BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

| In the Matter of the |) | |
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| |) | |
| Continued Costing and Pricing of Unbundled |) | Docket No. UT-003013 |
| Network Elements, Transport and |) | Part B |
| Termination |) | |

RESPONSE TESTIMONY OF ROY LATHROP ON BEHALF OF WORLDCOM

LINE SPLITTING

February 7, 2001

- Q. PLEASE STATE YOUR NAME AND TITLE.
- 2 A. My name is Roy Lathrop. I am an Economist in the State Regulatory Analysis Section of

| 1 | | WorldCom Inc. ("WorldCom"). My business address is 1133 19th Street, NW, |
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| 2 | | Washington DC, 20036. |
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| 4 | Q. | ARE YOU THE SAME ROY LATHROP THAT FILED DIRECT TESTIMONY |
| 5 | | ON OCTOBER 19, 2000 IN THIS PROCEEDING? |
| 6 | A. | Yes, I am. |
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| 8 | Q. | WHAT IS THE PURPOSE OF YOUR TESTIMONY? |
| 9 | A. | The purpose of my testimony is to respond to the testimony filed by Ms. Barbara Brohl |
| 10 | | and Ms. Renee Albersheim on behalf of Qwest Corporation ("Qwest") and the testimony |
| 11 | | filed by Mr. R. Kirk Lee and Mr. Larry Richter on behalf of Verizon Northwest Inc. |
| 12 | | ("Verizon") with respect to UNE-P line splitting issues. |
| 13 14 | | WorldCom requests that the Commission: |
| 15 | | • Require Qwest and Verizon to implement a line splitting OSS that reflects the |
| 16 | | principles outlined in the Attachment to this testimony. |
| 17 | | Require Qwest and Verizon to provide splitters to comply with the |
| 18 | | Telecommunications Act requirement to provide all features, functions and |
| 19 | | capabilities of requested network elements (in this case, the loop). |
| 20 | | • Require Qwest to make modifications to its OSS in sufficient time to have its |
| 21 | | line splitting OSS tested in connection with the Regional Oversight Committee's |

OSS testing process and require Verizon to engage an independent third party to 1 2 comprehensively test its line splitting OSS.

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HAVE BOTH VERIZON AND QWEST AGREED TO PROVIDE UNE-P LINE Q.

SPLITTING?

Yes, apparently so. Verizon states that it "has committed to permitting line splitting"¹ A. and has been developing implementation details as part of a collaborative process underway in New York.² Furthermore, Verizon states that it plans to offer its line splitting service on a standardized basis nationwide.³

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Owest "agrees that it has an obligation to permit line splitting to voice CLECs using UNE-P."4 Qwest raises line splitting implementation issues, stating that it is willing to discuss OSS requirements with CLECs,⁵ and describing the development of its line splitting product description and processes to support line splitting over UNE-P as "still

¹ Part B 2nd Supplemental Testimony of R. Kirk Lee on behalf of Verizon Northwest Inc., January 8, 2001 ("Lee Testimony") at 2.

² This collaborative is being conducted under the auspices of the New York PSC and is addressing issues required to implement that Commission's decision requiring line splitting over UNE-P. Opinion and Order, Proceeding on Motion of the Commission to Examine Issues Concerning Provision of Digital Subscriber Line Services, NY PSC Case No. 00-C-0127, issued October 31, 2000.

³ Lee Testimony at 3.

⁴ Supplemental Direct Testimony of Barbara J. Brohl, Qwest Corporation, January 8, 2001 at 11.

⁵ Supplemental Direct Testimony of Renee Albersheim, Qwest Corporation, January 8, 2001 at 4.

in the infancy stage."6

Notably, the FCC recently issued an Order on Reconsideration⁷ that both clarified that incumbent LECs are required to provide line splitting over UNE-P and addressed a variety of implementation issues.

Q. ARE THE IMPLEMENTATION ISSUES ADDRESSED IN THE FCC'S RECENT ORDER CONSISTENT WITH THE RECOMMENDATIONS IN YOUR DIRECT TESTIMONY?

Α.

Yes. Specifically, the FCC requires ILECs to perform the central office work needed to connect loops and ports to splitters that are part of a line splitting arrangement. The FCC also encourages ILECs and CLECs to use existing state collaborative and change management processes to address, among other issues, developing a single-order process for competing carriers to add xDSL services to UNE-platform voice customers; allowing CLECs to forego loop qualification if they so choose (i.e., because xDSL service is already provided on the line); enabling CLECs to order loops for line splitting as a "non designed" service; and using the same number of cross connections, and the same length

⁶ Qwest response to WorldCom discovery request 02-001.

⁷ 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, Order on Reconsideration, FCC 01-26, released January 19, 2001 ("Order on Reconsideration").

of tie pairs for line splitting and line sharing arrangements.

Furthermore, the FCC noted that because no central office wiring changes are necessary in a conversion from line sharing to line splitting, it expects ILECs to work with CLECs to develop streamlined ordering processes for migrations between line sharing and line splitting that avoid voice and data service disruption and make use of the existing xDSL-capable loop. The FCC also encouraged collaborative and change management process participants to develop specific ordering procedures associated with other scenarios, including when a CLEC customer served by UNE-P wishes to add data service and when an ILEC voice customer converts to a CLEC voice provider and wishes to add data on the same line. The FCC, clarifying that line splitting is an existing legal obligation, stated that ILECs "must allow competitors to order line splitting immediately, whether or not a full electronic interface is in place."

Q. HOW DO YOU RECOMMEND QWEST AND VERIZON MODIFY THEIR RESPECTIVE OSS TO IMPLEMENT LINE SPLITTING IN A MANNER CONSISTENT WITH THE FCC ORDER?

A. Attached to this testimony is a list of principles that I recommend the Commission require Qwest to use in modifying its OSS to implement line splitting. The principles are

⁸ Order on Reconsideration, footnote 36.

substantially similar to those Verizon is using to implement UNE-P line splitting in New
York, and that it plans to implement in Washington.

A.

Q. PLEASE SUMMARIZE THE PRINCIPLES YOU RECOMMEND QWEST BE REQUIRED TO USE TO DEVELOP LINE SPLITTING IN WASHINGTON?

Existing systems and processes should be used and customer service disruption should be minimized in implementing line splitting. Taking apart a customer's existing service and forcing the UNE-P CLEC to piece together the service UNE by UNE would likely result in unnecessary customer service outages. Further, such an approach would require UNE-P CLECs to develop a new OSS based on individual UNEs rather than rely on the existing UNE-P system to process line splitting orders. I understand that Verizon in New York plans to convert a single line splitting order submitted by a UNE-P CLEC into two separate records for its own purposes, but will process a line splitting order as a single combined UNE and voice CLECs will use existing UNE-P ordering processes and forms.

Data CLECs, authorized by UNE-P voice CLECs, should be permitted to act as agents for voice CLECs. UNE-P providers should be able to provide voice and data on the same line to Washington customers at parity with the ILEC (using a single order). When a customer exercises his or her choice in selecting a voice provider using UNE-P and also wishes to add data service on the same line, the UNE-P provider, or a designated agent,

should be able to use the existing UNE-P and line sharing OSS to submit a single order that satisfies the customer's needs. The UNE-P portion of the line splitting order should not impact the technical configuration of the customer's voice circuit unnecessarily, and the data portion of the line splitting order should be processed in the same manner as a line sharing order. The FCC's Order on Reconsideration confirms the validity of the "single-order" approach for CLECs to add xDSL service to UNE-platform voice customers, as described above. I note that Verizon plans to permit voice CLECs to use existing "migrate as specified" UNE-P ordering processes and forms to migrate a Verizon voice customer with data (line sharing) to CLEC voice service with data (line splitting).

OSS testing should be conducted and performance measurements should be developed.

Operational readiness testing should be conducted to ensure the Qwest and Verizon OSS will operate in a nondiscriminatory fashion in commercial market conditions.

Performance measurements should be developed to track Qwest and Verizon service to

ILECs as well as to ensure that the ILECs' OSS do not discriminate in favor of their own

(including affiliated) retail service offerings.

⁹ See the Attachment to the Lee Testimony (Draft New York Line Splitting service description) at 2.

Q. WHEN SHOULD VERIZON AND QWEST'S OSS MODIFICATIONS BE

IMPLEMENTED?

A. The FCC Reconsideration Order imposes on ILECs the obligation to provide CLECs with the ability to engage in line splitting. The New York Commission requires Verizon to provide "preliminary implementation of line splitting, for addition of data to an existing voice platform account, . . . no later than June 2001 at reasonable volumes as requested by interested competitors, without any adverse impact on customers' existing voice service. Verizon shall support full commercial availability of line splitting no later than October 2001."

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I recommend the Commission require Verizon to implement its line splitting OSS changes in Washington on the same schedule as New York or immediately thereafter, and require Qwest to implement OSS changes within sufficient time to allow for testing of its line splitting OSS in connection with the ROC OSS testing process.

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Q. DO YOU AGREE THAT THE QWEST AND VERIZON SHOULD NOT BE REQUIRED TO PROVIDE SPLITTERS WHEN END USERS ARE SERVED BY VOICE PROVIDERS THAT RELY ON UNE-P?

Order Granting Clarification, Granting Reconsideration in Part and Denying Reconsideration in Part and Adopting Schedule, *Proceeding on Motion of the Commission to Examine Issues Concerning Provision of Digital Subscriber Line Services*, NY PSC Case No. 00-C-0127, issued

A. No. As I explained in my direct testimony, line splitters are required for ILECs to meet
their obligations imposed by the Telecommunications Act to provide requesting carriers
access to UNEs with all their features, functions and capabilities in a manner that allows
the requesting carrier "to provide any telecommunications service that can be offered by
means of that network element." Since the high frequency portion of the loop is a
capability of the loop, ILECs are required to provide splitters.

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Q. DID THE FCC RESOLVE THE SPLITTER OWNERSHIP ISSUE IN ITS ORDER ON RECONSIDERATION?

A. Unfortunately, no. The FCC stated that it will address the splitter ownership issue in another proceeding. The FCC also stated that it will address the issue of whether the splitter should be included inn the definition of the loop in another proceeding.

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Q. DOES THE FCC'S ACTION PREVENT THE WASHINGTON COMMISSION FROM REQUIRING ILECS TO PROVIDE SPLITTERS?

A. No. The Washington Commission is free to establish requirements beyond those established by the FCC. The FCC has clearly stated that its requirements are the minimum necessary and that state commissions are free to establish additional requirements, beyond those established by the FCC, provided they are not inconsistent

January 29, 2001.

with the requirements of the Act. 11 1 2 Q. HAVE COMMISSIONS IN STATES IN ADDITION TO TEXAS REQUIRED 3 INCUMBENT LOCAL EXCHANGE CARRIERS TO PROVIDE THE 4 **SPLITTER?** 5 A. Yes. In an arbitration between Ameritech and AT&T, the Wisconsin Commission 6 required that Ameritech provide splitters to allow AT&T access to the full features and 7 functionality of the loop. In its Order, the Commission stated: 8 "The Panel finds that the HFPL is a loop functionality. The high frequency 9 capacity is clearly a capability of the loop. The splitter can therefore be 10 considered ancillary equipment that allows access to that functionality, in much 11 the same way that a multiplexer allows access to the multiple voice grade circuits 12 on a channelized T1 line. Ameritech has not shown that requiring such ancillary 13 equipment would cause harm to its network or operations. The Panel, therefore, 14 finds that a splitter must be provided as ancillary equipment, when requested, to 15 allow AT&T access to the HDPL on unbundled loops." 12 16 17 Similarly, the Indiana Commission found that, "...the HFPL is a loop functionality and 18

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that the high frequency capacity is a capability of the loop. We further find that a splitter

In The Matter Of Implementation Of The Local Competition Provisions Of The Telecommunications Act Of 1996, *Third Report and Order and Fourth Further Notice of Proposed Rulemaking*, CC Docket No. 96-98, FCC 99-238, (Adopted: September 15, 1999, Released: November 5, 1999) (*UNE Remand Order*") at ¶¶ 154-60; *Line Sharing Order* at ¶¶ 223-25.

Petition for Arbitration to Establish an Interconnection Agreement Between Two AT&T Subsidiaries, AT&T Communications of Wisconsin, Inc. and TCG Milwaukee, and Wisconsin Bell, Inc.(d/b/a Ameritech Wisconsin), Docket 05-MA-120 (AT&T and Wisconsin Bell), Arbitration Award issued October 12, 2000, p. 79.

is considered ancillary equipment that allows access to that functionality. A splitter shall

be provided as ancillary equipment when requested to allow AT&T access to HFPLs. "13

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4 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

5 A. Yes.

¹³ P. ... C. A. 1...

Petition for Arbitration of Interconnection Rates, Terms and Conditions and Related Arrangements with Indiana Bell Telephone Company, Incorporated, d/b/a Ameritech Indiana Pursuant to Section 252(b) of the Telecommunications Act of 1996, Cause No. 40571-INT-03, Arbitration Award issued November 20, 2000.

PRINCIPLES FOR LINE SPLITTING OSS.

To minimize customer service disruption and to provide parity between CLEC and ILEC (including data affiliate) services, OSS for line splitting should be developed and implemented based on the following principles:

MINIMIZE CUSTOMER SERVICE INTERRUPTION. UNE-P CLECs should be able to provide voice or other telecommunications services over the same loop that Verizon or Qwest, or any data affiliate of either, or any data CLEC uses to provide data services to the end user, and Verizon and Qwest must not unnecessarily interrupt or terminate services provided in the high frequency portion of the loop. Verizon and Qwest should continue to provide all existing data services in the high frequency portion of the loop to any end user that chooses a UNE-P CLEC as its carrier for voice service or other telecommunications services. Furthermore, a UNE-P CLEC (or any data CLEC, with the proper authority from the UNE-P CLEC) should be able to add data services over the high frequency portion of the loop without interruption of the end user's service, other than that necessary as a result of a line sharing order.

DATA CLECS MAY ACT AS AGENTS OF UNE-P CLECS. UNE-P CLECs may identify one or more data CLECs as an authorized Advanced Service Supplier authorized to add, change or delete advanced services capabilities within the high frequency of a loop. In such instances, the UNE-P CLEC will provide Verizon or Qwest with prior written authorization that identifies the specific providers that are authorized to access the high frequency portion of the UNE-P CLEC's loop. The UNE-P CLEC may modify this authorization and any changes will become effective upon 30 days notice. Unless The UNE-P CLEC provides written authorization, Verizon and Qwest should refuse orders from any party other than The UNE-P CLEC that seeks to use, modify or affect the operation of the loop employed or ordered by the UNE-P CLEC. Verizon and Qwest should track authorized Advanced Services Suppliers of UNE-P CLECs on a

statewide basis.

CONTROL OF THE LOOP. Whenever a CLEC provides service utilizing a loop, either on a stand alone basis or as part of UNE-P, the CLEC controls the entire loop spectrum and may provide both voice and high frequency services either by itself or in partnership with another provider. To the extent necessary, the CLEC, Verizon and Qwest should develop a mutually agreeable method for conveying Connecting Facility Assignments (CFAs) for the advanced services equipment deployed in collocation space in those instances where the voice CLEC, rather than an authorized Advanced Service Supplier, provides the advanced services capability.

ORDERING PROCEDURES. Verizon and Qwest, in cooperation with CLECs, should develop and implement procedures to allow CLECs (including authorized Advanced Service Suppliers) to order high frequency data capabilities on the UNE-P loop without interruption of the end user's service, other than any interruption that would occur as a result of a line sharing order. A UNE-P CLEC, at its option, may authorize Verizon or Qwest to process orders issued by one or more authorized Advanced Service Suppliers, for the purpose of adding, changing or removing capabilities to deliver service in the high frequency portion of the loop in coordination with the UNE-P CLEC. For voice services, including change orders, there should be no significant changes to the current UNE-P ordering process. For data services, including change orders, there should be no significant changes to the line sharing ordering process. Verizon and Qwest should also provide complete documentation and technical assistance necessary for CLECs to understand order format, information content, business rules and all system and network interface requirements necessary to accomplish, at a minimum, each of the following tasks.

Existing UNE-P or UNE-L to Add Data (and become Line Splitting)

Where a voice CLEC seeks to add advanced service capability to a loop, whether on a stand

alone basis or as part of UNE-P, Verizon and Qwest should, at the voice CLEC's request, install a line splitter to deliver the high frequency portion of the loop to the voice CLEC's designated point of interconnection, perform any necessary conditioning, and perform any operational support as directed by the voice CLEC. The voice CLEC, at its option, may issue the order(s) to provide the advanced services capability or the voice CLEC may issue the order through an authorized Advanced Service Supplier, using the appropriate ACNA/AECN.

Existing UNE-P or UNE-L, Change in Data Provider

A voice CLEC may change its designated point of interconnection for the advanced service capability or, at its option, may itself or through an authorized Advanced Service Supplier issue the necessary order to change the high frequency point of interconnection location.

Line Sharing Migration to Line Splitting

Where Verizon or Qwest is providing the voice service in a line sharing configuration, Verizon or Qwest should convert the local voice portion of the loop to a CLEC's UNE-P and, as part of the same transaction, at the direction of the UNE-P CLEC, either leave the service in the high frequency portion of the loop intact or change the high frequency point of interconnection location. In the event the data provider remains the same, no central office wiring changes are necessary and voice and data service disruption should be avoided.

Existing Line Sharing Migration to UNE-P

Where Verizon or Qwest is providing the voice service in a line sharing configuration, Verizon or Qwest should convert the local voice portion of the loop to a CLEC's UNE-P while leaving the service in the high frequency portion of the loop intact. As part of the conversion order, billing of the high frequency portion of the loop to the Advanced Service Supplier must be terminated if The UNE-P CLEC so requests. The completion notice passed to the UNE-P CLEC should include the circuit ID of the line split loop and the ACNA of the Advanced Service

Supplier.

Existing Line Sharing Migration to UNE-P and New D-CLEC

Where Verizon or Qwest is providing the voice service in a line sharing configuration, Verizon or Qwest should convert the local voice portion of the loop to a CLEC's UNE-P and, as part of the same transaction, connect the high frequency portion of the loop to the UNE-P CLEC's designated point of interconnection. A UNE-P CLEC, at its option, may issue the necessary order(s) to provide the advanced services capability itself or it may provide the advanced services capability through an authorized Advanced Service Supplier. The order to provide the advanced services capability may also be issued by the Advanced Services Supplier using the appropriate UNE-P CLEC ACNA/AECN.

Data Only to Line Splitting

Verizon or Qwest should add voice capability, where none is currently being provided, to a loop where only the high frequency is used for service delivery. Verizon or Qwest shall provide the capability to utilize the telephone number of any voice grade line currently provided by Verizon or Qwest to the end user at that same location, provided the end user disconnects the associated Verizon or Qwest line with that telephone number, and a UNE-P CLEC provides service, via UNE-P from the same central office. As part of the conversion order, the UNE-P CLEC should have the ability to redirect billing of the loop from the Advanced Service Supplier to itself.

TESTING AND PERFORMANCE MEASUREMENTS. Verizon and Qwest, in cooperation with CLECs, should jointly develop, engage in operational readiness testing and subsequently deploy mutually agreeable operational capabilities at parity with comparable Qwest and Verizon (and affiliate) data service. Operational procedures should address, without limitation, pre-

ordering, ordering, provisioning, maintenance and billing for high frequency loop access arrangements. Verizon and Qwest should provide CLECs with the opportunity, in advance, to test all newly instituted or revised ordering capabilities in conjunction with CLECs' internal systems through a separate testing environment that fully reflects the functionality that will be deployed in commercial market operations. Verizon and Qwest, in cooperation with CLECs, should jointly develop performance measurements to track the ILECs service to CLECs in, at a minimum, the areas of OSS, provisioning, maintenance, customer conversions, and billing timeliness. Performance measurements should also ensure that the ILECs do not discriminate in favor of their own retail or affiliated services.