

**BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

IN THE MATTER OF THE INVESTIGATION            )  
INTO U S WEST COMMUNICATIONS, INC.'S        )  
COMPLIANCE WITH §271(C) OF THE                )     DOCKET NO. UT-003022  
  
TELECOMMUNICATIONS ACT OF 1996.            )

**REBUTTAL TESTIMONY OF**

**THOMAS R. FREEBERG  
ON BEHALF OF**

**U S WEST COMMUNICATIONS, INC.**

**June 5, 2000**

**TABLE OF CONTENTS**

|              |   |           |
|--------------|---|-----------|
| <b>I.</b>    | <b>IDENTIFICATION OF AFFIANT</b> .....                          | <b>1</b>  |
| <b>II.</b>   | <b>PURPOSE OF TESTIMONY</b> .....                               | <b>1</b>  |
| <b>III.</b>  | <b>EXECUTIVE SUMMARY</b> .....                                  | <b>1</b>  |
| <b>IV.</b>   | <b>CHECKLIST ITEM 3 -- POLES, DUCT, AND RIGHTS-OF-WAY</b> ..... | <b>6</b>  |
| <b>V.</b>    | <b>CHECKLIST ITEM 13 - RECIPROCAL COMPENSATION</b> .....        | <b>13</b> |
| <b>VIII.</b> | <b>CONCLUSION</b> .....   | <b>35</b> |

1

## I.IDENTIFICATION OF WITNESS

2 **Q. PLEASE STATE YOUR NAME, POSITION, EMPLOYER, AND BUSINESS**  
3 **ADDRESS.**

4 A. My name is Thomas R. Freeberg. My business address is Room 100, 301 W. 65<sup>th</sup>  
5 St., Richfield, Minnesota. I am employed by U S WEST as a Director in Wholesale  
6 Markets where I currently manage a staff who help produce U S WEST's Section 271  
7 filings.

8

## PURPOSE OF TESTIMONY

9 **WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

10 A. My rebuttal testimony addresses the testimony filed by Kenneth Wilson on behalf of  
11 AT&T Communications and TCG (collectively "AT&T"), Mark Argenbright on behalf  
12 of MCI WorldCom, Inc. ("WCom"), Kaylene Anderson on behalf of NEXTLINK and  
13 Cindy Schonhaut on behalf of ICG Communications, Inc. These comments regard  
14 satisfaction of the 1996 Telecom Act's checklist item three, access to poles, ducts,  
15 conduits, and rights-of-way; and checklist item thirteen, reciprocal compensation.

16

## III.EXECUTIVE SUMMARY

17 **Q. PLEASE PROVIDE A SUMMARY OF YOUR TESTIMONY.**

18 A. AT&T, WCom, ICG and NEXTLINK offered testimony regarding U S WEST's  
19 satisfaction of Checklist Items 3 and 13. ICG commented only on item 13.

20

For Checklist Item 3, WCom stated that if U S WEST accepted amended language

21

that WCom offered in the Arizona 271 Workshop regarding Exhibit D of the SGAT,

1 its concerns with U S WEST's satisfaction of Checklist Item 3 would be eliminated.  
2 Accordingly, U S WEST will formalize acceptance of WCom's amendments to Exhibit  
3 D of the SGAT before the workshop on this checklist item.

4 For Checklist Item 3, AT&T acknowledges ten SGAT revisions made during  
5 collaborative efforts in the Arizona workshops and raises for the first time, concerns  
6 with six other sections of the SGAT. Regarding those concerns of AT&T that may be  
7 legitimate, if any, U S WEST expects that SGAT language can be mutually amended  
8 in the June workshop to the satisfaction of all parties.

9 For Checklist Item 3, NEXTLINK describes what it considers to be deficiencies in 1)  
10 the cost basis of rates for access to poles, ducts, and rights-of-way; 2) the time and  
11 expense of performing space availability verifications; and 3) any circumstance that  
12 might lead to a change in rates other than as a part of contract initiation or renewal.  
13 Regarding NEXTLINK's concerns: 1) Per our discovery response, U S WEST will  
14 provide NEXTLINK with the rationale and formulae used to determine appropriate  
15 rates by June 15, 2000; 2) Field verification is almost always required in order to  
16 provide the CLEC with an accurate availability information and an accurate cost  
17 estimate of the make ready work required; and 3) the existence of an interconnection  
18 agreement between U S WEST and NEXTLINK eliminates the use of Exhibit D,  
19 Attachment 3 , Section 4.2.

20

1 Given U S WEST's performance and flexibility in providing access to Poles, Ducts,  
2 Conduits, and Rights-of-Ways to CLECs in Washington, the Commission should find  
3 that U S WEST has satisfied the Act's requirements for Checklist Item #3.

4 Regarding Checklist Item 13, on March 1, 2000 U S WEST had 117,000 trunks in  
5 service between itself and other local carriers. During the month of March 2000,  
6 U S WEST and other local carriers exchanged over 829 million minutes of calls  
7 across these trunks. Due to many intervenors' myopic focus on customers who do  
8 not originate traffic, over 778 million minutes were originated on or behind the  
9 U S WEST network. Despite the fact that U S WEST strenuously asserts that it  
10 should not be required to pay reciprocal compensation for Internet-bound traffic,  
11 U S WEST paid approximately \$18 million to other local carriers for their handling of  
12 incoming traffic from the interconnection trunks between September 1999 and March  
13 2000. This is in large part due to the fact that Internet-bound traffic constituted the  
14 majority of the traffic exchanged. During the same period, U S WEST billed other  
15 carriers less than 5% of the \$18 million. When U S WEST was ordered to pay for  
16 Internet-bound traffic, it did.

17 AT&T and MWCom request that U S WEST agree to modify the SGAT's definition  
18 of tandem switching so that a CLEC's switch is considered a tandem when the  
19 CLEC's switch serves "a comparable" geographic area to U S WEST's tandem  
20 switch. One carrier should not compensate the other as if it switched the call twice  
21 when it only switched the call once. Neither U S WEST nor the CLEC should be able

1 to charge for switching it does not actually perform for the other.

2 AT&T and MWCom assert that U S WEST is denying CLECs the ability to obtain one  
3 point of interconnection (POI) per LATA. InterLocal Calling Area (SGAT Section  
4 7.1.2.4) offers the CLEC one POI per LATA. Cost of this form of interconnection is  
5 the true issue. U S WEST would be required to pay over 90 percent of the cost of  
6 construction and maintenance of facilities to the most distant point in the entire LATA.  
7 Such a circumstance would constitute an extraordinary and unfair burden. Transport  
8 of a call outside of the local calling area is not “telephone exchange access;”  
9 therefore, it is not interconnection subject to the pricing provisions of Section  
10 252(d)(1). U S WEST’s SGAT offers one POI per LATA local interconnection and  
11 charges TELRIC rates for transport within the local calling area; however, it charges  
12 private line rates for transport outside of the local calling area.

13 The FCC’s UNE Remand Order does not require U S WEST to convert circuits to  
14 TELRIC rates unless they carry a significant amount of local traffic. U S WEST has  
15 allowed CLECs to freely employ spare capacity from an existing private line in lieu of  
16 the time and expense of installing new facilities. In *Implementation of the Local*  
17 *Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-  
18 98, *Supplemental Order* at ¶2 (rel. Nov. 24, 1999) (emphasis added), the FCC heard  
19 and rejected the argument posed by AT&T and MWCom.

20 AT&T states that they want the opportunity to interconnect at the host switch and

1 require U S WEST to transport calls on dedicated links to the remote calling area at  
2 no charge. U S WEST simply believes that carriers should be paid for the transport  
3 they actually provide. MWCom appears to concur with this. This position is fully  
4 supported by Section 251(c)(2) and 252(d)(1).

5 In their comments, AT&T and MWCom address more briefly six to eight other  
6 matters. Those matters involve symmetry of non-local traffic charges, non-recurring  
7 charges, two-way true-up of charges for EICT/MUX/EF, mileage charges associated  
8 with transit, "no CPN" call handling and use of NPAC. As discussed below, several  
9 of these provisions were addressed and resolved in the Arizona workshop and should  
10 not be reopened here, others are unfounded, and some are simply unexplained

11 In summary, the Washington Commission should find that U S WEST has satisfied  
12 the Act's checklist requirements for access to poles, ducts, conduits and rights-of-  
13 way; and for reciprocal compensation.

1 **IV.CHECKLIST ITEM 3 -- POLES, DUCT, CONDUIT AND**

2 **RIGHTS-OF-WAY**

3 **Q. PLEASE PROVIDE AN OVERVIEW OF INTERVENORS' CONCERNS REGARDING**  
4 **ACCESS TO U S WEST POLES, DUCTS, CONDUIT AND RIGHTS-OF-WAY?**

5 A. AT&T, WCom and NEXTLINK provided testimony with regard to U S WEST's  
6 satisfaction of Checklist Item 3.

7 WCom stated that if U S WEST accepted amended language that WCom offered for  
8 consideration in the Arizona 271 Workshop regarding Exhibit D of the SGAT (which  
9 provides terms and conditions for access to poles, ducts, conduits and rights-of-way)  
10 its concerns with U S WEST's satisfaction of Checklist Item 3 would be eliminated.  
11 U S WEST will formalize acceptance of WCom's amendments to Exhibit D of the  
12 SGAT before the workshop on this checklist item.

13 AT&T acknowledges ten SGAT revisions made during collaborative efforts in the  
14 Arizona workshops. Despite these changes, and AT&T's opportunity to raise any  
15 other concerns in Arizona, AT&T raises, for the first time, concerns with six other  
16 sections of the SGAT:

- 17 1. access to records (SGAT section 10.8.2.4),  
18 2. incorporation of state and municipal laws (SGAT section 10.8.2.5),  
19 3. facilitation of right-of-way authorization (SGAT section 10.8.2.8),  
20 4. inspection liability (SGAT sections 10.8.2.14, 10.8.2.15, and 10.2.8.16),  
21 5. specificity of "cause" for access termination (SGAT section 10.8.2.18), and



1           6. reference to U S WEST practices and procedures SGAT section  
2           10.8.2.20).

3           NEXTLINK describes what it considers to be deficiencies in the cost basis of rates for  
4           access to poles, ducts and rights-of-way, the time and expense of performing space  
5           availability inquiries, and any circumstance that might lead to a change in rates other  
6           than as a part of contract initiation or renewal.

7 **Q.           PLEASE DISCUSS MWCOM'S CONCERNS REGARDING THIS CHECKLIST**  
8 **ITEM.**

9 A.       In his testimony at page 4, Mr. Beach of WCom complains that section 10.8.1.4 of the  
10         SGAT imposes an obligation that CLECs provide reciprocal access to rights-of-way.  
11         There is no such provision in the Washington SGAT. Thus, WCom's complaint is  
12         baseless.

13         WCom's only other concern regarding U S WEST's compliance with this checklist  
14         item is its proposed revisions to Exhibit D of the SGAT. U S WEST and WCom have  
15         been working collaboratively to address this issue in the Arizona workshop, and as  
16         WCom notes, the parties have reached agreement on the revisions to Exhibit D.  
17         Thus, U S WEST is already addressing WCom's only remaining issue in the Arizona  
18         workshop.

19 **Q.           WHAT IS THE NATURE OF AT&T'S CONCERNS WITH U S WEST'S**  
20 **PROVISION OF ACCESS TO POLES, DUCTS AND RIGHTS-OF-WAY?**

21 A.       AT&T raised specific concerns with respect to SGAT language contained in Sections  
22         10.8.2.4, 10.8.2.5, 10.8.2.8, 10.8.2.14 (and related provisions 10.8.2.15 and

1 10.8.2.16), 10.8.2.18 and 10.8.2.20. When this checklist item was addressed in  
2 Arizona workshops, AT&T raised many issues, but did not raise those it stresses here  
3 in Washington. Moreover, AT&T cites no legal basis for its concerns, and I am aware  
4 of none. U S WEST has agreed to incorporate in the Washington SGAT the changes  
5 agreed to in Arizona workshops. As set forth above, AT&T's new concerns are related  
6 to the timing of access to extensive volumes of records, incorporation of state and  
7 municipal laws, facilitation of right-of-way authorization, inspection liability, specificity  
8 of "cause" for access termination, and reference to U S WEST practices and  
9 procedures.

10 Based on experiences in the Arizona 271 workshops, if necessary, U S WEST  
11 expects that SGAT language can be mutually amended in the June workshop to the  
12 satisfaction of all parties.

13 Another issue raised by AT&T is access to pole, duct, conduit or right-of way near or  
14 entering a multiple dwelling unit (MDU). In the Arizona 271 workshops, the issue of  
15 MDU access was deferred to the workshop on checklist item 2 or 4, access to UNES,  
16 specifically the subloop. In the last procedural workshop, I understand that  
17 U S WEST agreed with AT&T that the issue concerned subloops, and thus should be  
18 deferred to that later workshop in the Washington 271 proceeding as well. AT&T  
19 agrees to defer this issue in Washington, and U S WEST agrees with that  
20 recommendation.

**1 Q. WHAT ARE NEXTLINK'S SPECIFIC CONCERNS WITH U S WEST'S**  
**2 PROVISION OF ACCESS TO POLES, DUCTS AND RIGHTS-OF-WAY?**

3 A. NEXTLINK describes three areas of concern. First, NEXTLINK requests more  
4 information regarding the cost basis for occupancy rates, field verification rates and  
5 unauthorized attachment/occupancy penalty. Second, NEXTLINK proposes that  
6 U S WEST should only rarely need to perform field verification of space availability.  
7 Finally, based on language in Exhibit D to the SGAT, NEXTLINK expects that  
8 U S WEST might change rates without Commission approval.

**9 Q. WHAT IS U S WEST'S REPLY TO NEXTLINK'S FIRST CONCERN**  
**10 REGARDING CALCULATION OF RATES?**

11 A. U S WEST's occupancy rates were the result of application of FCC formulae. In  
12 order to provide a more complete answer, U S WEST agreed to provide NEXTLINK  
13 with this and other additional information on how its rates and penalties are  
14 determined. U S WEST will provide this to NEXTLINK by June 15, 2000.

15 NEXTLINK is concerned that U S WEST's \$200 per pole/innerduct unauthorized  
16 attachment penalty is without basis and "68 times" the recurring occupancy charge  
17 making the charge "discriminatory, unjustified and offensive." As an example of the  
18 reasonability of the Washington charge, U S WEST offers that the Oregon PUC  
19 formed a Pole Attachment Task Force to minimize conflicts between CLECs, ILECs,  
20 and other utilities. The following resulted from a February 8, 2000 meeting in which  
21 sanctions were discussed.

1 Rationale for imposing sanctions for contract violations:

2 "The sanction amount for an attachment without a contract must be high  
3 enough to deter licensees who knowingly make unauthorized attachments;

4 There needs to be progressive discipline for non-responsiveness or improper  
5 follow-up by a pole user;

6 The sanctions process needs to be fair and balanced for both sides. It must  
7 not be onerous to responsible pole users. It needs to promote responsible  
8 pole and attachment management without giving the pole owner and electric  
9 utilities an unfair profit benefit; and

10 The sanctions need to be reasonable in handling the occasional human  
11 errors/paper work errors that can occur."

12 In order to address these concerns, Oregon Administrative Rules were proposed on  
13 April 19, 2000. Sanctions for violation of contract is the higher of \$500 per pole or 60  
14 times the owner's annual rental fee per pole. Sanctions for violation of permit is  
15 higher of \$250 per pole or 30 times the owner's annual rental fee per pole. Sanctions  
16 for violation of other duties is higher of \$200 per pole or 20 times the owner's annual  
17 rental fee per pole. Failure to remedy within 60 days (FCC standard) results in 1.5X  
18 original sanction. Failure to remedy within 90 days results in 2X original sanction.

19 Based upon the dollar amount of each of these sanctions, the clear intent of the  
20 Oregon PUC is to penalize severely those parties who make unauthorized pole  
21 attachments. U S WEST faces the risk of paying penalties such as these in Oregon.  
22 It is equally clear that the Commission considered the fairness of imposing the  
23 sanction when determining the actual amounts.

24 This being the case, U S WEST's \$200 sanction in Washington is very reasonable,

1 and well within the amount the Commission could approve. It is also noteworthy that  
2 U S WEST was not a party to the task force which developed these charges; thus,  
3 there can be no claim that U S WEST somehow influenced them.

4 **Q. WHAT IS U S WEST'S REPLY TO NEXTLINK'S SECOND CONCERN**  
5 **REGARDING INQUIRIES AND VERIFICATIONS?**

6 A. Field verification is almost always required in order to provide the CLEC with an  
7 accurate answer regarding an accurate cost estimate of the make ready work  
8 required. This is true for several reasons.

9 Regarding poles, in a few cases, pole records simply do not exist. This may be due  
10 to the age of the poles or the inadvertent misplacement of a document during a work  
11 center move. In these isolated cases, a field verification is unavoidable.

12 Second, when pole records do exist, they indicate what is on each pole, but they do  
13 not indicate how and where cables and equipment are attached. For example, a  
14 record may indicate that three cables are currently attached to a pole...say a 100  
15 pair, a 300 pair, and a 200 pair self-supporting cable. Typically, the record will not  
16 indicate if they are all three on separate strands, or if the 100 pair is lashed to the  
17 self-supporting 200 pair. This information is required to determine the work required,  
18 if any, to create pole capacity for CLEC cables.

19 Third, as poles age, replacement may be necessary to safely add additional  
20 attachments. The record cannot, by itself, determine a pole's durability.

1 In the case of duct and conduit, construction forces do not always follow explicitly the  
2 blueprint that, post-construction, becomes the record. When construction forces  
3 make a deviation, despite an effort to reflect the deviation in the record, the change  
4 may inadvertently be missed by records administrators. Emergency cable restoral  
5 situations can also create records inaccuracies. Furthermore, records cannot verify  
6 the existence of a conduit that has been crushed over time. A field visit is necessary  
7 to evaluate any of these potential issues with duct and conduit access.

8 U S WEST has also implemented procedures to reduce delays. In those cases  
9 where early verification reveals significant blockage or no capacity, U S WEST stops  
10 the verification process. U S WEST notifies the CLEC of the early findings, and the  
11 CLEC determines how to proceed. U S WEST does not bill for verification that it  
12 does not do. U S WEST has performed these same kinds of field verifications for  
13 itself as it has reinforced outside plant infrastructure over the years.

14 **Q. WHAT IS U S WEST'S REPLY TO NEXTLINK'S THIRD CONCERN**  
15 **REGARDING U S WEST'S SUPPOSED "UNILATERAL" ABILITY TO RAISE RATES?**

16 A. NEXTLINK states that SGAT Exhibit A and SGAT section 10.8 are inconsistent with  
17 SGAT Exhibit D, Section 4.2 with respect to U S WEST's ability to unilaterally raise  
18 rates. NEXTLINK seeks clarification.

19 U S WEST expects that NEXTLINK is referring to section 4.2 of Attachment 3 to  
20 Exhibit D of the SGAT. Exhibit 3 applies only to a party who seeks access to poles,  
21 ducts and rights-of-way outside of a CLEC interconnection agreement. Exhibit 3

1 would not apply to NEXTLINK since it has an interconnection agreement with  
2 U S WEST. U S WEST will amend the Washington SGAT Exhibit D as it has in  
3 Arizona to make this point more clear.

4 **Q. PLEASE SUMMARIZE YOUR TESTIMONY REGARDING CHECKLIST ITEM**  
5 **3?**

6 A. U S WEST currently provides access to other carriers on 102,751 poles and in  
7 348,293 feet of duct in Washington. From May 1996 through April 2000, eight CLECs  
8 had gained access to over 3770 multiple dwelling units in Washington. U S WEST  
9 has provided both pole and duct space to CLECs. U S WEST and intervenors  
10 disagree on only a few SGAT terms. The intervenors' issues have not been raised in  
11 previous workshops. U S WEST expects new matters can be readily resolved in the  
12 pending workshop.

13 **V.CHECKLIST ITEM 13 - RECIPROCAL COMPENSATION**

14 **Q. PLEASE PROVIDE AN OVERVIEW OF THE STATUS OF U S WEST'S**  
15 **RECIPROCAL COMPENSATION COMPLIANCE?**

16 A. On March 1, 2000 U S WEST had 117,000 trunks in service between itself and other  
17 local carriers. During the month of March 2000, U S WEST and other local carriers  
18 exchanged over 829 million minutes of calls across these trunks. Over 778 million  
19 minutes were originated on or behind the U S WEST network. Despite the fact that  
20 U S WEST strenuously asserts that it should not be required to pay reciprocal  
21 compensation for Internet-bound traffic, U S WEST paid approximately \$18 million

1 to other local carriers for their handling of incoming traffic from the interconnection  
2 trunks between September 1999 and March 2000. This is in large part due to  
3 Internet-bound traffic. During the same period, U S WEST billed other carriers less  
4 than 5% of the \$18 million. When U S WEST was ordered to pay for Internet-bound  
5 traffic, it did. U S WEST's appeal of a decision does not mean it is failing to satisfy  
6 a checklist item or failing to fulfill contract language.

7 **Q. SHOULD U S WEST BE REQUIRED TO INCORPORATE LANGUAGE IN ITS SGAT**  
8 **WHICH WOULD REQUIRE THAT IT PAY RECIPROCAL COMPENSATION ON**  
9 **INTERNET-BOUND TRAFFIC?**

10 A. No. U S WEST's SGAT explicitly and unambiguously excludes such traffic.  
11 U S WEST recognizes that the Commission, in the past, has ordered U S WEST to  
12 pay reciprocal compensation for Internet-bound traffic. However, for the reasons set  
13 forth here and in my previous testimony, U S WEST believes that such traffic can be  
14 excluded from the SGAT and, in any event, is not relevant to this particular  
15 proceeding.

16 The principal issue raised by intervenors regarding reciprocal compensation is that  
17 U S WEST should pay them for receiving Internet-bound traffic. ICG addressed only  
18 this issue. U S WEST disagrees with intervenors, but also asserts that this  
19 proceeding is not the proper forum to address this issue.



1 First, in its Bell Atlantic New York Order,<sup>1</sup> the FCC conclusively determined that  
2 compensation for Internet-bound traffic is an "inter-carrier compensation" issue, *not*  
3 a "reciprocal compensation" issue, and *not* a checklist item 13 issue. The FCC also  
4 stated that treatment of Internet-bound traffic is not a Section 251 issue.<sup>2</sup> This FCC  
5 determination remains controlling in this proceeding and on this Commission's  
6 consideration of U S WEST's compliance with 47 U.S.C. § 271(c)(2)(B)(xiii). Because  
7 Internet-bound traffic is not governed by Section 251(b)(5), it is irrelevant to  
8 consideration of whether U S WEST satisfies the requirements of checklist item 13.<sup>3</sup>

9 Second, no provision of the Act and no FCC order explicitly requires U S WEST to  
10 pay CLECs reciprocal compensation for Internet-bound traffic. Indeed, section  
11 252(f) requires the SGAT to comply with section 251. Thus, U S WEST may  
12 exclude such traffic from its SGAT terms because it is not a Section 251  
13 requirement. Furthermore, no CLEC is required to accept the SGAT's terms.  
14 Accordingly, whether the SGAT includes or excludes reciprocal compensation for  
15 Internet-bound traffic is simply not relevant.

16 Third, these workshop proceedings are not the proper forum to address this issue.  
17 These workshop proceedings are intended to be a collaborative process in which  
18 parties resolve their disagreements through negotiation. U S WEST strongly doubts

---

<sup>1</sup> Memorandum Opinion and Order, Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York, CC Docket No. 99-295, FCC 99-404 (Dec. 22, 1999).

<sup>2</sup> Id.

<sup>3</sup> Id.

1 that this the appropriate forum in which to resolve this highly contentious issue.  
2 Furthermore, the intervenors have submitted only high-level policy discussions  
3 regarding this topic. They have presented no specific evidence or studies to  
4 support their assertions. The Commission is asked here only to determine whether  
5 U S WEST complies with the checklist requirements of Section 271, not to develop  
6 overall policy or legal determination on this issue. U S WEST contends that the  
7 appropriate forum for consideration of this issue is the next phase of the  
8 Commission's cost docket proceedings, in which the parties could present testimony  
9 and evidence and be subject to normal Commission hearing procedures.

10 The Commission should not to permit this proceeding to dissolve into a lengthy  
11 rehashing of legal arguments on this issue. Because treatment of Internet-bound  
12 traffic is neither a checklist item 13 issue nor appropriate for consideration in this  
13 proceeding, I do not discuss it further here except to make unmistakably clear that  
14 U S WEST opposes any inclusion of Internet-bound traffic in its reciprocal  
15 compensation arrangements of the SGAT and to assert that exclusion of this traffic  
16 is practical and permissible under the law. To the extent any carrier believes it  
17 should receive compensation for Internet-bound traffic, the proper forum for that  
18 dispute is a separate Commission docket on this issue or a Section 252 arbitration.

19

1 **Q. IS IT PRACTICAL TO ADMINISTER AN EXCLUSION OF INTERNET-BOUND**  
2 **TRAFFIC FROM OTHER TRAFFIC?**

3 A. Yes. Intervenors have proposed that the SGAT's language with respect to exclusion  
4 of ISP traffic from reciprocal compensation, besides being improper, is impractical or  
5 impossible. This is simply not true. There are multiple methods available to the  
6 parties for tracking such traffic. U S WEST proposes the following.

7 Step 1 Once per quarter, the originating carrier could supply the  
8 receiving carrier a list of telephone numbers that it expects are modems on  
9 the server of an ISP. In addition, a one-week sample of calling volumes  
10 (minutes) to these numbers could be supplied in order to develop a factor  
11 reflecting the percentage of all traffic on all interconnection trunk groups which  
12 is ISP traffic.

13 Step 2 The receiving carrier could develop a list of the subset of  
14 telephone numbers which it demonstrates by name and address or otherwise  
15 to be non-ISPs. This list could be supplied back to the originating carrier.

16 Step 3 The originating carrier could remove from the original sample  
17 the traffic associated with verified non-ISPs, recalculate the percentage factor,  
18 and use this factor to remit payment of current and future reciprocal  
19 compensation bills.

20 To the extent carriers fail to agree on individual telephone numbers, joint-party, live  
21 calling to the suspected server could resolve differences, if any. Again, this one  
22 proposed methodology. Other methods are possible as well.

23 **Q. WHAT ARE THE INTERVENORS' CONCERNS REGARDING THE DEFINITION**  
24 **OF A TANDEM SWITCH IN U S WEST'S SGAT?**

25 A. The purpose of reciprocal compensation is to ensure that both parties get paid  
26 similarly for terminating the other's local traffic. Based on this principle, AT&T,  
27 NEXTLINK and WCom request that U S WEST agree to modify the SGAT's definition

1 of tandem switching so that a CLEC's switch is considered a tandem when the  
2 CLEC's switch serves "a comparable" geographic area to U S WEST's tandem  
3 switch. U S WEST's concern with the definition is in the implementation. WCom and  
4 ICG specifically advocate that the CLEC should charge U S WEST both the "tandem  
5 switching rate" and "end office rate" even though the CLEC only switched the call one  
6 time. To compound the problem, AT&T and MCI are proposing a loosely worded  
7 definition of a tandem switch. Taken together, these clauses would effectively have  
8 U S WEST pay double the already lopsided compensation it has paid. Furthermore,  
9 they ignore that tandem switching rates should only apply when tandem functions are  
10 performed. The Commission should not sanction such a windfall.

11 Section 7.3.4.2.1 was intended to compensate a carrier when it switched the traffic  
12 at both its end office switch and at its tandem switch. One carrier should not  
13 compensate the other as if it switched the call twice when it only switched the call  
14 once. As a result, in Arizona and Colorado, U S WEST proposed that Sections  
15 4.11.2 and 7.3.4.2. of U S WEST's SGAT be modified to read:

16 "4.11.2 "Tandem Office Switches" [which] are used to connect and switch  
17 trunk circuits between and among other End Office Switches. CLEC  
18 switch(es) shall be considered Tandem Office Switch(es) to the extent such  
19 switch(es) actual serve(s) the same geographic area as U S WEST's Tandem  
20 Office Switch or is used to connect and switch trunk circuits between and  
21 among other Central Office Switches. Access tandems provide connections  
22 for exchange access and toll traffic, and Jointly Provided Switched Access  
23 traffic while local tandems provide connections for Exchange Service  
24 (EAS/Local) traffic.

25 7.3.4.2.1 For traffic delivered through a U S WEST or CLEC local

1 tandem switch (as defined in this SGAT), the tandem switching rate and the  
2 tandem transmission rate in Exhibit A shall apply per minute in addition to the  
3 end office call termination rate described above so long as the terminating  
4 Party switches the traffic at both its tandem switch and separate end office  
5 switch. However, if CLEC or U S WEST only switches the traffic once and  
6 this switch meets the definition of tandem switch in Section 4.11.2, then only  
7 the tandem switching rate shall apply.”

8 This language ensures that switches are treated as tandems when appropriate, but  
9 the language only allows the parties to charge for the switching and transport they  
10 actually perform for each other. U S WEST proposes the same language for the  
11 Washington SGAT.

12 U S WEST does not charge the CLEC both the end office rate and the tandem rate  
13 unless both switches are actually used on a specific call. SGAT Section 7.3.7.1  
14 makes this plain. When U S WEST acts as a “Transit Provider” for the CLEC, the call  
15 does not originate or terminate with a U S WEST retail customer. In this case,  
16 U S WEST’s only function is to relay the call from one CLEC switch to another CLEC  
17 switch. In these circumstances U S WEST only charges the CLEC the tandem  
18 switching rate; not the tandem switching and end office rates. This makes sense  
19 because the U S WEST end office switch is not involved in the call path. Neither  
20 U S WEST nor the CLEC should be able to charge for switching it does not actually  
21 perform for the other.

22 Moreover, CLECs have the option of eliminating U S WEST’s tandem switch (and  
23 therefore the tandem switching rate) from the call path by establishing direct trunks  
24 from its end office to the U S WEST end office. In fact, approximately 75% of the

1 existing interconnection trunks are of this architecture. Thus, CLECs who pay both  
2 the tandem switching and end office switching rates do so at their choice and benefit.  
3 The tandem routed trunks typically carry alternately routed calls. Alternately routed  
4 calls have overflowed from the first choice direct route during peak calling periods.  
5 Callers generally do not recognize the difference between primary and alternate call  
6 paths. Modifying the definition of “tandem switch” without the concomitant change  
7 authorizing CLECs to only recover for the actual switching it performs, denies  
8 U S WEST the option of bypassing the CLEC's functional tandem.

9 **Q. WHAT ARE THE INTERVENORS' CONCERNS REGARDING U S WEST'S**  
10 **PROVISIONING OF INTERCONNECTION AT ANY POINT?**

11 A. U S WEST's SGAT offers CLECs four options for interconnection with the U S WEST  
12 network: (1) Entrance Facilities; (2) Collocation; (3) Meet-point; and (4) InterLocal  
13 Calling Area Facilities. AT&T asserts that U S WEST does not allow interconnection  
14 at one point (POI) per LATA and, therefore, does not allow interconnection at any  
15 technically feasible point. This is simply not true. SGAT Section 7.1.2 sets forth  
16 these four standard arrangements, the fourth of which allows one POI per LATA.  
17 Moreover, Section 17 makes it clear that U S WEST accepts BFR requests for  
18 interconnection through alternative arrangements.

19 AT&T and WCom assert that U S WEST is denying CLECs the ability to obtain one  
20 point of interconnection (POI) per LATA. U S WEST's fourth method of  
21 interconnection – interLocal Calling Area – offers CLEC the opportunity to obtain one

1 actual POI per LATA. See SGAT Section 7.1.2.4. For example, section 7.1.2.4.1  
2 provides:

3 “CLEC may request U S WEST-provided facilities to transport Exchange  
4 Service (EAS/Local traffic) from a virtual local POI (“Local POI”) in a  
5 U S WEST local calling area to a POI located in an EAS/local serving area in  
6 which the CLEC desires to serve customers, the LIS InterLCA Facility product  
7 is available to establish a [CLEC] POI to serve this distant EAS/local serving  
8 area (a “distant POI”). The U S WEST-provided facilities interconnecting a  
9 U S WEST local calling area to a distant POI are LIS interLocal Calling Area  
10 (LCA) facilities.”

11 The true dispute is not whether U S WEST offers one POI per LATA, but whether  
12 U S WEST can charge retail rates for the transport of calls that it carries outside of  
13 a local calling area to a distant part of the LATA. During Arizona workshops, AT&T  
14 acknowledged that cost, not availability, is the true dispute regarding the POI.<sup>4</sup> AT&T  
15 and WCom assert that U S WEST should be required to build to a mid-span meet or  
16 one-way trunking irrespective of where the CLEC locates its switch in the LATA. This  
17 means that U S WEST could be required to, at U S WEST’s cost, provide hundreds  
18 of miles of facilities for a CLEC interconnection. To make the situation even more  
19 untenable, adjustments are made for the cost of two-way trunking based on  
20 directionality or traffic balance. If calls going in each direction are in balance, then the  
21 parties split the actual cost of constructing and maintaining facilities 50/50. In  
22 Washington, over 90 percent of the traffic is flowing from U S WEST to CLECs,  
23 primarily due to the CLEC’s focus on ISPs and other inbound-only services.<sup>5</sup> This

---

1 4 Transcript at p. 219, l. 16 to p. 220, l.8.

1 5 Based on mechanized correlation of long duration calls to very busy destination telephone numbers.

1 means that U S WEST could be required to pay over 90 percent of the cost of construction  
2 and maintenance of facilities to the most distant point in the entire LATA. Potentially, an  
3 ISP and its CLEC could locate themselves at the intersection of several LATAs and  
4 establish short cross-LATA spans to POIs in each LATA. Formerly local short-haul  
5 incoming traffic to the ISP within several metropolitan areas could be transformed into non-  
6 metropolitan, long-haul traffic provided by U S WEST to the CLEC/ISP at virtually no cost  
7 to the CLEC and at enormous expense to U S WEST. Such a circumstance would  
8 constitute an extraordinary and unfair burden.

9 AT&T's entire argument is premised on the suggestion that one POI per LATA  
10 constitutes "interconnection" as set forth in the Act. In AT&T's opinion, U S WEST  
11 should construct more extensive facilities for CLECs at TELRIC rates no matter how  
12 untenable the request. This argument is fatally flawed. Section 251(c)(2)(A) states  
13 that U S WEST has a "duty to provide" interconnection for the "transmission and  
14 routing of telephone exchange service and exchange access." Similarly, Section  
15 252(d)(1), the TELRIC provision, only applies to interconnection as defined in  
16 Section 251(c)(2). Therefore, U S WEST need not build for CLECs or charge  
17 TELRIC rates if one POI per LATA does not meet the definition of "telephone  
18 exchange service" or "exchange access." There is simply no question that this does  
19 not constitute "exchange access" because exchange access concerns toll traffic.<sup>6</sup>  
20

---

<sup>1</sup> <sup>6</sup> 47 U.S.C. §153(16).



1 Similarly, one POI per LATA does not meet the definition of “telephone exchange  
2 service.” In a recent decision, the FCC defined “telephone exchange service” under  
3 the Act. *See In the Matter of Deployment of Wireline Services Offering Advanced*  
4 *Telecommunications Capability*, CC Docket Nos. 98-147, 98-11, 98-26, 98-32, 98-  
5 78, 98-91 (rel. Dec. 23, 1999) (“Advanced Telecommunications Order”). In that  
6 decision, the FCC held that “telephone exchange service must permit  
7 ‘intercommunication’ among subscribers within the equivalent of a local exchange  
8 area.”<sup>7</sup> The term “LATA” was not used. The WUTC has historically carefully  
9 managed the boundary of flat-rated local calling areas. U S WEST expects this will  
10 continue. WCom proposes that the SGAT definition at 4.22 of the SGAT be  
11 changed to eliminate the reference to, “...then current EAS/local serving areas as  
12 determined by the Commission.” U S WEST disagrees with WCom’s proposal since  
13 U S WEST clearly lacks the opportunity to freely alter the EAS boundary and  
14 U S WEST seeks only to preclude disputes about the existence of the boundary.

15 U S WEST’s SGAT Section 7.1.2.4, requires U S WEST to charge TELRIC rates  
16 for transport within the local calling area, but charge private line rates for transport  
17 between calling areas. This matches the FCC’s definition exactly. Transport of a  
18 call outside of the local calling area is not “telephone exchange access;” therefore,  
19 it is not interconnection subject to the pricing provisions of Section 252(d)(1). When  
20 Section 252(d)(1) pricing does not govern, the FCC recognizes that U S WEST can

---

<sup>7</sup> Advanced Telecommunications Order, para. 23 (emphasis added)

1 charge market rates. Therefore, U S WEST's SGAT offers one POI per LATA local  
2 interconnection and charges TELRIC rates for transport within the local calling area;  
3 however, it charges private line rates for transport outside of the local calling area.  
4 This is consistent with the Act.

5 **Q. PLEASE EXPLAIN WHAT INTERVENORS MEAN BY "RATCHETING"?**

6 A. AT&T and WCom state that if they choose to introduce local on an existing private  
7 line formerly carrying only toll traffic, U S WEST should "ratchet" its rates. Ratcheting  
8 would mean charging TELRIC (Section 252(d)(1)) rates for the percentage of the  
9 traffic on the private line that is local, and private line rates for that percentage of the  
10 traffic that is Special Access. In other words, AT&T and WCom want U S WEST to  
11 convert a percentage of their Special Access circuits to TELRIC rates.

12 The FCC decided this issue in its UNE Remand Order. The FCC stated that:

13 [I]nterexchange carriers (IXCs) may not convert special access  
14 circuits to combinations of unbundled loops and transport network  
15 elements, whether or not the IXCs self provide entrance facilities (or  
16 obtain them from third parties). This constraint does not apply if an  
17 IXC uses combinations of unbundled network elements to provide a  
18 significant amount of local exchange service, in addition to the  
19 exchange access, to a particular customer.

20  
21 *In the Matter of Implementation of the Local Competition Provisions of the*  
22 *Telecommunications Act of 1996, CC Docket No. 96-98, Supplemental Order at ¶12*  
23 *(rel. Nov. 24, 1999) (emphasis added). The FCC's UNE Remand Order does not*  
24 *require U S WEST to convert circuits to TELRIC rates unless they carry a significant*

1 amount of local traffic.

2 The SGAT proposes a number of options from which to choose to accomplish  
3 interconnection between LECs. As explained above, one interconnection option is  
4 the use of an "entrance facility," which means a loop facility that enters a U S WEST  
5 central office building. U S WEST constructs such a facility for CLEC and charges  
6 TELRIC rates for the entrance facility. As an alternative, U S WEST also allows  
7 CLECs to use an existing private line facility that transports 1+ (non-local) calls. This  
8 second option gives CLECs an option that has allowed them to freely employ spare  
9 capacity from an existing private line rather than requiring the time and expense of  
10 installing new facilities. SGAT Section 7.3.1.1.2 states, "If CLEC chooses to use an  
11 existing facility purchased as Private Line Transport Service from the state or FCC  
12 Access Tariffs, the rates from those Tariffs will apply."

13 These options are extended to provide CLECs with alternatives to maximize efficient  
14 use of their facilities. Of course, CLECs should not be able to use such options to  
15 render the FCC's express findings on the subject meaningless. The FCC has heard  
16 and rejected the argument posed by AT&T and WCom. This Commission should,  
17 therefore, do the same.

18 **Q. WHAT IS AT&T'S CONCERN ABOUT COMPENSATION RELATED TO HOST-**  
19 **REMOTE TRANSPORT?**

20 **A.** U S WEST's SGAT states that carriers will be compensated at 252(d)(1) rates for  
21 transporting traffic between host switches and their remote switches. AT&T asserts

1 that carriers should be required to transport such traffic for free.

2 As the Commission knows, U S WEST currently serves many areas in Washington  
3 that are not heavily populated. These more rural communities in many instances  
4 cannot justify the purchase of a unique switch to serve the community. In these  
5 instances, U S WEST installs a "host switch" in a more metropolitan area. The host  
6 has one or many "remote switches," small pieces of the host switch, in more rural  
7 communities. The "remote" switch usually has the capacity to switch intra-town calls  
8 without use of the host. In contrast, any call either to or from the remote community  
9 to or from an area not served by a loop on the remote switch is switched on the line  
10 side by the remote switch and on the trunk side by the host switch. The latter calls  
11 require U S WEST to transport the calls along dedicated links between the host and  
12 the remote.

13 AT&T states that they want the opportunity to interconnect at the host switch and  
14 require U S WEST to transport calls on dedicated links to the remote calling area at  
15 no charge. U S WEST is legally and constitutionally entitled to compensation for the  
16 transport of this traffic. U S WEST does not request that it be compensated for  
17 switching or transport that it does not provide; however, it should be compensated for  
18 the interoffice transport it actually provides.

19 U S WEST's SGAT Section 7.3.4.2.3 states that "when CLEC terminates traffic to a  
20 U S WEST remote office, tandem transmission rates will be applied for the mileage

1 between the U S WEST host office and the remote.”<sup>8</sup> WCom correctly notes that this  
2 term should apply reciprocally since either carrier may use a host-remote architecture.  
3 AT&T asserts that U S WEST’s position is not supportable because Section 7.3.4.2.3  
4 does not also charge for tandem switching; therefore, such a charge would be  
5 inappropriate. AT&T’s concern is not borne out by the facts. A host switch is not,  
6 simply by association, a tandem. When traffic is brought from the host to the remote,  
7 it is only switched from a line to a trunk once, not twice. Therefore, it would be  
8 inappropriate for a carrier to charge for tandem switching in this situation. Rather  
9 than harming U S WEST’s argument, the omission of a tandem switching rate actually  
10 supports U S WEST’s position.

11 U S WEST simply believes that carriers should be paid for the transport they  
12 actually provide. WCom appears to concur with this in their comments about the  
13 SGAT at 7.3.4.2.3. This position is fully supported by Section 251(c)(2) and  
14 252(d)(1) which collectively state that carriers are entitled to be compensated for  
15 interconnection.

16 **PLEASE RESPOND TO THE INTERVENORS’ CONCERNS REGARDING**  
17 **SYMMETRICAL COMPENSATION FOR INTRALATA TOLL CALLS.**

18 A. AT&T and WCom oppose sections 7.2.1.1 and at 7.3.1 of the SGAT. These  
19 provisions require symmetrical compensation associated with intraLATA toll. In

---

<sup>1</sup> <sup>8</sup> This is the exact same way that parties are charged in the access world. Of course, access rates and  
<sup>2</sup> tandem transmission rates are different in that the latter is set according to Section 252(d)(1) of the Act.

1 particular, these SGAT provisions call for both parties to use intraLATA access rates  
2 consistent with U S WEST's tariffed Switched Access services. The parties  
3 discussed this matter in Arizona workshops and agreed there that the matter was not  
4 appropriate for resolution in the context of the 271 workshops or in consideration of  
5 checklist item 13 because this section of the SGAT does not address reciprocal  
6 compensation for local traffic. All parties emphasized they were not waiving their right  
7 to address this in a separate docket, such as a generic cost docket or section 252  
8 arbitration. U S WEST believes that this matter should be handled the same way in  
9 Washington.

10 **HOW DOES U S WEST REPLY TO MWCOM'S PROPOSED CHANGES TO**  
11 **INTERCONNECTION TRUNKING RATE ELEMENTS?**

12 A. Regarding sections 7.3.1.1.3.1, 7.3.1.2.1, 7.3.2.2, 7.3.2.3, 7.3.4.1.3 and 7.3.3.1 of the  
13 SGAT, WCom raises three issues that relate to recurring and non-recurring charges  
14 associated with several of the interconnection trunking rate elements: entrance  
15 facilities ("EF"), expanded interconnection channel termination ("EICT"), direct trunk  
16 transport ("DTT"), and multiplexing ("MUX").

17 First, WCom advocates cost sharing of two-way facilities based upon a traffic balance  
18 that includes Internet-bound traffic. For reasons discussed in my previous affidavits,  
19 U S WEST opposes the inclusion of Internet-bound traffic in any reciprocal  
20 compensation arrangement. Furthermore, to the extent any of WCom's proposed  
21 changes relates to its claim that Internet-bound traffic should be included in the SGAT

1 or relates to checklist item 13, U S WEST asserts that addressing treatment of  
2 Internet-bound traffic is inappropriate for this proceeding.

3 Second, WCom argues in its testimony for two-way facility cost proration of EICT and  
4 MUX using language similar to what is described for EF and DTT. U S WEST, WCom  
5 and AT&T discussed and agreed upon this issue recently in the Arizona workshops.  
6 Based on the outcome of those workshops, U S WEST did not provide for cost  
7 sharing on EICT and MUX. Thus, the Washington SGAT language objected to by  
8 WCom now is language agreed to by WCom in Arizona. Therefore, this issue should  
9 not be reopened in Washington.

10 Third, WCom calls for first quarter billing in arrears rather than based upon a 50/50  
11 directional balance assumption for the first quarter. Again, this issue was addressed  
12 by agreement with WCom in Arizona. Based on the Arizona workshops, U S WEST  
13 amended section 7.3.2.2 in Arizona and in Colorado to bill in arrears and later true-up  
14 first quarter charges for DTT. U S WEST agrees to amend the Washington SGAT  
15 to include the same language at 7.3.2.2 as Arizona and Colorado SGATs. Therefore,  
16 this issue is moot.

17 **Q. DOES U S WEST AGREE TO MWCOM'S PROPOSED CHANGE AT 7.3.2.1.3 OF**  
18 **THE SGAT?**

19 **A.** Yes, U S WEST agrees to WCom's proposed change. With respect to section  
20 7.3.2.1.3 of the SGAT, WCom proposes a minor language change. This change  
21 would insert the words, "of the POI" after, "Serving Wire Center." U S WEST agrees

1 to this change.

2 **Q. WHAT ARE MWCOM'S CONCERNS WITH TANDEM TRANSMISSION RATES ?**

3 A. With respect to sections 7.3.4.2.2 and 7.3.4.2.3 of the SGAT, WCom calls for  
4 application of tandem transmission rates "in a manner consistent with the access  
5 world." U S WEST demonstrated to WCom in the Arizona workshop that, in fact, the  
6 language in the SGAT was taken explicitly from U S WEST's access tariff and is  
7 therefore, "consistent with the access world." The same is true in Washington.  
8 Thus, this matter is closed.

9 **SHOULD SECTION 7.3.4.2.4 OF THE SGAT BE STRICKEN AS MWCOM PROPOSES?**

10 A. Regarding section 7.3.4.2.4 of the SGAT, WCom raises an issue associated with  
11 number portability that was not discussed in the Arizona workshops. Interconnected  
12 carriers widely agree that the "N-1" carrier is responsible for a database query for  
13 number portability. This particular section of the SGAT describes the recourse for the  
14 Nth carrier when the N-1 carrier fails to perform the query. WCom proposes that this  
15 section be "stricken in its entirety." U S WEST disagrees. For carriers who perform  
16 the necessary queries, this section of the SGAT is not relevant. Section 7.3.4.2.4  
17 only applies to those carriers who fail to perform this function. When a sending  
18 carrier does not perform the query, the receiving carrier must do so. Section 7.3.4.2.4  
19 seeks only to permit carriers to recover the legitimate costs of performing the query.  
20 Accordingly, this section of the SGAT must be retained.



**1 Q. WHAT IS THE BASIS FOR A VARIABLE COMPONENT IN THE RATE CHARGED FOR**  
**2 CALL TRANSIT?**

3 A. Regarding 7.3.7.1 of the SGAT, WCom argues that call transit may not include a  
4 variable component "as it is not appropriate to include a variable component as part  
5 of tandem transmission." For this reason, WCom proposes striking language  
6 "pertaining to the use of actual and/or assumed mileage" as well as "Local Transit  
7 Assumed Mileage pricing. Contrary to WCom's argument, in the relevant Washington  
8 Cost Docket, tandem transmission was determined to include a variable component.  
9 U S WEST seeks only to include language consistent with the Cost Docket in the  
10 SGAT. Accordingly, the existing language in section 7.3.7.1 should be retained.

**11 Q. HOW DOES U S WEST RESPOND TO MWCOM'S PROPOSAL THAT "NO CALLING PARTY NUMBER"**  
**12 LANGUAGE BE STRUCK FROM SECTION 7.3.8 OF THE SGAT ?**

13 A. With respect to section 7.3.8 of the SGAT, WCom again raises an issue the parties  
14 settled in the Arizona workshop. Because WCom agreed to the Washington SGAT  
15 language in Arizona workshops, this issue is meritless.

**16 Q. WCOM EXPRESSES CONFUSION REGARDING APPLICATION OF SECTION 7.3.9.**  
**17 WHEN DOES SECTION 7.3.9 OF THE SGAT APPLY?**

18 A. Regarding section 7.3.9 of the SGAT, WCom states without explanation that the  
19 SGAT language, "is inconsistent with UNE-P or resale". WCom then asks U S WEST  
20 to, "clarify the circumstances under which this provision is intended to apply."  
21 U S WEST proposed this language to apply to the number portability database  
22 default query circumstance described earlier in this rebuttal testimony. A default  
23 query can happen on a call destined for a U S WEST retail customer, wholesale UNE

1 customer, wholesale resold customer, a non-U S WEST ILEC customer or on a  
2 CLEC-to-CLEC call transiting U S WEST's network. U S WEST fails to understand  
3 the inconsistency that WCom sees. This section of the SGAT describes the means  
4 by which the billed carrier is determined on a number portability default query. This  
5 is necessary SGAT language and it should be retained.

6 **Q. PLEASE SUMMARIZE YOUR TESTIMONY REGARDING CHECKLIST ITEM 13,**  
7 **RECIPROCAL COMPENSATION.**

8 A. On March 31, 2000 U S WEST had 112,705 trunks in service between itself and other  
9 local carriers. During the month of March 2000, U S WEST and other local carriers  
10 exchanged over 829 million minutes of calls across these trunks. The principal issue  
11 raised by intervenors regarding reciprocal compensation is that U S WEST should  
12 pay them for receiving Internet-bound traffic. As discussed here and in my previous  
13 testimony, treatment of Internet-bound traffic is simply not relevant to determining  
14 U S WEST's satisfaction of checklist item 13.

15 AT&T and WCom requested that U S WEST agree to modify the SGAT's definition  
16 of tandem switching so that a CLEC's switch is considered a tandem when the  
17 CLEC's switch serves "a comparable" geographic area to U S WEST's tandem  
18 switch. One carrier should not compensate the other as if it switched the call twice  
19 when it only switched the call once. Neither U S WEST nor the CLEC should be able  
20 to charge for switching it does not actually perform for the other.

21 AT&T and WCom assert that U S WEST is denying CLECs the ability to obtain one

1 POI per LATA. InterLocal Calling Area (SGAT Section 7.1.2.4) offers the CLEC one  
2 POI per LATA. The cost of this form of interconnection is the true issue.  
3 U S WEST's SGAT offers one POI per LATA local interconnection and charges  
4 TELRIC rates for transport within the local calling area. U S WEST charges private  
5 line rates for transport outside of the local calling area because transport of a call  
6 outside of the local calling area is not "telephone exchange access."

7 The FCC's UNE Remand Order does not require U S WEST to convert circuits to  
8 TELRIC rates unless they carry a significant amount of local traffic. U S WEST has  
9 allowed CLECs to freely employ spare capacity from an existing private line in lieu of  
10 the time and expense of installing new facilities. *Implementation of the Local*  
11 *Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-  
12 98, *Supplemental Order* at ¶2 (rel. Nov. 24, 1999) (emphasis added), the FCC heard  
13 and rejected the argument posed by AT&T and WCom.

14 AT&T states that they want the opportunity to interconnect at the host switch and  
15 require U S WEST to transport calls on dedicated links to the remote calling area at  
16 no charge. U S WEST simply believes that carriers should be paid for the transport  
17 they actually provide. WCom appears to concur with this. This position is fully  
18 supported by Section 251(c)(2) and 252(d)(1).

19 In their comments, AT&T and WCom address more briefly six to eight other matters.  
20 Those matters involve symmetry of non-local traffic charges, non-recurring charges,

1 two-way true-up of charges for EICT/MUX/EF, mileage charges associated with  
2 transit, "no CPN" call handling and use of NPAC. As discussed above, with a few  
3 exceptions in which U S WEST has agreed to amend its SGAT, AT&T's and WCom's  
4 comments should be rejected.

1

## VIII.CONCLUSION

2 **Q. WHAT IS YOUR RECOMMENDATION TO THE WASHINGTON COMMISSION?**

3 A. For the reasons described here and in my previous testimony, I urge the  
4 Washington Commission to find that U S WEST has satisfied the Act's checklist  
5 requirements for access to poles, ducts, conduits, and rights-of-way; and for reciprocal  
6 compensation.

7 **Q. DOES THIS CONCLUDE YOUR REBUTTAL?**

8 A. Yes, it does.

9