

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

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

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

GENERAL TERMS AND CONDITIONS

- CHRISTOS T. ANTONIOU
- MICHAEL A. DALY
- STEVEN J. PITTERLE

AUGUST 17, 2001

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I. WITNESS BACKGROUND

2A. CHRISTOS T. ANTONIOU

3 Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.

4 A. My name is Christos T. Antoniou and my business address is 1320 N. Court
5 House Road. 8th Floor, Arlington, Virginia 22201.

6
7 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

8 A. I am employed as an attorney by Verizon Services Corp. (“Verizon”). I assumed
9 my current position in May 1998.

10
11 Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND
12 EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.

13 A. My educational background and experience in the telecommunications industry is
14 described in detail at Rebuttal Exhibit GTC-1. As highlighted therein, prior to
15 joining Verizon, I was a corporate attorney at Skadden, Arps, Slate, Meagher &
16 Flom LLP, and at Milbank, Tweed, Hadley & McCloy, focusing on project
17 finance and other corporate issues. I received a J.D.. from Yale Law School in
18 1992 and a B.S. from the United States Military Academy at West Point in 1984.
19 Prior to practicing law, I served as an officer in the United States Army.

20
21 Q. PLEASE STATE IN GENERAL TERMS YOUR RESPONSIBILITIES.

22 A. My principal areas of responsibility are negotiating, arbitrating and litigating
23 contractual arrangements and disputes under the Telecommunications Act of

1 1996, and providing legal advice to Verizon's product managers for
2 interconnection and related matters.

3
4B. MICHAEL A. DALY

5 **Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.**

6 A. My name is Michael A. Daly and my business address is 2107 Wilson Boulevard,
7 11th Floor, Arlington, Virginia.

8
9 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

10 A. I am employed by Verizon Services Group ("Verizon"), Wholesale Markets,
11 which is the Verizon business unit responsible for serving resellers and other
12 competitive local exchange carriers ("CLECs"). I am a director in the
13 Interconnection Services group responsible for contract negotiations. I assumed
14 my current position in February, 1997.

15
16 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND
17 EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.**

18 A. My educational background and experience in the telecommunications industry is
19 described in detail at Rebuttal Exhibit GTC-1. As highlighted therein, during my
20 twenty-two year career with Verizon and its predecessor companies, I have held a
21 variety of positions with increasing levels of responsibility in Sales, Marketing,
22 Product Management and Interconnection Services.

23 **Q. PLEASE STATE IN GENERAL TERMS YOUR RESPONSIBILITIES.**

1 A. My principal responsibility is to direct a team of negotiators representing Verizon
2 in the course of interconnection negotiations with CLECs pursuant to Sections
3 251 and 252 of the Telecommunications Act of 1996. I have specific
4 accountability for negotiations with AT&T. I also oversee the interconnection
5 negotiations with Commercial Mobile Radio Service (“CMRS”) carriers as well
6 as manage a team of people responsible for the processing of requests for
7 negotiations.

8

9C. STEVEN J. PITTERLE

10 Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.

11 A. My name is Steven J. Pitterle and my business address is 600 Hidden Ridge
12 Drive, Irving, Texas, 75038.

13

14 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

15 A. I am employed by Verizon Services Group (“Verizon”) as Director --
16 Negotiations.

17

18 Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND
19 EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.

20 A. My educational background and experience in the telecommunications industry is
21 described in detail at Rebuttal Exhibit GTC-1. As highlighted therein, during my
22 thirty-one year career with Verizon and its predecessor companies, I have held a
23 variety of position with increasing levels of responsibility in Engineering, Service,
24 Regulatory Affairs, intraLATA Compensation Administrator, Interexchange

1 Account Manager for the former GTE North, and Wisconsin Director-External
2 Affairs.

3

4 **Q. PLEASE STATE IN GENERAL TERMS YOUR RESPONSIBILITIES.**

5 A. My principal responsibility is to oversee Verizon's competitive local exchange
6 carrier ("CLEC") interconnection negotiation activities, as specified by Sections
7 251 and 252 of the Telecommunications Act of 1996, for defined areas within
8 Verizon. I am also involved in the development of policies pertaining to
9 interconnection matters.

10

11 **II. PURPOSE AND OVERVIEW OF TESTIMONY**

12 **Q. WHAT IS THE PURPOSE OF THE REBUTTAL TESTIMONY OF THE**
13 **GENERAL TERMS AND CONDITIONS PANEL ON THE NON-**
14 **MEDIATION ISSUES IN THIS PROCEEDING?**

15 A. The purpose of this testimony is to respond to the testimony of WorldCom
16 witnesses Trofimuk and Harthun, at 3, and Cox witness Collins, at 33, with
17 respect to the termination provision of the interconnection agreement (Issue I-10).
18 Moreover, although Issue I-11 was grouped in previous pleadings with the UNE
19 Issues, this Panel will respond to the testimony of AT&T witness Kirchberger, at
20 6-7, Cox witness Collins, at 35-37, and WorldCom witness Lichtenberg, at 7-12,
21 with respect to termination of Petitioners' access to Verizon VA's Operation
22 Support Systems (OSS).

23

1 The language to which AT&T and Verizon have agreed satisfactorily addresses
2 Verizon's well-founded concern over the sort of "evergreen" provision that
3 WorldCom has suggested, whereby the contract would continue in effect at
4 WorldCom's whim, even if WorldCom has not formally requested negotiations.
5 Importantly, under WorldCom's proposed language, only WorldCom (and not
6 Verizon) may formally request negotiations.

7
8 WorldCom's proposed contract language in Section 3.2 provides that the
9 interconnection agreement:

10 . . . shall remain in full force and effect under the same terms and
11 conditions, subject to true-up of the rates, until the effective date of
12 a superceding interconnection agreement between Verizon and
13 MCI; provided the either (i) MCI has requested formal or
14 informal negotiations, or (ii) Verizon has requested informal
15 negotiations, of a superceding interconnection agreement. Neither
16 Party may request such negotiations earlier than 120 days prior to
17 the end of the Initial Term.

18 The key principle implicated by this issue is that each Party to a contract should
19 have the right to a date certain for termination of the contract. Such a right keeps
20 the contract from being "evergreen," thereby providing each Party the opportunity
21 to revise the contract in consideration of its legitimate business interests. Not
22 surprisingly, WorldCom wishes to have just such a right to negotiate new terms.
23 Again, not surprisingly, WorldCom wishes to deny Verizon such a right, although
24 it tries to paint its proposed contract language as providing otherwise. To wit,
25 WorldCom would have the contract provide that it will go on indefinitely (*i.e.*, it
26 would be evergreen) unless WorldCom formally or informally requests
27 negotiations, or unless Verizon informally requests negotiations.

1 A cursory reading of WorldCom's proposed language suggests that it may be a
2 fair resolution of the matter. But WorldCom's language is anything but fair – it is
3 entirely one-sided. Indeed, under WorldCom's proposed language, if WorldCom
4 does not wish to request negotiations (*i.e.*, it wishes to have the contract go on
5 indefinitely), it would have the right to do so. This is because, under WorldCom's
6 language, Verizon's would have only the limited right to request *informal*
7 negotiations, which cannot lead to arbitration of the agreement. Only a formal
8 request for negotiations under § 252 can result in arbitration. And, under
9 WorldCom's suggested approach, only WorldCom (and not Verizon) may make
10 such a formal request.

11
12 This transparent unfairness should be rejected.

13
14 The Commission should require WorldCom and Cox to use the same contract
15 language on this subject to which Verizon and AT&T have agreed in § 22 of the
16 Verizon/AT&T proposed interconnection agreement:

17 22.0 TERM AND TERMINATION; DEFAULT

18
19 **22.1** This Agreement shall be effective as of the date first above
20 written and, unless terminated earlier in accordance with the terms
21 hereof, shall continue in effect until MM/DD, 200X (the "Initial
22 Term"), and thereafter the Agreement shall continue in force and
23 effect on a month-to-month basis unless and until terminated as
24 provided herein. Following termination of this Agreement
25 pursuant to this Section 22.1, this Agreement shall remain in
26 effect as to any Termination Date Verizon Service for the
27 remainder of the Contract Period applicable to such Termination
28 Date Verizon Service at the time of the termination of this
29 Agreement. If a Termination Date Verizon Service is terminated
30 prior to the expiration of the Contract Period applicable to such

1 Termination Date Verizon Service. AT&T shall pay any
2 termination charge provided for in this Agreement.
3

4 22.2 [Intentionally deleted]

5 **22.3** Either AT&T or Verizon may terminate this Agreement,
6 effective upon the expiration of the Initial Term or effective upon
7 any date after expiration of the Initial Term, by providing written
8 notice of termination at least ninety (90) days in advance of the
9 date of termination.
10

11 **22.3.1** If either AT&T or Verizon provides notice of
12 termination pursuant to Section 22.3 above and on or before
13 the proposed date of termination either AT&T or Verizon
14 has requested negotiation of a new interconnection
15 agreement, unless this Agreement is cancelled or terminated
16 earlier in accordance with the terms hereof (including, but
17 not limited to, pursuant to Section 22.4), this Agreement
18 shall remain in effect until the earlier of: (a) the effective
19 date of a new interconnection agreement between AT&T
20 and Verizon; or, (b) the date one (1) year after the proposed
21 date of termination, unless otherwise agreed in writing by
22 the Parties.
23

24 **22.3.2** If either AT&T or Verizon provides notice of
25 termination pursuant to Section 22.3 above and by 11:59
26 PM Eastern Time on the proposed date of termination
27 neither AT&T nor Verizon has requested negotiation of a
28 new interconnection agreement, (a) this Agreement will
29 terminate at 11:59 PM Eastern Time on the proposed date
30 of termination, and (b) the service arrangements being
31 provided under this Agreement at the time of termination
32 will be terminated, except to the extent that the Purchasing
33 Party has requested that such service arrangements continue
34 to be provided pursuant to an applicable Tariff or SGAT.
35
36

37 **IV. TERMINATION OF ACCESS TO OSS (Issue I-11)**

38 **Q. WHAT ARE THE PARTIES SEEKING WITH REGARD TO OSS ACCESS**
39 **TERMINATION?**

1 A. AT&T Witness Kirchberger at 6-7, Cox Witness Collins at 35-37 and WorldCom
2 Witness Lichtenberg at 7-12 appear to be concerned with Verizon VA's inclusion
3 of a contractual provision by which a continuing breach for more than 10 days of
4 the CLECs' obligations as to the access and use of Verizon VA's OSS will result
5 in a suspension of that access and use (*see, e.g.*, Schedule 11, § 5 Liabilities and
6 Remedies in Verizon VA's proposed interconnection agreement to AT&T).

7

8 **Q. WHY DOES VERIZON VA REQUIRE SUCH A REMEDY?**

9 A. As stated succinctly by WorldCom Witness Lichtenberg, the OSS is "all the
10 systems, databases, business processes and personnel needed to ensure that a local
11 exchange carrier can satisfy the needs and expectations of its customers."
12 WorldCom Witness Lichtenberg at 7. These systems are critical to the operation
13 of Verizon VA's network, as well as the networks of all CLECs. Because of the
14 importance of the systems and the need to assure prompt remediation of any
15 breach in the CLEC's contractual obligations on the access and use of the OSS,
16 Verizon VA believes it is absolutely appropriate to provide a remedy that is
17 concomitant with the seriousness of the breach. Cox Witness Collins at 36 states
18 that "Verizon has provided no indication that Cox has ever used that OSS in any
19 way that could be harmful to Verizon or other OSS users" and suggests this
20 assertion "demonstrates that onerous remedies are unnecessary." Verizon VA,
21 however, concludes the opposite, that is, because the remedy is significant,
22 CLECs will use the OSS properly and, accordingly, it should be included in the
23 interconnection agreement. Even if Cox has not used the OSS system in a manner

1 that would be harmful to the network and other carriers, any carrier opting into
2 Cox's contract that did not similarly respect the integrity of the OSS system
3 would not be contractually deterred from such inappropriate activity if Cox's
4 contract did not include the subject remedy provision for misuse.

5

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

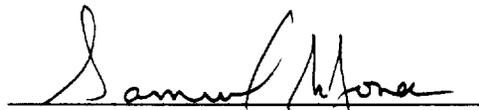
7 **A. Yes.**

8

Declaration of Steven J. Pitterle

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

Executed this 17th day of August, 2001.

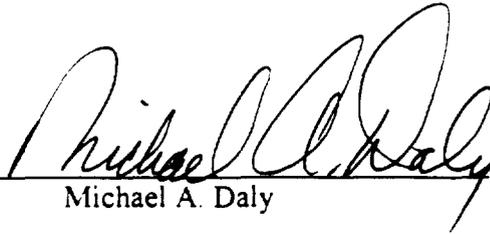
A handwritten signature in black ink, appearing to read "Samuel M. Jones", is written over a horizontal line.

Samuel M. Jones
On behalf of
Steven J. Pitterle

Declaration of Michael A. Daly

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

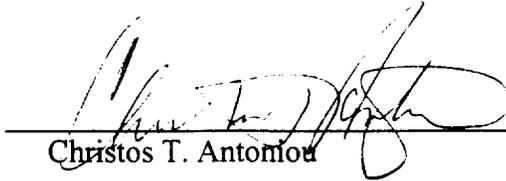
Executed this 17th day of August, 2001.


Michael A. Daly

Declaration of Christos T. Antoniou

I declare under penalty of perjury that I have reviewed the foregoing testimony and confirmed that it is true and correct.

Executed this 17th day of August, 2001.


Christos T. Antoniou

CURRICULUM VITAE FOR GENERAL TERMS AND CONDITIONS PANELIST

I. CHRISTOS T. ANTONIOU

Mr. Antoniou earned his Bachelor of Science degree from the United State Military Academy at West Point in 1984. In 1992, he received his Juris Doctorate from Yale Law School. Mr. Antoniou has served as an attorney at Verizon for the past three years. His primary areas of responsibility are negotiating, arbitrating and litigating contractual arrangements and disputes under the Telecommunications Act of 1996, and providing legal advice to Verizon's product managers for interconnection and related matters. Prior to joining Verizon, Mr. Antoniou was a corporate attorney at Skadden, Arps, Slate, Meagher & Flom LLP, and at Milbank, Tweed, Hadley & McCloy, in each case at their Washington, D.C. offices, focusing on project finance and other corporate issues. In addition to practicing law, Mr. Antoniou was an officer in the United States Army.