network and OSS changes, and order and test facilities necessary to e-bond.

- **ENSURE ONGOING COMMUNICATIONS WITH CLECS**

Verizon has established useful formal processes for ongoing communications with CLECs. Frontier has not. We recommend, therefore, that the Commission require Frontier to establish and maintain, in a format identical to that currently used by Verizon:

- A monthly Change Management Forum (and adopt Verizon's existing Change Management Process), which we have found to an effective means of inter-company communication, and a standard practice for ILECs of Frontier's post transaction size.
- A CLEC User Forum to provide a mechanism for CLECs to raise, and for Frontier to resolve, operational issues.
- At the request of any CLEC, weekly calls to discuss intercompany operational issues between the CLEC's designated representatives and Frontier's representatives with the authority to address and resolve operational issues.

Verizon and Comcast currently hold such weekly calls and they have proven to be an effective means of raising and resolving interoperability issues.

- Other collaborative processes including escalation lists, contact lists, and CLEC specific designated single points of contact with the authority to address that CLEC's ordering, provisioning, billing and OSS systems maintenance issues.
- Finally, escalation procedures and contact lists should be published on a publicly posted webpage for all organizations involved in the provisioning and maintenance of services and orders.

**Q. HOW SHOULD THE COMMISSION ASSESS FRONTIER'S PERFORMANCE AFTER THE TRANSITION?**

A. I believe that objective, quantifiable standards are needed to ensure that there is no degradation in service – in other words, harm – that results from the transaction. To the extent that Verizon is now held to specific, quantifiable performance standards, there is no reason to eliminate these standards simply because the exchanges are changing hands. Therefore, Comcast recommends that the Commission apply to Frontier all of Verizon's current performance metrics and reporting criteria as a means of ensuring that the company maintains at least the same level of performance in providing services and facilities under its interconnection agreements as Verizon provided prior to the transaction. The Commission should include performance metrics using Verizon's current performance as the measure of minimally acceptable service. Specifically, Comcast recommends that the Commission make the Carrier-

to-Carrier Guidelines Performance Standards and Reports adopted as part of a Joint Partial Settlement Agreement effective March 2008 (located at http://www22.verizon.com/wholesale/clecsupport/content/1,,east-performancemeasures-pa,00.html) that currently apply to Verizon in Washington applicable to Frontier.

The monthly performance reports should be verified by an executive with the new Frontier entity for compliance with Commission ordered conditions and other related terms with ongoing Commission oversight, enforcement and expedited dispute resolution when and where performance deficiencies are identified.

**Q. WHAT CONDITIONS DO YOU RECOMMEND WITH RESPECT TO STAFFING?**

A. In conjunction with the other conditions we are recommending, the Commission should ensure that after the transaction Verizon's legacy CLEC support centers are sufficiently staffed by adequately trained personnel that will provide a level of service that is no less than that which was provided by Verizon prior to the transaction. This applies equally to IT staff responsible for repairing any system problems, and ordering center staff – referred to as the National Market Center by Verizon – responsible for processing order, escalating issues and generally responding to CLEC inquiries. Adequate staffing is necessary to ensure ongoing operational efficiencies. Any transition to Frontier must, therefore, include sufficient staffing at these centers.

**Q. WHAT CONDITIONS DO YOU RECOMMEND WITH RESPECT TO INTERCONNECTION AND THE ORDER PROVISIONING PROCESS?**

A. Dr. Pelcovits will address the contractual issues pertaining to interconnection in his testimony, so I will only address the process for obtaining wholesale interconnection "services" from Verizon. Needless to say, physical interconnection with incumbent carriers is an issue of vital importance to CLECs. Comcast has already established physical interconnection with Verizon in Washington, but as the volume of traffic flowing between networks continues to increase, additional capacity will be needed. The Commission should require Frontier to maintain Verizon's automated ordering processes for interconnection trunks. This will allow Comcast to augment and optimize its network interconnection with Frontier and thereby ensure service reliability to end users.

In addition, as network-to-network traffic continues to increase, ILECs and CLECs are increasingly choosing to interconnect via mid-span fiber meets, which are efficient mechanisms to exchange a high-volume of traffic. Verizon has adopted a reasonable mid-span fiber meet process. I am not aware of any existing mid-span fiber meet process adopted by Frontier. Frontier has stated in discovery that it "has not assessed" Verizon's mid-span fiber meet process and did not answer whether it would adopt this process.[26] Therefore, Comcast proposes that the Commission establish a condition that requires Frontier to adopt Verizon's mid-span fiber meet process.

[26] Exhibit WS-15 (Joint Applicants' Response to Comcast DR No. 12).

Comcast also proposes that Frontier be required to give notification to CLECs when its switch capacity reaches seventy percent (70%) utilization, the level that triggers an engineering review to assess the need for adding switching capacity. One problem Comcast has faced (among many) with the FairPoint transaction is that Comcast does not receive notice of capacity problems on the incumbents' switch, even though Comcast and other CLECs are required to provide forecast to ILECs, including Verizon and Frontier. Frontier and Verizon should use these forecasts to estimate demand allocation to particular switches which, in turn, are used to determine if additional switching capacity is needed. Having Frontier provide the switch capacity notice is simply the quid pro quo for CLECs having provided forecasts. Otherwise, carriers needlessly risk unforeseen capacity limitation with the ILEC. This problem can be avoided if Frontier simply shares capacity information, thereby allowing carriers to collectively make informed decisions about capacity issues well before serious problems arise.

In addition, Frontier should be required to revise its definition of "project" for the provisioning of DS1 circuits to start at twenty-eight (28) or more DS1 circuits. This means that twenty-seven or fewer DS1s would be provisioned within standard intervals, and orders with twenty-eight (28) or more circuits would require negotiated provisioning intervals. This proposed condition is important because it recognizes and utilizes a triggering point for migrating from DS1 to DS3 facilities. Moreover, if the demand is forecasted, there is no reason to treat it as a special project with negotiated provisioning intervals. Verizon, moreover, has much shorter intervals than

Frontier for provisioning interconnection facilities (DS1, DS3, etc.), often provisioning facilities five to ten days faster than Frontier.

**Q. PLEASE DESCRIBE THE CONDITIONS THAT COMCAST RECOMMENDS WITH RESPECT TO FRONTIER'S PROCEDURES FOR TELEPHONE NUMBER PORTING.**

A. As with the other issues addressed in my testimony, we believe that Frontier should be required to maintain the effective Verizon processes, and remedy those that are deficient to the extent necessary to be consistent with the public interest. In keeping with this "no harm" and "public interest" standard, Comcast recommends that the Commission establish the following local number portability ("LNP") conditions.

- Porting Interval. The FCC will soon establish a rule requiring a one business day porting interval for carriers with more than 2 percent of the nation's subscriber lines installed in the aggregate nationwide. We see no reason why Frontier cannot – and should not be required to – adhere to a one business day interval. Until such time as the new one day port interval is implemented, Frontier should continue to support the now current industry porting intervals and existing Verizon processes that are used today.
- Porting Validation. Frontier should be required to maintain and comply with the LNP minimum data set validation criteria currently used by Verizon and as adopted by the appropriate industry forum as directed by the FCC.
- LNP Request Rejections. Frontier should be prohibited from rejecting or placing in jeopardy status any LNP requests due to pending service orders

associated with the account, or due to non-payment status of the subscriber. We have found this to be a recurring problem because of business rules imposed by Verizon, which Comcast contends are directly contrary to the requirements in a recent FCC order on number porting. The FCC has explained that,

> carriers may require information necessary to accomplish a port, [but] that does not encompass information necessary to settle the customer's account or otherwise enforce any other provisions of the customer's contract. Of course, as in the wireless-to-wireless LNP context, carriers are free to notify customers of the consequences of terminating service, but may not hold a customer's number while attempting to do so. (FCC 07-188, ¶ 43 (footnotes omitted)).

This problem often occurs where a customer wishes to change service to Comcast, then also contacts Verizon to disconnect their voice or non-voice service such as video or DSL. Verizon then uses the pending retail disconnect request as a basis to deny the LNP request and stymie the transfer even though it is perfectly obvious that the customer wants to switch to Comcast. The Commission should not permit Frontier to continue Verizon's unreasonable and unlawful business practice.

- Limits on Orders. Frontier should not be permitted to limit the number of orders for simple ports to be processed within standard intervals via service order guidelines, posted procedures or other unilateral means. At least one other Washington ILEC had improperly attempted to impose a limit of 50 orders per day (but has since committed to provide additional resources to comply with FCC order porting intervals). If Frontier were to follow suit and

try to limit port orders, Comcast's LNP requests could become back-logged and the overall porting process slowed; inhibiting consumer's ability to port to competing carriers. Comcast is particularly concerned about this as Frontier will undoubtedly be allocating significant resources in the near term to completing the transaction and integrating systems and procedures. That transaction-related activity should not be permitted to impair competitors' ability to port numbers and compete.

- Toll-Free Service. Frontier should be required to maintain Verizon's current process (which involves separating the Toll Free and underlying telephone services into two accounts) for porting or reassigning of toll-free service numbers and the associated local telephone pilot number that will ensure that the toll-free service is not impacted by the porting of the local telephone number.
- Disconnection process. The last step of the porting process (after the number is ported from the incumbent's network to the competitor's network) is for the incumbent to disconnect the end user customer's service. This occurs once the number is ported, and the competitor has begun providing service to the customer. However, if the incumbent disconnects service prematurely, that can lead to service problems (or even service interruption) for the end user customer. Verizon's practice is to allow carriers to port a telephone number the day before the scheduled due date, which for a simple port is a minimum of four days after the order has been placed. This ensures that the customer's

service arrangement with the competitor is up and running before Verizon (the former service provider) disconnects service. Frontier, in contrast, does not provide this one day "grace period" and instead disconnects on the date when the number is scheduled to be ported without verification that it was in fact ported by the new service provider. This is problematic in the event the port has to be postponed due to technical issues, the customer's last minute request to reschedule, or customer not being home at the scheduled time. In any of these instances, the customer could lose service due to Frontier's premature disconnection. Frontier should be required to adopt the Verizon business practice of providing a one day "grace period" before disconnecting the customer's service.

**Q. WHAT CONDITIONS DOES COMCAST RECOMMEND WITH RESPECT TO 911 DATABASE ACCESS?**

A. The Commission should establish conditions to ensure that CLECs can continue to access, and update, the ALI database to support 911 emergency services, and that Frontier retains or acquires the resources as required to adequately manage the Emergency Services databases and infrastructure. Comcast has this access now through Verizon and need to make sure that access continues after Frontier takes over these exchanges as the new host ALI provider. Our intent is to preserve Comcast's ability to efficiently and timely update necessary ancillary databases with appropriate information to ensure that our customers have the same access to emergency and other services that they do today.

**Q. WHAT CONDITIONS DOES COMCAST RECOMMEND WITH RESPECT TO FRONTIER'S ON-GOING CERTIFICATION OF COMPLIANCE?**

A. I expect that we will be dealing with the ramifications of this transition in Washington for at least a period of three years. Clearly, there will be a period of intense activity shortly before and after closing. But it also is important that the Commission establish mechanisms to ensure that there is no "slippage" in the future. Therefore, Comcast recommends that the Commission require Frontier to file, 90 days after closing, a declaration by an officer certifying that Frontier has complied in all material respects with the conditions imposed by the Commission. Frontier should be required to file another certification 90 days thereafter, and then every 180 days, until three years after the closing date.

**Q. WHAT CONDITIONS DOES COMCAST RECOMMEND WITH RESPECT TO FRONTIER'S COSTS ASSOCIATED WITH THE TRANSITION?**

A. Comcast and other CLECs are going to have considerable costs associated with this transition. For example, Comcast will have to establish circuits to Frontier's new data center and absorb costs associated with testing Frontier's new OSS. On top of these costs, there is no reason why Comcast and other competitive carriers should be required to absorb the Joint Applicants' costs — these costs should be borne exclusively by Frontier and Verizon, the parties to the proposed transaction. Comcast, therefore, proposes that the Commission establish a condition that requires that any merger-related expenses, including expenses associated with the OSS

transition, training and related operations, not be passed through, directly or indirectly, in wholesale rates or other fees paid by competitive carriers.

Finally, Comcast's other witness in this proceeding, Dr. Pelcovits, will address the other conditions that Comcast is recommending in this case.

## V. CONCLUSION

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

A. Yes.