

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon VA Rationale
			<p align="center"><b>Network Architecture</b></p> <p><i>switching revenue.</i></p> <p><i>Thus, Verizon's proposal should be rejected because it violates AT&amp;T right pursuant to §251(c)(2) to select a POI at any technically feasible point. Moreover, Verizon has presented no evidence indicating specific and significant adverse impacts would result from AT&amp;T's proposal and thus it cannot waive its obligations to allow interconnection at its tandems as proposed. Further, Verizon's proposal violates its §251(c)(D) obligation to provide non-discriminatory interconnection, in that it does not apply the same traffic threshold to all carriers. For all of these reasons, Verizon's proposal must be rejected.</i></p>		
I-2	<p>Can Verizon require WorldCom to receive Verizon traffic at a Verizon end office and then require WorldCom to transport that traffic back to the WorldCom network free of charge?</p> <p><u>Verizon may not require that Cox eliminate its mileage-sensitive rate element as a component of its entrance facilities rate.</u></p>	<p>WorldCom rejects Section 7 of the Interconnection Attachment of Verizon's proposed contract.</p> <p><u>[Cox proposes to delete Verizon's proposed paragraph 4.2.4.]</u></p> <p>-----</p> <p><u>[The following language has been agreed to by Cox and Verizon:</u></p> <p><b>4.4 Alternative Interconnection Arrangements</b></p> <p>4.4.1 In addition to the foregoing</p>	<p>As noted above, Verizon has proposed that WorldCom be required to establish multiple 'interconnection points' and that WorldCom receive Verizon traffic in each Verizon local calling area at these so-called "IPs", such as Verizon end offices. Verizon also proposes that WorldCom receive no compensation for termination of traffic from these so-called 'IPs'. Thus, Verizon proposes that WorldCom be required to bear the financial cost of transporting Verizon's originating traffic. This proposal is barred by 47CFR 51.</p>	<p>7.1.2 Except as otherwise agreed by the Parties, the Interconnection Points ("IPs") from which Verizon will provide transport and termination of Local Traffic to its Customers ("Verizon-IPs") shall be as follows:</p> <p>7.1.2.1 For Local Traffic delivered by MCI to the Verizon Tandem subtended by the terminating End Office serving the Verizon Customer, the Verizon-IP will be the Verizon Tandem Wire Center.</p> <p>7.1.2.2 For Local Traffic delivered</p>	<p>The issues stated by WorldCom and Cox are different but very similar. Both issues relate directly to Issue I-1. Verizon VA may request WorldCom to establish an interconnection point ("IP") at a collocation cage at the end office if WorldCom establishes collocation at the relevant end office. Verizon VA would then hand-off the Verizon VA originated local traffic from that end office to WorldCom at the WorldCom collocation cage. Contrary to WorldCom's insinuations, Verizon VA's proposal does not affect</p>

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		<p><u>methods of Interconnection, and subject to mutual agreement of the Parties, the Parties may agree to establish a Mid-Span Fiber Meet arrangement which may include a SONET backbone with an electrical interface at the DS-3 level in accordance with the terms of this subsection 4.4. The fiber meet point shall be designated as the POI for both Parties. In the event the Parties agree to adopt a Mid-Span Fiber Meet arrangement, each Party agrees to (a) bear all expenses associated with the purchase of equipment, materials, or services necessary to facilitate and maintain such arrangement on its side of the fiber hand-off to the other Party and (b) compensate the terminating Party for transport of its traffic from the POI to the terminating Party's IP at rates set forth in Exhibit A.]</u></p>	<p><b>Network Architecture</b></p> <p>703(b) and is fundamentally inconsistent with the concept of two co-carriers delivering their traffic to the network of the other carrier. (Grieco/Ball Direct, 7/31, at 28-30).</p> <p>Verizon's proposed contract language that requires WorldCom to transport Verizon originated traffic from multiple Verizon end offices to the POI, for no charge, deprives WorldCom of compensation which it would be entitled to if it voluntarily chose to provide such transportation. (Grieco/Ball Direct, 7/31, at 29)</p> <p>The Commission should specifically reject Verizon's proposed language and order the inclusion of the follow in lieu of Verizon's proposal:</p> <p>"Neither Party may assess charges on the other for local traffic that originates on its network."</p> <p><b>POSITION:</b></p> <p>• <u>Verizon's rebuttal testimony</u> describes a scenario in which Cox has only a single POI in a LATA. <u>Albert and D'Amico Rebuttal at 12.</u> However, that is not the case. <u>Cox and Verizon have agreed to establish IPs at every switch with which they</u></p>	<p>by MCI to the Verizon terminating End Office Wire Center serving the Verizon Customer, the Verizon-IP will be Verizon End Office Wire Center.</p> <p>7.1.3 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 MCI-IP is not located at a Collocation site at a Verizon Tandem Wire Center or Verizon End Office Wire Center, then MCI shall permit Verizon to establish physical Interconnection through collocation or other operationally comparable arrangements acceptable to Verizon at the MCI-IP, to the extent such physical Interconnection is technically feasible.</p> <p>4.3.8 In recognition of the large number and variety of Verizon-IPs available for use by Cox, Cox's ability to select from among those points to minimize the amount of transport it needs to provide or purchase, and the fewer number of Cox-IPs available to Verizon to select from for similar purposes, Cox shall</p>	<p>WorldCom's network architecture. This proposal is an efficient use of resources among the two Parties' networks because both Parties have already have a presence in this area.</p> <p><u>If the Commission adopts the proposal outlined by Verizon VA in response to Issue I-1, this issue is moot. Nonetheless, if Verizon VA delivers traffic to a distant Cox POI that is not located at the Cox IP, then Cox should not be able to charge Verizon VA distance-sensitive rate elements. Cox's position is troubling because it does not allow Verizon VA to self-provision to the Cox IP. Thus, not only does Cox want Verizon VA to subsidize its POI choice but it does so in a manner that guarantees Cox the maximum revenue for that decision.</u></p> <p><u>If the Commission disagrees with Verizon VA's position and makes Verizon VA financially responsible for delivering its originating traffic to the POI when Petitioners establish one POI anywhere in the LATA, which it should not, then Verizon VA should not have to pay a distance sensitive rate element. Verizon VA's proposal limits the amount a CLEC could charge to a non-distance sensitive entrance facility charge.</u></p>

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			<p align="center"><b>Network Architecture</b></p> <p><u>interconnect. Collins Rebuttal Testimony at 14.</u></p> <ul style="list-style-type: none"> <li>• <u>Verizon and Cox also have agreed to interconnect via a mid-span fiber meet, over which they exchange a substantial amount of their traffic. Provisions for mid-span meets are included in the new agreement as well. Collins Direct Testimony at 12. Collins Rebuttal Testimony at 13.</u></li> <li>• <u>Under Verizon's proposal, Verizon would have no incentive to self-provision, because even if the cost of self-provisioning were less than the costs of Cox's facilities, Cox would bear the economic burden of transporting Verizon's traffic. Collins Direct Testimony at 12.</u></li> <li>• <u>Contrary to Verizon's claims, Cox's proposed language allows either party to self-provision interoffice transport facilities, if so desired, up to the entrance facility point for Cox's switching office(s). Thus, Verizon would be able to decide whether it was more economical to self-provision or use Cox's facilities for all but a few miles of the overall facilities used for such an interconnection. Collins Direct Testimony at 12. Collins Rebuttal Testimony at 13.</u></li> </ul>	<p><u>charge Verizon no more than a non-distance sensitive Entrance Facility charge as provided in Exhibit A for the transport of traffic from a Verizon-IP to a Cox-IP in any given LATA.</u></p> <p><u>4.5.3 Unless otherwise agreed to by the Parties, the Parties shall designate the Wire Center(s) Cox has identified as its initial Rating Point(s) in the LATA as the Cox-IP(s) in that LATA and shall designate a mutually agreed upon Tandem Office or End Offices within the LATA nearest to the Cox-IP (as measured in airline miles utilizing the V and H coordinates method) as the Verizon-IP(s) in that LATA, provided that, for the purpose of charging for the transport of traffic from a Verizon-IP to the Cox-IP, the Cox-IP shall be no further than a non-distance sensitive Entrance Facility away from the Verizon-IP.</u></p>	<p><u>This is only fair for the same reasons Verizon VA provides in support of its position on Issue I-1. Verizon VA is limited in its options with respect to where it can deliver its originating traffic and should not bear the financial consequences resulting from a CLEC's decision to select a distant POI.</u></p> <p>Verizon VA Direct Testimony on Non-Mediation Issues, pages 16-18; Verizon VA Rebuttal Testimony on Non-Mediation Issues, pages 11-13.</p>

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<b>Network Architecture</b>					
			<ul style="list-style-type: none"> <li>• <u>Verizon should not be allowed to shift the cost of transporting traffic from Verizon to Cox. The adoption of Verizon's proposal would limit Cox's transport charge to no more than a non-distance sensitive Entrance Facility charge, thereby precluding Cox from charging a mileage-sensitive rate element for those facilities, even though the costs of providing them vary by distance. Cox Petition at 10. Collins Direct Testimony at 11.</u></li> <li>• <u>Contrary to Verizon's claims, a distance-sensitive charge for a facility is no more "toll-like" than the distance-sensitive charge for a T-1; making a charge mileage-sensitive does not convert a rate into a toll charge. Collins Rebuttal Testimony at 14.</u></li> <li>• <u>In addition to requiring Cox to pay all of the costs of delivering its traffic to Verizon's interconnection points, Verizon proposes that Cox pay Verizon's costs for Verizon's transport of its traffic to Cox's interconnection points. This would occur if Cox is required to furnish Verizon a discount from Cox's tariffed transport rates, which include a mileage-sensitive rate element. Cox</u></li> </ul>		

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<b>Network Architecture</b>					
			<p data-bbox="944 398 1066 417"><u>Petition at 10.</u></p> <ul style="list-style-type: none"> <li data-bbox="944 447 1268 707">• <u>Although Verizon attempts to defend its proposal based on differences in the network architecture employed by Cox and by Verizon, these differences are irrelevant to the resolution of this issue, and Verizon should not be permitted to create a discriminatory cost structure by imposing costs that are not applicable to Verizon. Cox Petition at 11.</u></li> <li data-bbox="944 740 1268 976">• <u>Verizon is incorrect in asserting that Cox is claiming a right to establish an IP "anywhere in the LATA." Cox and Verizon have agreed exactly where both Cox's and Verizon's IPs will be established, i.e., at every switch with which they interconnect, in section 4.2.2 of the interconnection agreement. Collins Rebuttal Testimony at 14.</u></li> <li data-bbox="944 1009 1268 1199">• <u>Verizon's proposal is inconsistent with the requirements of 47 C.F.R. § 51.703(b), as well as with the obligation of ILECs to make interconnection available at any technically feasible point under Section 251(e)(4) of the Act. Cox Petition at 10.</u></li> </ul> <p data-bbox="944 1229 1225 1248">DISPUTED ISSUES OF FACT:</p>		

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			<p align="center"><b>Network Architecture</b></p> <p>All facts asserted in Cox's Petition and in the Direct and Rebuttal Testimony of Cox's witness, Dr. Francis Collins, that are not listed below as admissions, are deemed by Cox to be disputed.</p> <p><u>ADMISSIONS PURSUANT TO ARBITRATION PROCEDURES NOTICE:</u></p> <p>Pursuant to the <i>Arbitration Procedures Notice</i>, Procedures Established for Arbitration of Interconnection Agreements Between Verizon and AT&amp;T, Cox, and WorldCom, <i>Public Notice</i>, DA 01-270 (rel. Feb. 1, 2001), the following assertions made in Cox's Petition or in the Direct Testimony of Cox's witness, Dr. Collins, and not specifically denied in Verizon's Answer or in the testimony of Verizon's witnesses are deemed admitted:</p> <ul style="list-style-type: none"> <li>• Verizon includes both flat rate and distance sensitive components in its entrance facilities charges.</li> <li>• Currently, Verizon and Cox interconnect via a mid-span fiber meet, over which they exchange a substantial amount of their traffic.</li> </ul>		

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			<p align="center"><b>Network Architecture</b></p> <p><u>Cox and Verizon have agreed to continue the availability of such a mid-span fiber meet in the new agreement at Section 4.4.</u></p> <p><u>• Cox and Verizon have agreed to establish IPs at every switch with which they interconnect.</u></p>		
I-3	<p><b>Can Verizon compel WorldCom, or any CLEC, to provide collocation to Verizon at WorldCom facilities?</b></p> <p><u>47 U.S.C. § 251(c)(6) and 47 C.F.R. § 51.223(a) do not permit VZ-VA to compel Cox to furnish VZ-VA collocation at Cox facilities in the same manner that VZ-VA, as an ILEC, is compelled to furnish collocation to Cox at VZ-VA facilities.</u></p> <p><i>Reciprocal Collocation Does AT&amp;T have an obligation to provide Verizon with collocation pursuant to Section 251(c)(6) of the Telecommunications Act of 1996?</i></p>	<p><b>WorldCom rejects Verizon's proposed language.</b></p> <p><u>4.3.4 Verizon shall have the sole right and discretion to specify the following method for Interconnection at any of the Cox-IPs:</u></p> <p><u>(a) an Entrance Facility leased from Cox (and any necessary multiplexing), to the Cox-IP.</u></p> <p><u>4.3.5 Verizon may order from Cox any Interconnection method specified above in accordance with the order intervals and other terms and conditions, including, without limitation, rates and charges, set forth in this Agreement, in any applicable Tariff(s), or as may be subsequently agreed to between the Parties.</u></p> <p><u>[Cox proposes to delete Verizon's proposed paragraph 13.10.]</u></p> <p>-----</p> <p><u>[The following language has been</u></p>	<p><b>The Act and FCC regulations impose an obligation on incumbent LECs to provide collocation to requesting carriers. This obligation applies to incumbent LECs only. See 47 U.S.C. § 251(c)(6). These obligations cannot be imposed on a CLEC, see 47 C.F.R. § 51.223(a), unless the procedure set forth in Section 251(h)(2) of the Act for treating other carriers as incumbents has been followed. That procedure has not been instituted and the criteria outlined in Section 251(h)(2) are not present. A CLEC may voluntarily offer collocation to Verizon but the CLEC cannot be compelled to do so. (Goldfarb, Buzacott, Lathrop Direct, 7/31, at 4).</b></p> <p><b>Verizon acknowledges that WorldCom is not required to provide collocation service to it. (Goldfarb, Buzacott, Lathrop Rebuttal, 8/17, at 5).</b></p> <p><b>Contrary to Verizon's claim, it does collocate in WorldCom offices, in</b></p>	<p><b>2.1.3 Verizon may specify any of the following methods for interconnection with MCI:</b></p> <p><b>2.1.3.1 interconnection at a Collocation node that MCI has established at the Verizon-IP pursuant to the Collocation Attachment; and/or</b></p> <p><b>2.1.3.2 interconnection at a Collocation node that has been established separately at the Verizon-IP by a third party and that is used by MCI; and/or</b></p> <p><b>2.1.3.3 a Collocation node or other operationally equivalent arrangement Verizon established at the MCI-IP ; and/or</b></p> <p><b>2.1.3.4 a Collocation node established separately at the MCI-IP by a third party with whom Verizon has contracted for such purposes;</b></p> <p><b>7.1.1.2 At any time that MCI establishes a Collocation site at a</b></p>	<p>In order to provide efficient interconnection, Verizon VA should have the option of terminating traffic using its own facilities via a collocation arrangement with those of the Petitioners'. Absent an option to collocate, Verizon VA would be forced to purchase transport from the Petitioners or from a third party vendor to fulfill its obligations to deliver traffic to the Petitioners' IP. Just as Verizon VA provides Petitioners with a number of options to facilitate interconnection, Petitioners should also provide Verizon VA with similar options. This is only fair.</p> <p>Verizon VA is merely seeking the right to terminate its traffic using its own facilities via a collocation arrangement. When Verizon VA collocates at a CLEC's premises, Verizon VA builds its transport facilities into the CLEC's Point of Presence (POP) or central office. Verizon VA builds or places fiber optic cables from one of its central offices into the CLEC's central office.</p>

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		<p>agreed to by Cox and Verizon:</p> <p><b>4.4 Alternative Interconnection Arrangements</b></p> <p>4.4.1 <u>In addition to the foregoing methods of Interconnection, and subject to mutual agreement of the Parties, the Parties may agree to establish a Mid-Span Fiber Meet arrangement which may include a SONET backbone with an electrical interface at the DS-3 level in accordance with the terms of this subsection 4.4. The fiber meet point shall be designated as the POI for both Parties. In the event the Parties agree to adopt a Mid-Span Fiber Meet arrangement, each Party agrees to (a) bear all expenses associated with the purchase of equipment, materials, or services necessary to facilitate and maintain such arrangement on its side of the fiber hand-off to the other Party and (b) compensate the terminating Party for transport of its traffic from the POI to the terminating Party's IP at rates set forth in Exhibit A.]</u></p> <p><i>Specific contract terms and conditions on this subject are unnecessary and inappropriate as Verizon has no authority to require collocation at CLEC facilities</i></p>	<p><b>Network Architecture</b></p> <p>some instances. (Id. At 5).</p> <p>Certain obligations are imposed on incumbents that are not imposed on new entrants because the former possess market power that the latter do not. (Id. at 5-6).</p> <p>Verizon's claim that it needs collocation rights so that it need not purchase CLEC transport facilities is ironic given its refusal to agree to meet point interconnection arrangements- a type of arrangement proposed by WorldCom in which the carriers share the cost of the interconnection facility. (Id. At 6).</p> <p><b>POSITION:</b></p> <ul style="list-style-type: none"> <li>• <u>The Act and the Commission's Rules make clear that the obligation to permit collocation of equipment necessary for interconnection or access to unbundled network elements applies only to ILECs, such as Verizon, and not to CLECs, such as Cox. Cox Petition at 11; Collins Direct Testimony at 13; Collins Rebuttal Testimony at 15-16.</u></li> <li>• <u>The Virginia Commission has held that CLECs cannot be required to offer collocation. Cox Statement of</u></li> </ul>	<p>Verizon End Office Wire Center in a LATA in which MCIIm is interconnected or requesting interconnection with Verizon, either Party may request in writing that such MCIIm Collocation site be established as the MCIIm-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 MCIIm-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) MCIIm 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 MCIIm or a third party), from the originating Verizon End Office to the receiving MCIIm-IP.</p> <p>4.3.4 <u>Verizon shall have the sole right and discretion to specify any of the following method for Interconnection at any of the Cox-</u></p>	<p>Next, Verizon VA installs a fiber optic system or ring by placing one OC-48 multiplexer in its central office and the companion OC-48 multiplexer in the CLEC's central office. All the CLEC provides Verizon VA is power and space for the Verizon VA multiplexer in the CLEC's central office.</p> <p>Verizon's proposal is a common sense approach to interconnection because it gives both Parties to an interconnection agreement several selections from which they can choose what is best for each of them. If Verizon VA is not given the option of bringing its interconnection trunk into the CLEC's facility, the CLEC can force Verizon VA to hire it as a transport vendor without any assurance that the transport rates it will charge are reasonable.</p> <p>The CLECs' argue that because the Act does not require them to provide Verizon VA with reciprocal collocation, this Commission should not order them to do so. Even though they are not required by the Act to offer collocation at their facilities, Petitioners' argument that they should not do so misses the point. Verizon VA is not asking this Commission to exercise its authority under the Act to compel the</p>

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			<p><b>Network Architecture</b></p> <p>Relevant Authority at 4.</p> <ul style="list-style-type: none"> <li>• <u>The Commission has not issued an order declaring that Cox shall be treated as an ILEC, and there is no basis on which the Commission could reasonably take such action. Cox Statement of Relevant Authority at 3, 4.</u></li> <li>• <u>Cox recognizes its general duty to interconnect under the Act and will make methods other than physical collocation available for Verizon's use in interconnecting. Cox Petition at 12.</u></li> <li>• <u>Currently, Cox and Verizon employ a mid-span meet arrangement (described in agreed-to language at paragraph 4.4), whereby they each contribute to the construction of a single shared fiber ring, to interconnect their networks. Cox Petition at 12; Collins Rebuttal Testimony at 17.</u></li> <li>• <u>In addition to the mid-span meet currently used by the parties, Cox offers to provide Verizon with leased entrance facilities for accomplishing interconnection; however, Cox is unwilling to shoulder the physical collocation obligations imposed on ILECs by the Act. Collins Rebuttal Testimony at 17.</u></li> </ul>	<p>IPs:</p> <p>(a) <u>an Entrance Facility leased from Cox (and any necessary multiplexing), to the Cox-IP.</u></p> <p>(b) <u>a physical, virtual or other alternative Collocation node Verizon establishes at the Cox-IP; and/or</u></p> <p>(c) <u>a physical, virtual or other alternative Collocation node established separately at the Cox-IP by a third party with whom Verizon has contracted for such purposes; and/or</u></p> <p>4.3.5 <u>Verizon shall provide its own facilities or purchase necessary transport for the delivery of traffic to any Collocation node it establishes at a Cox-IP pursuant to Section 13</u></p> <p>13.10 <u>Cox agrees to provide to Verizon, upon Verizon's request, Collocation of equipment for purposes of Interconnection (pursuant to Section 4) and Cross Connection on non-discriminatory rates, terms and conditions.</u></p> <p>4.2.2 <i>Verizon may specify any of the following methods for its originating traffic for Interconnection</i></p>	<p>Petitioners to provide Verizon VA with reciprocal collocation. Verizon is asking this Commission to recognize that each individual Petitioner is the only Party who is in the position to offer this service to Verizon VA. As stated earlier, without this option, the Petitioners could force Verizon VA to haul local traffic over long distances and if they have their way, charge Verizon VA distance-sensitive rates for the privilege. This is an invitation for abuse. Thus, it is only equitable that Petitioners offer Verizon VA interconnection choices comparable to those Verizon VA offers to them. These would include purchasing transport at reasonable rates and building its own facilities and collocating at the CLEC's premises.</p> <p>Verizon VA Direct Testimony on Non-Mediation Issues, pages 28-30; Verizon VA Rebuttal Testimony on Non-Mediation Issues, pages 17-18.</p>

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			<p align="center"><b>Network Architecture</b></p> <ul style="list-style-type: none"> <li><i>In <u>Petition of MCI Telecommunications and MCIMetro Access Transmission Services of Virginia, Inc.</u>, 1997 S.C.C. Ann. Report 233 (Case No. PUC960113, May 8, 1997), the VSCC decided that, "Neither the Act nor the [<u>First Report and Order</u>] requires CLECs to offer collocation at their premises to incumbents. Therefore, MCI is not required to offer collocation at its premises to BA-VA." Cox Statement of Relevant Authority at 3.</i></li> </ul> <p><u>DISPUTED ISSUES OF FACT:</u></p> <p>All facts asserted in Cox's Petition and in the Direct and Rebuttal Testimony of Cox's witness, Dr. Francis Collins, that are not listed below as admissions, are deemed by Cox to be disputed.</p> <p><u>ADMISSIONS PURSUANT TO ARBITRATION PROCEDURES NOTICE:</u></p> <p>Pursuant to the <u>Arbitration Procedures Notice, Procedures Established for Arbitration of Interconnection Agreements Between Verizon and AT&amp;T, Cox, and WorldCom, Public Notice, DA 01-270</u> (rel. Feb. 1, 2001), the following</p>	<p>with AT&amp;T:</p> <p>4.2.2.1 <i>Interconnection at a Collocation node that AT&amp;T has established at a Verizon Wire Center pursuant to Section 13 of this Agreement; and/or</i></p> <p>4.2.2.2 <i>Interconnection at a Collocation node that has been established separately at a Verizon Wire Center by a third party and such third party has established facilities between the Verizon Wire Center and the AT&amp;T IP; and/or</i></p> <p>4.2.2.3 <i>Via equipment Verizon places at the AT&amp;T premises in accordance with rates, terms and conditions which the Parties shall negotiate at Verizon's request; and/or</i></p> <p>4.2.2.4 <i>Upon mutual agreement of the Parties, via equipment placed by a third party at the AT&amp;T-IP under separate terms and conditions between AT&amp;T and such third party with whom Verizon has contracted for such purposes; and/or</i></p> <p>4.2.2.5 <i>An Entrance Facility leased from AT&amp;T (and any necessary multiplexing), to the AT&amp;T-IP.</i></p> <p>13.5 <i>AT&amp;T agrees to provide to Verizon, upon Verizon's request,</i></p>	

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			<p align="center"><b>Network Architecture</b></p> <p><u>assertions made in Cox's Petition or in the Direct Testimony of Cox's witness, Dr. Collins, and not specifically denied in Verizon's Answer or in the testimony of Verizon's witnesses are deemed admitted:</u></p> <ul style="list-style-type: none"> <li>• <u>Currently, Verizon and Cox interconnect via a mid-span fiber meet, over which they exchange a substantial amount of their traffic.</u></li> <li>• <u>Cox and Verizon have agreed to continue the availability of a mid-span fiber meet in the new agreement at Section 4.4.</u></li> </ul> <p><i>AT&amp;T, as a competitive local exchange carrier, is not obligated to offer collocation under Section 251(c)(6) of the Telecommunications Act of 1996 ("Act"). Although it has no legal obligation to do so, AT&amp;T has voluntarily entered into "space licenses" with Verizon or its affiliates at certain AT&amp;T locations. AT&amp;T will continue to entertain requests for such licenses where adequate space is available and all when other necessary conditions are satisfied. Direct Testimony of E. Christopher Nurse (July 31, 2001) at 3-5.</i></p> <p><i>Section 251(c)(6) of the Act imposes on incumbent local exchange carriers, such as Verizon, "the duty to</i></p>	<p><i>Collocation of equipment for purposes of Interconnection (pursuant to Section 4) and Cross Connection on non-discriminatory rates, terms and conditions.</i></p>	

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			<p align="center"><b>Network Architecture</b></p> <p><i>provide, on rates, terms and conditions that are just, reasonable and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements. . . ."</i></p> <p><i>These obligations, however, do not extend to non-incumbent carriers, i.e., competitive local exchange carriers, such as AT&amp;T. If Congress had intended that CLECs should be subject to collocation obligations, it simply would have included collocation obligations under § 251(b), which delineates the duties of all carriers (both incumbents and competitive LECs). Congress did not do so.</i></p> <p><i>Verizon's own witnesses on this issue expressly acknowledge that AT&amp;T and the other petitioners are "not required by the Act to offer collocation at their facilities" Direct Testimony of Donald E. Albert &amp; Pete D'Amico at 29. Verizon (through its predecessor company, Bell Atlantic-Virginia, Inc.) admitted as much in its 1997 interconnection agreement with TGC when it agreed that TCG was "not required" under § 251(c)(6) of the Act to offer a space sharing arrangement to Verizon. Nurse Direct at 5. Thus, the issue of whether AT&amp;T has collocation obligations to Verizon under the Act can be conclusively resolved in</i></p>		

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			<p align="center"><b>Network Architecture</b></p> <p><i>AT&amp;T's favor based on Verizon's own words.</i></p> <p><i>Verizon could only resort to a "fairness" argument to attempt to explain why a collocation obligation should be applied to CLECs notwithstanding the unambiguous language in the Act. Albert/D'Amico Testimony at 29. Of course, Verizon does not – and cannot – explain why its interpretation of "fairness" should override the express provisions of the Act. The New York Public Service Commission was not persuaded by Verizon's arguments on this issue. In summarily rejecting Verizon's identical position on this issue in the New York AT&amp;T-Verizon arbitration, the New York PSC stated "[w]e find that the new agreement need not impose any collocation or UNE obligations on AT&amp;T, inasmuch as it is a CLEC and not an ILEC." Order Resolving Arbitration Issues, Joint Petition of AT&amp;T Communications of New York, Inc., TCG New York Inc. and ACC Telecom Corp. Pursuant to Section 252(b) of the Telecommunications Act of 1996 for Arbitration to Establish an Interconnection Agreement with Verizon New York, Inc. Case 01-C-0095 (issued and effective July 30, 2001) at 81. Verizon has not provided any sound legal basis for this Commission to rule any</i></p>		

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			<p align="center"><b>Network Architecture</b></p> <p><i>differently on this issue.</i></p> <p><i>While AT&amp;T is not obligated under the Act to provide collocation to Verizon, it may voluntarily agree to provide Verizon a space license to locate equipment at an AT&amp;T location and to use AT&amp;T's support services (e.g., power, heating ventilation, air conditioning and security for the equipment). This type of licensing arrangement is strictly discretionary on AT&amp;T's part, and as such, could not be compelled or required under § 251(c)(6). AT&amp;T, however, is willing to continue to negotiate appropriate space licenses in situations where sufficient space is available and where all other applicable conditions are satisfied. Rebuttal Testimony of E. Christopher Nurse at 2.</i></p>		
I-4	<p>Should the ICA contain provisions specifying that MCI may choose to establish trunking to any given End Office when there is sufficient traffic to route calls directly to such End Office and that the charge for such trunks, if they are not shared, shall be the transport charges for dedicated transport and that for shared trunks the charges will be shared by both Parties in proportion to their respective use of the shared trunk facility?</p> <p><u>Section 251(c)(2) of the Act does not</u></p>	<p><b>2.4.1 Tandem Exhaust - If a tandem through which the Parties are interconnected is unable to, or is forecasted to be unable to, support additional traffic loads for a six month forecasting cycle, the Parties will mutually agree on an end office trunking plan for future trunking additions until Verizon has alleviated the tandem capacity shortage. Verizon shall take appropriate action to alleviate tandem capacity shortage if such tandem is unable to, or is forecasted to be unable to, support additional</b></p>	<p><b>WorldCom cannot be compelled to establish end-office trunks. Nonetheless, WorldCom has proposed reasonable contract terms setting forth conditions under which it will do so, basically when traffic to a particular end office reaches 200,000 mou per month. (Grieco/Ball Direct, 7/31, at 30-33).</b></p> <p><b>Verizon has proposed an arbitrary limit of 240 tandem trunks, at which point end office trunks must be established. (Grieco/Ball Direct, 7/31, at 34).</b></p>	<p><b>2.2.4 In the event the MCI originating and/or terminating traffic volume between a Verizon End Office and a Verizon Tandem, which is carried by a common transport Local Interconnection Trunk group, exceeds 200,000 combined minutes of use per month: (a) if One-Way Interconnection Trunks are used, the originating Party shall promptly issue an ASR for a One-Way direct high-usage Local Interconnection Trunk group between the Verizon End Office</b></p>	<p>Cox and WorldCom labeled this issue as I-4, while AT&amp;T labeled it I-1-a. Despite the different labels, these are the same issues. If a Petitioner's traffic exceeds one DS1 level at any time, it should be required to provide direct end office trunking to ameliorate Verizon VA's tandem exhaustion problem, attributed to the increased traffic caused by CLECs. Verizon VA must ensure the integrity of its network. In order to accomplish this task, Verizon VA must make certain that its tandem resources are not depleted. The DS-1 level</p>

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	<p><u>permit Verizon to dictate the volume of traffic on a trunk group used by Cox to send traffic to a Verizon tandem switch for termination to a Verizon end office.</u></p> <p><i>Can Verizon force AT&amp;T to establish a point of interconnection at a particular end office, when AT&amp;T traffic to that end office reaches a certain threshold traffic level.</i></p>	<p>traffic loads for any period of time.</p> <p>2.4.1.1 If a tandem through which the Parties are interconnected is unable to, or is forecasted to be unable to, support additional traffic loads for any period of time, the Parties will mutually agree on an end office trunking plan that will alleviate the tandem capacity shortage and ensure completion of traffic between MCI and Verizon Customers.</p> <p>2.4.2 Traffic volume – Either Party may order, and the other Party shall install and retain, direct end office two-way trunking sufficient to handle actual or reasonably forecasted two-way traffic volumes, whichever is greater, between an MCI switching center and a Verizon end office where the traffic exceeds 200,000 minutes of use per month. When the traffic between an MCI switching center and a Verizon end office exceeds 170,000 minutes of use per month, either Party may notify the other Party and request that the facilities be installed. Such facilities will be installed on mutual agreement. The Parties will install additional capacity between the MCI switching center and the Verizon end office when overflow</p>	<p><b>Network Architecture</b></p> <p>Verizon's arbitrary limit on the number of tandem trunks will require WorldCom to establish end-office trunks once the limit is reached even if the trunks so established will carry minimal traffic. This is extremely inefficient. (Grieco/Ball Direct, 7/31 at 34).</p> <p>Verizon's tandem trunk limitation is arbitrary and is not targeted to tandems which are actually near exhaust. (Grieco/Ball Direct, 7/31, at 35).</p> <p>Verizon's proposal is arbitrary in that it is not applied to entities outside of the CLEC community. (Grieco/Ball Direct, 7/31, at 35).</p> <p>Verizon's arbitrary limit on tandem trunks can cause call blockage because tandem trunks handle overflow from end office trunks. (Grieco/Ball Direct, 7/31, at 35) If sufficient tandem trunks are not available due to the proposed limitation, calls will not complete.</p> <p>Verizon's proposed limit on tandem trunks may also cause call blockage because tandem routing is the primary routing for cellular and paging calls as well as for CLEC to</p>	<p>and the originating Party's POI; or, (b) if Two-Way Local Interconnection Trunks are used, then MCI shall promptly submit an ASR to Verizon to establish the Two-Way direct high-usage Local Interconnection Trunk group between that Verizon End Office and the POI and, in either case, the Party not issuing the ASR will comply with the establishment of the direct high-usage Interconnection Trunk group.</p> <p>2.2.5 One-Way and Two-Way Local Interconnection Trunk groups between the MCI POI and a Verizon Tandem will be limited to a maximum of 240 trunks unless otherwise agreed to by the Parties. In the event that any One-Way or Two-Way Local Interconnection Trunk group exceeds the 240 trunk level at any time, MCI shall promptly submit an ASR to Verizon to establish new or additional End Office Trunk groups to insure that such Tandem Two-Way Local Interconnection Trunk group does not exceed the 240 trunk level.</p> <p>5.2.4 In the event the traffic volume between a Verizon End Office and the</p>	<p>provides Verizon VA with this assurance. Moreover, as recently recognized by the New York PSC in an arbitration between AT&amp;T and Verizon NY, the DS-1 level is an appropriate level to limit traffic at the tandem.</p> <p>Contrary to AT&amp;T's insinuations, Verizon VA's proposal does not prevent AT&amp;T from interconnecting at any "technically feasible" point. Verizon VA has proposed that when a Petitioner's traffic that is routed through a Verizon VA tandem to a particular end office exceeds the hundred call second ("CCS") busy hour equivalent of one DS-1 at any time and/or 200,000 minutes of use for a single month, the Petitioner should be required promptly to establish end office one-way or two-way traffic exchange trunk groups between the appropriate Verizon VA end office and the Petitioner's POI. In order to prevent Verizon VA's tandems from exhaustion, Verizon VA must impose reasonable restrictions on the level of traffic to its tandems. As the Petitioner's traffic grows and if it continues to be routed through Verizon VA's tandems without limitation, those tandems will be used up.</p> <p>As outlined in Verizon VA's direct</p>

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		<p>traffic between the MCI switching center and Verizon access tandem exceeds, or is forecast to exceed, 200,000 minutes of use per month.</p> <p><b>2.4.3 Mutual Agreement – The Parties may install direct end office trunking upon mutual agreement in the absence of conditions of 2.4.1 or 2.4.2 above and agreement will not unreasonably be withheld.</b></p> <p><u>5.2.4 In the event the one-way Tandem-routed traffic volume between any two Cox and Verizon Central Office Switches at any time exceeds the CCS busy hour equivalent of three DS-1s for any three (3) months in any consecutive six (6) month period or for any consecutive three (3) months, the originating Party will establish new one-way direct trunk groups to the applicable End Office(s) consistent with the grade of service parameters set forth in Section 5.5.</u></p> <p><i>Specific contract terms and conditions on this subject are unnecessary and inappropriate as Verizon has no authority to require establishment of a point of interconnection, irrespective of traffic levels.</i></p>	<p align="center"><b>Network Architecture</b></p> <p>CLEC calls. A limit on the number of tandem trunks jeopardizes completion of these calls. (Grieco/Ball Direct, 7/31, at 36).</p> <p>Also, when a large customer migrates its traffic to WorldCom the traffic flows over the tandem because there is no traffic data at that time upon which to establish end-office trunks. An arbitrary limit on the number of end office trunks could cause call blocking because the traffic flowing to the new WorldCom customer could easily exceed the 10 DS-1 limit proposed by Verizon. (Grieco/Ball Direct, 7/31, at 36-37).</p> <p><b>WorldCom currently interconnects at Verizon end offices in Va. with 7944 trunks while it interconnects at tandems with only 1488 trunks. Thus, contrary to Verizon claims, WorldCom does not contribute to tandem exhaust and there is no need for an arbitrary limit on the number of tandem trunks. (Grieco/Ball Rebuttal, 8/17, at 17).</b></p> <p><b>Contrary to Verizon's claims, there is no general tandem exhaust problem. Verizon has identified only three tandems which face near term exhaust and it is deploying new tandems to address the</b></p>	<p><u>Cox POI, which is carried by a Final Tandem Local Interconnection Trunk group, exceeds the CCS busy hour equivalent of one (1) DS-1 at any time and/or 200,000 combined minutes of use for a single month, the originating Party shall promptly establish new End Office One-Way Local Interconnection Trunk groups between the Verizon End Office and the POI.</u></p> <p><i>4.2.8 In the event the traffic volume between a receiving Party's End Office and the originating Party's POI, which is carried by a Tandem-routed Tandem Traffic Exchange Trunk group, exceeds the CCS busy hour equivalent of one (1) DS-1 at any time and/or 200,000 combined minutes of use for a single month the originating Party shall promptly establish new End Office one-way Traffic Exchange Trunk groups between the receiving Party's End Office and the originating Party's POI. For purposes of this paragraph, Verizon shall satisfy its End Office trunking obligations by handing off traffic to a AT&amp;T-IP.</i></p>	<p>and rebuttal testimony on non-mediation issues, this DS-1 level is used uniformly by Verizon VA. That is, it applies non-discriminately to all carriers including Verizon VA. In addition, there has been a dramatic explosion in local interconnection trunking. In 2000 alone, interconnection trunk growth between Verizon VA and the CLECs increased about 100%. As a result, Verizon VA has experienced more frequent and more rapid exhaust of the capacity of its tandem switches. When this occurs, new tandem switches must be added to the network. Currently, there are several Verizon VA tandems that face tandem exhaust because of this explosion. Installing new tandems is an expensive proposition and has a significant impact on Verizon VA. It includes the costs of the tandem switch, trunk terminations, interoffice facilities, power, A/C, and building costs. These costs typically can run as much as \$10 million. Indeed, the CLECs tout the efficiencies of their networks because they rely on fewer switches. Requiring Verizon VA to build more switches is just another example of the CLECs forcing Verizon VA to incur unnecessary costs.</p> <p>Finally, this proposal does not require the CLECs to establish a POI. To</p>

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			<p align="center"><b>Network Architecture</b></p> <p>situation. <b>The 200,000 mou criteria proposed by WorldCom for establishing end office trunks will address the issue going forward.</b> (Grieco/Ball Rebuttal, 8/17, at 18).</p> <p><b>POSITION:</b></p> <ul style="list-style-type: none"> <li>• <u>Section 251(c)(2) of the Act makes clear that Cox may choose its points of interconnection with Verizon. Cox Petition at 13; Cox Petition's Exhibit 6 at 9.</u></li> <li>• <u>The Commission allows CLECs to choose those points of interconnection (at the ILEC's tandem or end office) that will best enhance the CLEC's own efficiency (First Report and Order, 11 FCC Rcd at 15608 (Section 251(c)(2) of the Act permits CLECs "to make economically efficient decisions about where to interconnect"). Cox Petition at 13.</u></li> <li>• <u>Cox does not agree with Verizon's assertion that transporting Cox's traffic through Verizon's tandem switches contributes in any significant way to tandem capacity exhaust. Cox Petition at 13.</u></li> <li>• <u>Cox has offered a moderate threshold based on the volume of three DS-1s (which equals 72 separate</u></li> </ul>		<p>establish a new trunk group to a Verizon VA end office, it is not necessary for AT&amp;T to build its own transport facilities, which the DS-1 trunks ride on, to the Verizon end office. Although this is an option, AT&amp;T also has the option of obtaining the transport from a third-party facilities provider or from Verizon VA.</p> <p>Verizon VA Direct Testimony on Non-Mediation Issues, pages 36-40; Verizon VA Rebuttal Testimony on Non-Mediation Issues, pages 21-24.</p>

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			<p data-bbox="946 371 1159 393"><b>Network Architecture</b></p> <p data-bbox="946 398 1234 513">voice channels), above which the parties would agree to implement direct-end office trunking. <u>Cox Petition at 13; Collins Direct Testimony at 16.</u></p> <ul style="list-style-type: none"> <li data-bbox="946 546 1272 901">• <u>Verizon generates huge economies of scale due to the magnitude of its facilities. As a far smaller carrier, Cox is unable to achieve the lower costs and efficiencies that attend Verizon's ubiquitous operations. The significantly higher costs experienced by Cox in deploying its network must be taken into account when setting the traffic volumes that will trigger an obligation on Cox to build or acquire facilities connecting Cox's switches and Verizon's end offices. Cox Petition at 13; Collins Direct Testimony at 14.</u></li> <li data-bbox="946 935 1272 1067">• <u>Verizon is compensated for its costs of providing tandem switching through the additional fees paid for that switching. Collins Direct Testimony at 14; Collins Rebuttal Testimony at 21.</u></li> <li data-bbox="946 1100 1272 1242">• <u>Cox and most carriers ordinarily construct or acquire facilities packaged at the DS-3 level (28 DS-1s or 672 voice channels), when the volume of traffic justifies engineering a direct end-office interconnection. It</u></li> </ul>		

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			<p align="center"><b>Network Architecture</b></p> <p>would be extremely wasteful to devote such facilities to carrying only one DS-1 level of traffic, as proposed by Verizon. Cox Petition at 9; Collins Direct Testimony at 13; Collins Rebuttal Testimony at 19.</p> <ul style="list-style-type: none"> <li>• If one is using pre-Act legacy engineering models (as Verizon admits it is) in deciding whether or when direct end office trunking should be deployed, it is likely that the most critical component in the decision-making equation is the actual cost to construct the facilities between the candidate end offices. Given the disparity between the economies and infra-structure available to Verizon and Cox, as well as Cox's higher relative costs per circuit, Verizon's proposal that Cox use Verizon's design criteria (that assumes Verizon's economies) for direct trunking is folly. Collins Rebuttal Testimony at 20.</li> <li>• Verizon proposes that Cox engineer its network based on one-time peak-usage measurements – a methodology unlikely to be used by Verizon in engineering its own network. Rather than requiring construction of unnecessary facilities based on a single high-water mark experienced during a single month,</li> </ul>		

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			<p align="center"><b>Network Architecture</b></p> <p><u>Cox proposes an engineering process that accounts for the actual and projected growth of traffic and capacity, consistent with standard engineering practice. Collins Rebuttal Testimony at 20.</u></p> <ul style="list-style-type: none"> <li>• <u>Verizon does not contest the technical feasibility of tandem interconnection but rather asserts cost as a rationale for severely limiting that right. Since cost is not a concern of technical feasibility, and since nothing prevents Verizon from recovering its costs, the FCC can properly disregard Verizon's argument on this issue. Collins Rebuttal Testimony at 21.</u></li> </ul> <p><u>DISPUTED ISSUES OF FACT:</u></p> <p><u>All facts asserted in Cox's Petition and in the Direct and Rebuttal Testimony of Cox's witness, Dr. Francis Collins, that are not listed below as admissions are deemed by Cox to be disputed.</u></p> <p><u>ADMISSIONS PURSUANT TO ARBITRATION PROCEDURES NOTICE:</u></p> <p><u>Pursuant to the Arbitration Procedures Notice, Procedures Established for Arbitration of</u></p>		

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			<p align="center"><b>Network Architecture</b></p> <p><u>Interconnection Agreements Between Verizon and AT&amp;T, Cox, and WorldCom, Public Notice, DA 01-270 (rel. Feb. 1, 2001), the following assertions made in Cox's Petition or in the Direct Testimony of Cox's witness, Dr. Collins, and not specifically denied in Verizon's Answer or in the testimony of Verizon's witnesses are deemed admitted:</u></p> <ul style="list-style-type: none"> <li>• <u>Cox's proposed threshold based on the volume of three DS-1s, above which the parties would agree to implement direct-end office trunking, is more moderate than Verizon's proposal.</u></li> <li>• <u>Verizon generates huge economies of scale due to the magnitude of its facilities. As a far smaller carrier, Cox is unable to achieve the lower costs and efficiencies that attend Verizon's ubiquitous operations.</u></li> <li>• <u>Generally accepted engineering and financial principles require that the significantly higher costs experienced by Cox in deploying its network be taken into account when setting the traffic volumes that will trigger an obligation on Cox to build or acquire facilities connecting Cox's switches and Verizon's end offices.</u></li> </ul>		

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<b>Network Architecture</b>					
			<ul style="list-style-type: none"> <li>• Verizon is compensated for its costs of providing tandem switching through the additional fees paid for that switching.</li> <li>• Cox and most carriers ordinarily construct or acquire facilities packaged at the DS-3 level (28 DS-1s or 672 voice channels), when the volume of traffic justifies engineering a direct end-office interconnection. If such facilities were devoted to carrying only one DS-1 level of traffic, as proposed by Verizon, approximately 90% of the capacity of such facilities would be unused.</li> </ul> <p><i>No. It is AT&amp;T's' right to select the locations at which it interconnects with Verizon's network, and it should not be required to establish a point of interconnection for its traffic at a Verizon end office, when the traffic to that end office reaches an arbitrary threshold proposed by Verizon. AT&amp;T may establish interconnection points at end offices where traffic levels provide an economic incentive to develop additional interconnection points for efficiency reasons. (See also AT&amp;T's response to Issue I-1).</i></p>		
I-7	Verizon may not require that Cox engineer and/or forecast Verizon's trunk groups.	10.3.1 The Parties will develop joint non-binding forecasting of trunk groups in accordance with this	<b>POSITION:</b> <ul style="list-style-type: none"> <li>• Traffic forecasting is a collaborative</li> </ul>	<b>10.3 Trunk Administration and Forecasting</b> <b>10.3.1 Trunk Administration. For</b>	Because Cox is the only Party who can project how much traffic it will receive from Verizon VA, it is the

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		<p>Section 10.3. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:</p> <p>(a) yearly forecasted trunk quantities for no less than a two-year period (current year, plus one year); and</p> <p>(b) the use of (i) CLCI-MSG codes, which are described in Telcordia Technologies document BR 795-100-100; (ii) circuit identifier codes as described in BR 795-400-100; and (iii) Trunk Group Serial Number (TGSN) as described in BR 751-100-195.</p> <p>10.3.2 Descriptions of major network projects that affect the other Party will be provided with the semi-annual forecasts provided pursuant to Section 10.3.1. Major network projects include but are not limited to trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period. Cox shall notify Verizon promptly of changes greater than ten percent (10%) to current forecasts (increase or decrease) that generate a shift in the demand curve for the following</p>	<p><b>Network Architecture</b></p> <p>process: each party, using its own engineering data regarding its outbound demand, contributes to an overall forecast of the interconnection trunking needed between networks. Cox Petition at 17; Collins Rebuttal Testimony at 40.</p> <ul style="list-style-type: none"> <li>• Cox has no access to Verizon's engineering data needed to forecast Verizon's traffic and Verizon has not offered either to provide such data or to reimburse Cox's costs if Cox were to provide such an engineering service for Verizon. Cox Petition at 17; Collins Direct Testimony at 26-27; Collins Rebuttal Testimony at 40.</li> <li>• Changes in Verizon's traffic patterns could have significant effects on forecasts of Verizon's outbound traffic. Collins Rebuttal Testimony at 41.</li> <li>• Without Verizon traffic data, Cox could not forecast Verizon's outbound traffic. Collins Direct Testimony at 26; Collins Rebuttal Testimony at 39-40.</li> <li>• Without other information available only to Verizon, e.g., knowledge of internal network failures and/or congestion that may have resulted in abnormal and/or inaccurate traffic</li> </ul>	<p><b>Traffic Exchange Trunk groups, Cox will be responsible for monitoring traffic loads and service levels on the one-way trunk groups carrying traffic from Cox to Verizon; and Verizon will be responsible for monitoring traffic loads and service levels on the one-way trunk groups carrying traffic from Verizon to Cox. Cox will determine the sizing and timing of new trunk groups and trunk group additions for trunk groups carrying traffic from Cox to Verizon. Verizon will determine the sizing and timing of new trunk groups and trunk group additions for trunk groups carrying traffic from Verizon to Cox. When Cox is aware of unusual events affecting the volume of traffic and required trunks in either direction (e.g., Cox signs up a new Information Services Provider), Cox will contact Verizon to plan and implement (if necessary) new trunk groups and trunk group additions.</b></p> <p>10.3.2 Trunk Forecasts. Within ninety (90) days of the Effective Date, Cox shall provide Verizon a two (2) year traffic forecast of all Traffic Exchange Trunk groups over the next eight (8) quarters in accordance with the Verizon CLEC</p>	<p>only Party who can provide trunking forecasts. For example, if Cox targets customers who primarily receive calls, most of those calls will come from Verizon VA customers, and Verizon VA will have to provide the facilities to deliver those calls to Cox. Verizon VA, however, does not have Cox's marketing information and, thus, does not have the necessary information to forecast how many calls Verizon VA customers will make to the Cox customer. Cox should provide Verizon VA with trunk forecasts to ensure that trunk groups do not exceed their design blocking threshold and to ensure adequate switching infrastructure deployment to meet Petitioners' service requirements within standard intervals. The forecasts are based upon Cox's business plans and marketing strategy. Because Cox is the only Party privy to this information, it should provide Verizon VA with trunk forecasts.</p> <p>Verizon VA uses trunk forecasts from Cox, and all CLECs, in its process to size and time the addition of switching equipment to its switching machines - the switching infrastructure for trunks. The planning, engineering, ordering, and installation of this equipment requires relatively long lead times. Trunk</p>

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		<p>forecasting period.</p> <p>10.3.3 Parties will meet to review and reconcile their forecasts if their respective forecasts differ significantly from one another.</p> <p>10.3.4 At least once a year the Parties shall exchange trunk group measurement reports for trunk groups terminating to the other Party's network. In addition and from time to time, each Party will determine the required trunks for each of the other Party's trunk groups from the previous twelve (12) months servicing data. Required trunks will be based on the appropriate grade of service standard (B.01 or B.005) or the Joint Interconnection Grooming Plan referenced in Section 10.1. When a condition of excess capacity is identified, Verizon will facilitate a review of the trunk group existing and near term (3 to 6 months) traffic requirements with Cox for possible network efficiency adjustment.</p> <p>10.3.5 The Parties will establish periodic reviews of network and technology plans and will notify one another no later than three (3) months in advance of changes that either Party reasonably believes would have a materially adverse effect on either</p>	<p><b>Network Architecture</b></p> <p>usage patterns and long- and mid-range infrastructure plans, Cox could not forecast Verizon's outbound traffic. Collins Direct Testimony at 22; Collins Rebuttal Testimony at 39-40.</p> <ul style="list-style-type: none"> <li>• Cox has agreed to provide to Verizon a forecast of Cox's own outbound traffic and to provide to Verizon information about projected fluctuations in traffic demand. Cox has every incentive to provide timely, accurate information about changes in traffic patterns so that calls to its customers do not experience blocking. Cox Petition at 17; Collins Direct Testimony at 27.</li> <li>• In every interconnection agreement that Cox has executed with competitive LECs and wireless service providers, the parties have agreed to forecast their own outbound traffic. Cox Petition at 18; Collins Direct Testimony at 27.</li> <li>• With the exception of Verizon-VA, in every interconnection agreement Cox has executed with other ILECs, including Verizon (formerly GTE) in California and Verizon-RI (formerly Bell Atlantic) in Rhode Island, the parties have agreed to forecast their own outbound traffic. Cox Petition at</li> </ul>	<p>Interconnection Trunking Forecast Guide. Because the Customer segments and service segments within Customer segments to whom Cox markets its services are the most significant factors affecting the number of trunks needed to handle traffic volume in both directions, the Cox trunk forecast will include trunk groups carrying traffic from Cox to Verizon, and trunk groups carrying traffic from Verizon to Cox. Cox's forecast shall be updated and provided to Verizon on an as-needed basis but no less frequently than semiannually. Cox's forecast shall include, at a minimum, Access Carrier Terminal Location ("ACTL"), traffic type (Local Traffic/Toll Traffic, Operator Services, 911, etc.), code (identifies trunk group), A location/Z location (CLI codes for Cox-IP's and Verizon-IP's), interface type (e.g., DS1), and trunks in service each year (cumulative). Verizon agrees that such forecasts shall be subject to the confidentiality provisions defined in Section 28.4.</p>	<p>forecast information is used to decide how big an addition to make (sizing), as well as when to engineer and order the addition (timing). Having sufficient trunking capacity in place on Verizon VA's switches, in advance of provisioning interconnection trunks between Verizon VA's switches and Cox's switches, is critical to Verizon VA's ability to offer standard trunk provisioning intervals and to meet operation performance standards for trunk provisioning and trunk blocking. Verizon VA's trunk forecasting process was developed through a New York working group collaborative that included Verizon and several CLECs.</p> <p>Cox claims that in every interconnection agreement it has negotiated, the parties have agreed to forecast their own outbound traffic. Nevertheless, in response to Verizon VA Interrogatory 4 to Cox, many of the interconnection agreements contained a clause indicating that the signatures of the parties does not indicate agreement on all issues. It is not entirely clear that every party who has negotiated an interconnection agreement with Cox has agreed with Cox that the parties should provide one another with outbound forecasts.</p>

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		<p>Party's provision of services.</p>	<p align="center"><b>Network Architecture</b></p> <p>18; Collins Direct Testimony at 27.</p> <ul style="list-style-type: none"> <li>• <u>As recently as November, 2000, Verizon freely negotiated at least one interconnection agreement in another state in which it voluntarily accepted responsibility for forecasting its own traffic.</u> Cox Amended Petition at 18.</li> <li>• <u>The contract language that Cox proposes substantially matches the forecasting language that Verizon recently agreed to in at least one other state.</u> Cox Amended Petition at 18.</li> <li>• <u>Verizon's proposed language is inconsistent with the rest of the agreement, which gives each party the responsibility for engineering its own one-way trunks.</u> Collins Direct Testimony at 26.</li> </ul> <p><b>DISPUTED ISSUES OF FACT:</b></p> <p><u>All facts asserted in Cox's Petition and in the Direct and Rebuttal Testimony of Cox's witness, Dr. Francis Collins, that are not listed below as admissions are deemed by Cox to be disputed.</u></p> <p><b>ADMISSIONS PURSUANT TO ARBITRATION PROCEDURES NOTICE:</b></p>		<p>If Cox targets customers who primarily receive calls, like ISPs, and Cox knows that most of those calls originate from Verizon VA end users, then only Cox knows how many trunks will be required for the traffic that originates on Verizon VA's network. The CLEC is the only Party privy to its own marketing plans. This factor, by far, has the greatest influence on the need (both trunk quantities and trunk installation timing) for interconnection trunks required to carry calls from Verizon VA's network to the CLEC's network.</p> <p>Verizon VA Direct Testimony on Non-Mediation Issues, pages 19-21.</p>

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			<p align="center"><b>Network Architecture</b></p> <p>Pursuant to the <u>Arbitration Procedures Notice, Procedures Established for Arbitration of Interconnection Agreements Between Verizon and AT&amp;T, Cox, and WorldCom, Public Notice, DA 01-270</u> (rel. Feb. 1, 2001), the following assertions made in Cox's Petition or in the Direct Testimony of Cox's witness, Dr. Collins, and not specifically denied in Verizon's Answer or in the testimony of Verizon's witnesses are deemed admitted:</p> <ul style="list-style-type: none"> <li>• Cox does not have access to <u>Verizon engineering data and traffic measurements.</u></li> <li>• <u>Without Verizon traffic data and knowledge of Verizon's network and plans, Cox could not forecast Verizon's outbound traffic.</u></li> <li>• <u>An ILEC affiliate of Verizon has, as recently as November, 2000, voluntarily entered into an agreement that did not require the CLEC to forecast the ILEC's outbound traffic.</u></li> <li>• <u>The contract language that Cox proposes substantially matches the forecasting language that Verizon recently agreed to in at least one other state.</u></li> </ul>		

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			<p align="center"><b>Network Architecture</b></p> <ul style="list-style-type: none"> <li><u>In every interconnection agreement that Cox has executed with competitive LECs and wireless service providers, the parties have agreed to forecast their own outbound traffic.</u></li> <li><u>With the exception of Verizon-VA, in every interconnection agreement Cox has executed with other ILECs, including Verizon (formerly GTE) in California and Verizon-RI (formerly Bell Atlantic) in Rhode Island, the parties have agreed to forecast their own outbound traffic</u></li> </ul>		
III-1	<p><b>Should Verizon be required to provide transit service at TELRIC-based rates?</b></p> <p><i>Tandem Transit Service Does Verizon have an obligation to provide transit service to AT&amp;T for the exchange of local traffic with other carriers, regardless of the level of traffic exchanged between AT&amp;T and the other carriers?</i></p>	<p>Attachment IV, Section 10 et seq.</p> <p><b>10. Third Party Transit Traffic</b></p> <p><b>10.1</b> IntraLATA traffic from third party LECs, CLECs, or CMRS providers will be routed over Local Interconnection Trunk Groups.</p> <p><b>10.2</b> Verizon shall terminate all traffic destined to its network from third party LECs, CLECs, or CMRS providers in the LATA delivered to Verizon's network by MCI.</p> <p><b>10.3</b> Verizon shall pass all traffic delivered from MCI to third party LECs, CLECs, or</p>	<p>Section 251 (a) of the Act imposes upon each telecommunications carrier the duty to "interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers." The concept of indirect interconnection necessarily involves the use of a third carrier's facilities to connect the two interconnecting carriers. If the third carrier, in this case Verizon, can unilaterally refuse to provide transit service, it can prevent indirect interconnection from occurring. (Grieco/Ball Direct, 7/31, at 61-62)</p> <p>The FCC has addressed the issue of indirect interconnection and has</p>	<p>11. Tandem Transit Traffic</p> <p>11.1 As used in this Section 11, Tandem Transit Traffic is Telephone Exchange Service traffic that originates on MCI's network, and is transported through a Verizon Tandem to the Central Office of a CLEC, ILEC other than Verizon, Commercial Mobile Radio Service (CRMS) carrier, or other LEC, that subtends the relevant Verizon Tandem to which MCI delivers such traffic. Neither the originating nor terminating customer is a Customer of Verizon. Subtending Central Offices shall be determined in accordance with and as identified in the Local Exchange Routing Guide (LERG). Switched Exchange Access</p>	<p>While Verizon VA is not required to carry transit traffic, which is traffic that neither originates nor terminates to a Verizon VA customer, Verizon VA has voluntarily agreed to provide this service. Verizon VA, however, is only willing to deliver transit traffic to third-party carriers up to the level of a DS-1 per third party carrier. Despite Verizon VA's willingness to provide this service, WorldCom and AT&amp;T want more. They want Verizon VA to provide them with transit service without any volume restrictions, obviating any need for them to directly interconnect with third-party carriers. There is no basis for Verizon VA to go beyond what it has offered AT&amp;T and WorldCom.</p>

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		<p>CMRS providers in the LATA.</p> <p>10.4 Verizon shall pass all traffic delivered from third party LECs, CLECs, or CMRS providers in the LATA destined to MCI's network or LECs, CLECs, or CMRS providers subtending MCI's Switch.</p> <p>10.5 Tandem Transit Switching Rate. When either Party uses the other Party's network to pass a local call to a third party LEC, CLEC, or CMRS provider, it shall pay a Tandem Transit Switching Rate equal to the tandem switching rate element set forth in Attachment I.</p> <p>10.6 Transit Signaling. MCI may choose to route SS7 signaling information (e.g., ISUP, TCAP) from MCI's signaling network to another CLEC's signaling network via Verizon's signaling network for the purpose of exchanging call processing/network information between MCI and the other CLEC's network, whether or not Verizon has a trunk to the terminating switch, provided that, where Verizon does not have such a trunk, MCI furnishes Verizon with:</p>	<p><b>Network Architecture</b></p> <p>held that telecommunications carriers subject to section 251 (a) are permitted to interconnect either directly or indirectly, based upon their most efficient technical and economic choices. The Commission noted that two non-incumbent LECs could interconnect with one another indirectly via interconnection with an incumbent LECs network. The Commission also noted that "direct interconnection, however, is not required under section 251 (a) of all telecommunications carriers." The Act does not mandate direct interconnection between non-dominant carriers—and there is no basis for Verizon's attempt to compel such direct interconnection. (Grieco/Ball Direct, 7/31 at 61; Grieco/Ball Rebuttal, 8/17, at 38).</p> <p>Indirect interconnection is the most efficient form of interconnection available to two carriers that exchange only minimal amounts of traffic. (Grieco/Ball Direct, 7/31, at 59)</p> <p>Verizon's proposal to limit transit service to a DS-1 of traffic only is not reasonable. The cost of a physical interconnection between two companies for one DS-1 of traffic would be disproportionate</p>	<p>Service traffic is not Tandem Transit Traffic.</p> <p>11.2 Tandem Transit Traffic Service provides MCI with the transport of Tandem Transit Traffic as provided below.</p> <p>11.3 Tandem Transit Traffic may be routed over the Local Interconnection Trunks described in Sections 3 through 6. MCI shall deliver each Tandem Transit Traffic call to Verizon with CCS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of CLASS Features and billing functions. The Parties will mutually agree to the types of records to be exchanged until industry standards are established and implemented.</p> <p>11.4 MCI shall exercise its best efforts to enter into a reciprocal Telephone Exchange Service traffic arrangement (either via written agreement or mutual Tariffs) with any CLEC, ILEC, CMRS carrier, or other LEC, to which it delivers Telephone Exchange Service traffic that transits Verizon's Tandem Office. If MCI does not enter into and provide notice to Verizon of the above referenced arrangement within 180 days of the initial traffic exchange with relevant third party carriers, then Verizon may,</p>	<p>The DS-1 level appropriately limits congestion at Verizon VA's tandems to the benefit of all users of the public switched telephone network. Once AT&amp;T and WorldCom's traffic volumes to third-party carriers go beyond the DS-1 level, they should be encouraged to negotiate interconnection agreements with that third-party carrier because the level of traffic warrants it. If there are no volume restrictions on the transit service Verizon VA provides to them, they have no incentive to directly interconnect with third-party carriers. The Act was meant to encourage competition. It would be ironic if the CLECs could argue that the Act requires Verizon VA to provide indirect interconnection indefinitely and without limitation. If the traffic level warrants it, the CLECs should directly interconnect with one another.</p> <p>Neither AT&amp;T nor WorldCom has stated that they will directly interconnect with third party carriers if the traffic levels warrant it. AT&amp;T claims that it will consider a "variety" of factors. Yet, in response to Verizon VA Interrogatory 11-1, AT&amp;T does not state what would prompt direct interconnection with a third party carrier. Verizon VA's</p>

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		<p><b>10.6.1</b> the destination point codes (DPCs) of all the CLEC switches to which it wishes to send transit signaling;</p> <p><b>10.6.2</b> the identity of the STPs in Verizon's network in which each DPC will be translated; and</p> <p><b>10.6.3</b> the identity of the STPs in the other signaling network to which such transit signaling will be sent.</p> <p><i>7.2 Tandem Transit Traffic Service ("Transit Service")</i></p> <p><i>7.2.1 Transit Service provides AT&amp;T with the transport of Tandem Transit Traffic as provided below. Neither the originating nor terminating Customer is a Customer of Verizon.</i></p> <p><i>7.2.2 Transit Traffic may be routed over the Traffic Exchange Trunks described in <u>Schedule 4</u> and Sections 4 and 5. AT&amp;T shall deliver each Transit Traffic call to Verizon with CCS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of those CLASS Features supported by</i></p>	<p><b>Network Architecture</b></p> <p><b>for this small level of demand. A dedicated piece of transmission equipment, which in today's network would be at least a DS-3 (28 DS-1s), would be woefully underutilized at a 3.5 % rate (1 out of 28 DS-1s). Verizon's proposal would create many small scale but high cost, and inefficient, circuits. (Grieco/Ball Direct, 7/31, at 60).</b></p> <p><b>Verizon has presented no evidence that transit traffic contributes to tandem exhaust. (Grieco/Ball Rebuttal, 8/17, at 38).</b></p> <p><i>Tandem transit service is the tandem switching and common transport provided by Verizon for the exchange of local and intraLATA toll traffic between AT&amp;T and LECs other than Verizon, such as other CLECs and ITCs. Revised Talbott/Schell Direct Testimony Non-Mediated Issues at 53. Verizon claims that is not required to carry transit traffic and if AT&amp;T does not implement direct trunking with certain carriers after a particular traffic threshold is met, Verizon proposes to terminate the provision of tandem services between AT&amp;T and that carrier. Verizon's proposal is contrary to law, is bad public policy and should be rejected.</i></p>	<p>at its sole discretion, terminate Tandem Transit Service at anytime upon thirty (30) days written notice to MCIm.</p> <p>11.5 MCIm shall pay Verizon for Transit Service that MCIm originates at the rate specified in the Pricing Attachment, plus any additional charges or costs the receiving CLEC, ILEC, CMRS carrier, or other LEC, imposes or levies on Verizon for the delivery or termination of such traffic, including any Switched Exchange Access Service charges.</p> <p>11.6 Verizon will not provide Tandem Transit Traffic Service for Tandem Transit Traffic to be delivered to a CLEC, ILEC, CMRS carrier, or other LEC, if the volume of Tandem Transit Traffic to be delivered to that carrier exceeds one (1) DS1 level volume of calls.</p> <p>11.7 If or when a third party carrier's Central Office subtends a MCIm Central Office, then MCIm shall offer to Verizon a service arrangement equivalent to or the same as Tandem Transit Service provided by Verizon to MCIm as defined in this Section 11 such that Verizon may terminate calls to a Central Office of a CLEC, ILEC, CMRS carrier, or other LEC, that subtends a MCIm Central Office ("Reciprocal Tandem Transit</p>	<p>proposal sets forth a reasonable level of traffic at which the CLECs should directly interconnect with third party carriers. This proposal was recently adopted by the New York PSC in an arbitration with AT&amp;T and Verizon NY.</p> <p>If there is no limitation on the level of traffic that travels over Verizon VA's network that is non-Verizon VA traffic, then the Petitioners would have no incentive to interconnect directly with other telecommunications carriers. Verizon VA would be obligated to provide this service in perpetuity because the Petitioners would never have to negotiate with another carrier, provision their own facilities to collect and receive traffic from carriers other than Verizon VA, or directly bill one another. Once the traffic volumes increase beyond a DS-1 level, however, there is no reason for Verizon VA to continue to provide transit services. At this level, the traffic between the CLEC and the other carrier is sufficient to justify their construction of a direct interconnection trunk for their traffic. As addressed more fully in response to Issue I-4 (AT&amp;T I-1-a), Verizon VA needs to limit the traffic at its tandems to prevent tandem exhaust. This is why Verizon VA limits the</p>

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		<p><i>Verizon and billing functions. In all cases, each Party shall follow the Exchange Message Interface ("EMI") standard and exchange records between the Parties.</i></p>	<p align="center"><b>Network Architecture</b></p> <p><i>First, Verizon has a legal obligation to provide transit service to AT&amp;T for the exchange of local traffic with other carriers, regardless of the level of traffic exchanged between AT&amp;T and the other carriers. This is because Verizon is required, pursuant to §251(c)(2)(A) of the Act, to interconnect with carriers for transit and routing of telephone exchange service and exchange access. The statute does not limit this duty to only traffic between AT&amp;T and Verizon. Moreover, the imposition of a capacity restriction also violates Verizon's obligation to interconnect under the Act because it eviscerates AT&amp;T's right, pursuant to §251(a)(1) of the Act, to interconnect indirectly with the facilities and equipment of other carriers.<sup>1</sup> Finally, the imposition of a capacity restriction violates Verizon's § 251(c)(2)(B) obligations to provide interconnection at any technically feasible point. The legal support for AT&amp;T's position is discussed in more detail at pages 30-32 of AT&amp;T's Petition. Second, Verizon is requiring AT&amp;T to establish direct trunking arrangements that often could be highly inefficient and harmful to AT&amp;T. Revised Talbott/SchellDirect Testimony Non-Mediated Issues at 54. Specifically, Verizon proposes to</i></p>	<p>Service"). MCI shall offer such Reciprocal Transit Service arrangements under terms and conditions no less favorable than those provided in this Section 11.</p> <p><b>11.8 Neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal traffic exchange agreement with any carrier to which it originates, or from which it terminates, traffic.</b></p> <p><b>7.2 Tandem Transit Traffic Service ("Transit Service")</b></p> <p><i>7.2.1 Transit Service provides AT&amp;T with the transport of Tandem Transit Traffic as provided below. Neither the originating nor terminating Customer is a Customer of Verizon.</i></p> <p><i>7.2.2 Transit Traffic may be routed over the Traffic Exchange Trunks described in Sections 4 and 5. AT&amp;T shall deliver each Transit Traffic call to Verizon with CCS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of those CLASS Features supported by Verizon and billing functions. In all cases, each Party shall follow the Exchange</i></p>	<p>amount of transit traffic it will provide Petitioners to the DS-1 level.</p> <p>Verizon VA Direct Testimony on Non-Mediation Issues, pages 34-36, 40; Verizon VA Rebuttal Testimony on Non-Mediation Issues, pages 19-21, 24.</p>

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