

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

RECEIVED

SEP 27 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
Petition of WorldCom, Inc. Pursuant)	
to Section 252(e)(5) of the)	
Communications Act for Expedited)	
Preemption of the Jurisdiction of the)	CC Docket No. 00-218
Virginia State Corporation Commission)	
Regarding Interconnection Disputes)	
with Verizon Virginia Inc., and for)	
Expedited Arbitration)	
)	
In the Matter of)	CC Docket No. 00-249
Petition of Cox Virginia Telecom, Inc.)	
)	
In the Matter of)	CC Docket No. 00-251
Petition of AT&T Communications of)	
Virginia Inc., etc.)	

VERIZON VA'S REVISED DIRECT TESTIMONY ON MEDIATION ISSUES¹
(CATEGORIES I AND III THROUGH VII)

BUSINESS PROCESS

KAY SCHNEIDER
MARYELLEN LANGSTINE
WARREN GELLER
WILLIAM H. GREEN

SEPTEMBER 20, 2001

¹ This testimony, originally filed on August 17, is revised to add Warren Geller to the witness panel and to delete Hope Galunas.

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10

I. INTRODUCTION1

II. Issue IV-56: NCTDE2

III. ISSUE IV-59: USOCS AND FIDS7

IV. ISSUE IV-74: INTERIM, STANDARD AND COLLOCATION BILLING.....8

V. ISSUE IV-79: 911 AND E911.....9

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

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 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.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of our testimony is to explain Verizon VA’s position with regard to Business Process issues that had been on the mediation track, but remain unresolved. Specifically, those are Issue IV-56, which concerns Verizon VA’s participation in the National Consumers Telecommunications Data Exchange

1 (NCTDE); Issue IV-59, which concerns Verizon VA's providing to WorldCom
2 electronic copies of Universal Service Order Codes (USOCs), their corresponding
3 alpha-numeric descriptions, and Feature Identifications (FIDS); Issue IV-74,
4 which concerns billing and billing procedures; and Issue IV-79, which concerns
5 911 service.

6
7 **II. ISSUE IV-56: NCTDE**

8 **Q. BRIEFLY DESCRIBE THE STATUS OF THIS ISSUE.**

9 A. It is Verizon VA's understanding that WorldCom had assumed until recently that
10 Verizon VA was a member of the NCTDE. Because Verizon VA is not a
11 member, however, WorldCom has stated that it will propose new language for the
12 Parties' interconnection agreement on this issue. As of the filing of this
13 testimony, WorldCom has not proposed any new language to Verizon VA on this
14 issue.

15
16 **Q. HAS VERIZON VA STATED ITS FACTUAL BASIS FOR OPPOSING
17 WORLDCOM'S PROPOSED LANGUAGE ADDRESSING THIS ISSUE?**

18 A. Yes. The factual basis for Verizon VA's opposition to WorldCom's proposal
19 concerning this issue can be found in Verizon VA's response to Issue IV-56 in
20 Exhibit A to Verizon VA's Answer to WorldCom, Cox, and AT&T Requests for
21 Arbitration, filed with the Commission on May 31, 2001.

22

1 **Q. ARE THERE ANY OTHER REASONS THAT VERIZON VA OPPOSES**
2 **BEING REQUIRED TO PARTICIPATE IN THE NCTDE?**

3 A. Yes, there are several reasons. First, based on its proposed language, WorldCom
4 seems confused as to the objectives of, and information provided by, the NCTDE.
5 In short, requiring Verizon VA to participate in the NCTDE would not provide
6 WorldCom with what it is seeking.

7
8 The objectives of the NCTDE are: 1) to facilitate the early identification of risk
9 accounts from new consumer service applicants whose prior service was
10 terminated with an unpaid balance, and 2) to locate former consumer customers
11 whose service was terminated with an unpaid balance. The NCTDE does not
12 maintain subscriber payment history. When a party applies for service with, or
13 seeks to terminate its account with, a carrier that is a member of the NCTDE, the
14 carrier sends to the NCTDE information about the customer and the customer's
15 account. Where the customer is terminating the account, the participating carrier
16 would send information to the NCTDE about the customer's unpaid account for
17 storage. The participating carrier would inform Equifax if the customer
18 subsequently pays down or pays all of the unpaid balance. Equifax would then
19 inform the NCTDE of this payment and the account would be cleared. Where the
20 customer is seeking service from the participating carrier, the carrier sends
21 information to the NCTDE, which then attempts to match that information to its
22 final account information that may exist in the NCTDE, to determine if the
23 customer has any unpaid accounts with other members of the NCTDE. The

1 NCTDE would then alert the submitting carrier that the customer has an unpaid
2 account with either a local service company or a long distance carrier. There is no
3 general payment history that is provided. The match shows original balance and
4 current balance only. When a new payment (update) is submitted to the database,
5 the original date the account was submitted is overlaid with the new date of the
6 update. Accordingly, there is no generic subscriber history that is contained or
7 shared through the NCTDE.

8
9 In addition, Verizon does not benefit from participation in the NCTDE. Members
10 must pay to the NCTDE per order with discounts depending upon the volume of
11 orders placed. Although Verizon VA is not a participant, Verizon has participated
12 in the NCTDE in its former GTE territory and last year spent over \$240,000
13 submitting orders to the NCTDE.² Since most of the matches that were returned
14 revealed only unpaid balances owed to Verizon, Verizon did not obtain new
15 information-- Verizon has in place its own database containing information about
16 its own unpaid accounts. Moreover, the \$240,000 Verizon spent does not include
17 the system design and infrastructure necessary to participate in this data exchange.
18 In addition, because of Verizon's legal obligations, it is unable to act upon
19 information of unpaid balances in the same way that CLECs can, namely require
20 payments be on a credit card or collect a deposit. Verizon cannot take any action
21 (*i.e.*, deposits, denial of service, etc.) based on a match with a CLEC or Long
22 Distance Company.

² Verizon has recently announced its intention terminating its membership with the NCTDE in the former GTE territories.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

With respect to WorldCom’s proposed §§ 2.1.4.1, WorldCom again misunderstands the information it would receive if Verizon VA participated in the NCTDE. First, contrary to what WorldCom seeks in § 2.1.4.1 (two years of historical information on unpaid closed accounts), NCTDE format does not include two years’ historical information. Once a final account is paid in full, depending on the database the final account resides in, the account may be deleted. Although the amount of unpaid balance, if any, in the applicant’s name is available in a match report, several other pieces of information that WorldCom seeks under its proposed language in §§ 2.1.4.4 - 2.1.4.8 are not available on match reports, such as whether the applicant is delinquent on payments, the length of service with prior local or intraLATA toll providers, whether the applicant had local or intraLATA toll service terminated or suspended within the last six months with an explanation of the reason, and whether the applicant was required by prior local or intraLATA toll providers to pay a deposit or make an advance payment, including the amount of each.

Quite simply, file feeds going to NCTDE do not include any interLATA/intraLATA, deposit or payment history information. In the current NCTDE Exchange report format, there is no place on the match report for any carrier information, deposit, or payment history. Numerous changes would be required by Verizon VA to send the account information to the NCTDE and these changes would be extremely cost prohibitive.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Q. IF VERIZON VA IS NOT FORCED TO PARTICIPATE IN THE NCTDE, IS IT STILL OPPOSED TO PROVIDING SUBSCRIBER PAYMENT HISTORY TO WORLDCOM?

A. Yes. Verizon VA is not a credit reporting agency and does not wish to take on the legal obligations and liabilities of the Fair Credit Reporting Act. Verizon VA relies on general credit reports to assess customer credit risks. WorldCom can do the same, or choose other methods of obtaining the information it desires. WorldCom has no basis to impose any obligations upon Verizon VA to do WorldCom’s work for it.

Q. HAVE THE PARTIES AGREED TO SUBMIT NEW LANGUAGE INTO THE INTERCONNECTION AGREEMENT ADDRESSING CONDITIONS ON WHEN EITHER PARTY MAY REFUSE TO MIGRATE A CUSTOMER OR DISCONNECT A CUSTOMER FROM SERVICE FROM THE OTHER PARTY?

A. Yes. Verizon VA has proposed to WorldCom the following language: “Neither Party shall (a) refuse to migrate a Customer to service from the other Party (including porting a Customer’s telephone number(s)), or (b) disconnect a Customer from service from the other Party (upon such migration), on the basis of such Customer owing amounts to the Party migrating the service to the other Party.” Verizon VA awaits WorldCom’s ultimate approval of this language.

1

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

3 **Q. BRIEFLY DESCRIBE THE STATUS OF THIS ISSUE.**

4 A. WorldCom and Verizon VA addressed this issue in mediation on August 6.
5 Following that session, Verizon VA looked again at its originally proposed
6 contract language regarding billing, and offered some changes intended to satisfy
7 WorldCom's concerns. As of the filing of this testimony, WorldCom has not
8 responded to Verizon VA's modified proposal.

9

10 **Q. PLEASE IDENTIFY THE DOCUMENT ATTACHED AS EXHIBIT BP-2**
11 **TO THIS TESTIMONY.**

12 A. Exhibit BP-2 is the modified contract language proposed by Verizon VA in
13 response to the concerns raised by WorldCom during the mediation process.

14

15 **Q. DOES VERIZON VA BELIEVE THAT EXHIBIT BP-2 ADEQUATELY**
16 **ADDRESSES THE CONCERNS RAISED BY WORLDCOM IN ISSUE IV-**
17 **74?**

18 A. Yes.

19

20 **Q. HAS VERIZON VA STATED ITS FACTUAL BASIS FOR OPPOSING**
21 **WORLDCOM'S PROPOSED LANGUAGE ADDRESSING THIS ISSUE?**

22 A. Yes. The factual basis for Verizon VA's opposition to WorldCom's proposal
23 concerning this issue can be found in Verizon VA's response to Issue IV-74 in

1 Exhibit A to Verizon VA's Answer to WorldCom, Cox, and AT&T Requests for
2 Arbitration, filed with the Commission on May 31, 2001.

3
4 **V. ISSUE IV-79: 911 AND E911**

5
6 **Q. BRIEFLY DESCRIBE THE STATUS OF THIS ISSUE.**

7 A. WorldCom and Verizon VA discussed 911 service in the July 26 and 27
8 mediation sessions in the context of WorldCom Issue IV-7. While Issue IV-7
9 focuses on 911 trunking, Verizon VA proposed the same language to resolve that
10 issue as it proposes to resolve this issue. See 911 Attachment to Exh. C-1 to
11 Verizon VA's Answer to WorldCom, Cox and AT&T Requests for Arbitration.
12 At the time of this filing, WorldCom is still considering whether it wishes to
13 change or add to the Verizon VA-proposed language.

14
15 **Q. DOES VERIZON VA BELIEVE THAT ITS 911 ATTACHMENT**
16 **ADEQUATELY ADDRESSES THE CONCERNS RAISED BY**
17 **WORLDCOM IN ISSUE IV-79?**

18 A. Yes.

19
20 **Q. HAS VERIZON VA STATED ITS FACTUAL BASIS FOR OPPOSING**
21 **WORLDCOM'S PROPOSED LANGUAGE ADDRESSING THIS ISSUE?**

22 A. Yes. The factual basis for Verizon VA's opposition to WorldCom's 911 proposal
23 can be found in Verizon VA's response to Issue IV-79 in Exhibit A to Verizon

1 VA's Answer to WorldCom, Cox, and AT&T Requests for Arbitration, filed with
2 the Commission on May 31, 2001.

3

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

5 A. Yes.

6

1
2
3
4
5
6
7
8
9
10
11
12

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 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

1
2
3
4
5
6
7
8
9
10
11
12
13
14

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

Verizon VA's Proposal Regarding Issue IV-74

Except as otherwise provided in this Agreement, each Party shall submit to the other Party on a monthly basis in an itemized form, statement(s) of charges incurred by the other Party under this Agreement.

- 9.2 The providing Party and the purchasing Party will use commercially reasonable efforts to establish the same monthly billing date ("Bill Date") each month for each purchasing Party account within the state. Except as otherwise provided in this Agreement, payment of amounts billed for Services provided under this Agreement, whether billed on a monthly basis or as otherwise provided in this Agreement, shall be due, in immediately available U.S. funds, thirty (30) calendar days after the Bill Date (the "Due Date"). The providing Party will transmit all invoices within ten (10) calendar days after the Bill Date. Any invoice received by the purchasing Party on a Saturday, Sunday or national holiday will be deemed received 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. Payments shall be transmitted by electronic funds transfer.
- 9.3 If any portion of an amount billed by a Party under this Agreement is subject to a good faith dispute between the Parties, the billed Party shall give notice to the billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. A Party may also dispute prospectively with a single notice a class of charges that it disputes. Notice of a dispute may be given by a Party at any time, either before or after an amount is paid, and a Party's payment of an amount shall not constitute a waiver of such Party's right to subsequently dispute its obligation to pay such amount or to seek a refund of any amount paid. The billed Party shall pay by the Due Date all undisputed amounts. Billing disputes shall be subject to the terms of Section [], Dispute Resolution.
- 9.4 Charges due to the billing Party that are not paid by the Due Date, shall be subject to a late payment charge. The late payment charge shall be in an amount specified by the billing Party which shall not exceed a rate of one-and-one-half percent (1.5%) of the overdue amount (including any unpaid previously billed late payment charges) per month.
- 9.5 Although it is the intent of both Parties to submit timely statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and, except for assertion of a provision of Applicable Law that limits the period in which a suit or

other proceeding can be brought before a court or other governmental entity of appropriate jurisdiction to collect amounts due, the billed Party shall not be entitled to dispute the billing Party's statement(s) based on the billing Party's failure to submit them in a timely fashion.

1
2
3
4
5
6
7
8
9
10
11
12
13

Verizon VA's Proposal Regarding Issue IV-59

Upon Verizon's receipt from MCIIm of an executed non disclosure agreement in form and substance reasonably acceptable to Verizon, Verizon shall provide MCIIm with a complete, electronic copy of USOC codes, and an accompanying alphanumeric description of each code, used by Verizon for provision of services (including UNEs) under this Agreement; as of the effective date of this Agreement, Verizon acknowledges that it has received an acceptable non-disclosure agreement from MCIIm. In addition, the Parties shall continue to cooperate in the change management process to develop a document to show the relationship between USOCs and FIDs.

CURRICULUM VITAE FOR BUSINESS PROCESS PANELIST

I. KAY SCHNEIDER

Ms. Schneider has twenty years experience with former GTE, now Verizon, in Service Orders, Billing and Collections. She has held various positions of increasing responsibility in Service Orders, Billing, Collections, Payment agents and Customer Relations. In her current position of Specialist - Systems Support, she is responsible for support of former GTE collection and treatment policies and procedures. She is the functional owner of NCTDE for former GTE, responsible for developing and implementing NCTDE processes.

II. MARYELLEN LANGSTINE

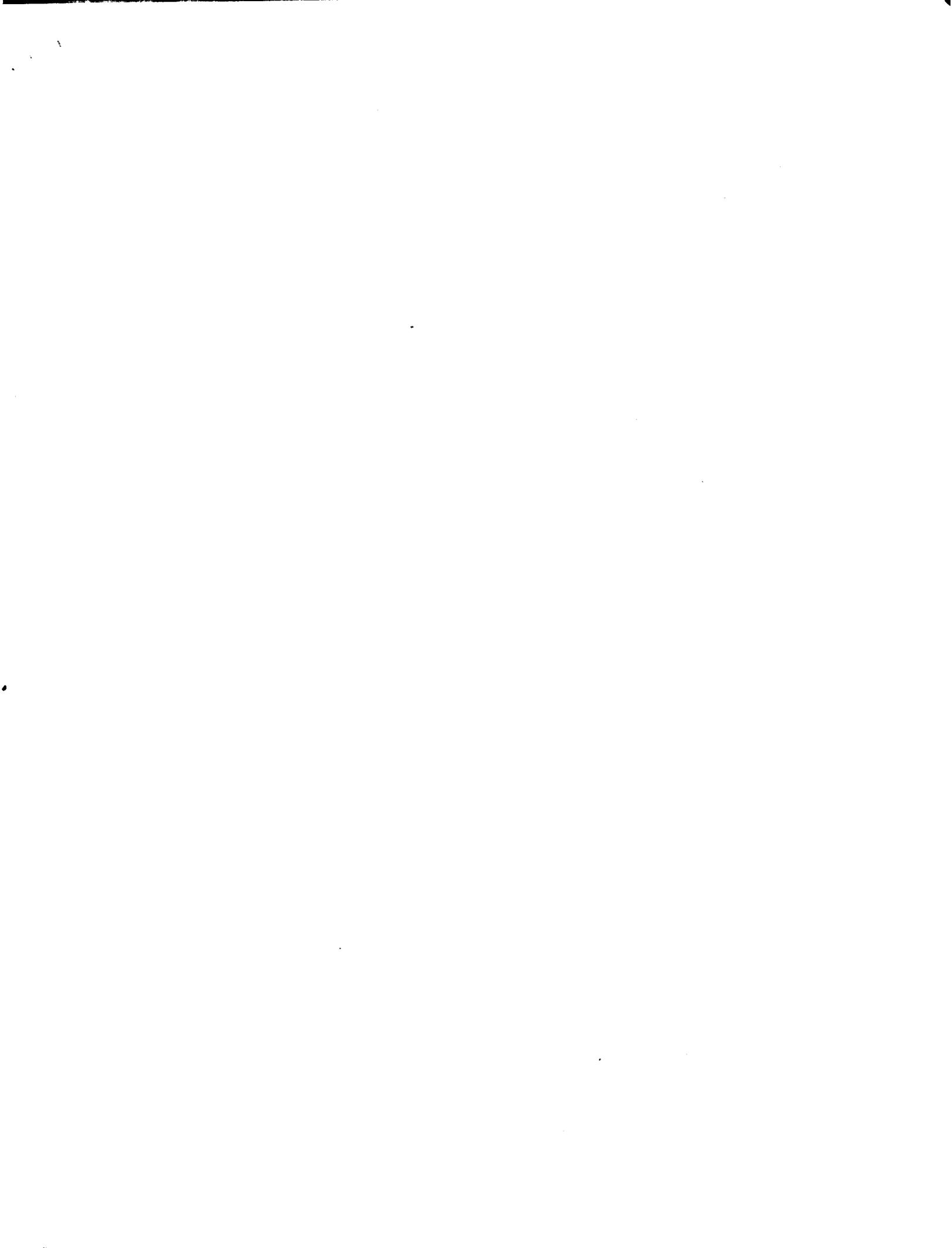
Ms. Langstine has twenty-two years of experience with Verizon. She has held numerous positions, each with increasing responsibility. She has directed a number of teams dedicated to customer service delivery. She has headed central office, installation and maintenance field operations teams for POTS and special services. Most recently, she was the Director of Operations for several service centers for Verizon's largest retail business customers in Long Island, Pennsylvania and Delaware. She is currently responsible for the production support of the Line Loss Report and reviewing procedures and documentation to ensure consistency across the Wholesale CLEC Customer Support team. Additionally, she is responsible for responding to issues brought to the team by CLECs.

III. WARREN GELLER

Mr. Geller joined the Company in February 1971 and has held various positions of increasing responsibility in Engineering, Service Costs and Product Management. He is responsible for the oversight of billing for the Attestation Trials and the development of billing requirements for UNE products.

IV. WILLIAM GREEN

Mr. Green has more than 21 years of experience in the telecommunications industry as an employee of Verizon and its predecessor companies. During that time, I have held various positions of increasing responsibility in the Marketing, Business Planning and Finance/Accounting areas. He is responsible for management of the 911/E-911 product throughout Verizon's service territory, including negotiation of interconnection agreement provisions and development of business rules and rates associated with the provisioning of 911/E-911 services for CLECs, resellers, and independent and wireless carriers.



CURRICULUM VITAE FOR BUSINESS PROCESS PANELIST

I. KAY SCHNEIDER

Ms. Schneider has twenty years experience with former GTE, now Verizon, in Service Orders, Billing and Collections. She has held various positions of increasing responsibility in Service Orders, Billing, Collections, Payment agents and Customer Relations. In her current position of Specialist - Systems Support, she is responsible for support of former GTE collection and treatment policies and procedures. She is the functional owner of NCTDE for former GTE, responsible for developing and implementing NCTDE processes.

II. MARYELLEN LANGSTINE

Ms. Langstine has twenty-two years of experience with Verizon. She has held numerous positions, each with increasing responsibility. She has directed a number of teams dedicated to customer service delivery. She has headed central office, installation and maintenance field operations teams for POTS and special services. Most recently, she was the Director of Operations for several service centers for Verizon's largest retail business customers in Long Island, Pennsylvania and Delaware. She is currently responsible for the production support of the Line Loss Report and reviewing procedures and documentation to ensure consistency across the Wholesale CLEC Customer Support team. Additionally, she is responsible for responding to issues brought to the team by CLECs.

III. HOPE GALUNAS

Ms. Galunas has seventeen years of experience with Verizon in access bill management, collections, access account management and access systems implementation. She is responsible for managing billing disputes for access and CLEC bills and for collection of outstanding access and CLEC receivables.

IV. WILLIAM GREEN

Mr. Green has more than 21 years of experience in the telecommunications industry as an employee of Verizon and its predecessor companies. During that time, I have held various positions of increasing responsibility in the Marketing, Business Planning and Finance/Accounting areas. He is responsible for management of the 911/E-911 product throughout Verizon's service territory, including negotiation of interconnection agreement provisions and development of business rules and rates associated with the provisioning of 911/E-911 services for CLECs, resellers, and independent and wireless carriers.



Verizon VA's Proposal Regarding Issue IV-74

Except as otherwise provided in this Agreement, each Party shall submit to the other Party on a monthly basis in an itemized form, statement(s) of charges incurred by the other Party under this Agreement.

- 9.2 The providing Party and the purchasing Party will use commercially reasonable efforts to establish the same monthly billing date ("Bill Date") each month for each purchasing Party account within the state. Except as otherwise provided in this Agreement, payment of amounts billed for Services provided under this Agreement, whether billed on a monthly basis or as otherwise provided in this Agreement, shall be due, in immediately available U.S. funds, thirty (30) calendar days after the Bill Date (the "Due Date"). The providing Party will transmit all invoices within ten (10) calendar days after the Bill Date. Any invoice received by the purchasing Party on a Saturday, Sunday or national holiday will be deemed received 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. Payments shall be transmitted by electronic funds transfer.
- 9.3 If any portion of an amount billed by a Party under this Agreement is subject to a good faith dispute between the Parties, the billed Party shall give notice to the billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. A Party may also dispute prospectively with a single notice a class of charges that it disputes. Notice of a dispute may be given by a Party at any time, either before or after an amount is paid, and a Party's payment of an amount shall not constitute a waiver of such Party's right to subsequently dispute its obligation to pay such amount or to seek a refund of any amount paid. The billed Party shall pay by the Due Date all undisputed amounts. Billing disputes shall be subject to the terms of Section [], Dispute Resolution.
- 9.4 Charges due to the billing Party that are not paid by the Due Date, shall be subject to a late payment charge. The late payment charge shall be in an amount specified by the billing Party which shall not exceed a rate of one-and-one-half percent (1.5%) of the overdue amount (including any unpaid previously billed late payment charges) per month.
- 9.5 Although it is the intent of both Parties to submit timely statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and, except for assertion of a provision of Applicable Law that limits the period in which a suit or

other proceeding can be brought before a court or other governmental entity of appropriate jurisdiction to collect amounts due, the billed Party shall not be entitled to dispute the billing Party's statement(s) based on the billing Party's failure to submit them in a timely fashion.

1
2
3
4
5
6
7
8
9
10
11
12
13

Verizon VA's Proposal Regarding Issue IV-59

Upon Verizon's receipt from MCIIm of an executed non disclosure agreement in form and substance reasonably acceptable to Verizon, Verizon shall provide MCIIm with a complete, electronic copy of USOC codes, and an accompanying alphanumeric description of each code, used by Verizon for provision of services (including UNEs) under this Agreement; as of the effective date of this Agreement, Verizon acknowledges that it has received an acceptable non-disclosure agreement from MCIIm. In addition, the Parties shall continue to cooperate in the change management process to develop a document to show the relationship between USOCs and FIDs.