

**BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

In the Matter of the Investigation Into

U S WEST COMMUNICATIONS, INC.'s

Compliance with Section 271 of the
Telecommunications Act of 1996.

Docket No. UT-003022

DIRECT TESTIMONY OF

JILL S. WICKS

ON BEHALF OF

WORLDCOM, INC.

ADDRESSING

FORECASTING

June 7, 2001

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

2 **A.** My name is Jill S. Wicks. I am employed by WORLDCOM, Inc. (WCOM). My
3 position is Carrier Agreements Senior Staff, West Telco Line Cost Management. My
4 business address is 6312 S. Fiddler’s Green Circle, Englewood, CO 80111.

5 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES FOR WCOM.**

6 **A.** As a Senior Staff Negotiator, my primary responsibility is negotiating with Qwest
7 on behalf of WCom’s local entities Brooks Fiber Corp. (Brooks), MCI Metro Access
8 Transmission Services, LLC, (MCImetro) and MCI WorldCom Communications, Inc.
9 f/k/a Metropolitan Fiber Systems (MFS). I handle issues that arise under our
10 interconnection agreements (“ICA”) with Qwest in their 14 state territory. I am
11 additionally responsible for developing cost analysis for rate changes and regulatory
12 decisions, and assessing the impact of new ICA requirements in the course of WCom’s
13 business, and communicating such requirements to our contract management teams.

14 **Q. PLEASE DESCRIBE YOUR RELEVANT EXPERIENCE.**

15 I began working for MCI Telecommunications in 1996 in Public/Community
16 Relations. In that capacity I was responsible for developing, through press releases and
17 corporate citizenship programs, MCI’s Information Technology presence in Colorado.
18 Subsequently, I served on MCI’s IT Governance team, that negotiated and implemented
19 WCom’s largest out-sourcing agreement with secondary IT provider, EDS. I joined the
20 Carrier Agreements Team in April of 2000. I attended St. Olaf College, in Northfield,
21 MN, and graduated with a Bachelor of Arts Degree in Political Science and Asian
22 Studies.

1 **Q. WHAT IS THE PURPOSE OF YOUR APPEARANCE IN THIS**
2 **PROCEEDING?**

3 **A.** The purpose of my testimony is to respond to the testimony addressing
4 forecasting filed by Thomas Freeberg.

5 **Q. PLEASE DISCUSS WORLDCOM'S CONCERNS REGARDING QWEST'S**
6 **REVISED LIS FORECASTING PROPOSAL.**

7 WCom continues to have concerns regarding Qwest's forecasting requirements
8 for LIS trunks. Qwest provides contradictory language for forecasting. In section
9 7.2.2.8.1, agrees that parties, "*shall work in good faith to define a mutually agreed upon*
10 *forecast of LIS trunking.*" However, in Section 7.2.2.8.3, Qwest requires both Parties to
11 utilize the "*standard forecast timelines as defined in the standard Qwest LIS Trunk*
12 *Forecast Forms for growth planning.*" Additionally, Parties are required in 7.2.2.8.4 to
13 utilize the Forecast Cycle outlined in the Qwest LIS Trunk Forecast Forms. The
14 "standard" Trunk Forecast Forms, and the "standard" forecast timelines are not standard,
15 but unique to Qwest and an unnecessary hurdle to accurate and cooperative business
16 planning.

17 Qwest's standard process for LIS trunking forecasts calls for a very specific
18 format for projecting capacity that is not industry standard. Unlike SBC, GTE, and other
19 ILECs who require *total* trunks to track forecasting, Qwest utilizes a system that wants
20 only the *net* growth LIS trunks. WCom has previously worked in good faith in order to
21 provide the modified data Qwest requires, but has encountered system and administrative
22 nightmares when it comes to tracking actual growth under Qwest's process. Because

1 Qwest wants only the plus/minus number of trunks from the existing usage at a specific
2 point in time, capacity growth that was not projected in that forecast period, but utilized
3 by the CLEC within that period, is not accounted for in actual trunk forecast. Rather,
4 CLEC is forced to “true up” such growth by providing inflated forecast numbers in the
5 next round of forecasting. When WCom experiences unanticipated growth, as is frequent
6 in LIS trunking, it must consistently provide forecasts that are not accurate, but rather
7 representative of past growth. This leads to heightened opportunity for error in
8 forecasting. “True up” growth is not tracked in standard systems, and must be done
9 manually. Despite the additional time and resources required by WCom to report through
10 such a system, Qwest has not agreed to allow WCom to provide forecasts using the
11 industry standard gross total trunk format.

12 An additional issue stems from Qwest’s standard forecast process for LIS
13 trunking. 7.2.2.8.4 alludes to a forecast cycle that includes a 6-month network build. It is
14 WCom’s experience that Qwest anticipates the network build by “freezing” the submitted
15 forecasts for a 6-month period. Qwest has refused to accept modifications and updates,
16 (even via standard quarterly forecasts) during such a frozen period. Subsequently, WCom
17 must again “true up” what it had forecasted within the quarterly reports during the frozen
18 forecast period on the next non-frozen quarter. This means, in some cases, WCom will be
19 forecasting growth that had already occurred as long as 6 months earlier, if the capacity
20 need was not known prior to the “freeze.” While WCom does not dispute the need for
21 Qwest to take a “snapshot in time” to analyze capacity needs, the six-month frozen period
22 is too long, and results only in gross inaccuracies. WCom in some cases has experienced

1 40-70% growth in certain trunk groups within a 6-month period. Such growth is not
2 always foreseeable in the 6-month period prior to the growth, but may be available for the
3 quarterly forecasts. When faced with a business risk of not having capacity in place for a
4 large customer, CLECs such as WCom have opted to overestimate needed trunks 6
5 months out, hoping to better size the needs in the quarterly reports.

6 Conversely, Qwest's standard frozen forecast process does not allow CLECs to
7 downsize potential trunking needs through quarterly forecasts. Because forecasts are
8 frozen 6 months prior, Qwest may be working off of inflated capacity needs from
9 CLECs, where such needs would in other ILECs be right-sized through the quarterly
10 forecast. Tying the CLEC to frozen estimates, when correct numbers are available, is an
11 inefficient use of capacity. Furthermore, WCom is convinced that a key cause of the
12 underutilization of Qwest's LIS trunks is due to the requirements imposed by Qwest as
13 part of its own LIS forecasting process.

14 **Q. DOES QWEST'S ADDITION OF THE "UNFORCASTED DEMAND**
15 **NOTIFICATION FORM" MITIGATE THE DIFFICULTIES CREATED BY THE**
16 **SIX-MONTH FROZEN FORECAST?**

17 No. As presently proposed, the Unforecasted Demand Notification Form is
18 merely "reviewed" by Qwest planning groups, but does not impact the official submitted
19 forecast, nor the trunk forecasting accuracy calculation proposed by Qwest. This means
20 that although a CLEC may use best efforts to submit a forecast, then modify the forecast
21 through the Unforecasted Demand Notification form during the 6-9 month, Qwest would
22 still be likely to utilize and base accuracy calculations on what they know to be the

1 outdated original forecast. Ultimately WorldCom believes that if the Unforecasted
2 Demand Notification Form is not used to recalculate and true up the official forecast, it is
3 of little value to trunk forecasting and utilization.

4 **Q. WHAT IS WORLDCOM’S RESPONSE TO QWEST’S PROPOSED**
5 **REVISION OF SECTION 7.2.2.8.6.1 DEALING WITH THE DEPOSITS**
6 **REQUIREMENT?**

7 **A.** In its Initial Order the Commission Staff correctly concluded that Qwest should
8 not be permitted to assess a deposit based on underutilization of trunks in other
9 geographic areas. Qwest’s proposed revisions to sections 7.2.2.8.6 and 7.2.2.8.6.1 fail to
10 properly incorporate this conclusion. Section 7.2.2.8.6.1 continues to require a deposit
11 “if CLEC’s trunk utilization over the prior eighteen (18) months is less than fifty percent
12 (50%) of forecast each month,” with no limitation to the specific geographic area covered
13 by the forecast that is in dispute and to which the deposit will apply. This is
14 inappropriate. In the event of a dispute regarding the forecast for a particular trunk
15 group, Qwest should only be permitted to assess a deposit if the CLECs’ forecast for
16 trunk groups in the particular geographic area in question has shown underutilization over
17 the previous 18 months. Underutilization of trunk groups in other areas of the state,
18 particularly rural areas, are likely to have occurred for reasons other than the CLECs
19 failure to have correctly anticipated its trunking needs. Indeed, WCOM believes that one
20 of the most significant factors leading to the underutilization that exists today has been
21 Qwest’s refusal, until recently, to allow a single point of interface. Additional factors

1 contributing to the current underutilization of trunk groups relative to forecast have been
2 discussed above.

3 In addition, as argued above, the deposit requirement as currently proposed does
4 not account for the 6 month freeze within the forecast, or net true-ups inherent in Qwest's
5 forecast system that necessarily lead to a disparity between forecasts and utilization for
6 any given period.

7 WCom also requests language accounting for how the deposit will be held,
8 tracked, and reciprocated. Any exchange of money to be held by Qwest for any amount
9 of time should have an interest provision, as well as more specific language on how the
10 amount will be refunded with proper utilization. WCom objects to the addition of
11 monetary exchange relating to forecasting without the specific requirements of forecasts
12 incorporated into the SGAT. Finally, WCom asks for Qwest's mutual obligation in a
13 deposit scenario. Will Qwest pay CLEC a similar amount of money, or a sum
14 proportionate to WCom's business risk, if Qwest fails to meet a CLEC forecasted need?

15 **Q. DOES WORLDCOM HAVE A PROPOSAL TO ADDRESS THE**
16 **PROBLEMS WITH QUEST'S FORECASTING PROCESS DISCUSSED ABOVE?**

17 **A.** Yes. Attached to my testimony as Exhibit _____ JSW-3 is a copy of a proposal
18 made in the pending Arizona 271 proceeding, revised to reflect Qwest's modification of
19 its forecasting process to a semi-annual as opposed to quarterly process.

20 **Q. DOES THIS CONCLUDE YOUR TESTIMONY REGARDING**
21 **FORECASTING?**

22 **A.** Yes, it does. Thank you.