

ISP RECIPROCAL COMPENSATION LANGUAGE

PROPOSED BY VERIZON VA TO AT&T AND WORLDCOM

- 1. Traffic Measurement and Billing over Interconnection Trunks**
 - 1.1 For billing purposes, each Party shall pass Calling Party Number (CPN) information on at least ninety-five percent (95%) of calls carried over the Interconnection Trunks.
 - 1.1.1 As used in this Section 0, "Traffic Rate" means the applicable Reciprocal Compensation Traffic rate, Measured Internet Traffic rate, intrastate Switched Exchange Access Service rate, interstate Switched Exchange Access Service rate, or intrastate/interstate Tandem Transit Traffic rate, as provided in the Pricing Attachment, an applicable Tariff, or, for Measured Internet Traffic, the FCC Internet Order.
 - 1.1.2 If the originating Party passes CPN on ninety-five percent (95%) or more of its calls, the receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at the Traffic Rate applicable to each relevant minute of traffic, in direct proportion to the minutes of use of calls passed with CPN information.
 - 1.1.3 If the originating Party passes CPN on less than ninety-five percent (95%) of its calls and the originating Party chooses to combine Reciprocal Compensation Traffic and Toll Traffic on the same trunk group, the receiving Party shall bill the higher of its interstate Switched Exchange Access Service rates or its intrastate Switched Exchange Access Services rates for all traffic that is passed without CPN, unless the Parties agree that other rates should apply to such traffic.
 - 1.2 At such time as a receiving Party has the capability, on an automated basis, to use such CPN to classify traffic delivered over Interconnection Trunks by the other Party by Traffic Rate type (e.g., Reciprocal Compensation Traffic/Measured Internet Traffic, intrastate Switched Exchange Access Service, interstate Switched Exchange Access Service, or intrastate/interstate Tandem Transit Traffic), such receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. If the receiving Party lacks the capability, on an automated basis, to use CPN information on an automated basis to classify traffic delivered by the other Party by Traffic Rate type, the originating Party will supply Traffic Factor 1 and Traffic Factor 2. The Traffic Factors shall be supplied in writing by the originating Party within thirty (30) days of the Effective Date and shall be updated in writing by the originating Party quarterly. Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds. Measurement of billing minutes for originating toll free service access code (e.g., 800/888/877) calls shall be in accordance with applicable Tariffs. Determinations as to whether traffic is Reciprocal Compensation Traffic or Measured Internet Traffic shall be made in accordance with Section 2.3.2.1 below.
 - 1.3 Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to

provide the necessary Traffic data in conjunction with any such audit in a timely manner.

- 1.4 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

2. Reciprocal Compensation Arrangements Pursuant to Section 251(b)(5) of the Act

- 2.1 Reciprocal Compensation Traffic Interconnection Points. [NOTE: SECTION 2.1 TO BE REVISED CONSISTENT WITH VERIZON'S COMPROMISE VGRIP PROVISIONS CONTAINED IN THE PROPOSED AT&T INTERCONNECTION AGREEMENT THAT VERIZON ATTACHED TO THE ANSWER IT FILED WITH THE FCC.]

2.1.1 Except as otherwise agreed by the Parties, the Interconnection Points ("IPs") from which ***CLEC Acronym TXT*** will provide transport and termination of Reciprocal Compensation Traffic to its Customers ("***CLEC Acronym TXT***-IPs") shall be as follows:

2.1.1.1 For each LATA in which ***CLEC Acronym TXT*** requests to interconnect with Verizon, except as otherwise agreed by the Parties, ***CLEC Acronym TXT*** shall establish a ***CLEC Acronym TXT*** IP in each Verizon Rate Center Area where ***CLEC Acronym TXT*** chooses to assign telephone numbers to its Customers. ***CLEC Acronym TXT*** shall establish such ***CLEC Acronym TXT***-IP consistent with the methods of interconnection and interconnection trunking architectures that it will use pursuant to Section ____ or Section ____ of this Attachment.

2.1.1.2 At any time that ***CLEC Acronym TXT*** establishes a Collocation site at a Verizon End Office Wire Center in a LATA in which ***CLEC Acronym TXT*** is interconnected or requesting interconnection with Verizon, either Party may request in writing that such ***CLEC Acronym TXT*** Collocation site be established as the ***CLEC Acronym TXT***-IP for traffic originated by Verizon Customers served by that End Office. Upon such request, the Parties shall negotiate in good faith mutually acceptable arrangements for the transition to such ***CLEC Acronym TXT***-IP. If the Parties have not reached agreement on such arrangements within thirty (30) days, (a) either Party may pursue available dispute resolution mechanisms; and, (b) ***CLEC Acronym TXT*** shall bill and Verizon shall pay the lesser of the negotiated intercarrier compensation rate or the End Office Reciprocal Compensation rate for the relevant traffic less Verizon's transport rate, tandem switching rate (to the extent traffic is tandem switched), and other costs (to the extent that Verizon purchases such transport from ***CLEC Acronym TXT*** or a third party), from the originating Verizon End Office to the receiving ***CLEC Acronym TXT***-IP.

- 2.1.1.3 In any LATA where the Parties are already interconnected prior to the effective date of this Agreement, ***CLEC Acronym TXT*** may maintain existing CLEC-IPs, except that Verizon may request in writing to transition such ***CLEC Acronym TXT***-IPs to the ***CLEC Acronym TXT***-IPs described in subsections 2.1.1.1 and 2.1.1.2, above. Upon such request, the Parties shall negotiate mutually satisfactory arrangements for the transition to CLEC-IPs that conform to subsections 2.1.1.1 and 2.1.1.2 above. If the Parties have not reached agreement on such arrangements within thirty (30) days, (a) either Party may pursue available dispute resolution mechanisms; and, (b) ***CLEC Acronym TXT*** shall bill and Verizon shall pay only the lesser of the negotiated intercarrier compensation rate or the End Office reciprocal compensation rate for relevant traffic, less Verizon's transport rate, tandem switching rate (to the extent traffic is tandem switched), and other costs (to the extent that Verizon purchases such transport from ***CLEC Acronym TXT*** or a third party), from Verizon's originating End Office to the ***CLEC Acronym TXT*** IP.
- 2.1.2 Except as otherwise agreed by the Parties, the Interconnection Points ("IPs") from which Verizon will provide transport and termination of Reciprocal Compensation Traffic to its Customers ("Verizon-IPs") shall be as follows:
- 2.1.2.1 For Reciprocal Compensation Traffic delivered by ***CLEC Acronym TXT*** to the Verizon Tandem subtended by the terminating End Office serving the Verizon Customer, the Verizon-IP will be the Verizon Tandem switch.
- 2.1.2.2 For Reciprocal Compensation Traffic delivered by ***CLEC Acronym TXT*** to the Verizon terminating End Office serving the Verizon Customer, the Verizon-IP will be Verizon End Office switch.
- 2.1.3 Should either Party offer additional IPs to any Telecommunications Carrier that is not a Party to this Agreement, the other Party may elect to deliver traffic to such IPs for the NXXs or functionalities served by those IPs. To the extent that any such ***CLEC Acronym TXT***-IP is not located at a Collocation site at a Verizon Tandem Wire Center or Verizon End Office Wire Center, then ***CLEC Acronym TXT*** shall permit Verizon to establish physical Interconnection through collocation or other operationally comparable arrangements acceptable to Verizon at the ***CLEC Acronym TXT***-IP.
- 2.1.4 Each Party is responsible for delivering its Reciprocal Compensation Traffic that is to be terminated by the other Party to the other Party's relevant IP.
- 2.2 Reciprocal Compensation.

The Parties shall compensate each other for the transport and termination of Reciprocal Compensation Traffic delivered to the terminating Party in accordance with Section 251(b)(5) of the Act at the rates stated in the [Pricing Attachment]. These rates are to be applied at the ***CLEC Acronym TXT***-IP for traffic

delivered by Verizon for termination by ***CLEC Acronym TXT***, and at the Verizon-IP for traffic delivered by ***CLEC Acronym TXT*** for termination by Verizon. Except as expressly specified in this Agreement, no additional charges shall apply for the termination from the IP to the Customer of Reciprocal Compensation Traffic delivered to the Verizon-IP by ***CLEC Acronym TXT*** or the ***CLEC Acronym TXT***-IP by Verizon. When such Reciprocal Compensation Traffic is delivered over the same trunks as Toll Traffic, any port or transport or other applicable access charges related to the delivery of Toll Traffic from the IP to an end user shall be prorated to be applied only to the Toll Traffic. The designation of traffic as Reciprocal Compensation Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication.

2.3 Traffic Not Subject to Reciprocal Compensation.

2.3.1 Reciprocal Compensation shall not apply to interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access.

2.3.2 Reciprocal Compensation shall not apply to Internet Traffic.

2.3.2.1 The determination of whether traffic is Reciprocal Compensation Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).

2.3.3 Reciprocal Compensation shall not apply to Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis.

2.3.4 Reciprocal Compensation shall not apply to Optional Extended Local Calling Area Traffic.

2.3.5 Reciprocal Compensation shall not apply to special access, private line, or any other traffic that is not switched by the terminating Party.

2.3.6 Reciprocal Compensation shall not apply to Tandem Transit Traffic.

2.3.7 Reciprocal Compensation shall not apply to Voice Information Service Traffic (as defined in Section [?]).

2.4 The Reciprocal Compensation charges (including, but not limited to, the Reciprocal Compensation per minute of use charges) billed by ***CLEC Acronym TXT*** to Verizon shall not exceed the Reciprocal Compensation charges (including, but not limited to, Reciprocal Compensation per minute of use charges) billed by Verizon to ***CLEC Acronym TXT***.

3. Other Types of Traffic

- 3.1 Notwithstanding any other provision of this Agreement or any Tariff: (a) the Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the FCC Internet Order and other applicable FCC orders and FCC Regulations; and, (b) a Party shall not be obligated to pay any intercarrier compensation for Internet Traffic that is in excess of the intercarrier compensation for Internet Traffic that such Party is required to pay under the FCC Internet Order and other applicable FCC orders and FCC Regulations.
- 3.2 Subject to Section 3.1 above, interstate and intrastate Exchange Access, Information Access, exchange services for Exchange Access or Information Access, and Toll Traffic, shall be governed by the applicable provisions of this Agreement and applicable Tariffs.
- 3.3 For any traffic originating with a third party carrier and delivered by ***CLEC Acronym TXT*** to Verizon, ***CLEC Acronym TXT*** shall pay Verizon the same amount that such third party carrier would have been obligated to pay Verizon for termination of that traffic at the location the traffic is delivered to Verizon by ***CLEC Acronym TXT***.
- 3.4 Any traffic not specifically addressed in this Agreement shall be treated as required by the applicable Tariff of the Party transporting and/or terminating the traffic.
- 3.5 Interconnection Points.
 - 3.5.1 The IP of a Party ("Receiving Party") for Measured Internet Traffic delivered to the Receiving Party by the other Party shall be the same as the IP of the Receiving Party for Reciprocal Compensation Traffic under Section 2.1 above.
 - 3.5.2 Except as otherwise set forth in the applicable Tariff of a Party ("Receiving Party") that receives Toll Traffic from the other Party, the IP of the Receiving Party for Toll Traffic delivered to the Receiving Party by the other Party shall be the same as the IP of the Receiving Party for Reciprocal Compensation Traffic under Section 2.1 above.
 - 3.5.3 The IP for traffic exchanged between the Parties that is not Reciprocal Compensation Traffic, Measured Internet Traffic or Toll Traffic, shall be as specified in the applicable provisions of this Agreement or the applicable Tariff of the receiving Party, or in the absence of applicable provisions in this Agreement or a Tariff of the receiving Party, as mutually agreed by the Parties.

3.6 Extended Local Calling Scope Arrangement.

An arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange serving area.

3.7 FCC Internet Order.

Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68, adopted April 18, 2001.

3.8 FCC Regulations.

The unstayed, effective regulations promulgated by the FCC, as amended from time to time.

3.9 Internet Traffic.

Any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.

3.10 IP (Interconnection Point).

For Reciprocal Compensation Traffic, the point at which a Party who receives Reciprocal Compensation Traffic from the other Party assesses Reciprocal Compensation charges for the further transport and termination of that Reciprocal Compensation Traffic.

3.11 Measured Internet Traffic.

Dial-up, switched Internet Traffic originated by a Customer of one Party on that Party's network at a point in a Verizon local calling area, and delivered to a Customer or an Internet Service Provider served by the other Party, on that other Party's network at a point in the same Verizon local calling area. Verizon local calling areas shall be as defined in Verizon's applicable tariffs. For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement. Calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis, are not considered Measured Internet Traffic.

3.12 Reciprocal Compensation.

The arrangement for recovering, in accordance with Section 251(b)(5) of the Act, the FCC Internet Order, and other applicable FCC orders and FCC Regulations, costs incurred for the transport and termination of Reciprocal Compensation Traffic originating on one Party's network and terminating on the other Party's network (as set forth in Section [?]).

3.13 Reciprocal Compensation Traffic.

Telecommunications traffic originated by a Customer of one Party on that Party's network and terminated to a Customer of the other Party on that other Party's network, except for Telecommunications traffic that is interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access. The determination of whether Telecommunications traffic is Exchange Access or Information Access shall be based upon Verizon's local calling areas as defined in Verizon's applicable tariffs. Reciprocal Compensation Traffic does not include: (1) any Internet Traffic; (2) traffic that does not originate and terminate within the same Verizon local calling area as defined in Verizon's applicable tariffs; (3) Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis; (4) Optional Extended Local Calling Arrangement Traffic; (5) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (6) Tandem Transit Traffic; or, (7) Voice Information Service Traffic (as defined in Section 5 of the Additional Services Attachment). For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement.

3.14 Toll Traffic.

Traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that other Party's network and is not Reciprocal Compensation Traffic, Measured Internet Traffic, or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic", depending on whether the originating and terminating points are within the same LATA.

3.15 Traffic Factor 1.

For traffic exchange via Interconnection Trunks, a percentage calculated by dividing the number of minutes of interstate traffic (excluding Measured Internet Traffic) by the total number of minutes of interstate and intrastate traffic. $(\{ \text{Interstate Traffic Total Minutes of Use (excluding Measured Internet Traffic Total Minutes of Use)} \} \div \{ \text{Interstate Traffic Total Minutes of Use} + \text{Intrastate Traffic Total Minutes of Use} \}) \times 100$. Until the form of a Party's bills is updated to use the term "Traffic Factor 1," the term "Traffic Factor 1" may be referred to on the Party's bills and in billing related communications as "Percent Interstate Usage" or "PIU."

3.16 Traffic Factor 2.

For traffic exchanged via Interconnection Trunks, a percentage calculated by dividing the combined total number of minutes of Reciprocal Compensation Traffic and Measured Internet Traffic by the total number of minutes of intrastate traffic. $(\{ \{ \text{Reciprocal Compensation Traffic Total Minutes of Use} + \text{Measured Internet Traffic Total Minutes of Use} \} \div \text{Intrastate Traffic Total Minutes of Use} \} \times 100)$. Until the form of a Party's bills is updated to use the term "Traffic Factor 2," the term "Traffic Factor 2" may be referred to on the Party's bills and in billing related communications as "Percent Local Usage" or "PLU."

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JUL 31 2001

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

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

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)	CC Docket No. 00-218
Virginia State Corporation Commission)	
Regarding Interconnection Disputes)	
with Verizon Virginia Inc., and for)	
Expedited Arbitration)	
)	
In the Matter of)	CC Docket No. 00-249
Petition of Cox Virginia Telecom, Inc., etc)	
)	
In the Matter of)	
Petition of AT&T Communications of)	
Virginia Inc., etc)	CC Docket No. 00-250
)	

**VERIZON VA'S DIRECT TESTIMONY ON NON-MEDIATION ISSUES
(CATEGORIES I AND III THROUGH VII)**

UNBUNDLED NETWORK ELEMENTS

- MARGARET DETCH
- SUSAN FOX
- STEVE GABRIELLI
- NANCY GILLIGAN
- RICHARD ROUSEY
- ALICE SHOCKET

JULY 31, 2001

UNBUNDLED NETWORK ELEMENTS PANEL

DIRECT TESTIMONY

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UNBUNDLED NETWORK ELEMENTS PANEL

DIRECT TESTIMONY

I. INTRODUCTION

1 Q. PLEASE STATE YOUR NAME, YOUR POSITION, AND YOUR BUSINESS
2 ADDRESS.

3 A. (Margaret Detch) My name is Margaret Detch and my business address is 125 High
4 Street, Boston, Massachusetts. I am a Senior Specialist at Verizon Services Group with
5 product management responsibility for Unbundled Dark Fiber. In my current position, I
6 provided Unbundled Dark Fiber marketing support in state regulatory proceedings
7 throughout the East Coast region of Verizon.

8 (Susan Fox). My business address is 2980 Fairview Park Drive, Falls Church, Virginia.
9 I am employed as a Product Manager in the Wholesale Marketing Organization in the
10 Verizon Services Corp. In this position, I am responsible for product development and
11 product management for Unbundled Dedicated Transport and Loop-Transport
12 combinations ("EELs").

13 (Steve Gabrielli). My name is Steven J. Gabrielli. My business address is 600 Hidden
14 Ridge, Irving TX. I am employed by Verizon Services Group as a Senior Product
15 Manager – Local Services Marketing. In this capacity, I am responsible for usage
16 associated with Verizon's UNE Platform Product throughout the Verizon footprint. These
17 functions include Product development, Tariff implementation, Regulatory support, and
18 overall Product Lifecycle.

1 (Nancy Gilligan) My name is Nancy Gilligan and my business address is 125 High
2 Street, Boston, Massachusetts. I am Senior Specialist Wholesale Markets in the Verizon
3 Services Group. In that capacity I am responsible for the product management of
4 unbundled switching and platform offerings.

5 (Richard Rousey) My name is Richard Rousey and my business address is 600 Hidden
6 Ridge Boulevard, Irving, Texas. I am a Senior Specialist in the Wholesale Services
7 Organization in the Verizon Services Group and am currently responsible for product
8 development and management of new advanced service for use by Verizon's CLEC
9 customers.

10 (Alice Shocket). My name is Alice Shocket and my business address is 125 High Street,
11 Boston, Massachusetts. I am the Local Number Portability Product Manager in the
12 Verizon Services Group. In that position, I have overall responsibility for
13 implementation and life cycle management for all aspects of number portability within
14 the Verizon footprint.

15 **Q. PLEASE SUMMARIZE YOUR EXPERIENCE IN THE**
16 **TELECOMMUNICATIONS INDUSTRY.**

17 A. Our Curricula Vitae are included in attachment UNE-1.

18 **Q. PLEASE DESCRIBE THE PURPOSE OF THIS TESTIMONY.**

19 A. We will present direct testimony on issues raised by the Petitioners that are associated
20 with Verizon VA's provision of unbundled network elements (UNEs) under the

1 Telecommunications Act of 1996 (the “Act”) and this Commission’s regulations
2 promulgated thereunder. Specifically, we will address

3 Issue III-6--UNE Combinations

4 Issue III-11--Sub-loop

5 Issue III-12--Dark Fiber

6 Issues V-7, 12, 12A and 13--Local Number Portability

7 Issues V-3 and 4--UNE-P Routing and Billing

8
9 We will not address those issues that are being considered in the mediations that will take
10 place between the parties and the FCC. To the extent those issues are not resolved in the
11 mediations, they will be in direct testimony to be filed on August 17, 2001.

12 **II. UNE COMBINATIONS (ISSUE III-6)**

13 **Q. WHAT ARE AT&T AND WORLDCOM PROPOSING WITH REGARD TO UNE**
14 **COMBINATIONS?**

15 A. AT&T and WorldCom have recast this issue. They now seek to require Verizon to
16 provide “combinations of UNE’s that Verizon ordinarily combines for itself” (AT&T)
17 and “new but not ‘novel’ combinations” (WorldCom). These new positions are set forth
18 in AT&T’s and WorldCom’s letters of July 19, 2001 to the FCC.

19 **Q. PLEASE EXPLAIN WHY VERIZON OPPOSES THOSE PROPOSALS.**

1 A. The Commission's rules only require Verizon VA to provide combinations of UNEs to
2 competitive local exchange carriers (CLECs) where those UNEs are already combined.
3 Specifically, the governing Commission rule requires only that Verizon VA "not separate
4 requested network elements that [Verizon] currently combines." 47 C.F.R. § 51.315(b).
5 The Commission rules that required Verizon VA to combine UNEs that are not ordinarily
6 combined in Verizon's network, 47 C.F.R. §§ 51.315(c)-(f), were vacated by the Eighth
7 Circuit and are now on appeal to the Supreme Court.

8 Notwithstanding the current legal standard, Verizon VA will provide new combinations
9 of UNE Platform at new and existing locations where facilities are available and
10 currently combined, even though retail service has not been activated over those
11 facilities, provided that no new construction is required to do so and the CLEC pays any
12 non-recurring charges associated with activating the facilities.

13 **Q. WHAT TYPE OF UNE COMBINATIONS DOES VERIZON VA PROVIDE?**

14 A. The UNE Platform combinations that Verizon VA offers, subject to the restrictions above
15 are: Analog POTS, ISDN, BRI; ISDN PRI; DS1 DID/DOD/PBX; PAL; COIN and
16 IDLC. Included in the local switching element of the UNE Platform combinations are
17 other network elements and services, such as shared transport, tandem switching,
18 Operator Services, Directory Assistance and SS7 signaling.

19 An enhanced extended link (EEL) that is considered combined is a loop-transport
20 combination that is already combined as special access at a particular location. (EELs

1 that are already combined as special access will be converted subject to the FCC's use
2 restrictions, as defined by the Commission in its *Supplemental Clarification Order*.)

3 **Q. HAS THE COMMISSION IN ITS UNE REMAND ORDER CLARIFIED THAT**
4 **ILECS NEED NOT OFFER NEW EELS.**

5 A. Yes. In the *UNE Remand Order* the Commission created an exception to the obligation
6 to provide unbundled switching in density zone 1 in the top 50 MSAs, "where incumbent
7 LECs have provided nondiscriminatory, cost-based access to the enhanced extended link
8 (EEL) throughout density zone 1." *UNE Remand Order* at ¶ 278. Because Verizon VA
9 is not providing EELs in density zone 1, it understands that the local switching exception
10 will not apply. If Verizon VA later decides to offer EELs throughout density zone 1, it
11 will then implement the local switching exception. Until then, it is clear that Verizon
12 VA cannot be compelled to provide new EELs, in density zone 1 or elsewhere.
13 Otherwise, the Commission would not have had to make it a prerequisite to the local
14 switching exception. Moreover, the Commission specifically declined to "define the
15 EEL as a separate unbundled network element" that ILECs must provide, or to require
16 EELs to be provided by "interpret[ing] rule 51.315(b) as requiring incumbents to
17 combine unbundled network elements that are 'ordinarily combined.'" *UNE Remand*
18 *Order* at ¶ 480. Instead, the Commission held that ILECs are only required to provide
19 EELs "in specific circumstances. ... In particular, the incumbent LECs may not separate
20 loop and transport elements that are currently combined and purchased through the
21 special access tariffs." *Id.*

1 **III. SUB-LOOP (ISSUE III-11)**

2 **Q. WHAT ISSUES ARE RAISED BY AT&T AND WORLDCOM AS TO SUB-**
3 **LOOPS?**

4 A. AT&T and WorldCom raise several issues regarding sub-loops. According to AT&T, the
5 issues are:

6 How should Verizon provide full and non-discriminatory access to all sub-loop
7 elements at any technically feasible point in order to be consistent with the *UNE*
8 *Remand Order*?

- 9 a. How is this sub-loop defined?
- 10 b. Must Verizon make a reasonable set of “standardized” sub-loop elements
11 available?
- 12 c. Must Verizon make an on-premise wiring sub-loop available as a routine
13 matter wherever the ILEC owns or controls the on-premises wiring?
- 14 d. Must Verizon define general terms and conditions surrounding access to
15 both the feeder and the distribution sub-loop elements?

16

17 WorldCom states the issue much more generally, lumping it in with other issues, and
18 essentially just asks whether “the contract reflects the Commission’s decisions in the
19 *UNE Remand, Advanced Services and Line Sharing* proceedings,” without being more
20 specific.

21 The short answer is that AT&T’s and WorldCom’s proposals should be rejected because
22 they go well beyond the Commission’s requirements for the provision of sub-loops.
23 Instead of utilizing the sub-loops Verizon VA provides, for example, AT&T and
24 WorldCom are demanding that Verizon VA construct new facilities, guarantee new levels

1 of technical performance, and allow interconnection at inappropriate locations, none of
2 which is appropriate or required by law.

3 **Q. HOW DOES VERIZON VA PROVIDE AT&T AND WORLDCOM WITH**
4 **ACCESS TO SUB-LOOPS?**

5 A. Verizon VA provides CLECs with access to unbundled sub-loops at accessible terminals
6 in Verizon VA's outside plant as required by law, and that obligation is set forth in
7 Verizon VA's proposed agreement. Verizon VA allows CLECs to access sub-loop
8 facilities regardless of the transmission medium. Where space is not available within a
9 remote terminal, the CLEC can deploy its own outside interconnection cabinet and
10 interconnect with Verizon VA's feeder distribution interface (FDI) to access an
11 unbundled sub-loop.

12 The CLEC can obtain access to a sub-loop element through a two-step process. First, the
13 CLEC must submit an FDI Interconnection Application to Verizon VA's Collocation
14 Project Management. These applications can be submitted by mail, e-mail, or fax.
15 Second, the CLEC must submit a Local Service Request (LSR) that requests specific sub-
16 loops to be cross-connected to the CLEC's interconnection arrangement.

17 **Q. DOES VERIZON AGREE WITH THE DEFINITION OF SUB-LOOP PROPOSED**
18 **BY AT&T AND WORLDCOM?**

19 A. No. AT&T argues that Verizon restricts access points to sub-loops and specifically
20 states that in a multi-tenant situation it believes Verizon allows access only at the network
21 interface device (NID). WorldCom more generally states that its definition of a "loop

1 UNE [is] consistent with the *UNE Remand Order*” (WorldCom Response at 53). But
2 Verizon’s definition of sub-loop in the interconnection agreements proposed to AT&T
3 and WorldCom already complies with applicable law and allows access to any portion of
4 the loop “that is technically feasible to access at terminals in Verizon’s outside plant.”
5 (Proposed interconnection agreement with AT&T § 11.2.14.1). The FCC has addressed
6 accessible terminals and defined them to be “any point on the loop where technicians can
7 access the wire or fiber within the cable without removing a splice case to reach the wire
8 or fiber within.” (Rule 319(a)(2)) Verizon complies with this Rule.

9 **Q. DOES VERIZON VA OFFER A REASONABLE SET OF STANDARDIZED SUB-**
10 **LOOP ELEMENTS?**

11 A. Yes. Verizon VA offers feeder and distribution sub-loop elements. Access to the house
12 and riser cable is also considered a sub-loop in most states, but because Virginia is a
13 “minimum point of entry” state, the customer owns the inside wire that lies beyond the
14 demarcation point. Thus Verizon VA has no authority to grant access to the house and
15 riser in Virginia. Verizon VA is in the process of developing a new offering for an
16 unbundled “drop,” which is the portion of the loop that is between a pole or pedestal up
17 to and including the NID at the end user premises. The exact offering date of an
18 unbundled drop is yet to be determined.

19 **Q. WILL VERIZON VA PROVIDE ACCESS TO MULTI-TENANT BUILDINGS?**

20 A. Yes. Verizon VA is willing to provide access to multi-tenant buildings at the minimum
21 point of entry as required by applicable law. Such access, however, requires intervention

1 by Verizon VA employees. CLEC employees should not be allowed unrestricted access
2 to Verizon VA's network in the field anymore than they are allowed unrestricted access
3 in the central office. Allowing them unrestricted access to perform their own cross-
4 connections without the assistance of Verizon VA's personnel would raise a host of
5 customer service, security, fraud, union, accountability, and liability concerns. In
6 addition, Verizon VA would lose its ability to track and charge for the CLEC's use of the
7 sub-loop element.

8 **Q. DOES VERIZON VA AGREE WITH WORLDCOM'S PROPOSED LANGUAGE**
9 **IN THE INTERCONNECTION AGREEMENT BY WHICH VERIZON VA**
10 **WOULD PROVIDE SUB-LOOPS?**

11 A. No. Verizon VA has several substantial and consistent objections to the proposed
12 language of WorldCom. First, WorldCom proposes that it should have access to the
13 "inside wire" of Verizon VA's affiliates on an end user's customers premises.
14 (WorldCom's proposed interconnection agreement to Verizon VA Attachment III,
15 § IV.3.3). Even if any Verizon VA affiliate owned any inside wire in Virginia, Verizon
16 VA does not have the legal authority, nor does the Commission, to commandeer that
17 inside wire.

18 Second, WorldCom requests that Verizon VA "shall provide MCI physical access to
19 the FDI" (Attachment III, § 4.4.2.1.), but this direct access to Verizon VA's facility is
20 neither appropriate nor required. Verizon VA will instead furnish an interconnection
21 cable between its FDI and WorldCom's outside plant interconnection cabinet through the

1 installation of a termination block within that cabinet. (Verizon VA's proposed
2 interconnection agreement to WorldCom UNE Attachment, § 5.3). WorldCom also can
3 obtain access to the sub-loop if it is collocated at a Verizon VA remote terminal
4 equipment enclosure and the FDI for such sub-loop is located in that enclosure. These
5 methods of accessing a sub-loop are fully consistent with Verizon VA's obligations under
6 the law.

7 Third, WorldCom's proposed language on the provision of sub-loops would require that
8 Verizon VA either must supply certain types of equipment, guarantee certain physical
9 plant be available to it or guarantee that certain telecommunications services can be
10 provided over the sub-loop element. (*See, e.g. id.* §§ 4.4.2 through 4.6.5). All of these
11 requirements go beyond Verizon VA's obligation to provide sub-loops "as is" to
12 WorldCom. For example, WorldCom would require that Verizon VA supply the
13 "physical medium" of the loop feeder as copper twisted pair, single or multi-mode fiber
14 or other technologies "as designated by MCI" in Attachment III, § 4.4.2.2. Moreover,
15 that same provision would require that upon WorldCom's request Verizon VA must
16 provide it with "a copper twisted pair Loop even in instances where the medium of the
17 Loop Feeder for services that Verizon VA offers is other than a copper facility." *Id.*
18 Verizon VA's responsibility, of course, is to provide only what is available as part of the
19 loop and nothing more.

20 In Attachment III, § 4.4.2.3., WorldCom would require that Verizon VA's loop feeder
21 "must be capable of transmitting analog voice frequency, basic rate ISDN, digital data,
22 optical signals, or analog radio frequency signals as appropriate." Verizon VA cannot

1 guarantee all of these services are available and need not guarantee any more to
2 WorldCom than access to the feeder sub-loop as it exists today.

3 As a final example of the problems with WorldCom's proposals, in Attachment III,
4 § 4.4.2.4 WorldCom would require Verizon VA to provide "appropriate power for all
5 active elements in the Loop Feeder" and assure battery backup and other arrangements
6 for WorldCom's facilities. This is not Verizon VA's responsibility. These types of
7 infirmities with WorldCom's proposed language are mere examples of WorldCom's
8 frequent attempts to thrust obligations onto Verizon VA that are well beyond any
9 requirements set forth by applicable law. WorldCom's proposals are designed to put
10 Verizon's engineering and network forces at WorldCom's beck and call to build
11 whatever network WorldCom might think it wants. That is not what the Act requires.

12 **Q. DOES WORLDCOM PROPOSE TO REQUIRE THE PROVISION OF SUB-**
13 **LOOPS THROUGHOUT THE TERM OF THE AGREEMENT AS SPECIFIED IN**
14 **TODAY'S EXISTING LAW?**

15 A. Yes. WorldCom's proposed interconnection agreement Attachment III contains several
16 provisions that are virtually identical to provisions of various Commission Orders and
17 current portions of the Rules contained in the Code of Federal Regulations. For example,
18 § 4.3.1 contains a definition of the sub-loop that is almost identical to 47 C.F.R.
19 § 51.319(a)(2). Section 4.3.4 mimics ¶ 223 of the *UNE Remand Order* in describing
20 Verizon VA's need to demonstrate that there is not sufficient space available or that it is
21 not technically feasible to unbundled the sub-loop at the location requested by

1 WorldCom. These are just a few instances in which WorldCom attempts to lock Verizon
2 into the legal obligations of interconnection as they exist today. But past experience
3 indicates that today's requirements under the Act might expand, contract, or change
4 tomorrow. Rather than replicate existing law, the interconnection agreement should refer
5 to it. If memorialized in an interconnection agreement that lasts for a term of three years,
6 these standards and obligations could become obsolete. Instead, Verizon VA's proposed
7 language would specify that the Parties will comply with applicable law. Not only does
8 such an approach make for a more efficient and manageable interconnection agreement,
9 the Parties are in less danger of being hindered by antiquated terms and conditions.
10 Accordingly, Verizon VA's direct statements in Sections 1.1 and 5.1 of its proposed
11 interconnection agreement with WorldCom that the provision of sub-loops be governed
12 by applicable law are most appropriate.

13 **Q. DOES VERIZON VA AGREE WITH THE CONTRACTUAL LANGUAGE IN**
14 **AT&T'S PROPOSED INTERCONNECTION AGREEMENT, SCHEDULE**
15 **11.2.14, REGARDING THE PROVISION OF SUB-LOOPS?**

16 A. No. There are numerous problems with AT&T's proposed language. As an initial
17 matter, AT&T ignores the current law when it states that Verizon VA must provide "any
18 combinations of Sub-loop elements ordinarily combined in the Verizon network".
19 (Schedule 11.2.14, § 4.2.1). As discussed above, there is no current obligation for
20 Verizon VA to combine UNEs that are not already combined. Another example is that
21 instead of adopting the Commission's requirement that sub-loops be made available at
22 accessible terminals, AT&T would require that access be available at any location unless

1 it is “technically infeasible,” *id.*, a term that would be subject to extensive debate as to its
2 scope.

3 In addition, AT&T, like WorldCom, would impermissibly place a performance guarantee
4 on Verizon VA. *See Id.* § 4.2.2.. Once again, Verizon VA is under no obligation but to
5 provide the sub-loop as it exists, and need not, as AT&T would require, “perform all
6 necessary work, at its own costs, to bring the Sub-loop element into conformance.”

7 Similarly, § 4.2.4 of AT&T’s proposed Schedule 11.2.14 imposes improper and
8 unacceptable open-ended construction and enhancement obligations on Verizon VA. It
9 states that “[u]pon AT&T’s request to expand the terminal capacity, [Verizon] must
10 complete all such expansion work within 30 business days.” Without bounds on the
11 “expansion” of terminal capacity, Verizon VA cannot and need not accept this obligation.

12 There are further inappropriate obligations thrust on Verizon in Section 4.4.4.1: “Verizon
13 shall support functions associated with provisioning, maintenance and testing of the
14 unbundled Sub-loop elements, in a nondiscriminatory manner and demonstrate
15 compliance by monitoring and reporting disaggregated performance results. Verizon will
16 also provide nondiscriminatory access to provisioning, maintenance and testing functions
17 for Network Elements to which Loop distribution is connected.”

18 Finally, AT&T’s Schedule 11.2.14, § 4.4.2 would require Verizon VA to provide
19 “access to Loop Feeder Sub-loops even if Verizon is not currently employing the
20 conductor/facility for its own use such as may occur when spare copper or dark fiber is
21 present.” Verizon VA will not resurrect retired copper for AT&T and would not
22 necessarily have the electronics available to support these unused facilities. All of these

1 obligations that AT&T would impose upon Verizon VA exceed any legal obligation
2 Verizon VA has to provide access to Verizon VA's sub-loop as it currently exists.

3 AT&T also proposes to grant itself physical access to Verizon VA's network facilities.
4 In Schedule 11.2.14, § 4.2.3, AT&T proposes that "AT&T shall have the option to
5 perform all work, including but not limited to, lifting and re-terminating of cross-
6 connection or cross-connecting new terminations at accessible terminals used for Sub-
7 loop access. No supervision or oversight of any kind by Verizon personnel shall be
8 required...." Section 4.2.5 would permit AT&T personnel "to make the necessary
9 physical connections to the Verizon terminals" when attempting to connect in an adjacent
10 structure. This proposal is unacceptable and unreasonable because it would give AT&T
11 physical control over Verizon's network plant, including portions used to provide service
12 to Verizon end users and other CLECs. This would deny Verizon the reasonable security
13 measures to protect its facilities to which the Commission and the court of appeals have
14 said Verizon is entitled.

15 Section 4.2.5 of AT&T's proposed interconnection agreement also attempts to lock
16 Verizon VA into a certain timeframe "to implement all necessary interconnections"
17 within a certain number of days to be determined "from the date of an interconnection
18 request from the AT&T." This is unfair. Under AT&T's proposal, AT&T could request
19 interconnection prior to receiving its equipment from its supplier, unfairly holding
20 Verizon VA to a to-be-determined deadline that Verizon VA is not in a position to
21 control. Since the requested connection will depend upon when AT&T places its
22 equipment which, in turn, is dependent upon when AT&T's supplier provides the

1 equipment, Verizon VA is not in the position to control such contingencies and,
2 accordingly, should not be held to such a requirement.

3 **IV. DARK FIBER (ISSUE III-12)**

4 **Q. DOES VERIZON VA AGREE WITH AT&T'S ATTEMPT TO EXPAND**
5 **"DARK FIBER" TO INCLUDE ANY "UNUSED TRANSMISSION MEDIA"?**
6 **(ISSUE III-12(A)) ?**

7 A. No. AT&T asserts that in the *UNE Remand Order*, the Commission determined that any
8 "unused transmission media" is a UNE. The Commission, of course, did nothing of the
9 sort. It held that dark fiber is a UNE, and defined dark fiber as "optical transmission
10 facilities."¹ Indeed, AT&T's term, "unused transmission media," appears nowhere in the
11 *UNE Remand Order*.²

12 In an attempt to get around this obvious problem, AT&T asserts that it is "immaterial"
13 that the *UNE Remand Order* does not mention coaxial cable or other types of unused
14 transmission media. AT&T Petition at 203. Instead, AT&T asserts that any "unused
15 transport capacity" is a UNE. That reads the *UNE Remand Order* too broadly. AT&T's

¹ 47 C.F.R. § 51.319(d). See also *UNE Remand Order* at ¶ 162, n.292 ("Dark fiber is defined as '[u]nused fiber through which no light is transmitted, or installed fiber optic cable not carrying a signal.' It is 'dark' because it is sold without light communications transmission. The [carrier] leasing the fiber is expected to put its own electronics and signals on the fiber and make it 'light.' Harry Newton, *Newton's Telecom Dictionary*, 14th ed. (Flatiron Publishing, New York, 1998) 197-98 (*Newton's Telecom Dictionary*)).

² AT&T defines "unused transmission media" as "deployed physical unused transmission media (e.g. optical fiber, copper twisted pairs, coaxial cable or any other transmission conductor). . . ." (AT&T's proposed Interconnection Agreement § 11.2.15.1.)