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

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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	)	CC Docket No. 00-218
In the Matter of Petition of Cox Virginia Telecom, Inc.	)	CC Docket No. 00-249
In the Matter of Petition of AT&T Communications of Virginia Inc., etc.	)	CC Docket No. 00-251

VERIZON VA'S REVISED REBUTTAL TESTIMONY ON MEDIATION ISSUES[1]
(CATEGORIES I AND III THROUGH VII)

BUSINESS PROCESS

KAY SCHNEIDER
MARIANN C. TRIANO
MARYELLEN LANGSTINE
WARREN GELLER
WILLIAM H. GREEN

SEPTEMBER 20, 2001

[1] This testimony, originally filed on September 5, is revised to add Warren Geller to the witness panel and to delete Hope Galunas and Len Canalini.

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH VERIZON AND YOUR BUSINESS ADDRESS.

A. My name is Kay Schneider. I am employed by Verizon as a Specialist – Systems Support. My business address is 600 Hidden Ridge, Irving, TX.

My name is Maryellen Langstine. Since September 1, 2000, I have served as Director Competitive Local Exchange Carrier ("CLEC") Customer Support. My business address is 741 Zeckendorf Boulevard, Garden City, New York.

My name is Mariann Triano. I am employed by Verizon as a Specialist-- Systems Support. My business address is 650 Park Avenue, East Orange, New Jersey. My educational and telecommunications experience is set forth on Exhibit BP-1-a.

My name is Warren Geller. I am employed by Verizon Services Corp as Director- Wholesale Billing Assurance and Solutions. My business address is 1095 Avenue of the Americas, New York, New York.

My name is William H. Green. I am employed by Verizon Services Group as Senior Specialist -- E-911 Wholesale Product Manager. My business address is 1095 Avenue of the Americas, New York, New York.

1 **Q. ARE YOU THE SAME WITNESSES WHO FILED DIRECT TESTIMONY**
2 **ON BUSINESS PROCESS MEDIATION ISSUES ON JULY 31, 2001?**
3 A. Yes, except that Mariann Triano has been added to the panel.
4
5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**
6 A. The purpose of our testimony is rebut WorldCom's positions with regard to
7 Business Process issues that had been on the mediation track, but remain
8 unresolved. Specifically, those are Issue IV-56, which concerns Verizon VA's
9 participation in the National Consumers Telecommunications Data Exchange
10 ("NCTDE"); Issue IV-74, which concerns billing and billing procedures; and
11 Issue IV-79, which concerns 911 service.
12
13 **II. ISSUE IV-56: NCTDE**
14 **Q. HAVE YOU READ THE TESTIMONY OF WORLDCOM WITNESS**
15 **SHERRY LICHTENBERG?**
16 A. Yes.
17
18 **Q. WHAT ISSUE REMAINS BETWEEN THE PARTIES?**
19 A. There are really two issues here. First, WorldCom seeks to have the Commission
20 require Verizon VA to participate in the NCTDE, allegedly so that it could obtain
21 Verizon VA's customer payment history. In the alternative, WorldCom seeks
22 access to Verizon VA's customer payment history through some other
23 unproposed means.
24

Q. IS WORLDCOM'S PROPOSED LANGUAGE CONSISTENT WITH ITS STATED OBJECTIVE?

A. No. According to WorldCom Witness Lichtenberg, WorldCom seeks to have the Commission require that Verizon VA participate in the NCTDE so that WorldCom will have "equal access" to Verizon VA's payment history information. WorldCom, however, operates under the mistaken premise that the NCTDE retains customer payment history.

Q. DOES THE NCTDE RETAIN CUSTOMER PAYMENT HISTORY?

A. No, customer payment history is not retained in the NCTDE. Match reports that are returned from the NCTDE show only the original balance and current balance of the customer. Customer payment history is never even sent to the NCTDE. Contrary to what WorldCom's proposed language describes, the NCTDE does not contain delinquency information on current accounts (*cf.* § 2.1.4.1.5 of WorldCom's proposed interconnection agreement), all unpaid closed accounts that have been submitted to the NCTDE are unpaid final accounts; nor does the NCTDE contain any information about the length of time the customer had service with its prior local or intraLATA toll provider (*cf.* § 2.1.4.1.6 of WorldCom's proposed interconnection agreement). Connect and disconnect dates of local service unpaid closed accounts are submitted when the account is sent to the NCTDE.

1 **Q. IF CUSTOMER PAYMENT HISTORY IS NOT RETAINED IN THE**
2 **NCTDE, PLEASE DESCRIBE WHAT THE NCTDE DOES RETAIN.**
3 A. The NCTDE is a database maintained by Equifax that is shared by multiple
4 telecommunications companies including Long Distance carriers and some
5 CLECs and ILECs. Based on information submitted by carriers from several
6 states, the NCTDE attempts to match a member's new service connection orders
7 with outstanding unpaid final accounts from any of the other members and helps
8 to locate former customers whose service was terminated with an unpaid balance.
9 All matches are "blind", meaning that the match is returned only as "local" or
10 "long distance", etc. The initial report from a member to the NCTDE includes the
11 customer's full name, social security number, other identification information,
12 address, service date, previous address, service disconnect date, disconnect
13 reason, report date (which is not necessarily the date the last payment was
14 received), and the current amount due. Members of the NCTDE send an update
15 only when a payment is received and this payment record overlays the existing
16 record. When a new payment or update is submitted to the NCTDE, it is treated
17 as an "addition" or "subtraction" from the original balance. The system
18 recalculates the current balance amount and posts the new current balance. No
19 information is submitted that includes payment history when the account was
20 active or whether the account was an "on-time" customer or a "late-paying"
21 customer.
22

1 **Q. WOULD VERIZON VA BENEFIT FROM PARTICIPATION IN THE**
2 **NCTDE?**
3 A. No. In fact, in those former GTE territories where Verizon does participate in the
4 NCTDE, Verizon terminated its membership on August 17, 2001. As described
5 in our Direct Testimony filed on August 17, Verizon spent a considerable amount
6 of money to participate in the NCTDE in its former GTE service territories with
7 no reciprocal benefit. Furthermore, should Verizon VA be required to participate
8 in the NCTDE, it would be forced to pay for the system design and infrastructure
9 necessary to participate in this data exchange with no means to recover this
10 expense. Finally, Verizon VA's legal obligations would prohibit it from acting
11 upon the information in the same manner that CLECs can. Verizon VA cannot
12 deny service to a new customer based on a match with a long distance carrier or
13 CLEC that it receives from the NCTDE. Verizon VA can only require a new
14 customer to pay regulated charges when the match leads back to Verizon VA.
15 Verizon VA does not do an on-line check to NCTDE at the time the order is
16 placed. It is only batch after the service is already installed. Long distance
17 carriers have options available when they pull a match with another member, such
18 as requesting a deposit or requiring a customer to put monthly payments on a
19 credit card.
20
21

1 **Q. WORLDCOM PROPOSES THAT, IN THE EVENT THE COMMISSION**
2 **DECLINES TO ORDER VERIZON VA TO PARTICIPATE IN THE**
3 **NCTDE, VERIZON VA SHOULD BE DIRECTED "TO MAKE THE**
4 **PAYMENT HISTORY SECTION OF THE CUSTOMER'S CSR**
5 **AVAILABLE AS PART OF THE PRE-ORDER PROCESS."**
6 **WORLDCOM WITNESS LICHTENBERG, AT 9. SHOULD VERIZON**
7 **VA BE REQUIRED TO MAKE THIS INFORMATION AVAILABLE?**
8 A. No. WorldCom seeks to require Verizon VA to provide payment history on
9 current and final accounts to assist it in determining the credit-worthiness of its
10 new customers. Verizon VA strongly opposes this proposal. First, WorldCom
11 may use the same methods that all business use to obtain credit information about
12 potential customers. Indeed, WorldCom presumably has such information
13 regarding its IXC customers. Second, under WorldCom's proposal, Verizon VA
14 would be required to furnish credit information to an outside company
15 (WorldCom), effectively acting like a credit bureau subject to the requirements of
16 the Fair Credit Reporting Act. In addition, Verizon VA might then be required to
17 provide the same service to all other carriers. There is absolutely no basis for
18 WorldCom's demand that Verizon VA become its credit reporting agency for
19 free. Such an absurd result was never contemplated by Congress or the
20 Commission. Rather than saddle ILECs with an unintended burden of reporting
21 consumer credit information, WorldCom may obtain such information from
22 companies like Equifax, just as Verizon VA does.
23

III. ISSUE IV-74: INTERIM, STANDARD AND COLLOCATION BILLING

Q. HAVE YOU READ THE DIRECT TESTIMONY OF SHERRY LICHTENBERG ON BEHALF OF WORLDCOM?

A. Yes.

Q. MS. LICHTENBERG ACCUSES VERIZON VA OF WITHHOLDING USEFUL BILLING INFORMATION IN ORDER TO HINDER WORLDCOM'S ENTRY INTO THE MARKETPLACE. CAN YOU COMMENT ON THAT?

A. That accusation is unfounded. What Ms. Lichtenberg conveniently ignores is the fact that, by virtue of interconnection and resale, Verizon VA routinely provides billing information to a myriad of CLECs, IXCs and other customers. As explained in its initial answer to this issue, it would be extraordinarily burdensome - if not ***impossible*** - for Verizon VA to maintain unique billing procedures for each customer. Therefore, Verizon VA has in place a uniform set of billing procedures that provide all CLECs with the information WorldCom seeks. It seems fairly telling that only WorldCom has suggested that these procedures are somehow deficient or unfair.

Q. ACCORDING TO MS. LICHTENBERG, THOSE BILLING PROCEDURES ARE UNILATERAL PROMULGATIONS OF VERIZON VA THAT CAN BE CHANGED AT ANY TIME WITHOUT CLEC INPUT. IS THAT RIGHT?

A. No. Verizon VA's billing procedures are found in the CLEC Handbook and Customer Support Website. Any change to those procedures would be dealt with via the Change Management Process, where all interested parties have the opportunity to discuss their respective points of view.

Q. PLEASE COMMENT ON MS. LICHTENBERG'S STATEMENT THAT "BILLING SHOULD BE BASED ON BOS-BDT, WHICH IS AN INDUSTRY STANDARD ELECTRONIC METHOD OF ENCODING BILLING INFORMATION."

A. As stated on its website, Verizon VA will provide an electronic bill in the format chosen by the CLEC from a list of available options. Verizon VA's CABS systems are capable of providing BOS-BDT bill format. The billing systems supporting Resale/UNE services, however, are not all capable of providing bills in the BOS-BDT format. Nonetheless, other electronic options used by the industry are available for Resale/UNE services, as described on the Websites.

Q. DOES VERIZON VA AGREE THAT THE ELECTRONIC BILL SHOULD BE DEEMED THE "BILL OF RECORD?"

A. Not in all situations. While Verizon VA continues to work on this issue, not all of its systems can support electronic bills at this time. If an electronic BOS-BDT billing format is available, that medium constitutes an official bill. Where that option is not yet available, the paper bill is the official bill.

1 **Q. HAVE YOU REVIEWED THE REVISED CONTRACT LANGUAGE**
2 **PROPOSED BY WORLDCOM THROUGH MS. LICHTENBERG'S**
3 **TESTIMONY?**
4 A. Yes.
5
6 **Q. PLEASE COMMENT ON THAT PROPOSED LANGUAGE.**
7 A. As a general proposition, Verizon VA simply cannot negotiate unique billing
8 practices with each CLEC. Trying to do so would create an unmanageable
9 situation for Verizon VA and would, inevitably, lead to confusion and breakdown
10 adversely affecting all CLECs. A uniform set of billing procedures, open to
11 discussion and evolution via the Change Management Process, is in everyone's
12 best interests.
13
14 If, however, the Commission determines that Verizon VA must negotiate specific
15 billing procedures with WorldCom, then Verizon VA proposes the following
16 modifications to WorldCom's proposed § 3.1.2. Most of these proposed changes
17 are self-explanatory. With regard to § 3.1.4, Verizon VA's system does not allow
18 it to bill separately for capital costs.
19
20 3.1.2 Standard Billing
21 3.1.2.1 The providing Party will bill services in accordance with this
22 Section [3] and at the rates set forth in Attachment I. The providing Party
23 will use commercially reasonable efforts to provide accurate and auditable

electronic bills and to format its electronic bills in accordance with national industry standard specifications, as appropriate. These electronic bills**, where available,** will be designated as the "Bill of Record" and will include a separate and unique billing code for, and the quantity of, each type of service purchased by the purchasing Party. **Where the providing Party is unable to provide an electronic bill, the paper bill will be the "Bill of Record".** The providing Party will jurisdictionally identify the charges on these bills wherever it has the information necessary to do so. Wherever the providing Party is unable to identify the jurisdiction of the service purchased by the purchasing Party, the Parties will jointly develop a process to determine the appropriate jurisdiction.

3.1.2.2 The providing Party will bill the purchasing Party on a monthly basis under this Agreement. These monthly bills will include all appropriate charges, credits and adjustments for the services that were ordered, established, utilized, discontinued or performed during the relevant billing period. **The relevant billing period and whether services are billed in arrears or in advance shall be based upon the type of service, in accordance with any applicable tariff or, in the absence of a tariff, in accordance with the interconnection agreement.**

3.1.2.3 The providing Party and the purchasing Party will use reasonable commercial efforts to establish the same monthly billing date ("Bill Date") for each purchasing Party account within the state. The providing Party will include the Bill Date on each invoice transmitted to the purchasing

Party. **Unless otherwise provided in the applicable tariff,** the payment due date (as described in this Attachment) shall be thirty (30) calendar days after the Bill Date. The providing Party will transmit all invoices within ten (10) ~~**calendar**~~ **business** days after the Bill Date. Any invoice transmitted on a Saturday, Sunday or a day designated as a holiday by the Parties' bill processing departments will be deemed transmitted on the next business day. If the providing Party fails to transmit an invoice within the time period specified above, the payment due date for that invoice will be extended by the number of days it is late.

3.1.2.4 The providing Party will use the same account identification numbers each month, unless it provides the purchasing Party with ten (10) days advance written notice of any change. If either Party requests an additional copy(ies) of a bill, such Party shall pay the other Party a reasonable fee per additional bill copy, unless such copy was requested due to an error or omission of the providing Party.

3.1.2.5 Except as otherwise specified in this Agreement, each Party shall be responsible for (i) all costs and expenses it incurs in complying with its obligations under this Agreement; and (ii) the development, modification, technical installation and maintenance of any systems or other infrastructure which it requires to comply with and to continue complying with its responsibilities and obligations under this Agreement.

3.1.2.6 The providing Party and purchasing Party will identify a contact person for the handling of any questions or problems that may arise during

the implementation and performance of the terms and conditions of this Attachment.

3.1.4 Collocation

3.1.4.1 Verizon agrees to ~~issue a separate bill~~ **identify** to MCIm ~~for~~ any Collocation capital expenditures (~~e.g.,~~ **defined as nonrecurring** costs associated with building the "cage") incurred under this Agreement. Verizon will ~~send these separate bills for~~ **identify the** Collocation capital expenses ~~to the location specified by MCIm~~ **in the OCC section of the Collocation bill with specific USOCs.** Verizon will bill all other non-capital recurring Collocation rates to MCIm in accordance with this Section [3].

IV. ISSUE IV-79: 911 AND E911

Q. HAVE YOU READ THE DIRECT TESTIMONY OF ARIEL W. SIGUA ON BEHALF OF WORLDCOM?

A. Yes.

Q. DO YOU AGREE WITH MR. SIGUA THAT THE ONLY REMAINING DISPUTE INVOLVING 911 TRUNKING OR SERVICE IS WHAT HE DESCRIBES AS THE "PSAP ISSUE?"?

A. Yes. It is my understanding that WorldCom has accepted the 911 Attachment proposed by Verizon VA, subject only to resolution of the PSAP issue.

1 **Q. WHAT IS VERIZON VA'S POSITION ON THAT ISSUE?**

2 A. WorldCom states that "Getting them (the ten digit numbers) directly from
3 Verizon is the easiest most efficient way for us (WorldCom) to obtain them." *See*
4 Sigua testimony at p. 4. While asking Verizon may be the easiest way for
5 WorldCom to obtain these numbers, it is not the most efficient or accurate way to
6 determine the Public Safety Answering Point's ("PSAP's") Alternate Routing
7 Scheme ("ARS"). Nor is the provision of these numbers by Verizon VA to other
8 CLECs authorized by the E-9-1-1 governing bodies of certain states.
9
10 The governing body that controls the PSAP is responsible for developing an ARS
11 that meets the needs of its particular jurisdiction. The purpose of the ARS is to
12 insure that there are no individual points of failure. In the event of a trunk failure,
13 some PSAPs use alternate routing numbers to redirect calls within the PSAP.
14 ARS numbers are assigned by PSAP governing bodies to Local
15 Telecommunications Carriers. The carriers, in turn, code ARS numbers into their
16 switches to use in the event of a trunk failure. In many cases, the number(s) are
17 assigned based on the anticipated call volumes determined by traffic studies done
18 at the PSAP. Therefore, a number assigned to Verizon VA may not be the same
19 number that is assigned to a particular CLEC. Privacy is also an issue, since
20 many of the ARS numbers are non-published.
21
22 In addition, not all CLECs are assigned a 10 digit ARS number. In the event of a
23 trunk failure, they route calls to another PSAP or to Operator Services. Finally,

Verizon VA cannot agree to WorldCom's proposed language because it could then be adopted in another jurisdiction, where the Verizon company could not adhere to it. In some jurisdictions, the PSAP governing bodies do not allow Verizon to release the 10 digit ARS numbers. For instance, in Rhode Island the governing body does not permit Verizon to provide the number to CLECs because it screens each CLEC to ensure that E 9-1-1 is not circumvented by using the 10 digit number. CLECs sometimes do so to avoid the cost of developing the required E 9-1-1 architecture. This architecture is, nonetheless, necessary to ensure the public safety. Similarly, in New York City, Verizon is forbidden from using the 10 digit number for its Operator Services and is also forbidden from releasing this information to CLECs.

Implementation of the proper ARS is indeed a public safety issue. It is imperative that WorldCom understand the Alternate Routing Scheme in each jurisdiction in which it operates. WorldCom should determine, during its initial contact with the PSAP, if a 10 digit number should be used in the case of a trunk failure and what number should be used. If there is no 10 digit number used in a particular jurisdiction, WorldCom should consult with the PSAP governing body to determine WorldCom's role in that jurisdiction's ARS plan (*i.e.*, is there an alternate PSAP, should the calls be routed to Operator Services, etc.). WorldCom should then build and test all components of its E 9-1-1 architecture with the PSAP, in accordance with the applicable ARS.

1 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

2 A. Yes.

Declaration of Kay Schneider

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections to which I testified are true and correct.

Executed this 17th day of August, 2001.

_____//ss//_____
Kay Schneider

Declaration of Mariann C. Triano

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections to which I testified are true and correct.

Executed this 5th day of September, 2001.

\\s\\

Mariann C. Triano

Declaration of Maryellen T. Langstine

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections to which I testified are true and correct.

Executed this 17th day of August, 2001.

_____//ss//_____
Maryellen T. Langstine

Declaration of Warren Geller

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections to which I testified are true and correct.

Executed this 20th day of September, 2001.

//ss//

Warren Geller

Declaration of William H. Green

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections to which I testified are true and correct.

Executed this 17th day of August, 2001.

//ss//

William H. Green

Exhibit BP-1-a

CURRICULUM VITAE FOR MARIANN C. TRIANO

Ms. Triano has twenty-nine years of experience with Verizon. She has held various staff positions in service orders, billing and live and final collection systems. In her current position, Specialist-- Systems Support, she is responsible for support of the live collection system used in the former Bell Atlantic territory.