

1 are related to the information contained in that  
2 report.

3 Q. And I think you indicated that the report makes  
4 some comparisons to Ameritech's performance for  
5 other CLECs?

6 A. Yes.

7 Q. And does it make any other comparisons?

8 A. Comparisons to the retail side as well.

9 Q. You indicated on the repair and maintenance side  
10 there is a comparison made for out of service over  
11 24 hours?

12 A. Yes.

13 Q. If in fact the average time to restore a failed  
14 Ameritech customer service was five hours and the  
15 average time to restore a failed USN customer  
16 service was 24 hours, would you be able to discern  
17 that by looking at this report?

18 A. Yes.

19 Q. And how would that be?

20 A. The report the way it's laid out is there is  
21 actually either line charts or bar charts, and you  
22 can look and see where the lines are and if you're  
23 way over or way under the other two comparisons.

24 Q. Okay. For the out of service over 24 hours if the  
25 report is of the variety that I've seen proposed

1 by Ameritech, it will only report the percentage  
2 of orders that are out of service over 24 hours?

3 A. That could be. I don't have the exact report  
4 right here.

5 Q. Now, as to the provisioning I believe you said the  
6 report tracks missed appointments?

7 A. I believe so, yes.

8 Q. Does the report provide you information that  
9 compares the average installation interval, let's  
10 say, for instance, for a Centrex order, for an  
11 Ameritech customer, versus the average  
12 installation interval for a Centrex order for a  
13 USN customer?

14 A. No, it does not.

15 Q. Does it provide you with any comparison of average  
16 installation intervals for any type of service  
17 provided by Ameritech as opposed to that provided  
18 by USN?

19 A. I don't recall.

20 Q. Does it provide you with an aggregate average  
21 installation interval for all USN's customers as  
22 opposed to all Ameritech customers?

23 A. I don't believe it does. I can't remember all the  
24 categories that are contained in that report.

25 Q. Would it concern you if USN's average installation

1 interval was actually longer than that provided to  
2 Ameritech customers?

3 A. Unless there were specific reasons that our orders  
4 were different than the average retail or other  
5 CLEC customers, then it would. If there were  
6 reasons why they were different, then it would not  
7 concern me.

8 Q. In assessing whether or not -- Strike that. In  
9 assessing whether Ameritech is providing service  
10 to USN at parity with what it is providing to  
11 itself, would it be helpful to you to see data as  
12 it relates to average installation interval for  
13 let's say Ameritech Centrex customers as opposed  
14 to that for USN Centrex customers?

15 A. Would it be useful, is that the question?

16 Q. In assessing whether Ameritech is providing  
17 service at parity with that which it provides  
18 itself.

19 A. Yes, it would be useful.

20 Q. You indicate in your letter to the commission that  
21 USN is currently relying on the billing interface  
22 for billing its customers, correct?

23 A. That is correct.

24 Q. You represent in here that the billing interface  
25 is the basis for the bulk of your customer

1 billing?

2 A. That is correct.

3 Q. Does that mean that there is less than 100 percent  
4 of your customer billing that is completed through  
5 reliance on electronic interfaces?

6 A. Well, we provide more services than local  
7 services. So a lot of the billing information  
8 related to our LD services come from LD providers,  
9 from our paging services come from our paging  
10 providers. That's what I meant by that.

11 Q. As relates to local service, you rely on the  
12 electronic interfaces for the entirety of local  
13 service?

14 A. From Ameritech.

15 Q. Is it provided in electronic format or paper  
16 format?

17 A. Electronic format on a daily basis.

18 Q. Can you tell me if any customers have been  
19 migrated to USN and then have subsequently  
20 returned to Ameritech as customers for any reason?

21 A. I believe we've had one customer do that.

22 Q. Other than that one customer, can you identify any  
23 other orders?

24 A. Not that have completed, no.

25 Q. Do you know what percentage of USN orders are

1 rejected by Ameritech?

2 A. No, I don't.

3 Q. Is that something that USN tracks?

4 A. No, because it hasn't been a concern up until this  
5 point of time. Based on some of this testimony  
6 here we might go back and take a look, but it  
7 hasn't been a concern.

8 MS. MARSH: Thank you. That's all I  
9 have.

10 EXAMINER JAMES: Mr. Hughes.

11 Cross-Examination

12 By Mr. Hughes:

13 Q. Mr. Parrish, my name is Ed Hughes. I'm with the  
14 Wisconsin Department of Justice. When was it that  
15 you left Ameritech?

16 A. I believe it was in August of 1995.

17 Q. And you had worked in AIIS immediately before  
18 that?

19 A. Yes.

20 Q. What were your responsibilities there?

21 A. I was a vice president of business development  
22 initially, and then I was a vice president of  
23 sales and marketing for the reseller side.

24 Q. How was it that you came to submit the March 3rd  
25 letter to Mr. Cullen? Someone from the PSC staff

1 solicited it or anyone else suggest it to you?

2 A. No. Ameritech made us aware that there were some  
3 proceedings going on, and we anticipated  
4 eventually getting into service in Wisconsin, so  
5 we thought it would be worthwhile to get involved.

6 Q. Was it someone from Ameritech who suggested that  
7 you send the letter?

8 A. No, nobody suggested we send a letter. They just  
9 made us aware that there were some proceedings  
10 underway.

11 Q. And who from Ameritech made you aware of that?

12 A. Jim Styf.

13 Q. And did you send a copy of your letter to Mr. Styf  
14 as well?

15 A. I don't recall if I did or not.

16 MR. HUGHES: That's all I have. Thank  
17 you.

18 EXAMINER JAMES: Mr. Kelley.

19 Cross-Examination

20 By Mr. Kelley:

21 Q. Mr. Parrish, my name is Glenn Kelley. I work for  
22 the commission. How many orders does your company  
23 process or forward to Ameritech in a month in real  
24 numbers? I know you've given an answer in  
25 percentage that go electronically. Total orders

1           that go.

2           A.   We didn't really want to share that information on  
3           a public basis because we're a private company,  
4           and we consider that confidential right now. The  
5           result number of lines that go over there  
6           associated with those orders on a monthly basis  
7           are in the thousands right now.

8           Q.   Okay. And very briefly what kinds of services  
9           does your company order for resale?

10          A.   Primarily we're ordering business lines, 1-MBs,  
11          some ISDN lines and the rest of them are Centrex  
12          lines. The bulk of them are 1-MB type lines for  
13          small business customers.

14          Q.   And what would be the most complex type of service  
15          or the most complex type of order for service that  
16          you would forward to Ameritech?

17          A.   Based on the complexity and the difficulty in  
18          putting the order together it would be some of the  
19          Centrex type orders.

20          Q.   Your experience with those has been what?

21          A.   Primarily we're operating in a manual mode on  
22          those, and the issue is doing a relationship, if  
23          you will, from existing Centrex offerings to some  
24          of the newer ones and how do we match services  
25          over from one form to another. It's been a

1 marketing issue rather than an operational issue  
2 of how to consolidate those orders into a service  
3 specification or description that makes sense.

4 Q. Did your company incur some expense in setting up  
5 to use the preordering interface with Ameritech?

6 A. Yeah, we actually started working with Ameritech  
7 probably nine months prior to August before we  
8 actually went into service. And a lot of that  
9 work was working on the systems on our side in  
10 order to be able to interact and interlink with  
11 Ameritech both for CSRs and forward provisioning.  
12 We didn't just jump onto the bandwagon in August  
13 and started up. We started early in 1996 to  
14 prepare those systems so we could be in service in  
15 August.

16 Q. So is it fair to say your company has a  
17 substantial investment?

18 A. From both knowledge and time, I would agree with  
19 that, yes.

20 Q. And time equates to money?

21 A. Exactly.

22 Q. If the protocol if that's the right word or  
23 standard under which you linked up with Ameritech  
24 does not become the industry standard, then will  
25 that cause your company to incur some additional

1 expenses?

2 A. The quick answer to that question is yes. We also  
3 -- we already support two interfaces, the  
4 interface that Ameritech has is different than the  
5 interface that NYNEX has which we are also working  
6 on an electronic basis with. So we've already  
7 built two interfaces.

8 We're assuming if Ameritech or NYNEX  
9 migrates those interfaces, we'll have to migrate  
10 what we did in order to follow them. It was more  
11 important for us to get into service and build  
12 what was there instead of wait for a standard.

13 Q. With regard to billing, how long have you been  
14 using the interface for electronic billing?

15 A. We've been using that since we started service  
16 with Ameritech. We first started seeing  
17 electronic information flowing over in December.

18 Q. And does the call detail that you receive  
19 electronically match up with the information,  
20 particularly the billing amounts, billed by  
21 Ameritech to your company each month?

22 A. Initially there were some discrepancies. We sat  
23 down and worked through those with Ameritech, and  
24 now we see the interface being pretty much error  
25 free.

- 1 Q. Can you give me an example of the kinds of errors  
2 that occurred initially?
- 3 A. Yeah, it wasn't that we weren't getting the  
4 information on the types of calls or the duration,  
5 it was some of the pricing elements were not per  
6 our contract with Ameritech. So we had to go back  
7 and make sure that the pricing elements were  
8 correct. And that was the really the primary  
9 extent of the discrepancy between what we thought  
10 should be coming over and what we did see come  
11 over on the billing interface.
- 12 Q. And the worst stage of the growing pains involved  
13 what percentage of information if you can estimate  
14 was incorrect in your view?
- 15 A. I think with our initial bills which were rather  
16 small, we didn't have many customers to start out  
17 with. I would say 25, 30 percent of the pricing  
18 information was incorrect.
- 19 Q. And did that result in disputed billings or --  
20 well, just that, did that result in disputes  
21 between your company and Ameritech for billed  
22 amounts?
- 23 A. It wasn't really a dispute. When the interface,  
24 we started getting the billing information, we  
25 decided internally we needed to go through it with

1 a fine tooth comb. We pulled Ameritech into that  
2 process. They also reviewed their side so  
3 everything was brought up to speed as we went  
4 along. It never got to the point where we had to  
5 dispute everything. It was a general agreement  
6 that we needed to refine and make sure the prices  
7 reflected our contracts.

8 Q. Can you say approximately when you reached a point  
9 where the billing information was to your  
10 satisfaction sufficiently accurate and reliable?

11 A. We felt comfortable throughout 1997 that the  
12 billing fees are accurate now. It took a month,  
13 six weeks to get that straightened out.

14 Q. With regard to the video, what was your company's  
15 motivation for participating in it?

16 A. Partially for that video and some other things  
17 we've done is we're at the point where we want to  
18 get more publicity, more name recognition for USN  
19 Communications. We saw that as an opportunity to  
20 do that.

21 Q. But doesn't the nature of that video indicate to  
22 viewers that you aren't the primary or basic or  
23 underlying provider of the service and that you  
24 are instead a reseller? Or does it not make that  
25 clear?

1 A. I think it makes it clear that we're a reseller of  
2 Ameritech services. We're the ones that were  
3 described in that video which is the case.

4 Q. Okay. Beyond that business consideration of name  
5 recognition, was there any other consideration for  
6 your company's participation in the video?

7 A. No.

8 MR. KELLEY: I have nothing further.

9 EXAMINER JAMES: I believe Chairman  
10 Parrino has a question or two.

11 Examination

12 By Chairman Parrino:

13 Q. In response to Mr. Kelley's question you mentioned  
14 that on a monthly basis your -- the processing  
15 amount is in the thousands. What --

16 A. Of lines.

17 Q. Is that orders or access to customer service  
18 records?

19 A. The thousands that I was referring to in that  
20 particular question, that's the amount of customer  
21 lines that we're processing that are being rolled  
22 over from Ameritech to us.

23 Q. So that's actual orders?

24 A. The number of orders associated with that would be  
25 less because hopefully on each order there is more

1 than one line per customer. So if you had an  
2 average of 100 lines per order, there would be  
3 that many less orders.

4 Q. Okay. And to the extent in the previous question  
5 that you had mentioned that you would access the  
6 customer service records at least a couple of  
7 times, the volume for that would be double or  
8 triple your accessing the customer service  
9 records?

10 A. Right. The most you would see, as far as the  
11 quantity basis, you see thousands of lines,  
12 hundreds of orders, and you would see hundreds of  
13 CSRs. The CSRs are on a order basis, not a line  
14 basis.

15 Q. Okay. Thank you. In response to a question I  
16 think from Ms. Marsh you said that 80 percent of  
17 your order processing is done electronically and  
18 that you don't know for that 80 percent how much  
19 it is processed manually or electronically by  
20 Ameritech; is that correct?

21 A. That is correct.

22 Q. Do you care?

23 A. As long as the due dates are met and the orders  
24 are processed, I don't care if he has an army of  
25 people over there doing it. As long as they get

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done.

CHAIRMAN PARRINO: Thank you.

EXAMINER JAMES: Anybody else?

(No response.)

EXAMINER JAMES: I believe that  
completes your testimony for this afternoon. You  
may be recalled telephonically tomorrow in  
conjunction with your exhibit.

(Witness excused.)

MR. BERNS: At this point MCI would  
withdraw its request for the exhibit. I don't  
know if anyone else is going to still insist it be  
produced. I'm not sure if we'll have any  
questions about it.

EXAMINER JAMES: Off the record.

(Discussion off the record.)

EXAMINER JAMES: We will adjourn the  
hearing until 9:00 tomorrow morning.

(At 4:50 p.m., the hearing was  
adjourned.)

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STATE OF WISCONSIN )  
MILWAUKEE COUNTY )

I, VICKY L. ST. GEORGE, RMR, Registered Merit Reporter with the firm of Schindhelm & Associates, Inc., 606 E. Wisconsin Avenue, Suite 250, Milwaukee, Wisconsin, do hereby certify that I reported the foregoing proceedings had on March 31, 1997, and that the same is true and correct in accordance with my original machine shorthand notes taken at said time and place.

*Vicky L. St. George*

Registered Merit Reporter

Dated this 4<sup>th</sup> day of April, 1997.  
Milwaukee, Wisconsin.

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	NUMBER	DESCRIPTION	MARKED	RECEIVED
1				
2				
3	1 -	JAR-1	4	17
4	2 -	JAR-2	16	17
5	3 -	OSS Document from Ameritech	75	150
6	3A -	Replacement of Ex 10 in Ex 3	239	239
7	4 -	AIIS Testing Program Log	84	150
8	5 -	Data Request	91	150
9	6 -	Ameritech Order Status {Delayed}	239	239
10	7 -	Order Testing Log-All Issues	121	150
11	8 -	All Resale Bugs-Not Fixed	128	150
12	9 -	Most Recent Reports and Due Dates		
13		Met {Delayed}	204	
14	10 -	3-17-97 Letter	239	240
15	11 -	Monthly Report of Realized		
16		Operational Indices {Delayed}	247	
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