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Lawrence E. Sarjeant
Vice President -
Federal Regulatory

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USWEST

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OCT - 7 1996

Federal Communications Commission
Office of Secretary

October 7, 1996

EX PARTE PRESENTATION

DOCKET FILE COPY ORIGINAL

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket Nos. 96-98 and 95-185;
Telephone Number Portability, CC Docket No. 95-116

Dear Mr. Caton:

On October 4, 1996, Thomas Bystrzycki, Executive Vice President, Operations and Technologies, U S WEST Communications, Inc. ("USWC"); David Laube, Vice President, Information Technology, USWC; William Johnston, Executive Director-Markets, USWC; Daniel Poole, Corporate Counsel-Federal Regulatory, U S WEST, Inc.; H. Laird Walker, Senior Vice President, Federal Relations, U S WEST, Inc.; and the undersigned met with Regina Keeney, Common Carrier Bureau Chief; A. Richard Metzger, Deputy Common Carrier Bureau Chief; Sherille Ismail, Common Carrier Bureau; Robert Tanner, Common Carrier Bureau; Lisa Gelb, Common Carrier Bureau; and Donald Stockdale, Common Carrier Bureau, concerning the above-referenced proceedings. In the meeting, the U S WEST representatives discussed the impacts of the Commission's Interconnection and Number Portability Orders on U S WEST.

In accordance with Commission Rule 1.1206(a)(1), attached please find two copies of written materials that were used for the presentation, were left with the FCC staff members, and summarize the points presented by U S WEST. The copies are being filed with your office for inclusion in the public records for the proceedings. Due to the fact that this meeting concluded in the late afternoon, this summary is being filed on the next business day after the presentation. Acknowledgment and date of receipt of this transmittal are requested. A copy is provided for this purpose. Please contact me if you have questions.

Sincerely,

Lawrence E. Sarjeant

Attachments

cc: Regina Keeney
A. Richard Metzger
Sherille Ismail
Robert Tanner
Lisa Gelb
Donald Stockdale

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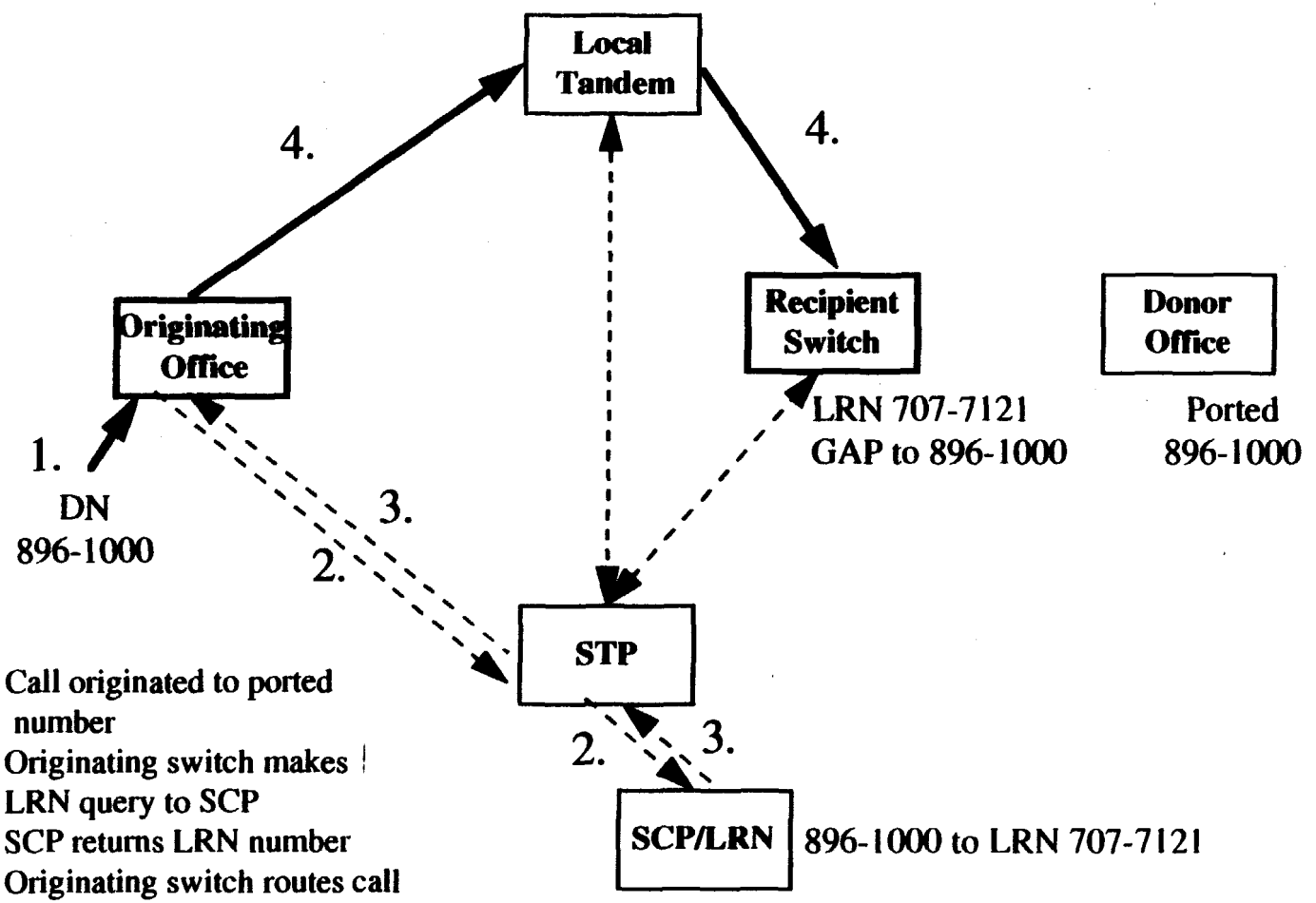
Long-Term Number Portability

T. A. Bystrzycki

Discussion

with FCC

LRN Call Completion Model

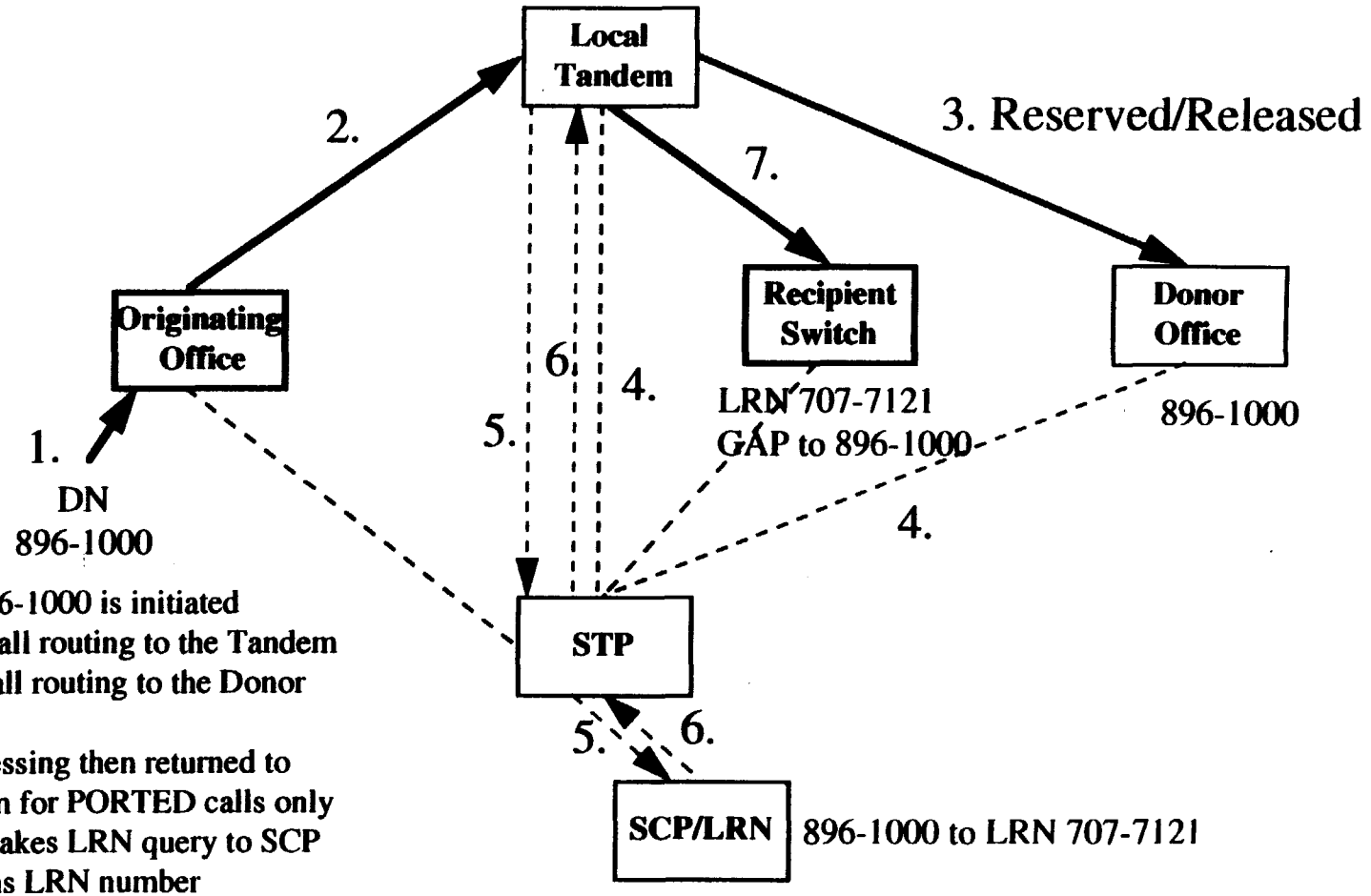


1. Call originated to ported number
2. Originating switch makes LRN query to SCP
3. SCP returns LRN number
4. Originating switch routes call to proper switch

Note: Traffic is not always routed via Tandem

10/2/96

OoR Call Completion Model



1. Call to 896-1000 is initiated
2. Normal Call routing to the Tandem
3. Normal call routing to the Donor Switch.
4. Call processing then returned to the tandem for PORTED calls only
5. Tandem makes LRN query to SCP
6. SCP returns LRN number
7. Tandem routes call to proper switch

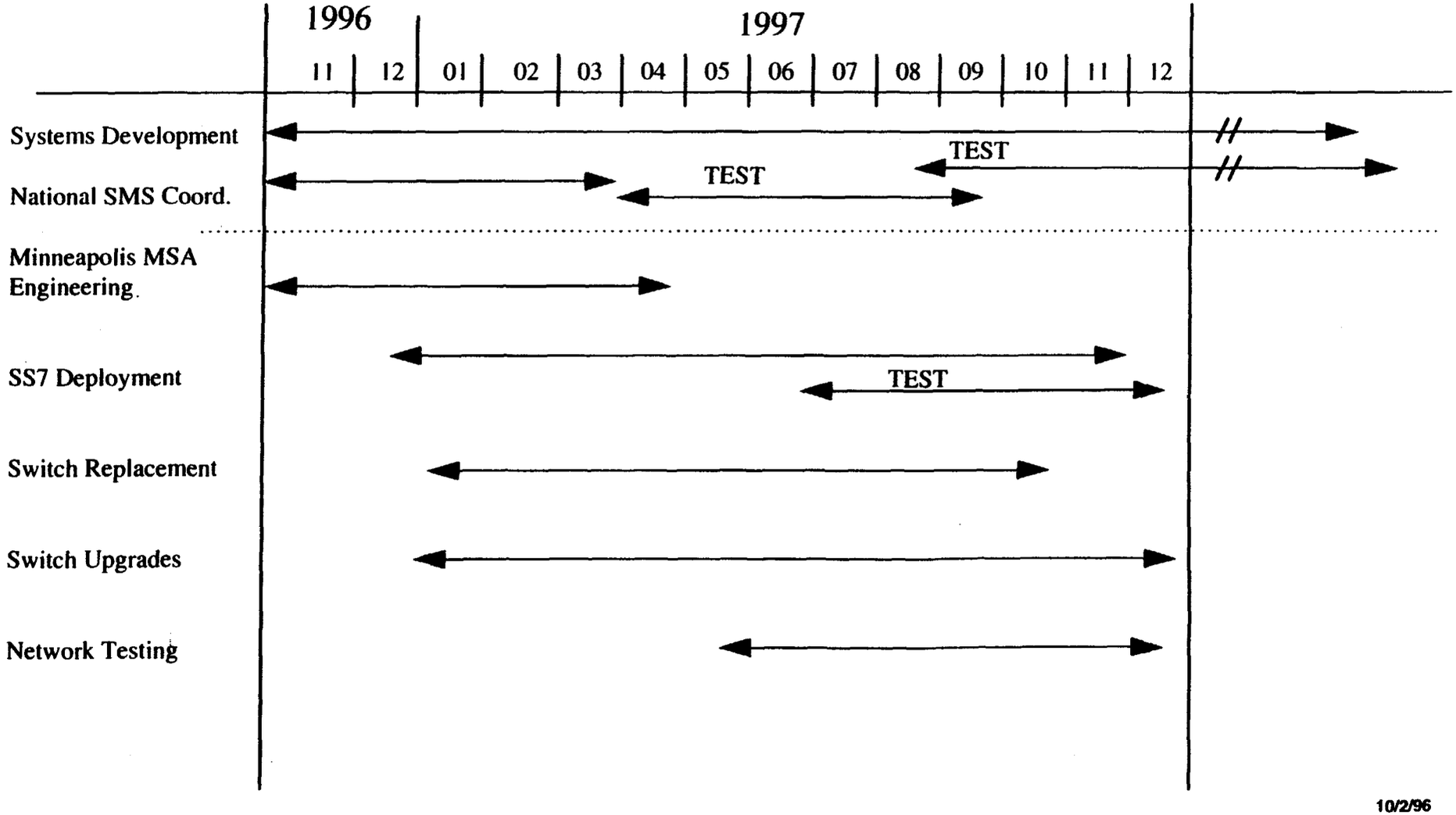
Note: Traffic is not always routed via Tandem

10/2/96

Major Work Comparison

	QoR	LRN
Switch Replacements	3	33
SS7 Links	312	822
STP Upgrades	5	6
SCP Additions	1	5
Switch Upgrades	403	403

Minneapolis MSA Schedule



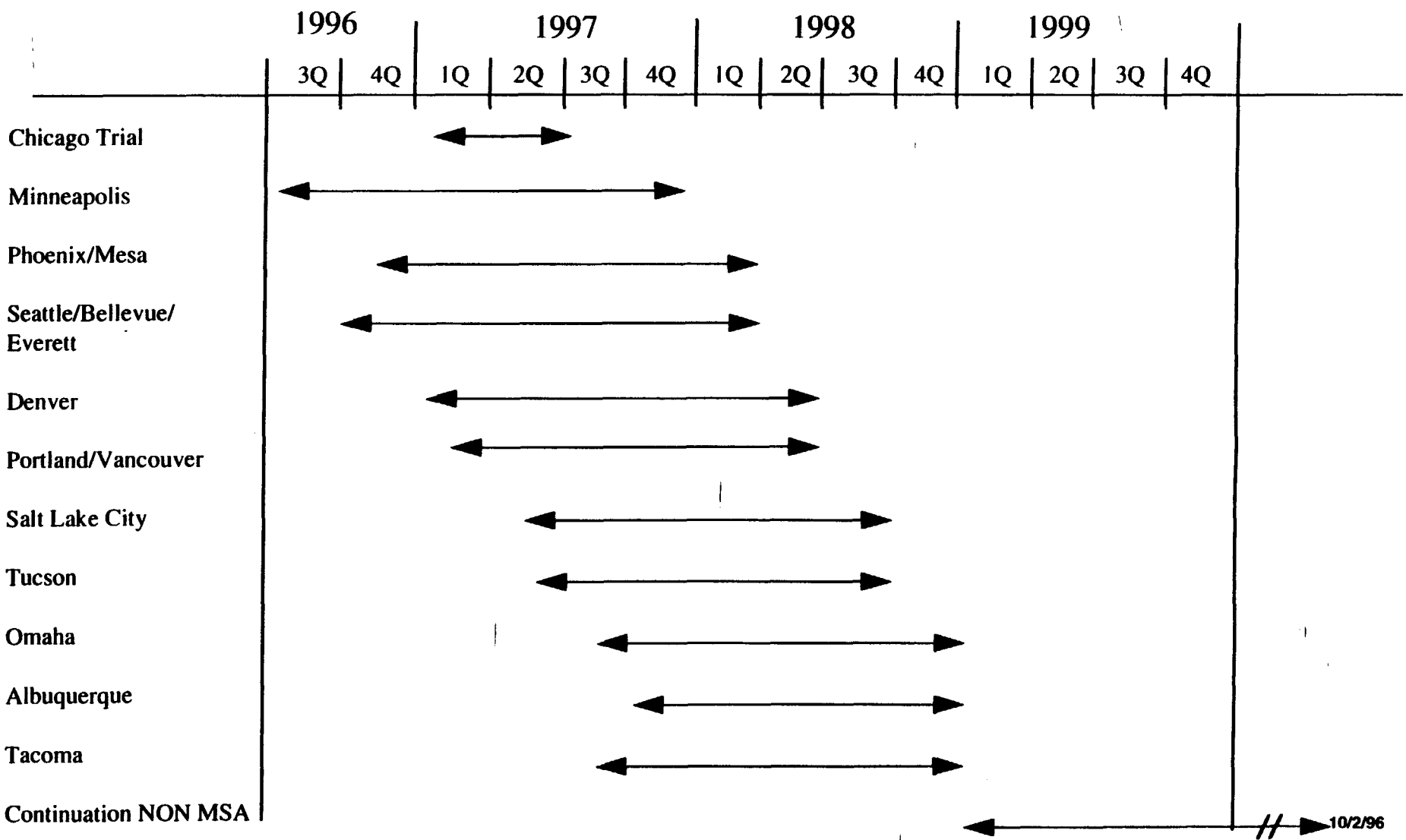
10/2/96

Minneapolis MSA LRN Statistics
as a portion of U S WEST top 10 MSAs

• SS7 Link Additions	101 of 736 or 14%
• SCP Additions	1 of 5 or 20%
• 1A Switch Replacements	3 of 33 or 9%
Lines Replaced	0.2M of 1.2M or 17%
• Switch Software Upgrades	102 of 403 or 25%
• Total Lines Impacted	1.5M of 7.8M or 19.2%

Only 12 months remain to commence initial Minneapolis MSA Implementation!!!

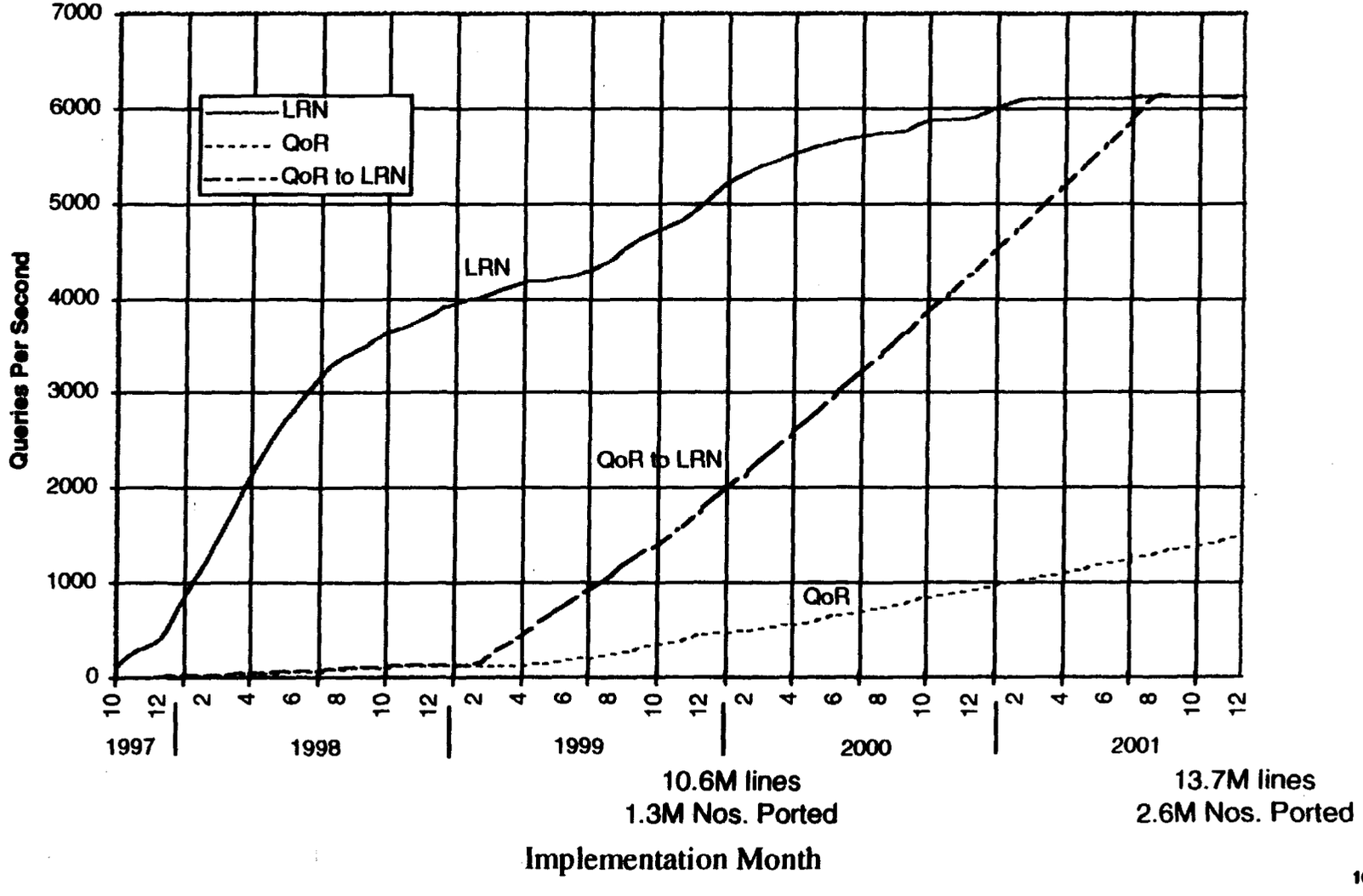
All MSA Schedule



800 Data Base & LNP Comparison

800 Data Base	LNP
• 24 Month Time Frame	• 18 Mo. Time Frame for 1st MSA
• One SCP Installed	• Five SCPs Required
• No Switch Replacements	• 33 Switch Replacements
• Estimated 125 Signaling Links Installed	• Estimated 736 Signaling Links Required for Top 10 MSAs
• 18 STP Pairs Installed	• 6 STP Pairs Upgraded
• Involved IECs & Independent Carriers Only	• Involves CLECs (ICs, Cable Providers, Wireless, etc.)

LNP Query Growth



10/2/96

OPERATIONS SYSTEMS ISSUES

- Systems Access Scope
- Systems Access Approach
- Systems Deliverables
- Systems Issues During Arbitration
- Systems Costs

FCC ORDER 96-98 CHANGED THE SCOPE FOR SYSTEMS ACCESS . . .

INITIAL VIEW

- Access to Network Elements for the Purpose of Call Routing and Completion
  - LIDB
  - Operator Services
  - Directory Assistance
  - STP/SCP
- Basic Billing Data
- No Date Specified

CURRENT ORDER

- Initial View *Plus*
  - Pre-Ordering/Ordering
  - Provisioning
  - Maintenance & Repair
  - Expanded Billing Data
- January 1, 1997

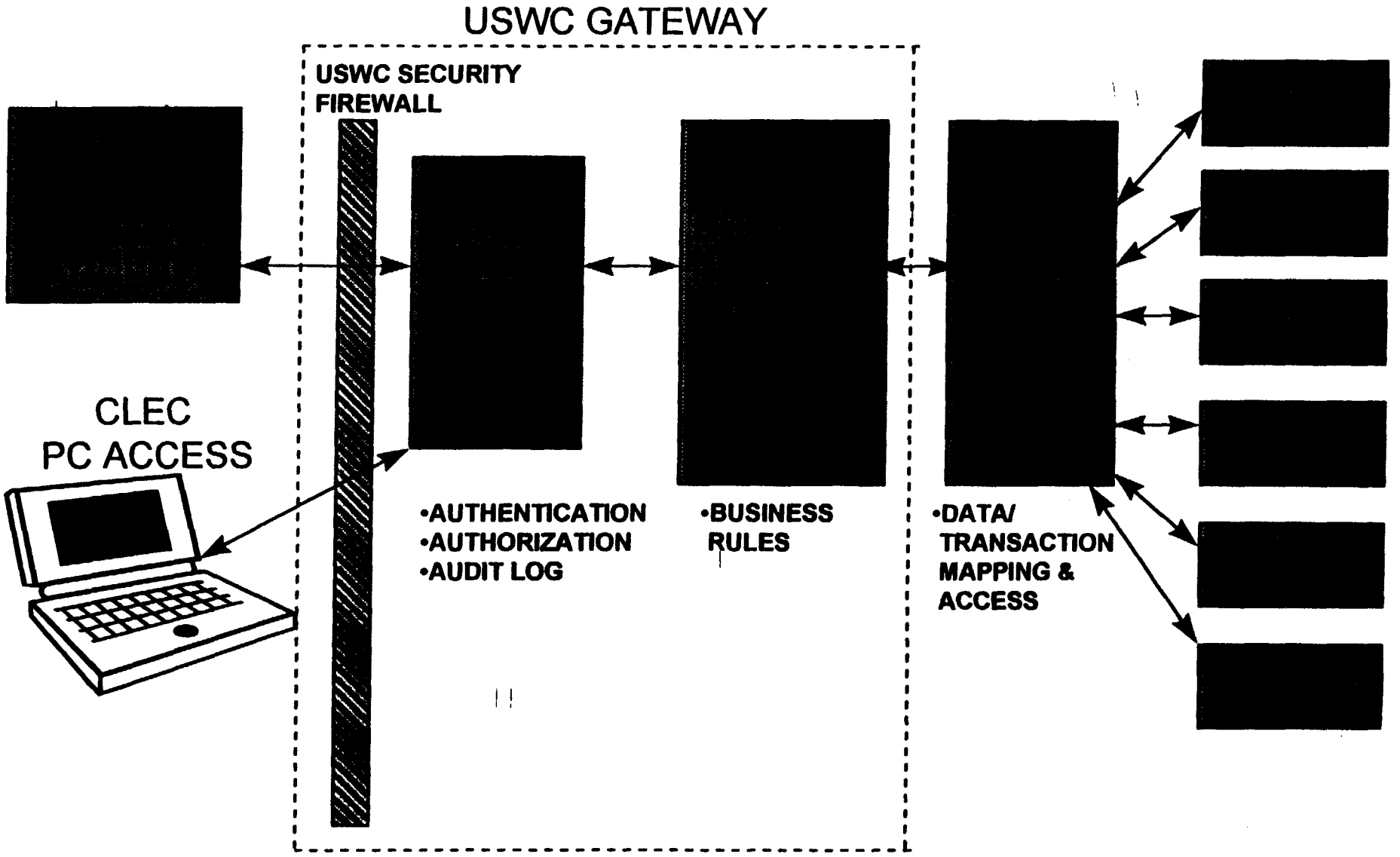
The Systems Scope and Timing Specified by the Order Makes a Phased Implementation the Only Practical Solution.

SYSTEMS ACCESS APPROACH

- Mediated, Not Direct Access
- Single Transaction Interface Technology
- Non-Discriminatory Access Capability Providing Substantially the Same Quality and Timeliness
- Gateway Volumes are Expandable with Good CLEC Forecasts. Volume Impacts on OSS's are Unknown

This Approach Facilitates Access by Both Large and Small CLECs Without Being Delayed by the Completion of National Standards.

USWC MEDIATED ACCESS ARCHITECTURE



SYSTEMS DELIVERABLES

BY 1/1/97 USWC Will Deliver . . .

- Initial Gateway Platform Using HTML Technology
- On-Line Transaction Processing for Resale, Non-Design Services
- Electronic Interface for Billing

BUT . . .

Mechanization and Business Processes for Handling Design Services, Unbundled Switching, and Rebundling are Only in the Early Stages of Definition.

For Resale of Design Services and Unbundled Loops, Manual Processes Will be in Place by 1/1/97.

SYSTEMS SCHEDULE

The Remaining Systems Access Deliverables Will be Available But Not Until the Second Half of 1997 Due to . . .

- The Complexity of the Systems Changes in the Design Services Area
- The Unanticipated Requirements for Rebundled Services
- The High Potential for Interconnectors to Use State Regulatory Proceedings to Require Multiple Systems Access Processes. This Would Cause Delays in Meeting Systems Timetables.

SYSTEMS ISSUES DURING ARBITRATION

AGREE WITH CLECs

- On the Mediated Access Approach
- On the Basic Features Provided to the CLECs
- That National Standards are Desirable
- Cost Recovery is Allowed
- To Provide Reports on Systems Availability Comparing Service to USWC vs. CLECs

DISAGREE WITH CLECs

- On the Electronic Methods to Provide the Transactions
- On the Timing of the Delivery of Systems Capabilities
- That National Standards (which do not yet exist) Should be Used for the 1/1/97 Deliverable
- Cost Recovery Components
- That USWC is Subject to Penalties Even When Service is on Parity with USWC and CLECs

SYSTEMS IMPLICATIONS OF NUMBER PORTABILITY

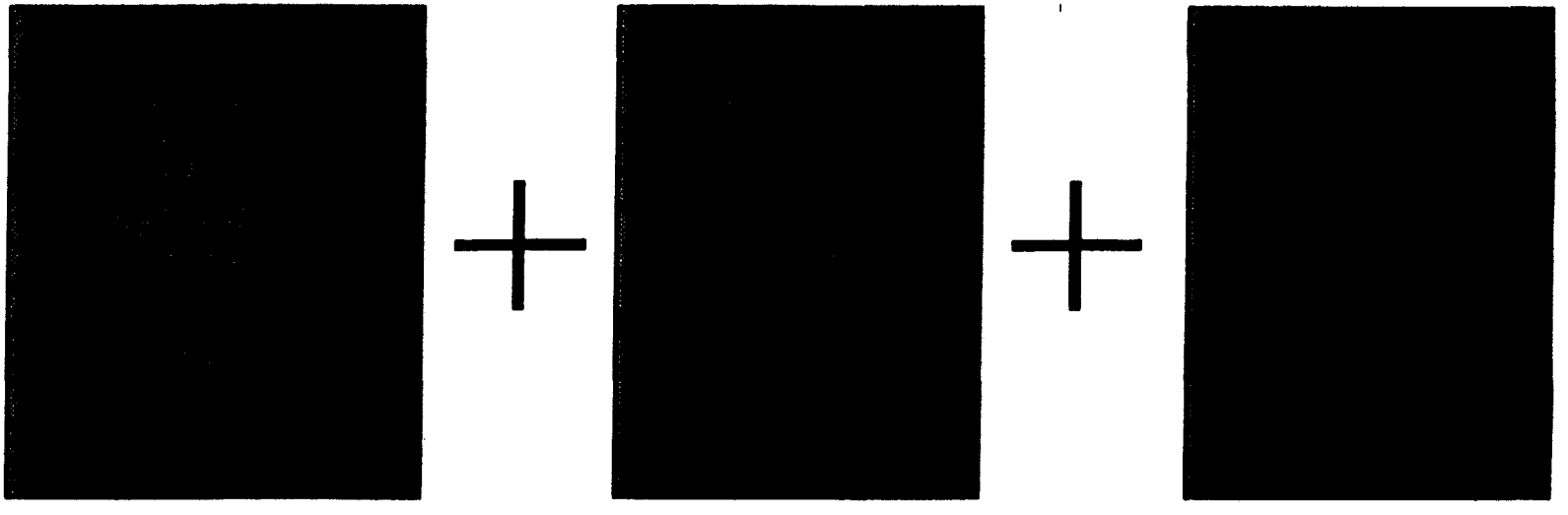
- Changing to Alternative Methods for Identifying Customers, Loops, and Other Elements of Inventory Is Very Analogous to Finding, Changing, and Testing New "Date" Routines for the Year 2000 Changes.

- Regardless of the Network Technology Selected, the Systems Changes Needed to Be in Place for the Initial MSA Roll-Out Schedule in 4Q97 Will be Substantially the Same.

- Changing Telephone Numbers As a Primary Access Key in Our Operations Systems Databases is a Lengthy and Costly Endeavor.

COSTS

Interconnect Systems Costs Come in Three Forms



It Will be Necessary to Find Ways to Recover All Three Types of Costs.

SUMMARY

- U S WEST Communications Will Comply With the Terms of FCC Order 96-98. However, the Scope and Complexity of the Order Require a Phased Introduction Approach.

- A Risk Element of This Plan Are the Decisions Resulting From CLECs Seeking Different Approaches to Operations Systems Access in State Proceedings.

- Our Gateway Interface Supports All of the Requirements of the Order, Is Easy to Use, and Enables Nondiscriminatory Systems Access.

- There Are Significant Incremental Systems Costs. These Will Need to Be Recovered.

U S WEST'S SERVING AREA

- 14 STATE AREA
- 40% LAND MASS
- 27 LATAS
- 15.2M NETWORK ACCESS LINES (NALS)
- 1527 CENTRAL OFFICES
- 81 TANDEMS
- 50 POTENTIAL INTERCONNECTORS
- NO MEASURED LOCAL SERVICE
- LOCAL TRAFFIC ROUTED PRIMARILY OVER DIRECT END OFFICE TRUNKS WITH OVERFLOW THROUGH THE LOCAL TANDEM.
- USWC ACCESS TANDEM USED FOR STATEWIDE CONNECTIVITY FOR TOLL TRAFFIC.
- LOCAL TRAFFIC IS 64% OF ALL TRAFFIC.
- TOLL TRAFFIC IS 36% OF ALL TRAFFIC.

INTERCONNECTION SUMMARY

INTERCONNECTION

- LOCAL TRAFFIC SHOULD BE EXCHANGED AND TERMINATED WITHIN THE LOCAL CALLING AREA VIA DIRECT TRUNKS TO END OFFICES OR OVERFLOW TRUNKS TO THE LOCAL TANDEM TO AVOID NETWORK INEFFICIENCIES AND BACKHAUL OF LOCAL TRAFFIC.

- TOLL TRAFFIC SHOULD BE SEGREGATED FROM LOCAL TRAFFIC AND EXCHANGED AT THE ACCESS TOLL TANDEM.

FORECASTING

- JOINT NETWORK PLANNING BETWEEN THE INTERCONNECTING PARTIES SHOULD OCCUR TO ENSURE QUALITY SERVICE TO ALL END USERS. THIS WILL INCLUDE SHARING OF LOAD FORECASTS AT THE END OFFICE LEVEL , AS WELL AS MUTUAL ACCOUNTABILITY FOR COST OF CAPACITY ADDITIONS.

COMPENSATION

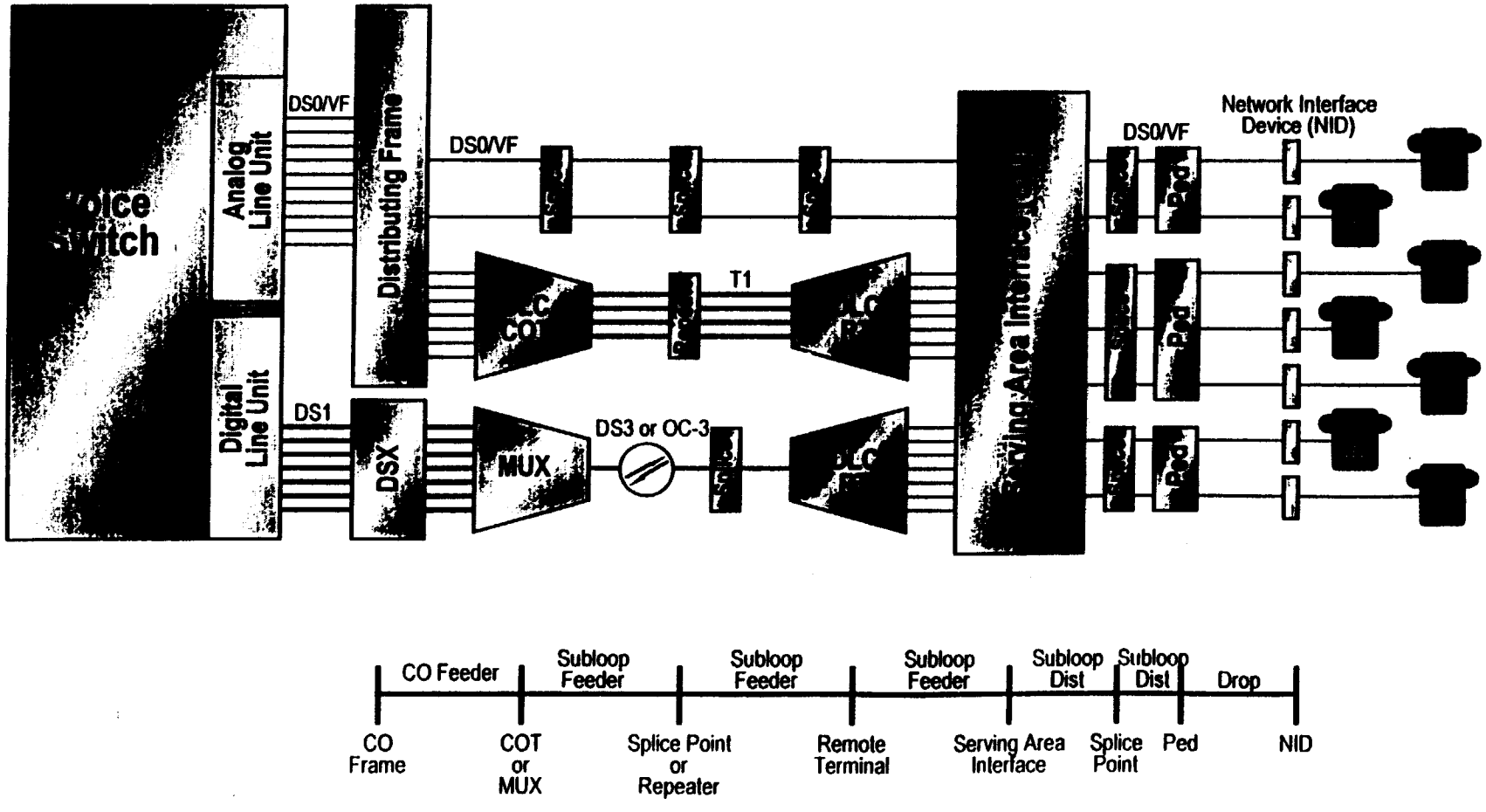
- POINTS OF INTERCONNECTION AND ASSOCIATED TRANSPORT WILL BE PROVIDED ON AN EQUITABLE BASIS BY BOTH PARTIES.

- THE ROLE AND FUNCTION OF A TANDEM VERSUS AN END OFFICE SHOULD BE CLARIFIED FOR COMPENSATION PURPOSES.

FAVORED NATION PROVISION

- NEGOTIATED OR ARBITRATED AGREEMENTS SHOULD BE AVAILABLE TO OTHER PARTIES FOR THEIR USE ON A WHOLE CONTRACT BASIS AND NOT ON A PROVISION BY PROVISION BASIS.

U S WEST Local Environment



CLECS REQUEST

- CLECS WANT:

- A SINGLE POINT OF INTERCONNECTION AT THE ACCESS TOLL TANDEM FOR THE EXCHANGE OF LATA-WIDE TRAFFIC, BUT WILLING TO PROVIDE DIRECT END OFFICE TRUNKS WHEN LOCAL TRAFFIC VOLUMES EXCEED 512 CCS.

- TRAFFIC SEPARATED INTO INTRA-LATA (COMBINED INTRA-LATA TOLL, LOCAL, TRANSITING AND WIRELESS) AND INTER-LATA TRUNKS.

- REMOTE AREA LOCAL TRAFFIC ROUTED TO THE USWC ACCESS TANDEM AND BACKHAULED TO THE USWC REMOTE OFFICE BY USWC.

- THEIR SINGLE LATA SWITCH TO BE CLASSIFIED AS BOTH AN END OFFICE AND A TANDEM IN ORDER TO COLLECT BOTH SWITCH COMPENSATION ELEMENTS ON EVERY CALL.

USWC'S IMPACTS OF CLEC'S REQUEST

NETWORK IMPACTS INCLUDE:

- MOVING LOCAL TRAFFIC FROM THE LOCAL TANDEM - END OFFICE NETWORK (64% OF ALL TRAFFIC) TO THE ACCESS TANDEM.
- INCREASED SWITCHING COSTS AT THE ACCESS TOLL TANDEM AND INCREASED COMPLEXITY OF TRANSLATIONS.
- SUBSTANTIAL END OFFICE "BACKHAUL" TO CLEC'S SINGLE SWITCH FOR LOCAL TRAFFIC.
- COSTLY EXTRACTING OF LOCAL NON-BILLABLE TRAFFIC FROM A COMBINED TRUNK GROUP WHICH IS MEASURED IN TOTAL AT THE ACCESS TANDEM.

COMPENSATION IMPACTS INCLUDE:

- UNDER THE CLEC PROPOSAL, CLEC'S SWITCH WOULD BE COMPENSATED AS BOTH A TANDEM AND END OFFICE EVEN THOUGH THEIR SWITCH PERFORMS ONLY ONE SWITCH FUNCTION.
- THERE IS NO INCENTIVE FOR CLEC TO BUILD DIRECT TRUNKS WHEN CLEC RECEIVES BOTH TANDEM AND END OFFICE SWITCH ELEMENTS.
- SWITCHING AND TRANSPORT COMPENSATION TERMS SHOULD APPROPRIATELY RECOGNIZE ALL NETWORK ELEMENTS PROVIDED BY THE PARTIES TO ENCOURAGE COMPETITORS TO BUILD A ROBUST NETWORK FOR THE PUBLIC'S BENEFIT.
- ESTIMATED ADDITIONAL COST PER LATA UNDER CLEC METHOD IS ABOUT 1 MILLION DOLLARS.