4.7.5 SWBT shall not be required to provide narrowband service to CLEC "A" and broadband service to CLEC "B" on the same loop. Any line sharing between two CLECs shall be accomplished between those parties and shall not utilize any SWBT splitters, equipment, cross connects or OSS systems to facilitate line sharing between such CLECs.

4.7.6 SWBT shall be under no obligation to provision xDSL capable loops in any instance where physical facilities do not exist. SWBT shall be under no obligation to provide HFPL where SWBT is not the existing retail provider of the traditional, analog voice service (POTS). This shall not apply where physical facilities exist, but conditioning is required. In that event, CLEC will be given the opportunity to evaluate the parameters of the xDSL or HFPL service to be provided, and determine whether and what type of conditioning should be performed at its request. CLEC shall pay SWBT for any conditioning performed at its request.

4.7.7 For each HFPL, CLEC shall at the time of ordering, notify SWBT as to the PSD mask of the technology the CLEC intends to deploy on the loop. If and when a change in PSD mask is made, CLEC will immediately notify SWBT. Likewise, SWBT will disclose to CLEC upon request information with respect to the number of loops using advanced services technology within the binder and type of technology deployed on those loops. SWBT will use this information for the sole purpose of maintaining an inventory of advanced services present in the cable sheath. If the technology does not fit within a national standard PSD mask (but still remains in the HFPL only), CLEC shall provide SWBT with a technical description of the technology (including power mask) for inventory purposes.

4.7.8 In the event that SWBT rejects a request by CLEC for provisioning of advanced services, SWBT will disclose to the requesting CLEC information with respect to the number of loops using advanced services technology within the binder and type of technology deployed on those loops, including the specific reason for the denial, within 48 hours of the denial.

4.7.9 A CLEC requesting to deploy new xDSL technologies that do not conform to the national standards and have not yet been approved by a standards body (or otherwise authorized by the FCC, any state commission or which have not been successfully deployed by any carrier without significantly degrading the performance of other services) shall be handled as set forth in Section 4.4.1-4.4.2.2 of this Attachment.

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4.7.10 SWBT shall not impose its own standards for provisioning xDSL services, through Technical Publications or otherwise, until and unless approved by the Commission or the FCC prior to use. However, SWBT will publish non-binding Technical Publications to communicate current standards and their application as set forth in Paragraph 72 of FCC Order 99-48 (rel. March 31, 1999), FCC Docket 98-147.

4.8 HFPL: Splitter Ownership and Responsibilities

4.8.1 Option 1: CLEC will own and have sole responsibility to forecast, purchase, install, inventory, provision and maintain splitters. When physically collocating, splitters shall be installed in the CLECs collocation arrangement area (whether caged or cageless) consistent with SWBT's standard collocation practices and procedure. When virtually collocated, SWBT will install, provision and maintain splitters under the terms of virtual collocation.

4.8.1.1 When physically collocated, splitters will be placed in traditional collocation areas as outlined in the physical collocation terms and conditions in this Appendix or applicable Commissioned-ordered tariff. In this arrangement, the CLEC will have test access to the line side of the splitter on the terminating end of the cross connect to the collocation arrangement. It is recommended that the CLEC provision splitter cards that provide test port capabilities. When virtually collocated, SWBT will install the splitter in a SWBT bay and SWBT will access the splitter on behalf of the CLEC for line continuity tests. Additional testing capabilities (including remote testing) may be negotiated by the Parties. The CLEC is not permitted direct physical access to the MDF or the IDF for testing.

4.8.1.2 Splitter provisioning will use standard SWBT configuration cabling and wiring in SWBT locations. Connecting Block layouts will reflect standard recognizable arrangements that will work with SWBT Operational Support Systems ("OSS").

4.8.1.3 Splitter technology needs to adhere to established industry standards for technical, test access, common size, configurations and shelf arrangements.

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4.8.1.4 All splitter equipment must be compliant with applicable national standards and NEBS Level 1.

4.8.2 Option 2: SWBT voluntarily agrees to own, purchase, install, inventory, provision, maintain and lease splitters in accordance with the terms set forth herein. SWBT will determine where such SWBT-owned splitters will be located in each central office. Upon CLEC's request, SWBT will perform testing at the SWBT-owned splitter on behalf of CLEC. In the event that no trouble is found at the time of testing by SWBT, CLEC shall pay SWBT for such testing at the rates set forth in the interconnection agreement with the parties. CLEC will not be permitted direct physical access to the SWBT-owned splitters, including the MDF or the IDF, for testing. Upon the request of either Party, the Parties shall meet to negotiate terms for additional test access capabilities.

4.8.2.1 SWBT will agree to lease such splitters a line at a time subject to the following terms and conditions:

4.8.2.1.1 Forecasts: CLEC will provide SWBT with a forecast of its demand for each central office prior to submitting its first LSR for that individual office and then every January and July thereafter (or as otherwise agreed to by both parties). CLEC's failure to submit a forecast for a given office may affect provisioning intervals. In the event CLEC fails to submit a forecast in a central office which does not have available splitter ports, SWBT shall have an additional ten (10) business days to install CLEC's line sharing order.

4.8.2.1.2 Forecast Penalties: If CLEC fails to come within plus or minus twenty five percent (25%) of its forecast referenced in Section 5.1.2.4.1 above, CLEC shall have an additional ninety (90) days to meet such forecast. If, on the 90th day, CLEC has failed to come within plus or minus twenty five percent (25%) of its forecast referenced in Section 5.1.2.4.1 above, CLEC shall pay SWBT a penalty payment commesurate with the difference between the ports actually used and the ports forecasted as a nonrecurring charge. Should another carrier consume the splitter ports which were forecasted but not used by

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CLEC, SWBT will discount CLEC's penalty payment to SWBT on a pro rata basis.

4.8.2.2 Splitter provisioning will use standard SWBT configuration cabling and wiring in SWBT locations. Connecting Block layouts will reflect standard recognizable arrangements that will work with SWBT's Operational Support Systems ("OSS").

4.8.2.3 Splitter technology will adhere to established industry standards for technical, test access, common size, configurations and shelf arrangements.

4.8.2.4 All SWBT-owned splitter equipment will be compliant with applicable national standards and NEBS Level 1.

4.8.2.5 From time to time, SWBT may need to replace or repair SWBT-owned splitters or splitter cards which necessitate a brief interruption of service. In the event that service interruption is anticipated by SWBT to last more than fifteen (15) minutes, SWBT shall notify CLEC.

4.8.2.6 When an end-user disconnects SWBT's POTS service, SWBT will initiate action to disconnect the POTS service, will notify CLEC of such disconnection and will reconfigure the loop to remove the splitter in order to conserve the splitter ports for future line sharing orders. CLEC shall pay a nonrecurring charge for any such reconfiguration. The loop reconfiguration will result in temporary downtime of the loop as the splitter is removed from the circuit. Upon request of either Party, the Parties shall meet to negotiate terms for such notification and disconnection.

4.8.2.7 SWBT retains the sole right to select SWBT-owned splitter equipment and installation vendors.

Attachment 25: xDSL (Section 5) is amended as follows:

5.5 OSS: LOOP MAKE-UP INFORMATION AND ORDERING – HFPL

5.5.1 <u>General</u>: SWBT will provide CLEC with nondiscriminatory access to the same loop make-up information that SWBT is providing any other CLEC and/or SWBT or its advanced services affiliate and as set forth

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in SWBT's Advanced Plan of Record filed December 7, 1999 as amended from time to time. Pending implementation of SWBT's Advanced Service Plan of Record, loop make-up data will be provided as set forth below.

5.5.2 Loop Pre-Qualification: Subject to 5.5.1 above, SWBT's pre-qualification will provide a near real time response to CLEC queries. Until replaced with OSS access as provided in 5.5.1, SWBT will provide mechanized access to a loop length indicator via Verigate and DataGate. The loop length is an indication of the approximate loop length, based on a 26-gauge equivalent and is calculated on the basis of Distribution Area distance from the central office. This is an optional service to the CLEC and is available at no charge.

5.5.3 Loop Qualification: Subject to 5.5.1 above, SWBT will develop and deploy enhancements to its existing DataGate and EDI interfaces that will allow CLECs, as well as SWBT's retail operations or its advanced services affiliate, to have near real time electronic access as a preordering function to the loop make-up information, subject to the following:

5.5.3.1 For loops ordered under 12,000 feet in length, SWBT will provide a process that does not require loop qualification. If load coils, repeaters or excessive bridged tap are present on a loop under 12,000 feet in length, conditioning to remove these elements will be performed at no charge.

5.5.3.2 If a CLEC elects to have SWBT provide loop makeup through a manual process for information not available electronically, then the loop qualification interval will be 3-5 business days, or the interval provided to SWBT's affiliate, whichever is less.

5.5.3.3 If the results of the loop qualification indicate that conditioning is available, CLEC may request that SWBT perform conditioning at charges set forth in Section 9.0 of this Attachment. The CLEC may order the loop without conditioning or with partial conditioning if desired.

5.5.3.4 For HFPL, if CLEC's requested conditioning will degrade the customer's analog voice service, SWBT is not required to condition the loop. However, should SWBT refuse the CLEC's request to condition a loop, SWBT will make an affirmative showing to the relevant state commission that

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conditioning the specific loop in question will significantly degrade voice band services.

5.5.4 Electronic access to loop makeup data through OSS enhancements described in 5.5.1 above will return information in all fields described in the Plan of Record where information is contained in SWBT's electronic databases. If manual loop qualification is requested, loop makeup data should include the following: (a) the actual loop length; (b) the length by gauge; and (c) the presence of repeaters, load coils, or bridged taps; and shall include, if noted on the individual loop record, (d) the total length of bridged taps, load coils, and repeaters; (e) the presence of pair gain devices, DLC, and/or DAML, and (f) the presence of disturbers in the same and/or adjacent binder groups. If a detailed manual loop qualification is requested, loop makeup data should include all of the fields described in the Plan of Record including those described above for manual loop qualification.

Attachment 25: xDSL (Section 6) is amended as follows:

6.4 Maintenance /Service Assurance – HFPL

6.4.1 If requested by either Party, the parties will negotiate in good faith to arrive at terms and conditions for Acceptance Testing on repairs.

6.4.2 Narrowband/voice service: If the narrowband, or voice, portion of the loop becomes significantly degraded due to the broadband or high frequency portion of the loop, certain procedures as detailed below will be followed to restore the narrowband, or voice service. Should only the narrowband or voice service be reported as significantly degraded or out of service, SWBT shall repair the narrowband portion of the loop without disturbing the broadband portion of the loop if possible. In any case, SWBT shall attempt to notify the end user and CLEC any time SWBT repair effort has the potential of affecting service on the broadband portion of the loop.

6.4.3 If SWBT isolates a trouble (causing significant degradation or out of service condition to the POTS service) to the HFPL caused by the CLEC data equipment or CLEC-owned splitter, SWBT will attempt to notify the CLEC and request a trouble ticket and committed restoration time for clearing the reported trouble (no longer than 24 hours). The CLEC will allow the end user the option of restoring the POTS service if the end user is not satisfied with the repair interval provided by the CLEC. If the end user chooses to have the POTS service restored until such time as the HFPL problem can be corrected and notifies either CLEC or SWBT (or if the CLEC has

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failed to restore service within 24 hours), either Party will notify the other and SWBT will "cutaround" the POTS Splitter/DSLAM equipment to restore POTS. When the CLEC resolves the trouble condition in its equipment, the CLEC will contact SWBT to restore the HFPL portion of the loop. In the event the trouble is identified and corrected in the CLEC equipment, SWBT will charge the CLEC upon closing the trouble ticket.

6.4.4 Maintenance, other than assuring loop continuity and balance on unconditioned or partially conditioned loops greater than 12,000 feet, will only be provided on a time and material basis. On loops where CLEC has requested recommended conditioning not be performed, SWBT's maintenance will be limited to verifying loop suitability for POTS. For loops having had partial or extensive conditioning performed at CLEC's request, SWBT will verify continuity, the completion of all requested conditioning, and will repair at no charge to CLEC any gross defects which would be unacceptable for POTS and which do not result from the loop's modified design.

6.4.5 Any CLEC testing of the retail-POTS service must be non-intrusive. The CLEC may use intrusive testing on its non-integrated DATA-only sections within its equipment. The retail POTS service must be continuous and cannot be opened by the CLEC.

6.4.6 The CLEC shall not rearrange or modify the retail-POTS within its equipment in any way beyond the original HFPL service.

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Attachment 25: xDSL (Section 7) is amended as follows:

7.2 Provisioning – HFPL

7.2.1 Provisioning: SWBT will not guarantee that the local loop(s) ordered will perform as desired by CLEC for xDSL-based, HFPL, or other advanced services, but will assure basic metallic loop parameters, including continuity and pair balance. CLEC-requested testing by SWBT beyond these parameters will be billed on a time and materials basis at the applicable rates. On loops where CLECs have requested that no conditioning be performed, SWBT's maintenance will be limited to verifying loop suitability based on POTS design. For loops having had partial or extensive conditioning performed at CLEC's request, SWBT will verify continuity, the completion of all requested conditioning, and will repair at no charge to CLEC any gross defects which would be unacceptable based on current POTS design criteria and which do not result from the loop's modified design. For loops under 12,000 feet, SWBT will remove load coils, repeaters, and excessive bridged tap at no charge to CLEC.

7.2.2 Subject to Section 5.5.3.4 above, CLEC shall designate, at the CLEC's sole option, what loop conditioning SWBT is to perform in provisioning the xDSL loop(s), subloop(s), or HFPL on the loop order. Conditioning may be ordered on loop(s), subloop(s), or HFPL of any length at the Loop conditioning rates set forth in Section 9.0 of this Attachment. The loop, subloop, or HFPL will be provisioned to meet the basic metallic and electrical characteristics such as electrical conductivity and capacitive and resistive balance.

7.2.3 The provisioning intervals set forth in Section 7.1-7.1.1 above apply to every xDSL loop and HFPL regardless of the loop length. The Parties will meet to negotiate and agree upon subloop provisioning intervals.

7.2.4 The provisioning of HPFL requires the enhancements and use of SWBT provisioning OSS's. Consistent with the Line Sharing Order, Paragraph 144, CLEC will incur an HFPL OSS charge on a per order basis. The HFPL OSS charge is contained in section 9.0, below.

7.2.5 CLEC, at is sole option, may request shielded cross-connects for central office wiring for use with 2-wire xDSL HFPL when used to provision ADSL over a HFPL provided for herein at the rates set forth in Section 9.0 of Attachment 25: xDSL.

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Attachment 25: xDSL (Section 9) is amended as follows:

9.5 SWBT's rate for HFPL, and associated charges shall be as follows:

	Recurring	Nonrecurring Initial	Nonrecurring Additional
HFPL Loop - Zone 1 (Rural)	**$ 9.49**	**N/A**	**N/A**
HFPL Loop - Zone 2 (Suburban)	**$ 6.83**	**N/A**	**N/A**
HFPL Loop - Zone 3 (Urban)	**$ 6.07**	**N/A**	**N/A**
Loop Qualification Process - Detailed Manual	**TBD**	**TBD**	**TBD**
HFPL Cross Connect - CLEC Owned	**$ 0.53**	**$101.71**	**$ 64.09**
HFPL Cross Connect - SWBT Owned	**TBD**	**TBD**	**TBD**
HFPL OSS Charge - Per Line	**$ 0.61**	**N/A**	**N/A**
Splitter – Line at a time	**TBD**	**N/A**	**N/A**

9.5.1. Consistent with paragraph 14.5 of Attachment 6, the line sharing unbundled network elements will be provided at cost based prices. Said prices will be provided by SWBT in writing to CLEC as soon as possible, but in any event within 30 days of CLEC's request. CLEC will advise SWBT within 10 days of receipt whether prices are acceptable. If some or all rates are acceptable to CLEC, the Parties will immediately amend the Pricing Appendix to reflect such prices as are acceptable. The Parties will meet within 30 days of receipt of the prices by CLEC to negotiate regarding any price that is unacceptable to CLEC. If the Parties are unable to reach agreement on all prices within 45 days of SWBT's provision of the prices to the CLEC, either Party may file with the Texas Public Utility Commission requesting a determination of the appropriate cost based pricing. Any determination by the Texas Public Utility Commission on the appropriate price will be applied retroactively to the sooner of the effective date of this Amendment or the first provision of a sub-loop to CLEC.

9.5.2 Rates denoted as TBD (To Be Determined) will be provided to CLEC at rates, to be determined by the parties.

Attachment 25: xDSL (Section 11) is added by replacing or adding the paragraphs shown below as follows:

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11.0 Reservation of Rights

The Parties acknowledge and agree that the provision of the xDSL capable loops and HFPL and the associated rates, terms and conditions set forth above are subject to any legal or equitable rights of review and remedies (including agency reconsideration and court review). If any reconsideration, agency order, appeal, court order or opinion, stay, injunction or other action by any state or federal regulatory body or court of competent jurisdiction stays, modifies, or otherwise affects any of the rates, terms and conditions herein, specifically including those arising with respect to Federal Communications Commission orders (whether from the Memorandum Opinion and Order, and Notice of Proposed Rulemaking, FCC 98-188 (rel. August 7,1998), in CC Docket No. 98-147, the FCC's First Report and Order and Further Notice of Proposed Rulemaking, FCC 99-48 (rel. March 31, 1999), in CC Docket 98-147, the FCC's Third Report and Order and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 96-96 (FCC 99-238), including the FCC's Supplemental Order issued *In the Matter of the Local Competition Provisions of the Telecommunications Act of 1996*, in CC Docket 96-98 (FCC 99-370) (rel. November 24, 1999) ("the UNE Remand Order"), or the FCC's 99-355 Third Report and Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket No. 96-98 (rel. December 9, 1999), or any other proceeding, the Parties shall negotiate in good faith to arrive at an agreement on conforming modifications to this Attachment. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or the provisions affected shall be handled under the Dispute Resolution procedures set forth in this Agreement.

IT IS FURTHER AGREED THAT:

II. SWBT shall be obligated to provide UNEs under this Amendment commencing on the date provision of such UNEs is legally mandatory (including consideration of stays, if any, of the Line Sharing Order and the UNE Remand Order and its the varying periods of effectiveness – 30 days or 120 days, as the case may be, applicable to a particular UNE). Should the UNE Remand or Line Sharing Order be reversed or modified on rehearing, appeal or otherwise, to modify the nature of the UNEs required to be provided by SWBT pursuant to this Amendment, the provisions of Section 18.2 of this Agreement shall apply. By executing this and by providing or not providing certain UNEs and UNE combinations to the extent provided for under this Amendment, and notwithstanding any language to the contrary in the Agreement, neither Party waives any of its rights, remedies or arguments with respect to the UNE Remand or Line Sharing Order, including its right to seek legal review of the UNE Remand or Line Sharing Order or modifications of this Agreement. SWBT's obligation to provide UNEs pursuant to this Amendment is subject to the provisions of the Act, including but not

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limited to, Sections 251(c)(3) and 251(d) of the Act, and legally binding interpretations thereof.

III This Amendment shall not modify or extend the Effective Date or Term of the underlying Agreement, but rather, shall be coterminous with such Agreement.

IV EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT, and such terms are hereby incorporated by reference and the Parties hereby reaffirm the terms and provisions thereof.

V This Amendment shall be filed with and is subject to approval by the Texas Public Utility Commission and shall become effective ten (10) days following approval by such Commission.

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IN WITNESS WHEREOF, this Amendment to the Agreement was exchanged in triplicate on this _____ day of _____, 2000, by SWBT, signing by and through its duly authorized representative, and CLEC, signing by and through its duly authorized representative.

CLEC	**Southwestern Bell Telephone Company**
By:_____	By:_____
Title: _____	Title: President – Industry Markets
Name: _____ (Print or Type)	Name: _____ (Print or Type)

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Attachment D

AT&T ex parte, June 23, 2000

CC Docket No. 00-65, Application of SBC Communications Inc., *et al.*, for Provision of In-region InterLATA Services in Texas

SWB
June 15, 2000

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DOCKET NO. 22315

SOUTHWESTERN BELL TELEPHONE COMPANY
DIRECT TESTIMONY OF CAROL CHAPMAN

I. INTRODUCTION AND PURPOSE

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. My name is Carol Chapman. I am employed as an Area Manager – Regulatory Support in Wholesale Marketing at Southwestern Bell Telephone Company ("SWBT"), Four Bell Plaza, 311 S. Akard, Room 1370, Dallas, Texas 75202.

Q. WHAT ARE YOUR RESPONSIBILITIES IN THIS POSITION?

A. In this position, I am responsible for researching, formulating and communicating SWBT's positions regarding the provision of Unbundled Network Elements ("UNEs") used for advanced services to Competitive Local Exchange Carrier customers ("CLECs").

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to address the DSL related issues that are being presented to the Commission in this arbitration. These issues have been identified in the Joint Discussion Point List ("DPL") which is titled "DSL." Although 14 issues have been identified on the joint DPL, these issues all relate to a fundamental disagreement between SWBT and AT&T – this is whether SWBT is required to arrange for "Line Sharing" between AT&T and other carriers when AT&T uses the so-called unbundled network element platform, UNE-P, to provide local service. As explained in detail in this testimony, AT&T's "UNE-P Line Sharing" proposal in its *Appendix: High Frequency Spectrum Loop Access* is simply not a requirement of section 251 of the Telecommunications Act of 1996, ("Act").

Q. WHAT IS THE BASIC PREMISE OF THE ISSUES AT&T HAS IDENTIFIED IN THE DSL - DPL? (ISSUES 1, 2, 4, 5, 6, 7, 9, 10, 11)

A. AT&T wants to expand SWBT's "line sharing" obligations to include instances when AT&T purchases the so-called UNE-P even though the FCC specifically found that such a requirement does not exist under section 251 of the Act.

Q. WHAT HAS THE FCC REQUIRED IN REGARD TO LINE SHARING?

A. In its Line Sharing Order[1], the FCC defined "line sharing" as "the provision of xDSL-based service by a competitive LEC and voiceband service by an incumbent LEC on the same loop." The FCC required ILECs "to provide access to this network element to a single requesting carrier, on loops that carry the incumbent's traditional POTS, to the extent that the xDSL technology deployed by the competitive LEC does not interfere with the analog voiceband transmissions." Line Sharing Order at ¶ 70. Accordingly, SWBT's Line Sharing obligations are limited to providing access to the high frequency portion of a loop, HFPL, that is also used by SWBT to provide basic local exchange services.

Q. IS SWBT WILLING TO PROVIDE LINE SHARING AS IT HAS BEEN DEFINED BY THE FCC?

A. Yes. SWBT has offered contract language that can be used to incorporate the new HFPL UNE into a requesting carrier's interconnection agreement. In addition, SWBT is willing to allow CLECs to obtain an interim line sharing arrangement pending final Commission resolution of line sharing issues. The Texas Commission recently addressed interim line sharing, as defined by the FCC, in Docket 22168. SWBT has also entered into interim line sharing agreements with other carriers in Texas. SWBT is willing to negotiate the same arrangement with AT&T. However, as explained above, AT&T's primary focus in

[1] Third Report and Order in CC Docket 98-147, Fourth Report and Order in CC Docket No. 96-98, Deployment of Wireline Services Offering Advanced Telecommunications Capability, 14 FCC Rcd 20,912, 20,915-16 ¶ 4 (1999) ("Line Sharing Order").

this proceeding is not on line sharing as it is defined by the FCC in the Line Sharing Order, but rather in defining new requirements associated with AT&T's use of the so-called UNE-P.

Q. IS AT&T ABLE TO PROVIDE BOTH VOICE AND DATA OVER AN UNBUNDLED LOOP IT PURCHASES FROM SWBT?

A. Absolutely. However, AT&T must obtain UNEs from SWBT that are both capable of supporting their desired services and configured to allow AT&T to combine its data equipment with the UNEs. AT&T's proposed "HFS Appendix" is drafted based on the premise that SWBT will perform the work and provide support processes for AT&T and a data provider to jointly provide services to AT&T's customers. This basic premise of AT&T's HFS Appendix is a fatal flaw. If AT&T wants to provide services jointly with a data provider over UNEs obtained from SWBT, it certainly can do this, however it is up to AT&T and its data provider to coordinate this function between the two parties. SWBT's only role is to provide the UNEs that either of the parties order pursuant to their respective interconnection agreements.

Q. DID THE FCC ADDRESS PROVIDING UNBUNDLED ACCESS TO A SINGLE LOOP TO MULTIPLE CARRIERS?

A. Yes. The FCC made clear that "incumbents are *not* required to provide unbundled access to carriers seeking just the data portion of an otherwise unoccupied loop, because line sharing contemplates that the incumbent LEC continues to provide POTS services on the lower frequencies while another carrier provides data services on the higher frequencies." (Emphasis added.) Line Sharing Order, at ¶ 72; Rule 51.319(h)(3). Similarly, in the Line Sharing Order, the FCC stated that "the record does not support extending line sharing requirements to loops that do not meet the prerequisite condition that an incumbent LEC be providing voiceband service on that loop for a competitive LEC to obtain access to the high frequency portion," and hence, the FCC concluded that "incumbent LECs must make available to competitive carriers

only the high frequency portion of the loop network element *on loops on which the incumbent LEC is also providing analog voice service.*" (Emphasis added.) Id. at ¶ 72. The FCC also noted that if "the customer terminates its incumbent LEC provided voice service, for whatever reason, the competitive data LEC is required to purchase the *full stand-alone loop network element* if it wishes to continue providing xDSL service." (Emphasis added.) Id. Finally, it is important to note that the FCC did "not find impairment [of the CLEC's ability to provide xDSL service] where the incumbent LEC is not providing voice service on the customer's loop..." Id. at n. 160.

Q. CAN DATA SERVICE BE ADDED TO EXISTING VOICE SERVICE WITHOUT SEPARATING THE LOOP FROM SWITCHING?

A. No. In any case where data service is being added to a loop currently used to provide voice service, the loop must be disconnected from the switch in order to add equipment between the loop and the switch. The equipment that must be added separates the voice and data service. This function can be done with either a stand-alone splitter or a splitter that is integrated into a Digital Subscriber Line Access Multiplexer, DSLAM.

Q. IS THIS TRUE FOR EXISTING VOICE SERVICE PROVIDED BY AT&T USING THE SO-CALLED UNE-P?

A. Yes. As explained above, before data service can be provided in conjunction with existing voice service, the loop must be separated from switching. UNE-P, as AT&T defines it, is a combination of an unbundled loop and unbundled switching where SWBT has combined the loop and switching on AT&T's behalf. In order for AT&T to provide both voice and data over a single loop the UNEs must be separated (i.e., disconnected) and reconfigured to provide AT&T access to the loop and the switching at a collocation arrangement where AT&T can combine those elements with the advanced services equipment needed to provided the "shared" use of single loop. Specifically, AT&T would need to undertake the following activities:

- First, AT&T would need to have or arrange for collocation space for its splitter and DSLAM, and connect this equipment to collocation cabling arrangements. AT&T could obtain its own collocation arrangements, or share collocation space with another CLEC.
- Second, AT&T would need to determine whether xDSL service could be provided over the loop facilities available to its customer's premises, and if so, order any conditioning of the loop that might be necessary.
- Third, AT&T would order an unbundled xDSL-capable loop (and any unbundled switching and shared transport that might be necessary) from SWBT to be connected to its collocation arrangement.
- Fourth, AT&T would combine this unbundled xDSL-capable loop (and any other unbundled network elements obtained from SWBT <u>or</u> switching and transport provided by AT&T itself) with a collocated splitter or collocated integrated splitter and DSLAM, in a manner that would enable it to provide both voice and data service to its customer over the same unbundled xDSL-capable loop.
- Once these actions are completed, AT&T would then disconnect its UNE- P.

Q. WHY DOES SWBT OPPOSE INCLUDING AT&T'S UNE- P PROPOSAL IN THE INTERCONNECTION AGREEMENT?

A. AT&T is proposing terms and conditions that would burden SWBT with significant additional obligations that simply are not necessary for AT&T to use UNEs to provide service to its customers. For example, although AT&T can share the use of a single UNE loop with a data provider under terms offered by

SWBT, AT&T wants to shift to SWBT the burden of coordinating the shared use of a loop even though AT&T can perform this function for itself. AT&T's proposals would require SWBT to coordinate the activities of three carriers, SWBT, AT&T, and the data provider. This proposal would also put SWBT in the role of coordinating maintenance issues with two other carriers. In addition, AT&T's proposal requires SWBT to separate currently combined UNEs and re-combine these UNEs with other facilities that are not UNEs, i.e., SWBT-owned splitter as discussed below.

Q. DOES SWBT HAVE CONCERNS WITH AT&T'S PROPOSAL IN ITS HFS APPENDIX CONCERNING SPLITTERS?

A. Yes. AT&T has also included a requirement that SWBT provide the splitter when AT&T decides to provide voice and data over an unbundled loop obtained from SWBT. In addition, AT&T proposes terms that would require SWBT to combine a splitter with loops and switching obtained as UNEs. A splitter is the device installed at each end of a copper loop that separates the voice and data signals when both services are carried over a single loop facility. Although SWBT has agreed to provide splitters on a line at a time basis to CLECs in conjunction with line sharing, i.e., when SWBT continues to be the voice service provider, it does not make sense for SWBT to provide the splitter when SWBT is not involved in providing the voice service, as would be the case when AT&T and a data provider share an unbundled loop.

Q. HAS THE FCC REQUIRED SPLITERS TO BE UNBUNDLED?

A. No. The FCC has found that ILECs and CLECs are both in the early stages of deploying advanced services equipment and CLECs have the same opportunities as ILECs to purchase this type of equipment. The FCC has concluded that items of advanced services equipment "are available on the open market at comparable prices to incumbents and requesting carriers alike."[2]

[2] Third Report and Order and Fourth Further Notice of Proposed Rulemaking, Implementation of the

Accordingly, the FCC has concluded that requesting carriers are not impaired without unbundled access to advanced services equipment. This analysis, although specifically in reference to DSLAMs and packet switching, applies equally to splitters. In fact, in its description of a DSLAM in the UNE Remand Order at n. 324, the FCC noted that "carriers providing advanced services use DSLAMs to split voice and data traffic and route each to the appropriate destination." A stand-alone splitter performs the same function; as such, splitters do not meet the impair threshold required by section 251(d)(2) for unbundled access and are not required unbundled network elements. Since splitters do not meet the standard for unbundled elements, it is unreasonable to require SWBT to provide unbundled access to splitters or its require SWBT to combine splitters with unbundled loop and unbundled switching.

Q. IS IT REASONABLE TO REQUIRE SWBT TO ALLOW AT&T TO CONVERT A CUSTOMER FROM SERVICE PROVIDED BY SWBT TO UNE-P SERVICE FROM AT&T WHILE MAINTAINING HFPL SERVICE TO A DATA PROVIDER ON THE SAME LINE?

A No. This is simply another form of requiring SWBT to support AT&T's and another carrier's shared use of a single unbundled loop. In other words, this would require SWBT to provide AT&T unbundled access to the voice frequency of the loop while providing a data provider unbundled access to the high frequency portion of the loop. This arrangement would cause the same complexities discussed above. In the situation where SWBT is providing voice service and a CLEC is using the HFPL of the same loop to provide data service, if the customer disconnects its SWBT voice service for any reason (including conversion to AT&T), the data provider would have the option of obtaining the entire loop as a stand-alone unbundled loop. AT&T's proposal completely ignores the rights of the third party carrier. In this situation, it would be up to

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Local Competition Provisions of the Telecommunications Act of 1996, 15 FCC Rcd 3696, 3836, ¶ 308 (1999) (footnote omitted) ("UNE Remand Order").

AT&T to obtain a separate loop for voice service or to coordinate with the data provider to provide voice service over the data provider's stand-alone loop.

Q. DOES AT&T'S HFS APPENDIX PROPOSE TERMS THAT ARE CONSISTENT WITH THE FCC'S REQUIREMENTS?

A. No. It appears that the vast majority of AT&T's proposed terms focus not on line sharing as defined by the FCC, but instead on imposing requirements on SWBT that are completely outside of any FCC "Line Sharing" requirements. For example, in its proposed *Appendix: High Frequency Spectrum Loop Access*, AT&T defines High Frequency Spectrum (HFS) Loop Access (i.e., the term used as the title of the section) as:

> Use of the HFS of the SWBT loop by AT&T or a third party authorized by AT&T to provide Advanced Services, typically on UNE loops employed by AT&T in a UNE-P configuration to provide customers retail local voice service. In such cases, AT&T leases the entire UNE Loop from SWBT and SWBT performs operational activities necessary to provide access to the HF loop spectrum so that AT&T can utilize the HFS portion of the leased loop.

This definition goes well beyond the FCC's Line Sharing Order. The FCC conclusively held that "incumbent carriers *are not required to provide line sharing to requesting carriers that are purchasing a combination of network elements known as the platform"* and "in that circumstance, the incumbent no longer is the voice provider to the customer." (Emphasis added.) Line Sharing Order at ¶ 72. Ignoring the FCC's decision, AT&T attempts to require SWBT to develop and make available to AT&T operations support systems and other processes to arrange for and support AT&T sharing an unbundled loop with another carrier.

AT&T can certainly use an unbundled loop obtained from SWBT for this purpose. However, contrary to AT&T's proposals, SWBT has no part to play in coordinating the transactions that will be necessary between AT&T and a data provider. When AT&T obtains an unbundled loop from SWBT, that loop is treated as if it were AT&T's own facilities. Certainly SWBT would have no part to play in AT&T sharing its own facility with another carrier.

Q. DOES SWBT HAVE OTHER CONCERNS WITH INCLUDING AT&T'S APPENDIX HFS IN AN INTERCONNECTION AGREEMENT?

A. Yes. SWBT believes that interconnection agreements should only include terms and conditions necessary to implement the requirements of section 251 of the Act, and any associated terms that the parties agree to include. Since AT&T's HFS Appendix proposes terms that go well beyond the FCC's requirements for unbundled access to the high frequency portion of the loop, and SWBT does not agree to perform the functions requested by AT&T, it is not appropriate to include AT&T's proposed language in the agreement.

Q. DO YOU HAVE A RECOMMENDATION FOR THE COMMISSION TO DEAL WITH THE OTHER DPL ISSUES? (ISSUES 3, 8, 9, 12, 13, AND 14)

A. Yes. To the extent that AT&T wishes to include in this agreement, line sharing as it has been defined by the FCC, I recommend that the parties be instructed to follow the Commission's recent decision in Docket 22168 to establish interim terms for line sharing as an amendment to Section 25 of the T2A. In this way the need for a separate HFS Appendix is eliminated and the dispute over the language in that Appendix become moot. In addition, when the Commission completes the final phase of Docket 22168, the parties should be directed to conform their agreement to that result. This would eliminate the numerous HFS Appendix contract language disputes and would be the most efficient use of the Parties' and the Commission's resources. Beyond the line sharing provisions

that address FCC requirements, AT&T's proposals should be rejected by the Commission as being outside the scope of the FCC's unbundling requirements.

Q. WOULD YOUR RECOMMENDATION RESOLVE THE REMAINING DISPUTED ISSUES?

A. I believe that it would. Issue 3 involves AT&T's desire to change its proposed HFS Appendix on thirty days notice, apparently due to concerns about changes in regulation. Applying the Commission's decision from Docket 22168 should resolve this concern by ensuring AT&T that it would have the benefit of any Commission decision on line sharing without the need for a separate Appendix. Issue 8 addresses how a splitter is to be provided if the ILEC owns the splitter. This issue was addressed in Docket 22168, so incorporating the results of this Docket would address this issue. Issue 9 addresses Section 11 of AT&T's proposed HFS Appendix, which mixes UNE-P issues with other provisioning issues. To the extent there are provisioning issues for the form of line sharing required by the FCC, those issues will likely be addressed and resolved in Docket 22168. Issues 12 and 13 deal exclusively with processes associated with functions that SWBT is not required to perform under the FCC's rules. Rejecting all of AT&T's proposals that are unrelated to line sharing as defined by the FCC makes these issues moot. Finally, Issue 14, deals with liability provisions needed if a separate Appendix is included in the agreement as proposed by AT&T. Instructing the parties to follow the decision in Docket 22168, eliminates the need for a separate Appendix to the contract and makes this issue moot.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.