

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
---	--------------------------------------	------------------------------

QWEST CORPORATION

RESPONSE TESTIMONY OF MICHAEL NORMAN

DISPUTED ISSUES: 4 and 5

August 2, 2004

REDACTED VERSION

Table of Contents

I.	IDENTIFICATION OF WITNESS	1
II.	DISPUTED ISSUE 4: CAGELESS COLLOCATION SPACE PROVISIONING (SECTION 8.1.1.3)	1
III.	ISSUE 5: CLEC TO CLEC REGENERATION REQUIREMENTS (SECTIONS 8.2.1.23.1.4, 8.3.1.9, 9.1.10)	9
IV.	SUMMARY AND CONCLUSION	18

1 I. IDENTIFICATION OF WITNESS

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

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

7
8 Q. ARE YOU THE SAME MICHAEL NORMAN WHO PREVIOUSLY FILED
9 DIRECT TESTIMONY IN THIS ARBITRATION PROCEEDING?

10 A. Yes, I am.

11
12 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

13 A. The purpose of my rebuttal testimony is to respond to the direct testimony filed by Mr.
14 Mike Zulevic of Covad regarding cageless collocation space and CLEC-to-CLEC
15 regeneration.

16
17 II. DISPUTED ISSUE 4: CAGELESS COLLOCATION SPACE
18 PROVISIONING (SECTION 8.1.1.3)

19 Q. ON PAGE 5 OF HIS TESTIMONY MR. ZULEVIC SUGGESTS THAT BY
20 EXPLICITLY REQUIRING QWEST TO PROVIDE COLLOCATION SPACE IN
21 AN EFFICIENT MANNER, THE PROPER ECONOMIC SIGNALS WILL BE
22 SENT TO QWEST. DOES COVAD'S LANGUAGE ACCOMPLISH THIS GOAL?

23 A. No. The sole language in dispute is as follows: "Qwest shall provide such space
24 [collocation space] in an efficient manner that minimizes the time and costs."¹ Covad

¹ See, Covad's proposed language to Section 8.1.1.3.

1 seeks to insert the sentence and Qwest objects. When read in its entirety, Section 8.1.1.3
2 defines cageless physical collocation and further outlines the specific parameters around
3 which Qwest will provide space to a requesting CLEC. Covad’s proposed addition ignores
4 the fact that Qwest’s proposed language was agreed to by consensus with the CLECs
5 during the Section 271 proceedings and is based upon the definition of cageless collocation
6 in the FCC's rules.² There is nothing in the sentence that would “send the proper
7 economic signal” to Qwest. In fact, Section 8.1.1.3, without the Covad addition, is replete
8 with instructions that are applicable to Qwest as to how collocation will be assigned, and it
9 is these instructions that provide the parameters, and therefore, the incentive for Qwest to
10 properly provision collocation space. Further, because of the general nature of Covad’s
11 proposed language requiring Qwest to “minimize the time and costs” associated with
12 provisioning space, Covad has given itself an open invitation to dispute any allocation of
13 space, but still does nothing to “send the proper economic signal.”

14
15 **Q. IS THE WAY IN WHICH QWEST ASSIGNS COLLOCATION SPACE AT ISSUE**
16 **IN THIS ARBITRATION?**

17 A. No. In fact, section 8.2.1.23 of the parties’ proposed interconnection agreement (“ICA”),
18 discusses how Qwest will design and engineer collocation space. This language is not in
19 dispute and if Covad was dissatisfied with the way in which Qwest assigned collocation
20 space, it could have raised the issue during the negotiation of this ICA. Not only did
21 Covad not raise the issue in its negotiation sessions with Qwest, but out of the [REDACTED]
22 [REDACTED] not once has
23 Covad challenged the collocation assignment or requested a walk through of the central

² 47 CFR § 51.323(k)(2).

1 office to determine if a more desirable location was available.

2

3 Furthermore, pursuant to section 8.2.1.9 of the ICA, a CLEC may request a space
4 availability report that includes the following:

5 a) available Collocation space in a particular Qwest Premises;

6 b) number of collocators;

7 c) any modifications in the use of the space since the last report;

8 d) measures that Qwest is taking to make additional space available for
9 Collocation;

10 e) whether sufficient power is available to meet the specific CLEC request;

11 f) number of CLECs in queue at the Premises, if any;

12 g) whether the Wire Center is equipped with DS3 capability; and

13 h) the number and description of Qwest and its Affiliates and CLEC reservations
14 of space.

15 In addition, as stated in my direct testimony, CLECs may always request a walk through of
16 the central office during which the CLEC can decide if a more desirable collocation space
17 is available.

18

19 **Q. IS THE WAY IN WHICH QWEST RESERVES SPACE FOR ITS OWN USE AT**
20 **ISSUE IN THIS ARBITRATION?**

21 A. No. Section 8.2.1.16, which is not at issue in this arbitration, permits Qwest to retain floor
22 space for its own future use provided such reservation is on terms that are no more
23 favorable than those that apply to other CLECs. Furthermore, Qwest's internal policy is
24 that it will only reserve space if a job has been approved which will utilize the reserved
25 floor space.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

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 not necessary 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.³ With 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. Fundamentally, space was arranged under the old Expanded Interconnection Orders and then under the initial local competition rules of the FCC.

Caged collocation necessitated unique space requirements that could not be integrated into the existing frame line-ups due to the caged enclosure.⁴ Further, the square footage for a caged collocation varied with each CLEC request, and so, during the telecommunications boom following the 1996 Act, Qwest designed and built space separate from Qwest’s equipment in anticipation of a large demand for caged collocation. When the demand did not materialize, Qwest was left with a great deal of available collocation space. This void was magnified by Qwest’s offering of cageless collocation in 1998.⁵ Thus, prior to the

³ In the Matter of Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141.
⁴ 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.
⁵ 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).

1 advent of cageless collocation, incumbent local exchange carriers (“ILECs”) such as
2 Qwest, planned space which included the necessary infrastructure such as HVAC and
3 power facilities, only for caged collocation in areas that were separate from Qwest’s own
4 equipment.

5
6 **Q. GIVEN THE BACKGROUND AND THE ARRIVAL OF CAGELESS**
7 **COLLOCATION, IS MR. ZULEVIC’S THEME -- THAT QWEST ASSIGNS**
8 **COLLOCATION SPACE APART FROM QWEST’S EQUIPMENT IN ORDER TO**
9 **INTENTIONALLY INCREASE COSTS TO CLECS -- CORRECT?**

10 A. No. Following the 1996 Act, the telecommunications industry was booming, availability of
11 venture capital was on the rise, and Qwest’s access lines were growing at phenomenal
12 rates. Inexperienced CLECs had trouble estimating how much collocation space was
13 required, so more square footage was requested by the CLEC than what was required, and
14 Qwest began building based upon the CLEC estimates. Then, as noted in Mr. Zulevic’s
15 testimony, the technology bubble burst, leaving Qwest with significant sunk costs in floor
16 space, power, HVAC, and overhead racking. This left Qwest with more space to lease and
17 more choices for the CLECS. Thus, while Mr. Zulevic acknowledges that the technology
18 boom and bust left Qwest with a great deal of pre-built and unused collocation space, he
19 reverts to the present tense in suggesting that Qwest’s current policy *is* to build collocation
20 space such that the costs to CLEC to provision the space are increased. This is simply not
21 the case.

22

1 **Q. ON PAGES 5 AND 6 OF HIS DIRECT TESTIMONY, MR. ZULEVIC SUGGESTS**
2 **THAT IN ASSIGNING COLLOCATION SPACE QWEST DOES NOT USE**
3 **EXISTING INFRASTRUCTURE AND THAT THIS INCREASES THE COST AND**
4 **TIME TO MARKET FOR THE CLEC. IS THIS CORRECT?**

5 A. No. In section 8.1.1.3 of the ICA the undisputed portion of that language explicitly states
6 that Qwest will use existing infrastructure in assigning collocation space. Specifically, the
7 pertinent portion of section 8.1.1.3 is as follows: “Qwest shall provide space, where
8 available, in existing Qwest line ups, under existing cable racking and ironwork, where
9 there is existing HVAC and proximately available power supplies subject to the reservation
10 guidelines set forth in Section 8.2.1.16.” When shown this language during the Colorado
11 hearing on this issue, Mr. Zulevic agreed that use of existing infrastructure was not an issue
12 because the requested language was included in the ICA.⁶
13

14 **Q. ON PAGE 7 OF HIS DIRECT TESTIMONY MR. ZULEVIC REFERS TO THE**
15 **LAKEVIEW CENTRAL OFFICE AS AN EXAMPLE OF QWEST BUILDING**
16 **COLLOCATION SPACE RATHER THAN USING AVAILABLE SPACE WITH**
17 **EXISTING INFRASTRUCTURE. IS THIS “EXAMPLE” ACCURATE?**

18 A. No. As stated above, Qwest will assign collocation space using existing infrastructure
19 where possible. The Lakeview central office was one of the locations where during the
20 technology boom in an effort to accommodate the forecasted need for caged collocation
21 space, collocation space was built apart from Qwest’s equipment. At the time it was built,
22 it was equipped with the necessary infrastructure, so that any caged collocation request in
23 Lakeview would be allocated to the pre-built area, thereby expediting the process and

⁶ See MJN – 3, which is an excerpt from the Colorado Hearing Transcript, Docket No. 04B-160T, June 21, 2004, 186:18 – 187:1.

1 minimizing the expense for CLECs to collocate in that central office. Today, this pre-built
2 infrastructure remains in place and the pre-built collocation space has not been exhausted.
3 Further, with the advent of cageless collocation there is space available near Qwest's
4 equipment in the Lakeview central office, which could be used for cageless collocation.
5 Therefore, depending upon the requirements of a collocation request, a CLEC requesting
6 cageless collocation space today, could be assigned to space near Qwest's equipment. The
7 infrastructure still exists in the pre-built area so that a caged request for collocation space
8 would likely be assigned to that area.

9
10 **Q. ON PAGE 7 OF HIS TESTIMONY, MR. ZULEVIC IMPLIES THAT QWEST**
11 **INCREASES THE COST TO CLECS FOR COLLOCATION SPACE BY**
12 **BUILDING SPACES THAT WILL ACCOMMODATE MORE CLECS THAN**
13 **REQUESTS FOR COLLOCATION AND AS A RESULT THE COST IS**
14 **INCREASED FOR THOSE CLECS REQUESTING THE SPACE. IS THIS TRUE?**

15 A. No. The rate elements for collocation were thoroughly reviewed and approved by this
16 Commission through the cost docket proceedings and are not specific to a particular office
17 or new space versus existing space.⁷ The rate, as specified in Section 8.3.3 of Exhibit A of
18 the ICA is for cageless physical collocation, floor space leased, billed on a per square foot
19 basis so the CLEC only pays for the amount of space that it uses, not some percentage of
20 all of the available space in a particular office as claimed by Mr. Zulevic. Mr. Zulevic's
21 assumptions that for cost recovery purposes the cost of the build is divided by the number
22 of requesting CLECs even if the new space is large enough to accommodate many more
23 than those immediate requests, is wrong.

⁷ In the Matter of the Continued Costing and Pricing of Unbundled Network Elements, Transport and Termination, Docket No. UT-003013, Thirteenth Supplemental Order; Part A Order Determining Prices for Line Sharing, Operations Support Systems, and Collocation, paras. 363, 364, 415, 416 (Jan. 31, 2001).

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Q. IS QWEST’S ALLOCATION OF SPACE CONSISTENT WITH THE FCC’S RULES AND REGULATIONS?

A. Yes. Section 8.2.1.23 of the ICA, which is consistent with the FCC’s rules and regulations, outlines how Qwest is to provision collocation space. Furthermore, Qwest is obligated to provide collocation space "on rates, terms, and conditions that are just, reasonable, and nondiscriminatory"⁸ as stated in section 8.2.1.1 of the parties ICA and in accordance with Section 251(c)(6) of the Act.

Q. MR. ZULEVIC IMPLIES THAT IF THE PROPOSED LANGUAGE IS NOT INSERTED INTO THE CAGELESS PORTION OF THE ICA, COVAD WILL BE COMPETITIVELY DISADVANTAGED AND QWEST WILL BE UNJUSTLY ENRICHED BY ITS INEFFICIENCY. DO YOU AGREE?

A. No. Covad has presented no evidence to suggest it has been negatively affected by Qwest’s assignment of collocation space in the past, nor that it will be so in the future. As stated above, the reality of Qwest and Covad’s relationship as it pertains to collocation requests and assignment is that Qwest has fulfilled numerous Covad requests for collocation and Covad has not disputed them. Furthermore, given the specificity of the section, the proposed vague and ambiguous language is inappropriate.⁹ As Mr. Zulevic concedes, there are already other provisions for efficiency under the terms and conditions of the parties’ ICA, including one specific to cageless collocation. Therefore, insertion of the proposed language adds nothing substantive to the parties’ understanding of their

⁸ In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability And Implementation of the Local Competition Provisions of the Telecommunications Act of 1996,16 FCC Rcd 2101 (2001).

⁹ Each of the collocation types is briefly described in section 8.1 of the interconnection agreement, followed by sections for collocation terms and conditions, ordering, and billing.

1 obligations.¹⁰ In addition, rates for collocation are determined through the cost dockets, not
2 by the definition of a particular type of collocation, and they are not specific to
3 circumstances in individual offices. The addition of Covad's proposed language to the
4 description of cageless collocation is unnecessary and will only create disputes between the
5 parties as the new agreement is implemented.
6

7 **III. ISSUE 5: CLEC TO CLEC REGENERATION REQUIREMENTS**
8 **(SECTIONS 8.2.1.23.1.4, 8.3.1.9, 9.1.10)**

9 **Q. CAN YOU PLEASE SUMMARIZE COVAD'S POSITION ON THIS ISSUE AS**
10 **ARTICULATED BY MR. ZULEVIC?**

11 A. Covad has articulated several conflicting positions on this issue. Based upon the ICA
12 language it proposes and its statements in this and the Colorado arbitration, however,
13 Covad appears to be arguing that Qwest must provide channel regeneration, free of charge,
14 whenever a CLEC cross connects with another CLEC in a Qwest central office, if the
15 connection does not meet the ANSI standards for signal strength.¹¹
16

17 **Q. WHAT IS THE BASIS FOR COVAD'S POSITION AND IS IT LEGALLY**
18 **SUSTAINABLE?**

19 A. Covad's position remains unclear. Covad either relies on legal references or actions taken
20 by Qwest that relate to ILEC to CLEC connections, or it misinterprets the law relating to
21 CLEC-to-CLEC cross connections. For example, Covad cites to the FCC's *Second Report*

¹⁰ See ICA Section 8.2.3.4.

¹¹ In its proposed language for sections 8.2.1.23.1.4 and 8.3.1.9, Covad attempts to enumerate certain situations where regeneration charges would seem to apply. The language is confusing, although it appears as though Covad attempts to carve out an exception to its general request that Qwest provide regeneration on CLEC-to-CLEC connections for free. Because Mr. Zulevic does not discuss the exception in his testimony, Qwest cannot and is not going to address it.

1 *and Order*, and confirms that the discussion was limited to ILEC to CLEC connections
2 where repeaters should not be needed.¹² Covad then suggests that because Qwest controls
3 the assignment of collocation space, the same rationale should be extended to include
4 CLEC-to-CLEC connections as well.¹³ There is nothing in the *Second Report and Order*
5 which supports Covad’s proposition. Further, Covad cites to 47 C.F.R. §51.323(h) in its
6 Petition stating that Qwest’s position – that Qwest should not have to provide CLEC-to-
7 CLEC regeneration free of charge -- conflicts with the fundamental requirements contained
8 in this rule.¹⁴ The clear language of 47 C.F.R. §51.323(h), however, provides that Qwest is
9 only obligated to provide a connection between the collocated equipment of two CLECs in
10 two circumstances: 1) if Qwest does not permit the CLECs to provide the connection for
11 themselves; and 2) under section 201 when the requesting carrier submits certification that
12 more than 10 percent of the amount of traffic will be interstate.¹⁵ In the latter
13 circumstance, the terms and conditions would be within the FCC’s jurisdiction pursuant to
14 section 201 and provided pursuant to an FCC tariff. Qwest permits CLECs to connect to
15 each other outside of their collocation space, thereby removing itself from the CLEC-to-
16 CLEC relationship and eliminating any FCC requirement that it provide a CLEC-to-CLEC
17 connection.¹⁶

¹² Petition, ¶ 52; In the Matter of Local Exchange Carrier’s Rates, Terms and Conditions for Expanded Interconnection Through Physical Collocation for Special Access and Switched Transport, Second Report and Order, CC Docket No. 93-162, FCC 97-208 (Rel. June 13, 1997), ¶¶ 117-118.

¹³ Petition, ¶¶ 53, 54. As I discuss in my testimony on Issue 4 above, Qwest disputes Covad’s characterization that Qwest controls the location of each CLEC’s collocation space. Qwest offers several options for space location to the CLEC’s and CLECs always have the right to request a walk through or to challenge its placement in any central office.

¹⁴ Petition, ¶ 55.

¹⁵ 47 C.F.R. §51.323(h)(1) (an ILEC is not required to provide a connection if “. . . the incumbent LEC permits the collocating parties to provide the requested connection for themselves”); and 47 C.F.R. §51.323(h)(2) (“An incumbent LEC is not required to provide a connection between the equipment in the collocated space of two or more telecommunications carriers if the connection is requested pursuant to section 201 of the Act”). It is noteworthy that Qwest cites to this rule as well in support of its position. In addition, this section says nothing about the cost of the connection if an ILEC chooses not to permit the connecting CLECs to provide the connection between them.

¹⁶ See ICA Section 8.2.1.23.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Q. WILL YOU PLEASE EXPLAIN WHAT YOU MEAN WHEN YOU SAY THAT QWEST PERMITS CLECS TO CONNECT WITH EACH OTHER?

A. Certainly. CLECs can connect with each other in two different ways. First they can perform a direct connect where CLEC A or CLEC B provides the cabling between the two collocation spaces. In the second method of connection, CLEC A takes its cable from its collocation to a Qwest Interconnection Distribution Frame (“ICDF”). Likewise, CLEC B takes its cable to the same ICDF and a jumper wire is run connecting the two CLECs. Through these two scenario, Qwest permits CLECs to perform either a direct connection or a cross connection outside of their collocation space.¹⁷ On a direct connect architecture a CLEC may regenerate its own signal by placing a repeater bay in its collocation space which will boost the signal as it leaves its collocation. CLECs are also able to regenerate their circuits by using this same method for CLEC to CLEC cross connection.

Q. ON PAGE 16 OF MR. ZULEVIC’S DIRECT TESTIMONY, HE EXPRESSES SURPRISE AT THE FACT THAT QWEST ONLY OFFERS CLEC-TO-CLEC REGENERATION AS A “FINISHED SERVICE”. CAN YOU COMMENT UPON THIS STATEMENT?

A. Yes. Mr. Zulevic’s contention that Qwest should not charge Covad for CLEC-to-CLEC regeneration or charge for it at TELRIC prices is at best unsupportable. His supposition is based upon two things. First, he contends that the negotiators did not discuss this concept during the negotiations leading to this arbitration, and secondly he equates Qwest’s policy of not charging for ILEC to CLEC regeneration to its obligation to provide CLEC-to-

¹⁷ Id.

1 CLEC regeneration free of charge. Assuming for purposes of argument that the Qwest
2 negotiators did not specifically discuss CLEC-to-CLEC regeneration as a finished service,
3 the FCC orders cited above are clear that Qwest is not obligated to provide CLEC-to-CLEC
4 cross connection much less regeneration as part of its collocation obligations under the
5 Telecommunications Act. In addition, as I discuss in greater detail above, the Commission
6 specifies the situations in which ILECs must provide CLECs with cross connections, and
7 there is no requirement given Qwest's practices that regeneration be a part of the cross
8 connection. The only prior discussion this Commission has had regarding regeneration has
9 been in conjunction with ILEC-to-CLEC regeneration.¹⁸

10
11 **Q. HAS THE WASHINGTON COMMISSION CONSIDERED THE ISSUE OF**
12 **REGENERATION?**

13 A. Yes. In conjunction with Qwest's 271 application, the Washington Commission issued two
14 orders that addressed regeneration.¹⁹ In its Eleventh Supplemental Order, the Commission
15 analyzed the FCC's *Second Report and Order*, and found that the *Second Report and*
16 *Order* required ILECs, and therefore Qwest, to "furnish any regeneration required in cross-
17 connection between LECs and CLEC."²⁰ In its ordering clause the Commission required
18 Qwest to amend certain sections of its SGAT which included section 8.2.1.23.1.4. Section

¹⁸ In the Matter of the Investigation into U S WEST Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996, Docket Nos. UT-003022/003044, In the Matter of U S WEST Communications, Inc.'s Statement of Generally Available Terms Pursuant to Section 252(f) of the Telecommunications Act of 1996, Docket No. UT-003040, Eleventh Supplemental Order; Initial Order Finding Noncompliance on Collocation Issues ("11th Supplemental Order"), ¶¶ 88-92, 155 (Mar. 30, 2001); In the Matter of the Investigation into U S WEST Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996, Docket Nos. UT-003022/003044, In the Matter of U S WEST Communications, Inc.'s Statement of Generally Available Terms Pursuant to Section 252(f) of the Telecommunications Act of 1996, Docket No. UT-003044, Fifteenth Supplemental Order (15th Supplemental Order"); Commission Order Addressing Workshop Two Issues: Checklist Items Nos 1, 11 and 14, ¶¶ 60, 61, 62, 157 (August 17, 2001).

¹⁹ 11th Supplemental Order; 15th Supplemental Order.

²⁰ 11th Supplemental Order, ¶ 92.

1 8.2.1.23.1.4, which discusses CLEC-to-CLEC cross connections at the ICDF, is one of the
2 sections in dispute in this arbitration. Qwest believes the Commission inadvertently
3 included this section in its ordering clause, since the discussion in the body of the order, in
4 particular paragraph 92, very clearly states that the *Second Report and Order* is limited to a
5 discussion of ILEC to CLEC connections and not CLEC-to-CLEC connections.²¹ This
6 notion is further supported by the Commission’s discussion in its Fifteenth Supplemental
7 Order wherein the Commission permitted Qwest to indirectly recover the costs of ILEC-to-
8 CLEC regeneration by including in its collocation cost study the cost of such
9 regeneration.²²

10
11 **Q. CAN YOU COMMENT ON MR. ZULEVIC’S DISCUSSION ON PAGE 13 OF HIS**
12 **DIRECT TESTIMONY REGARDING THE FCC’S REQUIREMENTS**
13 **SURROUNDING ILEC TO CLEC INTERCONNECTION ARRANGEMENTS.**

14 A. Yes. Mr. Zulevic implies that the FCC’s efficiency requirements, as they pertain to the
15 assignment of Collocation space, serve as the foundation upon which this Commission
16 should order Qwest to provide CLEC-to-CLEC regeneration free of charge. Mr. Zulevic
17 discusses the FCC’s requirement that an ILEC may not force a CLEC into across-
18 connection architecture in lieu of a direct connection to the ILEC, because that would
19 increase the CLEC’s collocation costs. Based upon this authority, Mr. Zulevic leaps to the
20 conclusion that in light of this FCC order, which discusses an ILEC-to-CLEC relationship,
21 Qwest cannot force a CLEC into a cross-connect architecture when it desires to
22 interconnect with another CLEC. This argument is nonsensical. Qwest does not determine
23 if and when a CLEC will enter into an interconnection relationship with another CLEC and

²¹ Id.

²² 15th Supplemental Order, ¶¶ 60, 62.

1 certainly does not force any CLEC into any type of architecture be it during a time when
2 the CLEC desires to interconnect with Qwest or when the CLEC desires to interconnect
3 with another CLEC.

4
5 **Q. SHOULD THE CONCEPT OF EFFICIENT ALLOCATION OF COLLOCATION**
6 **SPACE LEAD TO THE CONCLUSION THAT QWEST MUST PROVIDE REGEN**
7 **TO CLECS FREE OF CHARGE AS MR. ZULEVIC SUGGESTS?**

8 A. No. Covad claims that whether Qwest has assigned efficient collocation space should be
9 determined at the time it decides to enter into a business relationship with another CLEC
10 rather than when the space was assigned to Covad in the first instance. If Covad and its
11 new business partner have pre-existing collocation spaces in a Qwest central office, and the
12 connection between the two collocation spaces requires regeneration, then Covad's
13 proposed language would require the parties to determine whether at the time either Covad
14 or its business partner requested collocation space from Qwest, there was an alternative
15 available collocation space, which if assigned to Covad or its business partner, would not
16 now require regeneration between the two companies. Covad does not suggest that it will
17 move its collocation space if an alternative space closer to its new business partner is
18 available, but rather only suggests that this is how Covad and Qwest will determine if
19 Qwest should provide the regeneration for free.

20
21 Business relationships change over time, and it is impossible for Qwest to predict the future
22 needs of any CLEC. Therefore, to hold Qwest responsible each and every time a CLEC
23 decides to enter into a business relationship with another CLEC is patently unfair.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Q. MR. ZULEVIC OFFERS SEVERAL EXAMPLES OF WHAT HE SUGGESTS WERE INEFFICIENT COLLOCATION ASSIGNMENTS TO SUPPORT COVAD'S POSITION THAT QWEST SHOULD PROVIDE CLEC-TO-CLEC REGENERATION FOR FREE. WHAT ASSISTANCE, IF ANY, DO THESE EXAMPLES GIVE THE COMMISSION IN RESOLVING THIS ISSUE?

A. None. The examples of collocation assignment and the exhibits attached to Mr. Zulevic's direct testimony are nothing more than red herrings which serve only to confuse the issue. Mr. Zulevic's comments related to the central offices known as Seattle Main, Lakeview and Minneapolis Downtown. The circumstances involved caged collocation and occurred during a time when the technology industry was booming and incumbent telecommunications carriers were justifiably building facilities as quickly as possible in order to accommodate the forecasted demand for caged collocation space. The industry today is focused on cageless collocation, and therefore, with the existing space that is available for such collocation requests, Mr. Zulevic's complaint that Covad was not offered desirable collocation space or may find itself in a situation where regeneration will be required as the result of a new business relationship with another CLEC does not fit in today's environment.

Q. CAN YOU COMMENT UPON MR. ZULEVIC'S TESTIMONY ON PAGE 14 WHERE HE DISCUSSES AN EXPERIENCE HE HAD IN 1999 REGARDING THE MINNEAPOLIS DOWNTOWN CENTRAL OFFICE?

A. Yes. In researching Covad's history of collocation in the Minneapolis Downtown central office, I found that Covad has never rejected a Qwest collocation assignment proposal out of [REDACTED] jobs requesting collocation in that office. In fact, there is no documentation suggesting

1 that in Qwest's region, Qwest has ever denied a Covad request for a specific space
2 assignment. Covad has accepted each feasibility study and resulting collocation assignment
3 and has only ever requested one change in Minneapolis, which Qwest satisfied by moving
4 Covad's collocation space. Furthermore, I am unaware of any documents supporting Mr.
5 Zulevic's testimony.

6
7 **Q. MR. ZULEVIC OFFERS EXHIBITS MZ-3 AND MZ-4 FOR THE PROPOSITION**
8 **THAT QWEST HAS AND SHOULD CONTINUE TO PERFORM ALL CROSS**
9 **CONNECTION FUNCTIONS, INCLUDING REGENERATION, AS PART OF ITS**
10 **COCC-X PRODUCT. DO YOU AGREE?**

11 A. No. Nothing in the exhibits can be read to suggest that Qwest will provide CLEC-to-CLEC
12 regeneration free of charge. Both of these exhibits represent discussions held between
13 Qwest and participating CLECs in the Change Management Process ("CMP"). They
14 include responses from Qwest telling the CLEC community what Qwest will and will not
15 do from a technical perspective. The responses have nothing to do with pricing of the
16 services provided or what the FCC requires Qwest to do or not do as Mr. Zulevic suggests.
17 Moreover, Mr. Zulevic provides no rationale for why either of these exhibits supports
18 Covad's contention that Qwest should provide CLEC-to-CLEC regeneration free of charge.

19
20 For example, MZ-3 discusses a change Qwest was making to its Technical Publication
21 #77386 ("Tech Pub"). Eschelon was concerned that Qwest did not define how it would
22 meet the ANSI standards on a CLEC-to-CLEC cross-connect at the ICDF. Qwest's
23 response was that the Tech Pub change was not eliminating regeneration. This exhibit

1 provides a detailed analysis of the connection at issue and does not discuss the cost of the
2 product.

3
4 Exhibit MZ-4 predates MZ-3, but is, in effect, the same type of discussion and response as
5 MZ-3. Specifically, Eschelon was concerned that Qwest did not define how it would meet
6 the ANSI standards on a CLEC-to-CLEC cross connect through the ICDF and asked that
7 Qwest commit to providing a signal that adhered to the ANSI standards. Once again,
8 Qwest assured the CLEC community that it would adhere to the ANSI standards. As with
9 MZ-3, there is nothing in MZ-4 suggesting that if regeneration was required under the
10 ANSI standards, Qwest would provide such regeneration free of charge or even at a
11 TELRIC rate.

12
13 **Q. ON PAGES 16 AND 17 OF MR. ZULEVIC'S DIRECT TESTIMONY HE CITES**
14 **QWEST'S COMMENTS FILED IN PHASE II OF THE COLORADO COST**
15 **DOCKET TO SUPPORT HIS REQUEST THAT QWEST SHOULD NOT CHARGE**
16 **FOR CLEC-TO-CLEC REGENERATION BECAUSE THERE IS NO**
17 **JUSTIFICATION FOR TREATING CLEC-TO-CLEC CONNECTIONS**
18 **DIFFERENTLY THAN ILEC-TO-CLEC CONNECTIONS. DO YOU AGREE?**

19 A. No. In an ILEC-to-CLEC connection Qwest is a party to the connection and as stated
20 above, has agreed not to charge to regenerate a signal between it and a CLEC. The
21 rationale behind this is that in a Qwest to CLEC scenario, Qwest maintains the ability to
22 test and maintain the connection because it is a party to the connection. In a CLEC-to-
23 CLEC connection, Qwest is not involved in the relationship, and has no control or
24 involvement in the facilities. If a CLEC wishes to lease a connection from Qwest even

1 though that CLEC could provision its own facility, Qwest will provide the facility,
2 including the testability, but will charge a market rate for that connection. Qwest's ability
3 to charge a market rate encourages the CLEC to invest in its own facilities, thereby
4 furthering the goals of the Act.

5

6

IV. SUMMARY AND CONCLUSION

7 **Q. PLEASE SUMMARIZE YOUR TESTIMONY?**

8 A. As set forth above, Qwest's language on these disputed issues is consistent with Qwest's
9 obligations and reflects a fair and reasonable effort to meet Covad's concerns.

10 Accordingly, the Commission should adopt Qwest's language on these disputed issues.

11

12 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

13 A. Yes, it does.

14