KELLEY DRYE & WARREN LLP
A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS
1200 19TH STREET, N.W.
SUITE 500
WASHINGTON, D. C. 20036
(202) 955-9600

NEW YORK, N.Y.
LOS ANGELES, CA.
MIAMI, FL.
CHICAGO, IL.
STAMFORD, CT.
PARSIPPANY, N.J.

BRUSSELS, BELGIUM
HONG KONG

AFFILIATED OFFICES
NEW DELHI, INDIA
TOKYO, JAPAN

FACSIMILE
(202) 955-9792

WRITER'S DIRECT DIAL
(202) 955-9664

EX PARTE OR LATE FILED

RECEIVED
AUG 12 1997
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

August 12, 1997

VIA HAND DELIVERY

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

Re: Notification of Ex Parte Presentation
CC Docket No. 96-98

Dear Mr. Caton:

In response to the Commission's Public Notice entitled "Common Carrier Bureau Seeks Recommendations On Commission Actions Critical To the Promotion Of Efficient Local Exchange Competition" dated July 18, 1997 (DA 97-1519), CCBPol 97-9, Intermedia Communications Inc. ("Intermedia") filed its written recommendations with the Commission yesterday. Because Intermedia's recommendations may effect the merits or outcome of the above-referenced proceeding, pursuant to Section 1.1206(b)(1) of the Commission's Rules, Intermedia hereby submits an original and two copies this *ex parte* notification for inclusion in the public record.

Respectfully submitted,

Jonathan E. Canis

Enclosures

DC01/CANJ/47241.41

No. of Copies rec'd 0+2
List ABCDE

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED
AUG 1 8 1997

Recommendations on	)	
Commission Actions	)	
Critical to the Promotion	)	CCBPol 97-9
of Efficient Local	)	
Exchange Competition	)	

RECOMMENDATIONS OF INTERMEDIA COMMUNICATIONS INC.

By: Jonathan E. Canis
KELLEY DRYE & WARREN LLP
1200 - 19th Street, N.W.
Suite 500
Washington, D.C. 20036
(202) 955-9600

August 11, 1997

SUMMARY

Intermedia Communications Inc. ("Intermedia") lauds the Commission's review of the status of implementation of the Telecommunications Act of 1996. For over a year, the industry has produced massive and compelling evidence through federal and state regulatory proceedings, arbitrations, complaints and court actions that demonstrate that the procompetitive procedures required by the Act have yet to be implemented, and the local service competition that the 1996 Act was intended to engender has yet to develop. In short, until competitive carriers can obtain incumbent local exchange carrier ("ILEC") services and unbundled network elements as quickly and efficiently as the ILEC provides services to its own carrier and end user customers, ILECs will retain an insuperable competitive advantage.

In order to implement the 1996 Act's procompetitive provisions, Intermedia recommends that the Commission take the following actions:

1. Employ the authority the Commission retains following the Eighth Circuit Court's recent ruling to impose operating and provisioning standards and reporting requirements for interconnection arrangements. Even more importantly, the Commission must make compliance with these standards a necessary precondition for approving Bell Operating Company entry into in-region interLATA service markets under Section 271 of the Act. The 271 process is unquestionably the strongest leverage the Commission has to implement and enforce procompetitive standards. Finally, the Commission must also incorporate these standards into its public interest review of petitions to approve ILEC mergers and acquisitions. This will provide the Commission with necessary leverage to ensure that carriers that do not have 271 applications pending also comply with the Commission's procompetitive standards.

The standards adopted and enforced by the Commission must focus on opening local markets before allowing ILEC entry into long distance markets. They must require that operation and support systems are developed, in place and are being used by competitive carriers. Finally, the standards must provide competitors with the same quality of service that the ILEC provides to itself and its customers. It is particularly important that the Commission ensure that these standards apply to complex services provided over digital networks. These services, including ADSL, HDSL, and high capacity circuits, will be the vehicles that provide integrated voice, data, audio and video to business and residential users, and that will drive the most important telecommunications applications in the future.

2. The Commission should require the geographic deaveraging of rates for ILEC collocation, interconnection and unbundled network elements in cases where the ILEC geographically deaverages rates for its carrier and end user customers. Failure to do so would unreasonably discriminate against competitive carriers. The Commission is empowered to apply such requirements following the Eighth Circuit decision through its authority to issue and enforce rules governing unbundled network elements, through the process of reviewing 271 applications and petitions to approve mergers and acquisitions, and through the licensing process.

3. The Commission should act quickly to issue a letter ruling confirming that local calls to internet service providers are subject to mutual compensation. This request was initially made by the Association for Local Telecommunications Services and received overwhelming support from competitive carriers. ILEC attempts to exclude such traffic from mutual compensation arrangements is wholly without merit and constitutes a gaming of the regulatory process that must not be permitted.

4. In cases where ILECs own and control cabling and other facilities within multitenant buildings, the Commission should require ILECs to offer intrabuilding lateral and riser cable and related facilities as both tariffed services and unbundled network elements. In addition, the Commission should initiate a proceeding to consider other steps that can be taken to provide competitors with fair and nondiscriminatory access to customers in multitenant buildings.

5. The Commission should implement expedited enforcement processes to resolve disputes over interconnection. Such processes should focus on eliminating delays in turning up a competitive carrier's service, and should place other matters -- such as the assignment of fault and the assessment of damages -- on a separate track. The Eighth Circuit decision confirms that the Commission is fully empowered to take such action.

TABLE OF CONTENTS

Page

Summary i

I. INTRODUCTION 1

II. RECOMMENDATIONS 2

1. THE COMMISSION MUST ESTABLISH INTERCONNECTION STANDARDS USING THE AUTHORITY IT RETAINS FOLLOWING THE EIGHTH CIRCUIT DECISION, AND MUST INCORPORATE COMPETITION-SUPPORTIVE STANDARDS INTO THE PUBLIC INTEREST DETERMINATION ASSOCIATED WITH BOTH 271 APPROVALS AND APPROVALS OF MERGERS, ACQUISITIONS AND LICENSING 2

2. THE COMMISSION SHOULD REQUIRE GEOGRAPHIC DEAVERAGING OF COLLOCATION, INTERCONNECTION AND UNBUNDLED ELEMENTS CRITICAL TO COMPETITIVE CARRIERS 6

3. THE COMMISSION SHOULD ISSUE EXPEDITIOUSLY A LETTER RULING THAT CALLS TO INTERNET SERVICE PROVIDERS CONSTITUTE LOCAL TRAFFIC THAT IS SUBJECT TO MUTUAL COMPENSATION, AND NOT ACCESS CHARGES 8

4. THE COMMISSION SHOULD REQUIRE TARIFFING AND UNBUNDLING OF INTRABUILDING RISER AND LATERAL CABLE AND OTHER BUILDING ACCESS ELEMENTS 9

5. THE COMMISSION SHOULD IMPLEMENT EXPEDITED ENFORCEMENT PROCESSES TO RESOLVE INTERCONNECTION-RELATED DISPUTES 11

III. CONCLUSION 12

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Recommendations on	)	
Commission Actions	)	
Critical to the Promotion	)	**CCBPol 97-9**
of Efficient Local	)	
Exchange Competition	)	

RECOMMENDATIONS OF
INTERMEDIA COMMUNICATIONS INC.

Intermedia Communications Inc. ("Intermedia"), by its undersigned counsel and pursuant to the Public Notice[1] issued by the Commission on July 18, 1997, hereby submits the following recommendations for actions that the Commission should take to support efficient local exchange competition. As one of the largest and fastest growing competitive local exchange carriers ("CLECs"), and as a carrier that is negotiating or attempting to implement interconnection agreements with all of the Bell Operating Companies ("BOCs") and the largest independent incumbent local exchange carriers ("ILECs"), Intermedia welcomes this opportunity to voice its recommendations, and urges the Commission to act promptly in promulgating and enforcing procompetitive standards.

I. INTRODUCTION

Now that the Telecommunications Act of 1996 has been in effect for over a year, the Commission is correct to assess where the industry has been and to plot a course for the future. During the course of the last year, compelling evidence has made clear that the local telecommunications service market is not yet where the 1996 Act is intended to take

---

[1] *Common Carrier Bureau Seeks Recommendations on Commission Actions Critical to the Promotion of Efficient Local Exchange Competition*, CCB Pol 97-9, DA 97-1519, released July 18, 1997.

it. This evidence has been amassed from a number of sources, including Section 271 proceedings heard or pending before the Commission and numerous state regulatory commissions, and reviewed by the United States Department of Justice; in complaints filed with the Commission and with state commissions; in arbitration proceedings before state regulators; and in appeals of federal and state interconnection-related decisions now pending before various federal courts. All of these sources paint the same picture -- despite the existence of hundreds of executed interconnection agreements and the establishment of federal and state rules governing their implementation, the competition for local services that the 1996 Act was designed to foster has not yet been realized. What has been painstakingly proven is that today, we lack the infrastructure and processes necessary for the provision of competitive local services that are transparent to carrier and end user customers. Until this goal is reached, the purpose of the 1996 Act will be frustrated, and competitive local service providers will continue to face insuperable barriers to market entry. Below, Intermedia lists, in order of priority, several recommendations designed to address these concerns and to fully implement the procompetitive policies of the 1996 Act.

II. RECOMMENDATIONS

1. THE COMMISSION MUST ESTABLISH INTERCONNECTION STANDARDS USING THE AUTHORITY IT RETAINS FOLLOWING THE EIGHTH CIRCUIT DECISION, AND MUST INCORPORATE COMPETITION-SUPPORTIVE STANDARDS INTO THE PUBLIC INTEREST DETERMINATION ASSOCIATED WITH BOTH 271 APPROVALS AND APPROVALS OF MERGERS, ACQUISITIONS AND LICENSING

As discussed herein, the Commission retains substantial authority to establish rules governing the provisioning of unbundled network elements and interconnection in light

of the Eighth Circuit decision in *Iowa Utilities Board vs. FCC.*[2] Perhaps more important, however, is the role that the Commission will play in reviewing and approving petitions for BOC entry into in-region interLATA service markets pursuant to Section 271 of the Communications Act. This process unquestionably provides the Commission with the greatest leverage available to ensure timely and effective implementation of interconnection agreements. In addition, the Commission retains substantial leverage to implement procompetitive standards through its review of petitions for approval of mergers and acquisitions, and through the licensing process. In all of these processes, the Commission is obligated to undertake an analysis of whether a grant of the petition will serve the public interest. Intermedia urges the Commission to consider the availability of interconnection and collocation on an incremental cost basis, the timely deployment of services and unbundled network elements, and the existence of tested and functioning operation and support systems as necessary preconditions to the approval of such petitions. Intermedia notes that it is particularly important to impose such standards as part of the public interest review of mergers, acquisitions, licensing and other transactions by ILECs that need not or choose not to pursue Section 271 interLATA relief. It is critical that the Commission employ leverage outside of the 271 process to encourage reasonable behavior by these carriers.

Through the mechanisms discussed above, the Commission is fully empowered to ensure that effective procompetitive interconnection arrangements are actually in place. In reviewing the progress of interconnection, and in conducting the public interest evaluation

---

[2] *Iowa Utilities Bd. v. FCC*, No. 96-3321 et al., slip op. (8th Cir. July 19, 1997).

associated with 271 authorizations and approvals of transactions involving ILECs, it is imperative that the Commission employ the following criteria:

A. Focus on opening local, not long distance markets. The Telecommunications Act of 1996 unequivocally established opening of local markets as a condition precedent for 271 relief.

B. Have working operations and support systems in place. Don't assume compliance, rather, require that such systems be demonstrably and verifiably effective in allowing CLECs to obtain services and unbundled network elements.

C. Enforce the parity requirements of the 1996 Act. ILECs will continue to have an insuperable competitive advantage if carrier and end user customers can receive services from ILECs more quickly and reliably than CLECs can obtain ILEC services and unbundled network elements. To this end, it is imperative to establish service quality standards and reporting requirements. It is also imperative that the Commission not assume compliance with such standards, but require a demonstration that parity is being provided.

Nowhere are these standards more important than in the introduction of complex services. Intermedia's service mix includes frame relay and other state-of-the-art services provided over asynchronous transfer mode and other digital technologies. These complex services and digital technologies will become increasingly important to both carriers and end users -- it is these digital networks and services that provide combinations of voice grade, data, audio and video capabilities that will drive the most important business and residential transactional, educational and entertainment applications of the future.

Intermedia is particularly concerned that it is able to obtain prompt, nondiscriminatory, and economically efficient access to the digitally conditioned ILEC unbundled loops and other network elements and subloop elements that are necessary to provide these complex services. To date, Intermedia has found it virtually impossible to do

so.[3] While some ILECs have begun to provision voice grade loops, to date, Intermedia is not aware of a single ILEC that can provision ADSL, HDSL, DS1 or other complex services in a commercially acceptable manner, even though the ILECs with whom Intermedia has negotiated interconnection agreements have all committed to do so.

Access to unbundled subloop components is even more difficult. While Intermedia has negotiated provisions for subloop unbundling in all of its interconnection agreements, and has submitted requests for such unbundling to several ILECs during the negotiation process, to date, Intermedia has not been provided the subloop elements that it requested.

The Eighth Circuit's decision in *Iowa Utilities Board. v. FCC* makes clear that the Commission retains jurisdiction to "prescribe and enforce regulations to implement the requirements of [unbundled network elements under Section 251(d)(2) of the Telecommunications Act of 1996]."[4] The Commission should use this authority to initiate a rulemaking proceeding to define what kinds of loop technologies must be made available for

---

[3] Some ILECs have included some complex services in Statements of Generally Available Terms and Conditions ("SGATCs"), but this action does not indicate that such loops are available. For example, BellSouth recently included 2-wire ISDN in SGATCs filed in Georgia and Florida, but neglected to include 4-wire digital loops, which are the type required for Intermedia's applications. Moreover, even if a digital loop is identified in an ILEC SGATC, to date the ILECs have not demonstrated that they have the operations and support systems in place to provision these loops. In testimony recently filed in a 271 proceeding currently being conducted by the Georgia Public Service Commission, an Intermedia witness described that, due to internal confusion and an absence of effective pre-ordering and ordering processes in BellSouth, it took Intermedia over six weeks to obtain a simple unbundled DS1 loop. A copy of the relevant discussion from the Intermedia witness' testimony is appended as Attachment A.

[4] *Iowa Utilities Bd. v. FCC* at 9 n.10.

unbundled loop and subloop components, and to establish standards governing their provisioning.

Intermedia lauds the interconnection standards and reporting requirements being proposed by Bell Atlantic and NYNEX, and by the Local Competition Users' Group. While such standards provide an excellent starting point, however, they focus almost exclusively on voice grade applications, and do not address provisioning standards for complex services. As a result, Intermedia urges the Commission to initiate a rulemaking proceeding to obtain the most complete set of input possible from interested parties.

Once the appropriate provisioning standards and reporting requirements are in place, Intermedia strongly urges the Commission to use the 271 approval process, and the approval process for mergers and acquisitions, to ensure compliance with these standards. Intermedia notes that the leverage the Commission has by dint of this approval process is the strongest leverage it will ever have to ensure compliance with the parity requirements of the 1996 Act. It is critical that the Commission ensure that full compliance with the service standards and reporting requirements has been achieved before such approvals are granted.

2. THE COMMISSION SHOULD REQUIRE GEOGRAPHIC DEAVERAGING OF COLLOCATION, INTERCONNECTION AND UNBUNDLED ELEMENTS CRITICAL TO COMPETITIVE CARRIERS

The Commission should adopt rules preventing ILECs from discriminating against competitive carriers by failing to deaverage rates for collocation, interconnection and unbundled network elements to the same extent that they deaverage rates to access and retail customers. In particular, the Commission should focus this requirement, not only on existing services and network elements, but on new network elements that will be developed in the

future as new technologies are deployed in ILEC and competitive carrier networks. This latter issue is critical to carriers such as Intermedia, which are rapidly deploying state-of-the-art digital networks and introducing complex services. The establishment of such forward-looking policies is essential to avoid a substantial barrier to competition for the most important new services and technologies that are now being introduced. Absent such policies, competitive carriers will be forced to litigate every time a new technology is deployed or a new service is introduced.

Requiring ILECs to establish deaveraged pricing for newly-introduced services and unbundled network elements is fundamentally consistent with the Telecommunications Act of 1996, which clearly anticipated a dynamic regulatory structure that would accommodate evolving networks. The establishment of rules prohibiting discriminatory pricing has already been set by the Commission in its earlier review of ILEC collocation tariffs. The Commission there found that ILECs may not load more overhead costs on collocation services purchased by competitors than they do on services purchased by the ILECs' end user and carrier customers.[5] ILECs that deny to competitors in low-cost areas the same geographically-based discounts that they provide to end user and carrier customers perpetrate precisely the same kind of discrimination, and compel the same regulatory response by the Commission. Such action is also consistent with the Eighth Circuit's decision, which recognizes the Commission's authority to issue and enforce rules regarding unbundled network elements. Finally, as discussed herein, the Commission is fully

---

[5] *Local Exchange Carriers' Rates, Terms & Conditions for Expanded Interconnection Through Virtual Collocation for Special Access & Switched Transport*, 10 FCC Rcd 6375, 6404 and *passim* (1995)

empowered to impose such nondiscrimination requirements as part of the public interest review process that is integral to a review of 271 applications for BOC in-region interLATA relief, and to reviews of other ILEC applications for licenses, and approvals of mergers, acquisitions and other transactions.

3. THE COMMISSION SHOULD ISSUE EXPEDITIOUSLY A LETTER RULING THAT CALLS TO INTERNET SERVICE PROVIDERS CONSTITUTE LOCAL TRAFFIC THAT IS SUBJECT TO MUTUAL COMPENSATION, AND NOT ACCESS CHARGES

Intermedia, like dozens of other competitive carriers, recently filed in support of the Association for Local Telecommunications Services ("ALTS") request for a letter ruling confirming that local calls to internet service providers are subject to mutual compensation under existing interconnection agreements. The ALTS request attracted universal support from competitive carriers and internet service providers and users, all of whom made a compelling case that the ruling requested by ALTS is critical to competitive carriers and to the continued development of the internet. Those comments also demonstrated that such action is fully consistent with established Commission precedent and policy, and the policies of the Administration, and that nothing in the Eighth Circuit decision prevents the Commission from granting the ruling requested. As such, Intermedia repeats its call for the expeditious issuance of the letter ruling requested by ALTS. Indeed, Intermedia believes that this issue represents the test case that will fundamentally impact the ILEC response to competition in the future. By attempting to now reject traffic for mutual compensation that the ILECs unequivocally accepted previously, the ILECs are attempting to game the regulatory process by causing meritless and wholly unnecessary litigation in order

to impose costs and uncertainty on competitors. Intermedia feels strongly that the Commission must take prompt and decisive action to foreclose this patently anticompetitive strategy.

4. THE COMMISSION SHOULD REQUIRE TARIFFING AND UNBUNDLING OF INTRABUILDING RISER AND LATERAL CABLE AND OTHER BUILDING ACCESS ELEMENTS

CLECs have for years found that ILECs enjoy superior access to multitenant buildings -- indeed, ILECs typically have free rights of way into buildings, while CLECs are forced to pay excessive rates for similar access. Removal of all barriers to such patently discriminatory treatment likely will require a number of different approaches, and Intermedia urges the Commission to issue a Notice of Inquiry or Notice of Proposed Rulemaking to seek public comment on this issue.

There is, however, some action that the Commission can take immediately that will provide significant, although partial, relief for CLECs. Pursuant to the Commission's *Inside Wire Order*, the point of demarcation between an ILEC's regulated network plant and unregulated inside wire is determined by several factors: whether the lateral and riser cable within a building was installed prior to issuance of the Order, whether state regulators have mandated a different set of demarcation rules, and traditional practice by the ILECs.[6] As a result of the interplay of these factors, in any given city, a significant number of buildings are characterized by points of demarcation directly outside or immediately inside tenant's

---

[6] *Review of Sections 68.104 & 68.213 of the Commission's Rules Concerning Connection of Simple Inside Wiring to the Telephone Network*, 5 FCC Rcd 4686, 4692-93 (1990).

premises within multitenant buildings. In such buildings, the ILEC owns and controls the lateral and riser cable and other facilities up to the tenant's premises, and that wiring is treated as ILEC network plant. In such cases, the FCC has full authority to require that ILECs offer the lateral and riser cable as both tariffed access service and as an unbundled network element.

Ample precedent exists for such action. The New York Telephone Company included "intrabuilding channels" as a tariffed element in its intrastate tariff in New York. These intrabuilding circuits consist of lateral and riser cable up to a tenant's premises, and were priced at a fraction of a private line channel termination charge. A copy of relevant pages from the New York Telephone tariff are appended as Attachment B. The Commission is fully empowered to amend its Part 69 rules to require the tariffing of similar elements in the ILEC's access tariffs. Indeed, because the use of such facilities to carry jurisdictionally interstate traffic is inseparable from its use in carrying intrastate traffic, the Commission has the authority to exercise preemptive jurisdiction over such facilities. Similarly, as discussed above, the Eighth Circuit's decision clearly preserves the Commission's authority to prescribe and enforce regulations regarding the provisioning of unbundled network elements. Intermedia therefore urges the Commission to order the ILECs to offer intrabuilding lateral and riser cable and related facilities as both a tariffed service and an unbundled network element. In addition, the Commission should require ILECs to identify all buildings in which the lateral and riser cable is owned by the ILECs promptly upon receipt of a request.

5. THE COMMISSION SHOULD IMPLEMENT EXPEDITED ENFORCEMENT PROCESSES TO RESOLVE INTERCONNECTION-RELATED DISPUTES

As the foregoing discussion makes clear, to date, competitive carriers universally have found it impossible to implement existing interconnection agreements in a timely and commercially viable manner. While it is imperative that the Commission and other responsible regulators continue to establish rules governing collocation, interconnection, network unbundling and resale, it has also become apparent that the industry requires an expedited process for resolving interconnection-related disputes and implementing service as quickly as possible. Intermedia agrees with AT&T and MCI that the Commission should adopt some form of expedited process to resolve disputes over collocation and interconnection. Intermedia believes that either the "Quick Look" approach recommended by MCI (in which Enforcement Division Staff would first work with the opposing parties to initiate service, and would wait to resolve matters of fault or damages), or the "Strike Force" approach promoted by AT&T (in which a team of Commission Staffers would work to resolve service-delaying disputes on an expedited basis) would be effective in providing some relief for the inordinate delays that have characterized the implementation of negotiated and arbitrated agreements to date.

The Commission is fully empowered to take such action under the Eighth Circuit's decision. The Court found that the Commission retains authority to issue and enforce rules governing unbundled network elements, number portability and administration, terms and conditions (although not pricing) of resale, exchange access issues, and the

treatment of comparable carriers as incumbents.[7] The Commission retains ample authority under these provisions of the Communications Act to adopt the streamlined dispute resolution procedures recommended by AT&T and MCI.

III. CONCLUSION

For the reasons discussed above, Intermedia respectfully requests that the Commission take prompt action, in accordance with the Recommendations contained herein.

Respectfully submitted,

INTERMEDIA COMMUNICATIONS INC.

By: _____

Jonathan E. Canis
KELLEY DRYE & WARREN LLP
1200 - 19th Street, N.W.
Suite 500
Washington, D.C. 20036
(202) 955-9600

Its counsel

August 11, 1997

---

[7] *Iowa Utilities Bd. v. FCC*, slip op. at 9, n.10.

ATTACHMENT A

EXCERPT FROM INTERMEDIA TESTIMONY IN ALABAMA 271 PROCEEDING

BEFORE THE ALABAMA PUBLIC SERVICE COMMISSION

In Re:	)	
	)	
Consideration of BellSouth	)	
Telecommunications, Inc.'s Entry into	)	DOCKET NO. 25835
InterLATA Services Pursuant to	)	
Section 271 of the Telecommunications	)	
Act of 1996.	)	

REBUTTAL TESTIMONY OF JULIA STROW ON BEHALF OF INTERMEDIA COMMUNICATIONS INC. AUGUST 8, 1997

Counsel:

Lynn McCain
William B. Ogletree
McCAIN AND OGLETREE, P.C.
The Printup Building
350 Locust Street, Second Floor
Gadsden, Alabama 35901
(205) 547-0023
(205) 547-0573 (facsimile)

Of Counsel:

Jonathan E. Canis
Enrico C. Soriano
KELLEY DRYE & WARREN LLP
1200 19th Street, N.W.
Suite 500
Washington, D.C. 20036
(202) 955-9600
(202) 955-9792 (facsimile)

introduced into the process, which have the effect of impairing the ALECs' ability to meaningfully compete with BellSouth.

For instance, Intermedia's recent experience with unbundled T1 circuits is a case in point. Intermedia placed an order for unbundled T1 circuits in May of 1997, following the ordering process suggested by BellSouth (*see* **Exhibit ___ (JS-9)**). Despite totally adhering to the suggested ordering process, Intermedia's orders were referred to, and transferred from, one BellSouth organization to another, with the ultimate effect of severely delaying the process. What normally should have taken 7-10 days to provision took at least six weeks to complete. I question what would happen if other, more complex unbundled elements or services were ordered by competing carriers. Attached to my testimony as **Exhibit ___ (JS-10)** is a chronology of events detailing Intermedia's recent experience with T1 circuits.

Separate and apart from these problems is BellSouth's inability to inform ALECs of changes in the interfaces. New entrants need adequate information concerning changes in the interfaces sufficiently in advance of implementation so that they can implement these changes efficiently and effectively. Moreover, adequate and up-to-date documentation must be available to the ALECs in order to train their own employees. When competing providers are kept in the dark, deliberately or otherwise, with respect to changes in these critical interfaces, substantial confusion and inefficiencies result, which ultimately affect the entire operations and

ATTACHMENT B

EXCERPT FROM NEW YORK TELEPHONE INTRASTATE TARIFF

MILEAGE

D. MILEAGE ON LINES BETWEEN LOCATIONS (Cont'd) (C)

2. Definition of Mileage Components

(D)

Intrabuilding Channel Charge: Denotes the charge associated with house cable used to provide channels between different floors in the same building. The demarcation point on each floor will be located not more than 10 feet within the customer's premises.

Central Office Loop Charge: Denotes the charge associated with that segment of a line which extends from the interface point on the subscriber's premises to the normal central office. (N)

MILEAGE

D. MILEAGE ON LINES BETWEEN LOCATIONS (Cont'd)

3. Rates and Charges for Mileage Components

The application of these rates is shown in D.4. following for other than intercept lines.

	Monthly Rates Signal Grade*	Monthly Rates Other	USOC	
a. Continuous Property Loop) Per 2-Wire Loop) Per 4-Wire Loop)	See Rate Schedule attached for rates and charges currently in effect.			
Block Loop**				
Per 2-Wire Loop	$21.77	$27.73	BKP2X	(T)
Per 4-Wire Loop	43.54	55.46	BKP4X	(T)
Central Office Loop** #				
Per 2-Wire Loop	21.53	21.53	CON2X	
Per 4-Wire Loop	40.61	40.61	CON4X	

	Monthly Rate		
b. Intrabuilding Channel Charge,) Per 2-Wire Termination) Per 4-Wire Termination)	See Rate Schedule attached for rates and charges currently in effect.		
Installations Charge,) Per Termination)	(see Para. e. Following)		NRCLF

* The signal grade rate applies only to signal grade lines as defined in Section 16 of this Tariff.

** In addition, feature function rate elements (Para. D.3.f.) apply to all "other than signal grade" Central Office and Block Loops.

\# When connected to an interconnector's multiplexing node under Section 12, a Universal Service Element Charge and a Service Access Charge will apply as specified in Section 12, Paragraph I.2 (c). (C) (C)

MILEAGE

D. MILEAGE ON LINES BETWEEN LOCATIONS (Cont'd)

4. Lines (other than Intercept) Between Two Points

	Intrabuilding Channel Charges	Central Office Loops
a. Mileage Components		
Between Points in the Same Building, between different floors		
Extensions on Individual and Centrex lines	1	0
Bridged Station lines on Individual, PBX and Centrex station lines	1	0
Tie Lines Between Centrex Services	0	0
Between CTX and PBX	0	1
Between PBX Services	2	0
All Other Lines and Channels, including Access Channels Per Termination	1	0

NOTE: A. Intrabuilding Channels will be provided only where existing spare capacity exists. The Company will not undertake to construct new facilities for the provision of channel service wholly within a single building.

(D)