

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

**RECEIVED**

JUL 31 2001

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )  
Petition of WorldCom, Inc. Pursuant )  
to Section 252(e)(5) of the )  
Communications Act for Expedited )  
Preemption of the Jurisdiction of the )  
Virginia State Corporation Commission )  
Regarding Interconnection Disputes )  
with Verizon Virginia Inc., and for )  
Expedited Arbitration )  
)  
In the Matter of )  
Petition of Cox Virginia Telecom, Inc., etc. )  
)  
In the Matter of )  
Petition of AT&T Communications of )  
Virginia Inc., etc. )  
)

CC Docket No. 00-218

CC Docket No. 00-249

CC Docket No. 00-251

**VERIZON VIRGINIA INC.**

**VOLUME II OF IV**

**PANEL TESTIMONY ON UNBUNDLED NETWORK ELEMENT  
AND INTERCONNECTION COSTS  
(Public Version)**

JULY 31, 2001

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Virginia Inc., etc.	)	
	)	

**VERIZON VIRGINIA INC.**

**Testimony of Donald Albert, Ralph Curbelo, Joseph Gansert,  
Nancy Matt, Louis Minion, Carlo M. Peduto II, Gary Sanford,  
and John White (Continued)**

July 31, 2001



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PANEL TESTIMONY ON UNBUNDLED  
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**COST PANEL TESTIMONY CONTINUES IN VOLUME III**



1 **I. THE WITNESS PANEL**

2 **A. MEMBERS OF THE PANEL**

3 **Q. Who are the members of the witness Panel sponsoring this testimony?**

4 **A.** The members of this Panel are: Donald Albert, Ralph Curbelo, Joseph  
5 Gansert, Nancy Matt, Louis Minion, Mike Peduto, Gary Sanford, and John  
6 White.

7 The Panel also relies on other testimony presented in this case by  
8 economists who have reviewed the cost studies submitted by Verizon  
9 Virginia Inc. ("Verizon VA") and who discuss the economic principles  
10 guiding the studies' development, including Dr. Howard Shelanski of the  
11 University of California at Berkeley, and Dr. Kenneth Gordon of National  
12 Economics Research Associates (NERA). Finally, Dr. James Vander Weide  
13 is submitting testimony on the cost of capital, and Mr. Allen Sovereign and  
14 Dr. John Lacey are submitting testimony on depreciation (asset lives).

15  
16 **Q. How will you refer to Verizon throughout this testimony?**

17 **A.** As noted above, Verizon Virginia Inc. will be referred to as Verizon VA.  
18 The Verizon operating companies are referred to collectively as Verizon.  
19 Where relevant, the pre-merger (Bell Atlantic/GTE) Bell Atlantic is referred  
20 to as "Verizon East." The pre-merger (Bell Atlantic/NYNEX) Bell Atlantic  
21 operating companies are referred to as "Verizon East - South" and the pre-

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1 merger (Bell Atlantic/NYNEX) NYNEX operating companies as “Verizon  
2 East - North,” as appropriate.

3

4 **Q. What role did each member of this Panel play in the preparation of this**  
5 **testimony and the associated studies?**

6 A. Although all members of this Panel have reviewed and support this testimony  
7 in its entirety, each Panel member assumed primary responsibility for  
8 specific segments of the testimony. Each Panel member relies on the facts  
9 and analyses developed by the other Panel members in their areas of primary  
10 responsibility. Specifically:

11 (1) Don Albert discusses the planning and design of Verizon VA’s  
12 switching and interoffice facilities.

13 (2) Ralph Curbelo discusses the cost aspects of Verizon’s non-recurring  
14 cost studies as well as the recurring and non-recurring costs  
15 associated with line sharing and xDSL-compatible loops.

16 (3) Joe Gansert discusses network construct and technology assumptions  
17 for both the recurring and the non-recurring cost studies.

18 (4) Nancy Matt discusses the costs associated with the switching,  
19 signaling, and shared transport UNEs.

20 (5) Lou Minion discusses the annual cost factors and the investment

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1 loadings used in the cost studies, the Access to Operations Support  
2 Systems (OSS) UNE and its recurring costs and assumptions, costs  
3 associated with expanded extended loops (EELs), the Daily Usage  
4 File and customized routing, and the resale discount.

5 (6) Mike Peduto discusses Verizon's non-recurring work activities from  
6 an operations perspective.

7 (7) Gary Sanford discusses recurring costs and assumptions associated  
8 with all loop and dedicated transport UNEs.

9 (8) John White discusses Verizon VA's practices with respect to the  
10 provision of line sharing and xDSL-compatible loops.

11

12 **Q. Mr. Albert, please describe those aspects of your professional**  
13 **background most pertinent to your testimony.**

14 **A.** I am Network Engineering Director of Competitive Local Exchange Carrier  
15 (CLEC) Implementation for Verizon Services Corp. (formerly Bell Atlantic  
16 Network Services, Inc.). In that position, I am directly involved in the  
17 negotiation of CLEC interconnection agreements and the network  
18 implementation of CLEC interconnection, unbundling, and collocation  
19 arrangements throughout the former Bell Atlantic region. I earned my  
20 Bachelor of Science degree in Civil Engineering from Virginia Tech in  
21 Blacksburg, Virginia, in 1977. Since then, I have had over 24 years of

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1 telecommunications experience with Verizon, Bell Atlantic and the C&P  
2 telephone companies. During this time, I have held a variety of positions of  
3 increasing responsibility in Network Operations, Sales, and Network  
4 Planning and Engineering. I have been in my current position for four years.  
5 Prior to my present assignment, I was Director of Customer Network  
6 Engineering for Bell Atlantic. Prior to assuming that position, I was Director  
7 of Network Planning, Network Engineering, and Capital Management for  
8 Bell Atlantic Virginia. In connection with various CLEC arbitrations and  
9 § 271 local competition proceedings, I have previously testified before  
10 commissions in Virginia, New York, Massachusetts, Maryland, Maine, New  
11 Hampshire, Pennsylvania, New Jersey, Delaware, Washington, D.C., and  
12 West Virginia on a range of subjects associated with the design, engineering  
13 and operation of telecommunications equipment and networks.

14

15 **Q. Mr. Curbelo, please describe those aspects of your professional**  
16 **background most pertinent to your testimony.**

17 **A.** I am employed by Verizon Services Group as an Executive Director within  
18 the Verizon Service Costs organization. As such, I am responsible for the  
19 development and application of cost study methodologies for various  
20 products and services offered by the Verizon operating companies, including  
21 Verizon VA. I also manage the cost witnessing function for the entire  
22 Verizon Telecom Group. I received a Certificate of Graduation in Electronic

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1 Technology from the College of Aeronautics in 1960, a Bachelor's Degree in  
2 Mathematics from Lehman College in 1973, a Master of Science Degree in  
3 Industrial Engineering from Columbia University in 1975, a Professional  
4 Engineering Degree in Industrial Engineering from Columbia University in  
5 1977, and a Master of Business Administration from Long Island University  
6 in 1996.

7 I have been employed by Verizon, or by its affiliates and predecessor  
8 corporations, since 1966. The first six years of my employment were spent  
9 primarily in the field of terminal equipment engineering; the next 12 years in  
10 performing and supervising engineering economy, cost and economy studies  
11 and analyses for products and services; and the last 17 years in a variety of  
12 finance- and operations-related positions. I assumed my current position in  
13 1995. I have testified in various New York State rate case proceedings as an  
14 expert witness on cost-of-service and finance-related matters for the New  
15 York Telephone Company. I testified on subjects such as annual cost factors,  
16 service connection activities, customer premises equipment, a category cost  
17 study, and Verizon's general expense presentation. In 1996, I testified to the  
18 full range of unbundled network elements offerings, including the Resale  
19 Discount, in NYNEX-NY's initial UNE filing. I was the cost witness in  
20 Verizon's New York 1997 switched access proceeding, the 1998 line sharing  
21 case, and most recently, the second New York review of UNE costs.

22

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1   **Q.   Mr. Gansert, please describe those aspects of your professional**  
2       **background most pertinent to your testimony.**

3   **A.   I am employed by Verizon as Services Group Director - Technical and Cost,**  
4       **Regulatory Support, and my responsibilities include identifying the forward-**  
5       **looking technologies and network architectures for Verizon's cost studies.**  
6       **My business address is 1095 Avenue of the Americas, New York, NY. I**  
7       **have over 30 years of experience in the design, planning and engineering of**  
8       **telecommunications networks, including experience as a developer and user**  
9       **of large scale network simulation, design and costing tools. I began my**  
10      **career in 1970 in New York Telephone's Engineering Department and have**  
11      **held technical and engineering management positions at the former AT&T**  
12      **General Departments, at Bellcore, and at Telesector Resource Group. Prior**  
13      **to my current position, I was the Director - Network Architecture and**  
14      **Evolution at Verizon Technology, and before that I was Managing**  
15      **Director - Network and OSS Architecture Planning for the NYNEX**  
16      **Telecommunications Group. I received a Bachelor of Science degree in**  
17      **Physics from Fordham University in June 1970 and a Master of Business**  
18      **Administration degree from Columbia University in 1990.**

19  
20   **Q.   Ms. Matt, please describe those aspects of your professional background**  
21      **most pertinent to your testimony.**

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1    A.    I am employed by Verizon Services Group within the Service Cost  
2           organization. I received a Bachelor of Science Degree in Applied Physics  
3           from Stockton State College in 1979 and a Master of Science Degree in  
4           Computer Science from Stevens Institute of Technology in 1983. I am a  
5           Licensed Professional Engineer in the State of New Jersey.

6                        After receiving my Bachelor's degree, I spent five years working for  
7           various engineering consulting firms as a civil engineer. I began my career  
8           with NYNEX in August 1984, as a Central Office Equipment Engineer, and I  
9           was responsible for the implementation of carrier facilities installations for  
10          the West 50th Street Central Office. In October 1988, I was promoted to the  
11          position of Project Manager in the Project Management group within the  
12          Network Engineering Department. In July 1990, I was promoted to  
13          Engineering Manager of the Switch Engineering group within the  
14          Engineering Department. In this position, I was responsible for developing  
15          end-office switch engineering methods. In November 1991, I was reassigned  
16          as the Engineering Manager of the Outside Plant Planning group, responsible  
17          for analyzing and recommending new technologies for infrastructure  
18          deployment in the Midtown Manhattan market area. In December 1993, I  
19          was reassigned as the Engineering Manager of the Outside Plant Design  
20          group, responsible for all outside plant design and implementation for the  
21          Midtown West Manhattan market area. In April 1995, I was reassigned as  
22          Staff Manager, Service Costs, where my responsibilities included developing

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1 cost studies that served as the basis for tariff and regulatory filings. In  
2 January 1998, I was reassigned to my current position in the Regulatory  
3 Support group within the Service Cost organization. I have testified on  
4 service costs issues in New York's proceeding on resale and unbundled  
5 network elements.

6  
7 **Q. Mr. Minion, please describe those aspects of your professional**  
8 **background most pertinent to your testimony.**

9 **A. I am employed by Verizon Services Group in the Service Cost organization**  
10 **in the Finance department. In that position, I am responsible for economic**  
11 **analyses and cost studies for Verizon's products and services and provide**  
12 **regulatory support. I attended the University of Chicago for two years before**  
13 **transferring to Columbia University, where I received a Bachelor of Science**  
14 **Degree in Applied Mathematics in 1982. I received a Master of Science**  
15 **Degree in Mechanical Engineering from the New Jersey Institute of**  
16 **Technology in 1989. In addition, I have attended many courses and seminars**  
17 **on relevant topics, including courses at the University of Maryland**  
18 **University College, Duke University Fuqua School of Business, and the**  
19 **Brookings Institute.**

20 I began my career with New York Telephone Company in June 1982  
21 as an Outside Plant Engineer, where I was primarily responsible for trouble  
22 report rate analysis, outside plant mechanization projects, budgets, estimate

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1 case preparation and work orders. In September 1986, I was promoted to the  
2 position of Staff Director in the Service Costs organization. In this position, I  
3 worked on special studies related to outside plant facilities before embarking  
4 on a special 11-month internship program at Bellcore in 1987. From August  
5 1988 through December 1994, I worked on customer-specific pricing  
6 requests for large business users. In January 1995, I assumed my current  
7 responsibilities in Service Costs.

8 I have testified before regulatory agencies in the following  
9 jurisdictions: Maryland, Maine, Massachusetts, New Hampshire, Vermont,  
10 Rhode Island, Pennsylvania and New York.

11

12 **Q. Mr. Peduto, please describe those aspects of your professional**  
13 **background most pertinent to your testimony.**

14 **A.** I am Director-Program Management in the Wholesale Services Organization  
15 at Verizon. In that position, I am responsible for driving selected key  
16 initiatives on behalf of Wholesale Services. These initiatives include the  
17 spin-off of the Verizon Separate Data Affiliate, work with selected wholesale  
18 customers to resolve serious operational issues satisfactorily, and work on  
19 other issues that affect Wholesale Operations, including participation in  
20 proceedings such as this one. I have a Bachelors Degree in Physics-  
21 Engineering from Loyola College in Maryland. I have been employed by  
22 Verizon since 1973 and have held the following positions:

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1 Technical/Supervisor positions in Central Office and Outside Plant  
2 Engineering; Managerial positions in various operations disciplines,  
3 including Operations Budgeting, Outside Plant Construction (Field  
4 Operations), Outside Plant Maintenance (both Center and Field Operations),  
5 and Switching Operations; and Director positions in Outside Plant Operations  
6 (Engineering, Construction, Installation and Maintenance) and Total Quality  
7 Management and Regional Operations Centers (Maintenance Call Centers,  
8 Loop Assignment, Special Circuit Provisioning Design, Special Services  
9 Installation, and Maintenance). In 1996, I was asked to set up Regional  
10 Centers for Wholesale Operations in the former Bell Atlantic. Beginning in  
11 1996 with the Regional CLEC Maintenance Center (RCMC) and then in mid-  
12 1997 with the Regional CLEC Coordination Center (RCCC), I led the effort  
13 to develop processes and build and operate Regional Operations Centers for  
14 Wholesale Operations. In early 1998, I assumed responsibility for these  
15 Centers across the merged post-NYNEX merger footprint. In late 1999, I  
16 assumed my current position as Director - Program Management.

17

18 **Q. Mr. Sanford, please describe those aspects of your professional**  
19 **background most pertinent to your testimony.**

20 **A.** I am employed by Verizon Services Corp. in the Service Cost organization in  
21 the Finance Department. The Service Cost organization is responsible for  
22 developing costs for services provided by Verizon. I have 32 years of work

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1           experience at Verizon or its predecessor companies, encompassing numerous  
2           positions with increasing levels of responsibility, including assignments in  
3           the outside plant department and marketing. I have spent 18 years in the  
4           Service Cost organization, with 12 years in my current position. My current  
5           responsibilities include conducting, reviewing, analyzing and supervising  
6           cost studies and cost study methodologies. In addition, I have attended many  
7           courses and seminars on relevant topics, including Economic Principles for  
8           Cost Analysis, Costs for Pricing Decisions, Network Services Costs, and  
9           Concepts of Service Cost Studies. I have provided written and oral testimony  
10          in a number of proceedings before various state utility commissions.

11  
12  
13  
14   **Q.    Mr. White, please describe those aspects of your professional**  
15   **background most pertinent to your testimony.**

16   **A.    I am employed as an Executive Director within the Verizon Wholesale**  
17   **Services organization, reporting to the Network Services Department. In this**  
18   **position, I am responsible for the introduction of wholesale digital services,**  
19   **with a focus on the technical support required for xDSL compatible loops. I**  
20   **studied engineering at the University of Buffalo. I received a Bachelor's**  
21   **degree in Business Administration in 1977 and a Masters in Business**

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1 Administration in 1984 from Pace University. I pursued post-graduate work  
2 from 1993 to 1998 in Finance and Economics as part of a DPS Program.

3 I have been employed by Verizon, or by its affiliates and predecessor  
4 companies, since 1966. Before joining Verizon I worked for a number of  
5 engineering and construction firms. During my first 12 years at Verizon, I  
6 was involved in every aspect of Outside Plant telephone engineering. From  
7 1979 to 1994, I held managerial positions in Construction, Installation and  
8 Maintenance, and Engineering, in both line and staff capacities. As the  
9 NYNEX Director of Engineering Strategy, NYNEX Director of Engineering  
10 Support, and NYNEX Managing Director of Outside Plant Engineering, I  
11 personally supervised service and cost studies and testified on outside plant  
12 issues before various state commissions. Before joining the Wholesale  
13 Services organization in June of 2000, I worked in the Bell Atlantic  
14 Technology organization as the Executive Director, Transport Technology  
15 Planning.

16

17 **B. STRUCTURE OF THE FILING: TESTIMONY,**  
18 **EXHIBITS, WORK PAPERS, AND COST MODELS**

19 **Q. How is the Panel testimony and supporting documentation organized?**

20 **A.** The Panel testimony is organized into the following sections:

21 (1) Section II presents an introduction to and summary of Verizon VA's  
22 basic costing approach.



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1 **II. INTRODUCTION AND EXECUTIVE SUMMARY OF**  
2 **VERIZON VA'S BASIC COSTING APPROACH**  
3 **(JDPL ISSUES II-1 TO II-1-C; II-2 TO II-2-C)**

4 **A. PURPOSE OF THE TESTIMONY**

5 **Q. What is the purpose of this testimony?**

6 **A. This testimony is submitted by Verizon VA in support of its recurring and**  
7 **non-recurring cost studies for unbundled network elements (UNEs) and**  
8 **certain related services offered by Verizon VA to its CLEC and reseller**  
9 **customers. Verizon VA filed these studies in these proceedings on July 2,**  
10 **2001. This testimony also describes the methodology that Verizon VA has**  
11 **used to determine the appropriate discounts that apply when Verizon VA's**  
12 **retail telecommunications services are resold by carriers pursuant to**  
13 **§ 251(c)(4) of the Telecommunications Act of 1996, 47 U.S.C. § 251(c)(4).**  
14 **Here we take a fresh look at costing and pricing issues, incorporating the**  
15 **latest available data, guided by all relevant rulings of the Virginia State**  
16 **Corporation Commission, the Commission and the federal courts.**

17



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1           **B.     SCOPE OF SERVICES CONSIDERED IN THIS FILING**

2           **Q.     What UNE costs are discussed in this filing?**

3           A.     The costs of all six UNEs required under FCC rules<sup>1</sup> are addressed: local  
4           loops, network interface devices, switching, interoffice transport, signaling  
5           systems and databases, and operations support systems. UNE costs are  
6           divided into two general categories: recurring costs and non-recurring costs.  
7           Recurring costs are ongoing costs of providing UNEs and are reflected in the  
8           monthly prices that Verizon VA charges the CLECs for UNEs. As explained  
9           further below, the non-recurring costs are one-time costs incurred by Verizon  
10          VA to provide various UNEs to a requesting CLEC. The recurring and non-  
11          recurring costs incurred in connection with all of the required elements, as  
12          well as certain element combinations, are included in Verizon VA's cost  
13          studies. This testimony also addresses certain miscellaneous services and  
14          Verizon VA's resale discount calculations.<sup>2</sup>

15

---

<sup>1</sup>           47 C.F.R. § 51.319.

<sup>2</sup>           We note that Verizon VA has not included costs associated with Operator Services/Directory Assistance (OS/DA) in this filing. The FCC determined in its *UNE Remand Order* that incumbent LECs are not required to offer unbundled access to OS/DA, as long as they offer customized routing, as Verizon VA does. See Third Report and Order and Fourth Further Notice of Proposed Rulemaking, *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 15 FCC Rcd 3696, 3893-94 ¶ 446 (1999) ("*UNE Remand Order*").

**VERIZON VIRGINIA INC.  
PANEL TESTIMONY ON UNBUNDLED  
NETWORK ELEMENT AND INTERCONNECTION COSTS**

1           **C.     SUMMARY OF COSTING APPROACH**

2   **Q.     Are Verizon VA's UNE costs forward-looking?**

3   A.     Yes. All of the cost studies included in the July 2, 2001 filing are based on  
4           long-run incremental cost methodologies designed to comport with the  
5           Commission's TELRIC principles, as explained in the separate testimony of  
6           Drs. Shelanski and Gordon. The inputs Verizon VA used were based on  
7           forward-looking assumptions about the network plant mix and about  
8           improved operational methods that Verizon VA could achieve using the most  
9           efficient currently available technology mix that it expects to deploy over the  
10          next three years — *i.e.*, the study planning period. Verizon VA based its  
11          recurring cost studies not on the costs that it would in fact incur at the end of  
12          the planning period, but instead on the costs that it hypothetically would  
13          incur if it were to deploy the forward-looking mix of technology network-  
14          wide.

15

16 **Q.     Could you please describe Verizon VA's basic methodology for**  
17 **calculating its UNE costs?**

18 A.     As noted, the UNE costs included in Verizon VA's cost studies are divided  
19          into two general categories: recurring and non-recurring. Verizon VA used  
20          distinct approaches for each.

21

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1   **Q.   Please describe the approach with respect to estimating recurring UNE**  
2       **costs.**

3   **A.   To determine recurring UNE costs, Verizon VA generally began by**  
4       **identifying the relevant material investments for a forward-looking network**  
5       **and then calculating the material investment per unit in service. Where**  
6       **appropriate, Verizon VA applied investment loading factors to identify the**  
7       **“total installed costs” or investment associated with the relevant equipment**  
8       **or facilities. Investment loading factors account for costs associated with**  
9       **engineering and installing the equipment or facilities, the costs of the land**  
10      **and buildings that house the equipment or facilities, and the power equipment**  
11      **necessary to run the installed equipment or facilities.**

12               **After calculating the total installed investment for equipment or**  
13      **facilities, Verizon VA used annual cost factors (ACFs) to calculate the**  
14      **forward-looking costs associated with the investment in that plant. These**  
15      **costs include equipment maintenance and repair expenses, equipment capital**  
16      **costs, common overhead costs (such as human resources expenses), and**  
17      **others (e.g., uncollectibles and regulatory assessments). Based on these**  
18      **calculations, Verizon VA determined the total annual recurring cost for each**  
19      **network element. This total annual cost was then either divided by 12 to**  
20      **establish a monthly recurring UNE rate or, in some cases, divided by the**  
21      **average number of minutes of use for the facility to derive a cost per minute**  
22      **of use.**

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2 **Q. Please describe the approach to non-recurring costs.**

3 A. To determine non-recurring costs, Verizon VA relied on a survey method to  
4 determine all the labor-related activities involved in responding to CLEC  
5 requests for UNEs. These were divided into four cost categories: service  
6 order, central office wiring, provisioning, and field installation. Verizon  
7 employees actually involved in fulfilling CLEC UNE requests then estimated  
8 the time involved in performing each of these activities and the frequency  
9 with which each such activity is required. A panel of subject matter experts  
10 then reviewed the resulting labor time calculations for accuracy and made  
11 forward-looking adjustments based on reductions in the amount of time or  
12 frequency of occurrence for each activity that could be anticipated by the end  
13 of the planning period. To calculate the costs associated with each category  
14 of activities, Verizon applied a forward-looking labor rate to the adjusted  
15 labor times.<sup>3</sup>

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<sup>3</sup> Certain additional adjustments are made (the apportionment of common overhead costs, for example). These are discussed in detail in the non-recurring cost section of the testimony.

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1           **D.     RECOVERY OF COMMON COSTS**

2   **Q.     What provision is made in Verizon VA's TELRIC studies for the**  
3           **recovery of common costs?**

4   **A.     The Commission concluded in the *Local Competition Order* that if prices are**  
5           **to be based on incremental costs, they should also include an allocation of**  
6           **forward-looking common costs.<sup>4</sup> The Commission's regulations define**  
7           **recoverable "forward-looking common costs" as "economic costs efficiently**  
8           **incurred in providing a group of elements or services (which may include all**  
9           **elements or services provided by the incumbent LEC) that cannot be**  
10          **attributed directly to individual elements or services."<sup>5</sup> In keeping with these**  
11          **regulations, Verizon VA's studies provide for the recovery of an allocable**  
12          **share of such common costs.**

13  
14   **Q.     How did Verizon VA allocate common costs to particular elements?**

15   **A.     Because common costs by definition cannot be directly assigned to particular**  
16          **elements, they must be allocated over elements in some reasonable manner in**

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<sup>4</sup>     First Report and Order, *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, 11 FCC Rcd 15499, 15851-52 ¶ 694 (1996) ("Local Competition Order"); see 47 C.F.R. § 51.505(a).

<sup>5</sup>     47 C.F.R. § 5.505(c)(1).