Attachment B

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

In the Matter of	)	
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers	)	CC Docket No. 01-338
Implementation of the Local Competition Provisions in the Telecommunications Act of 1996	)	CC Docket No. 96-98
Deployment of Wireline Services Offering Advanced Telecommunications Capability	)	CC Docket No. 98-147

DECLARATION OF JOHN BERRINGER AND DAVID R. SMITH
ON BEHALF OF SBC COMMUNICATIONS INC.

The undersigned, each being of lawful age and duly sworn, do hereby state as follows:

QUALIFICATIONS

1. My name is John Berringer, Vice President – Network Strategy & Infrastructure for SBC Operations, Inc. I am responsible for network strategy, network infrastructure support, new product & technology integration, and National Security Emergency Preparedness (NSEP) for the 13 state wireline Network Services organizations. In this capacity, I am also responsible for providing network reliability and operational support for network infrastructure and developing business strategies to evolve systems, processes, products and technologies to meet the needs of customers and satisfy Corporate and Network Services priorities.

2. I previously served as President and CEO – SMSI & SBVS for SBC Operations. There I was responsible for all operations and financial management for two of Southwestern Bell's fastest growing subsidiaries. Southwestern Bell Messaging Services, Inc. provides CallNotes® voice mail to about 1.5 million residential and business customers, and Southwestern Bell Video Services provides video products to apartment complexes as part of the SmartMoves® marketing program.

3. I began working for Southwestern Bell in 1985 in SWBT's network operations division in Austin, Texas. I have held a variety of network operations jobs that involved network management and project management for network upgrades.

4. My name is David Ross Smith, I am employed by SBC Management Services, Inc. as Associate Director - Regulatory Support. I am presently responsible for monitoring Local Service Center ("LSC") and Local Operations Center ("LOC") performance and investigating complaints involving or impacting LSC and LOC operations for SBC's 12 state Local Operation organization. I coordinate changes within the LSC and LOC as necessary to comply with regulatory requirements. In addition, I provide requested information and testimony to regulatory bodies regarding LSC and LOC operations.

5. I have been employed by SBC since graduation from college in various capacities. I have managed SBC network functions including installation, repair, maintenance and assignment for Plain Old Telephone Service (POTS) and Special Services and have held a position on the SBC Network Operations Staff. I also served as a Member-Technical Staff for Telcordia (aka Bellcore) in a rotational assignment reviewing Operational Support System (OSS) impacts from new technologies.

6. I have also held the position of Performance Consultant, SBC - Center for Learning, where I had responsibilities for SBC's network curriculum across all regions.

7. I received my B.B.A. in 1980 from Texas A&M University.

PURPOSE OF DECLARATION

8. This declaration responds to claims by AT&T and various other commenters that incumbent LECs ("ILECs") should be required to continue to offer local switching on an unbundled basis because they allegedly cannot provision unbundled local loops quickly enough or with sufficient service quality to allow competing local exchange carriers ("CLECs") to compete effectively through self-provided switching. AT&T in particular contends that (1) the coordinated hot cut process is unworkable because it "causes severe provisioning delays and prolonged service outages which are unacceptable to business customers" (Brenner Aff., ¶ 57); and (2) hot cuts "…could never be performed in the quantities that would be required to sustain a truly competitive local market." (Brenner Aff. ¶ 70).

9. These claims are unfounded, as are the similar claims of other commenters. SBC has well-established, well-documented, and well-tested processes in place that allow it to efficiently, reliably, and timely provision unbundled hot cut loops. SBC repeatedly has demonstrated that it provisions CLEC hot cut orders on a timely basis, with minimal disruption to end users. Further, SBC has the capacity to meet any reasonably foreseeable increase in demand for stand alone unbundled loops (*i.e.*, loops that are not ordered as a component of UNE-P) that might result from increased usage of competitive switching resulting from the elimination of SBC's obligation to provide unbundled switching.

INTRODUCTION—THE HOT CUT PROCESS

10. This declaration focuses on and provides a general description of SBC's hot cut processes in its three primary regions: the Southwestern Bell ("SWBT") region, the Ameritech ("AIT") region, and the Pacific ("Pacific") region.[1] In all three regions, SBC offers CLECs two different methods for the provisioning of unbundled "hot cut" loops: the Coordinated Hot Cut (CHC) process[2] and the Frame Due Time (FDT) process.

11. While the specifics differ, in all three regions the CHC/FDT processes are established, well-documented, and were implemented after extensive negotiation with the CLECs.[3] Both processes involve manually disconnecting an active loop in the SBC central office (CO) and reconnecting it at a cross-connect point that receives dial tone from the CLEC switch, allowing the CLEC to provide dial tone to the end-user. Both processes also provide for porting the telephone number from the SBC switch to the CLEC switch through Local Number Portability (LNP).

CHC/FDT Ordering

12. In all three regions, the SBC Local Service Centers (LSCs) are the CLECs' point of contact for the ordering of interconnection facilities, resold services and unbundled network elements (UNEs), including orders for unbundled loops to be provisioned via the CHC or FDT process. The LSCs process all manually submitted local service requests (LSRs), as well as all electronically-submitted orders that require manual handling. CLEC LSRs requesting CHC conversions are designed to fall out for manual handling in the LSCs. In the SWBT and Pacific regions, FDT orders are designed to flow automatically through SBC's ordering systems without manual handling; in AIT these orders are manually handled in the LSC.

13. In AIT and SWBT, CHCs are available for orders of up to 24 loops to the same end-user at the same address, with the same due date; in Pacific CHCs are available for orders of up to 20 loops. FDTs are available for orders of up to 24 loops in SWBT and AIT, and up to 19 loops in Pacific. Larger conversions are handled on a project basis.[4]

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[1] As used in this Declaration, the term "SBC" refers collectively to the SBC ILECs operating in the SWBT region (Texas, Missouri, Oklahoma, Kansas and Arkansas), the AIT region (Michigan, Illinois, Wisconsin, Ohio and Indiana), and the Pacific region (California and Nevada). SNET has no significant volumes of unbundled switching. The elimination of unbundled switching would have virtually no impact on hot cut volumes in SNET, which is thus not included in this analysis.

[2] In the Pacific Region, the CHC process is referred to as the "To Be Called Cut" (TBCC) process.

[3] CHC and FDT process flows for each region are available on SBC's CLEC Online Web Site at https://clec.sbc.com/clec/, Forms & Exhibits-Reuse of Loop (AIT), Reuse of Loop (PB), CHC & FDT Process Flows (SWBT).

[4] Once the date and time for a CHC/FDT conversion requesting LNP is scheduled, SBC sends a release telephone number (TN) and the CLEC sends a create "Subscription Version" to the Number Portability Administration Center (NPAC) (third-party administrator for the number portability database), confirming that the specified TNs are to be ported as of the date scheduled for the conversion. According to the provisioning flows established by the North

CHC/FDT Provisioning

14. The SBC Local Operations Centers ("LOCs") support the provisioning of UNEs, interconnection facilities and resold services within SBC's local networks, as well as any maintenance and repair functions requested by competing carriers. While the specifics vary slightly from region to region, as a general matter LOC employees are responsible for reviewing CHC service orders and associated facilities, and when needed facilitating a resolution between the CO and the CLEC prior to or during the cutover. In addition, the LOC works jointly with the CLEC and CO personnel during CHC cutovers to communicate the start and end times between the parties.

15. The CO work necessary to provision a hot cut loop involves manually disconnecting an active loop connected to an SBC switch in the SBC CO and reconnecting it at a cross-connect point that receives dial tone from the CLEC switch. Prior to the cutover due date, CO technician activities include reviewing the service order and pre-running cross connections (referred to as "jumpers" or "cross connects") to the specified assignments on the CLEC's cross connect facility.[5]

16. On the due date for a given CHC, the LOC receives a call from the CLEC advising that the CLEC is ready for the CHC to begin. A LOC employee then instructs the CO technician to proceed with the conversion. The CO technician checks the end-user's loop and the CLEC's facility assignment to verify dial tone, and then performs a "lift" of the old jumper (disconnecting the loop from SBC's switch) and a "lay" of the new jumper (connecting the loop to the CLEC's cross connect facility). Once the cut is complete, the CO technician verifies that dial tone from the CLEC's switch is leaving the Central Office. The CO technician then contacts the LOC to advise that the cut is complete, so that the LOC may advise the CLEC.[6]

17. The process for FDT cuts is basically the same as that outlined above, except for coordination between the CLEC and the LOC, and the LOC and the CO. On an FDT, both the CLEC and SBC are responsible for completing their work on schedule to meet

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American Numbering Council (NANC, which is the FCC's delegated rulemaking body for LNP), if the losing carrier fails to provide its release TN, porting proceeds at the direction of the winning carrier. In all three regions, SBC's systems are designed to automatically send the release TN to the NPAC.

[5] The number of cross connects required for a hot cut may vary depending on the size of the central office, type of frame and location of CLEC equipment. For example, a hot cut conversion may involve running a cross connect from the SBC loop facility assignment on main distribution frame (MDF) to a "tie pair" assignment, which is also located on the MDF. Cabling from the tie pair assignment provides a connection between the SBC loop assignment on the MDF to an intermediate frame. A second cross connect may then be run from the tie pair assignment on the intermediate frame to the CLEC's cross connect facility assignment. As set out in Attachment A, SBC estimates that an average of 4 cross connects is required for each hot cut loop provisioned in the SWBT region; 2 for each hot cut loop provisioned in the AIT region; and only one per hot cut loop in the Pacific region.

[6] Once the cut is complete, the CLEC is responsible for sending an "activate" message to the containing the Local routing number (LRN) for the CLEC switch to NPAC. This activation is broadcast from NPAC to all facility based providers in the region. Subsequently, all calls to the TN will route to the CLEC's switch for completion.

the due date and time for the conversion, without need for "live" coordination between the companies during the cutover itself.

SBC PROVIDES HOT CUTS IN A MANNER THAT ALLOWS CLECS A MEANINGFUL OPPORTUNITY TO COMPETE

18. AT&T asserts that the hot cut process is inherently unreliable due to its manual nature and results in provisioning delays, service outages, and other service problems. Based on that premise, AT&T argues that UNE-P should remain available until the manual hot cut process is replaced with the "Electronic Loop Provisioning" scheme proposed by AT&T. The hot cut process is not inherently unreliable, and, in fact, allows CLECs a meaningful opportunity to compete.

19. SBC estimates that it has used the hot cut procedures outlined above to provision over half a million loops in the twelve month period beginning June 1, 2001 and ending May 31, 2002.

20. The FCC has specifically found that SBC satisfies the requirements of Section 271 of the Act by providing voice grade unbundled loops through hot cut conversions in a manner that offers CLECs a meaningful opportunity to compete.[7]

21. AT&T now claims that it should continue to be able to use UNE-P "as a transitional provisioning mechanism until those customers can be migrated to AT&T's own switches using a process that substantially reduces the persistent problems with line-by-line hot cuts." (Brenner Aff. ¶ 44). That process, AT&T further argues, is nothing other than "bulk cutovers" performed on a "project managed basis." (Brenner Aff. ¶ 45).

22. AT&T's arguments in this regard are both unfounded and misleading. Hot cuts done on a "project managed basis" are simply CHC conversions with large numbers of loops. The same basic provisioning processes (as described in this declaration) are used for both CHCs and projects. Contrary to the statements made by AT&T (Brenner Aff ¶ 46), SBC technicians are dedicated to a CHC cut, just as they are for project conversions. Communication between companies exists on a CHC, just as it does on a project managed cut – meaning that any problems that may arise can be resolved at the time of the cut rather than later. In all SBC regions, SBC will negotiate CHCs outside of regular business hours at the request of the CLEC – just like project managed hot cuts. In short, AT&T's "two step" process to convert customers to service provided by AT&T over its own switches creates unnecessary inefficiencies in the conversion process.

[7] See, Texas 271 Order, ¶ 251; Kansas/Oklahoma 271 Order, ¶ 179; and Missouri/Arkansas 271 Order, ¶ 102.

SBC HAS THE CAPACITY TO MEET ANY REASONABLY FORESEEABLE INCREASE IN DEMAND FOR HOT CUTS THAT MIGHT RESULT FROM THE ELIMINATION OF UNBUNDLED SWITCHING

23. AT&T also argues that hot cuts cannot be provisioned in sufficient volumes to allow facilities based CLECs to serve the mass market. AT&T's argument is based on conjecture. The facts demonstrate that SBC can, in fact, scale its operations to accommodate any reasonably foreseeable increase in hot cut demand that might result from the elimination of unbundled switching and UNE-P.

LSC/LOC Scalability

24. The LSC/LOC organizations are well equipped to meet any increase in hot cut volumes likely to result from competition in the open local market – with or without the availability of UNE switching.

25. As an initial matter, the extent to which an increase in hot cut volumes would increase the workload of the LSC and the LOC is not entirely clear. LSC and LOC personnel provide support for CLECs across the entire range of wholesale products and services SBC makes available under the 1996 Act. Any increase in hot cut volumes resulting from the absence of UNE switching is likely to be accompanied by a decrease in other order types (say, UNE-P), such that the resources currently dedicated to one could then be devoted to the other.[8] Thus, in the absence of CLEC forecasts it is difficult to estimate the net impact of such volumes on the LSC and the LOC.

26. Nevertheless, SBC has processes in place designed to ensure that any such increase can be absorbed without sacrificing the quality and reliability of the services performed by the LSC and LOC. In all three SBC regions, the LSC and LOC organizations use sophisticated force models to staff their operations to meet reasonably anticipated CLEC demand. Indeed, the LSC and LOC force models used in the SWBT region have been reviewed and approved multiple times by the FCC in connection with the Texas, Kansas, Oklahoma, Arkansas and Missouri 271 Applications.[9] The LSC and LOC force models used in the AIT and Pacific regions are similar to the SWBT models.

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[8] Initially, LSC service representatives are hired and trained in a single product type *e.g.* residential resale; simple business resale; UNE-P; etc. As service representatives become more proficient with their initial discipline, additional training to handle other types of order requests is provided. With this cross training, many LSC service representatives are able to handle multiple types of service order requests – enabling the LSC organizations to move service representatives from one function to another, *e.g.*, from resale to UNE-P, or from UNE-P to UNE-Loop, as necessary to respond to variations in ordering volumes on particular product types. LOC employees complete various levels of technical classroom training, in addition to receiving LOC specific training on the CLEC products or functions they are assigned to support. LOC employees therefore are capable of handling provisioning and maintenance and repair functions for a variety of wholesale products with minimal additional on-the-job training. The LOC reallocates its employees among products as necessary to handle shifts in demand.

[9] See, e.g., Texas 271 Order ¶ 170 (finding SWBT established that "…the mechanized and manual components of its ordering systems are scalable to accommodate increasing demand"); Kansas-Oklahoma 271 Order ¶ 116 (finding "…that SWBT has adequately addressed the Department of Justice's concerns relating to the scalability of its

27. Some of the basic data used to develop these force models include: historical trends; time and motion studies; number of business days per month; productive minutes per day per employee; average handle time per item; average items handled per day per employee; internal forecasts of CLEC ordering volumes for particular product types; projected CLEC trouble reports; percentage of orders/reports received electronically; and percentage of orders/reports received manually.

28. Using criteria such as these, the SBC LSC and LOC organizations are able to trend volumes to determine if force requirements should be accelerated to meet demand. The force models allow SBC to anticipate the need to hire, train and/or reallocate LSC and LOC employees in advance of changes or trends in ordering activity and to thereby provide the required capacity in sufficient time to meet actual demand.

29. In addition to allowing the LSC and LOC to project long-term force requirements, the force models are also used on a regular basis to handle any unanticipated spikes in volume, and generally to make sure that all required work is handled in a timely and efficient a manner. Spikes in activity are handled through a variety of means, including overtime work; temporary reallocation of work force within the centers to handle volumes; and load balancing between the different offices.

30. In all three regions, CLECs are requested to provide a forecasted number of unbundled loops a minimum of 30 days prior to submitting their first unbundled loop order. After CLECs order their first unbundled loop, SBC requests six month interval forecasts by unbundled loop type and wire center.[10] Accurate and timely CLEC forecasting information, especially for CLEC anticipated spikes in demand, is helpful in assisting SBC meet projected hot cut volumes, however, SBC's LSC/LOC force models are not dependant upon receipt of such forecasts. Rather, as noted above, the force models automatically factor demand projections, based on historical trends, into LSC/LOC staffing requirements. SBC makes adjustments, as necessary, to handle sudden increases in volume – and undertakes hiring initiatives as soon as it becomes apparent that additional resources will be necessary to handle anticipated future demand.

31. The LSC and LOC organizations are staffed sufficiently to handle current volumes of CHC/FDT orders. They also establish that SBC has scaled its resources as necessary to handle increases in volumes of such orders over the years. More fundamentally, the outstanding performance of the LSC and LOC in handling both steady growth and spikes in demand makes clear that SBC will continue to staff its LSC and LOC organizations sufficiently to handle any reasonably foreseeable demand for hot cut conversions.

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manual processes. SWBT provided additional evidence in its reply affidavits describing its process for anticipating competing carriers' demands, and for hiring and training additional employees necessary to process increased volumes of transactions."); and Arkansas-Missouri 271 Order ¶ 44, where the FCC found "…that SWBT's OSS remain scalable."

[10] See the CLEC Online Handbook Web Site at https://clec.sbc.com/clec/; Products & Services-UNE-Unbundled Loops-"Forecasting." SBC interconnection agreements also contain provisions requiring CLECs to provide forecasts of anticipated volumes of UNE-Loop orders.

32. For example, orders that were manually handled by the SWBT LSC grew from approximately 142,200 to 383,000 (169%) between January and August of 2000. Over this same time period, SWBT increased the LSC work force from approximately 570 service representatives in January to more than 1,170 service representatives in August of 2000, a growth of 105%. Thus, over an 8-month period, the SWBT LSC scaled its work force to hire, train and deploy more than double its prior number of service representatives; handled two and a half times the number of manual service orders; and still delivered a high level of service as evidenced by applicable performance measurements.[11] Also during the year 2000, the AIT LSC increased its work force by almost 143% (moving from 378 to 918 service representatives), while the Pacific LSC grew almost 104% from 611 to 1,246 representatives. Similar growth was also seen in the Pacific LOC (moving from 147 to 310 employees, nearly 111%); the SWBT LOC (moving from 189 to 352 employees, or just over 86%) and the AIT LOC (moving from 192 employees to 460, an increase of 140%). If demand had necessitated it, we could and would have increased staff by an even greater amount.

33. Moreover, in each of its regions, SBC has a strong incentive in place to ensure that the LSC and LOC are adequately staffed to meet foreseeable demand for all order types, including hot cut loops. Performance measurements apply to SBC's hot cut performance in each of its serving territories, and SBC remains subject to penalties and voluntary payments should it fail to meet those measures.

34. It accordingly is clear that SBC has processes and procedures in place to ensure that the LSC and LOC can handle any reasonably foreseeable increase in demand for hot cut loops that would come with elimination of switching as a UNE, and that it has ample incentives to ensure that the LSC and LOC in fact do so.

Central Office Scalability

35. As described above, the central office work to provision a hot cut primarily involves the placement and removal of cross connects by CO technicians. Cross connect placement is required for both retail and wholesale service; it is basic, fundamental work that is performed on a daily basis in COs throughout SBC's region. SBC estimates that today, in its central offices, there are millions of operational cross connects - every one of which was placed by CO technicians in the regular course of their job responsibilities.

36. CO staffing requirements are determined based upon the number of "full time equivalent" (FTE) employees required to perform the anticipated work tasks for that CO, including jumper placement; maintenance work; testing; etc.[12] SBC estimates that in a given year,

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[11] See, Joint Affidavit of Brian D. Noland and David R Smith at ¶ 63-64; and the Reply Affidavit of Brian D. Noland at ¶ 3, filed at the FCC as part of SBC's Kansas/Oklahoma 271 Application (15 FCC Rcd 18354 (2000)).

[12] A CO with low work load may be staffed only with roving technicians who work at the office on an "as needed" basis. On the other hand, COs with significant work activity require more technicians. One of SBC's COs—the Ameritech Chicago Wabash CO—has 52 FTE CO technicians. The SWBT Austin Greenwood CO, has 34 FTE CO technicians; and the Pacific San Jose CO has 16 FTE technicians.

an FTE CO technician will work approximately 1770 hours.[13] SBC maintains flexibility with regard to staffing, making adjustments and reallocations of work force among central offices as necessary to support changes and/or spikes in work load volumes and staffing requirements.

37. Attachment A to this declaration is a spreadsheet which calculates the estimated number of FTE employees that were required to provision the CHC and FDT loops ordered by CLECs in the AIT, SWBT and Pacific regions during the 12-month period from June 1, 2001 through May 31, 2002.[14] For each region, SBC divided the work required to provision a CHC/FDT into two parts, the "Pre-Wiring Process" which itemizes the time and personnel required to pre-run jumpers for the CHC/FDT loops in question,[15] and the "Loop Cutover Process" which itemizes the time required for the actual "lift and lay" of the jumpers at the time of the cut.[16]

38. Using this analysis, SBC estimates that the SWBT region required 22 FTE CO technicians (out of a CO technician work force of 2752) to provision the 79,378

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[13] This estimate is arrived at by starting with 52, 40-hour work weeks in a year (2080 hours), less 10 days vacation (80 hours), 5 excused work days (40 hours), 8 holidays (64 hours), one sick day (8 hours) and two 15 minute breaks per day (.5 hours per day), totaling 6.8 hours per day, 34 hours per week; 147.5 hours per month; or 1770 hours per year.

[14] The CHC/FDT totals are taken from the denominator of PM 115 (Percent Provisioning Trouble Reports) for SWBT, and from denominator of PM 115.1 (Percent Provisioning Trouble Reports) for AIT for the June 2001 – May 2002 time frame. Both of these denominators reflect CHC/FDT loops provisioned during the reporting period. For Pacific, the denominator of PM 9 (Coordinated Customer Conversion as a Percentage On Time) is reported in terms of CHC service orders scheduled during the reporting period. As of September 2001, Pacific began to internally track the individual loops associated with those service orders. The Pacific CHC loop counts for September 2001 - May 2002, are based on those actual numbers. For the June - August 2001 time frame SBC estimated CHC loops counts based on the ratio of lines to service orders (as reported by PM 9) for the periods in which actual loop counts were available. For FDT conversions, the denominator of PM 9A (Frame Due Time Conversions as a Percentage On Time, implemented in June, 2001), also is reported by service orders, but the individual loops associated with those orders are not tracked internally. Therefore, SBC estimated the Pacific FDT loops provisioned for the June 2001-May 2002 time frame based on the same ratio of lines to service orders used for the CHC estimated line counts.

[15] As set out in Attachment A, to estimate the FTE requirement for the "Pre-Wiring Process," each region multiplied the number of hot cut loops installed between April 2001 – March 2002 by the estimated number of cross connects required to provision those loops. To estimate the amount of time required to run those cross connects, each region conducted a separate analysis of the average time required to pre-wire a single loop, including time for administrative functions such as pulling and reviewing the service order and closing out the work activity (6.48 minutes for Ameritech; 6 minutes for SWBT; and 4.98 minutes for Pacific). That estimate was then used to calculate the total number of cross connects a CO technician could work in a year (minutes per cross connect multiplied by Est. Tech Hours Available Per Year) which, in turn, provides the total estimated FTE employees that were required for hot cut pre-wiring over the course of the year in question.

[16] To estimate the FTE requirement for the "Loop Cutover Process," each region estimated 6 minutes per loop. This estimate includes the time required for the CO technician(s) to receive the call to initiate the cut-over from the LOC; review the service order; remove the SBC cross connect(s) to the end-user; terminate the CLEC cross connects previously placed in preparation for the cutover; inform the LOC when work is completed; and close the service order. Using that estimate, SBC then calculated the number of loop cutovers a CO technician could work in a year, and estimated the total FTE employee requirement for the cut over portion of hot cut orders over the course of the year in question.

CHC/FDT loops installed for CLECs during the 12 month period in question; the AIT region required 38 FTE CO technicians (out of a work force of 3,191) to provision 210,412 hot cut loops; and Pacific required 29 FTE CO technicians (out of a work force of 1093) to provision approximately 282,123 hot cut loops.

39. To estimate the impact of a potential increase in hot cut volumes stemming from the unavailability of UNE switching, SBC used this same methodology to determine the number of FTE CO technicians that would be required if demand for hot cuts increased dramatically. Because it is SBC's position that CLECs are not impaired without access to unbundled switching, SBC assumed that removing switching from the UNE list would not diminish growth in CLEC volumes. For purposes of this analysis, SBC then assumed that CLECs would continue to win new customers at the same rate as they have previously, but that they would serve those customers using unbundled loops and self-provided switching, rather than with the UNE-P. SBC accordingly started with the estimated number of UNE-P lines provisioned during the June 2001 – May 2002 period, and assumed that those volumes would instead be ordered as CHC/FDT loops. [17]

40. As set out in Attachment A, if the approximately 1,043,096 UNE-P lines provisioned in the AIT region during this time period had instead been worked as CHC/FDT conversions, an additional 187 FTE CO technicians would have been required to work those cutovers. Thus, a 496% increase in hot cut loops would have required less than 6% of the total trained CO technician workforce, a requirement that could have been metby working the current CO technician staff less than 6% (a little more than 2 hours per technician per week) overtime during this period.[18]

41. The same is true for SBC's other regions as well. In the SWBT region, an additional 100 FTE CO technicians would have been required to complete the necessary work if the 353,999 UNE-P lines provisioned between June 2001 – May 2002 had been installed instead as CHC/FDT loops. This is an incremental increase in work load that could have been satisfied with less than 3.7% overtime work on the part of the technician staff of 2752. Similarly, in the Pacific region, an additional 9 FTE CO technicians would have been required if the 90,368 UNE-Ps provisioned in this time frame had been ordered as hot cut loops – an increase in volumes that could have been handled with 0.9% overtime by the 1093 technician staff.

42. SBC can accommodate increases in hot cut activity in individual COs as well as on a regional basis. As of May 31, 2002, SBC estimates CLECs have an embedded base of

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[17] The UNE-P line counts and related data reported in this declaration and in Attachment A are approximate numbers derived from SBC's internal databases, representing the best information available to SBC at the time of filing.

[18] See Attachment A demonstrating that working 10% overtime adds in an estimated additional 319 FTE CO technicians to the Ameritech workforce. SBC CO technicians work overtime on an "as needed" basis to complete necessary work. Generally, if 10% or more overtime is required on a continuing basis in any particular work group, a decision is then made as to whether to increase workforce by permanently reallocating resources or hiring new employees.

approximately 3,070,000 UNE-P lines, spread through 2,979 central offices.[19] Of these, only 18 COs currently have more than 10,000 UNE-Ps [20]– the largest of which is the Houston Prescott CO in Texas, with 15,030 UNE-P lines (0.49% of the total embedded base; 0.91% of the SWBT embedded base). With this relatively low concentration of UNE-P lines in any one central office, it is highly unlikely that a shift from UNE-P to CHC/FDT loop provisioning will result in overwhelming demand in any particular office.

43. Moreover, even a dramatic increase in hot cut orders in any particular CO can be readily handled. For example, from June 2001 through May of 2002, AIT saw an overall growth in UNE-P lines of 435%. The Redford Detroit CO has the highest concentration of UNE-P lines in the AIT region; it alone saw a UNE-P growth of more than 312% -- from 3,417 to 14,083 UNE-P lines – in the subject time frame. If those same UNE-P lines had instead been ordered as CHC/FDT loops, installation would have required approximately 3,378 additional work hours – or the approximate equivalent of two FTE CO technicians – to handle the work load.[21] Given the 3191 CO technician base in the Ameritech region, such an increase most likely would have been accommodated through force reallocation.

44. Although AIT saw the highest growth in UNE-P lines last year, the SWBT region has the largest embedded base of UNE-P lines – and, as noted above, the Houston Prescott CO has the highest embedded base of UNE-P lines in SWBT. In the June 2001 through May 2002 timeframe, 3,392 UNE-P lines were provisioned in this central office. If those lines instead had been ordered as CHC/FDT loops, an additional 1,696 work hours (or approximately 1 FTE CO technician) would have been required.[22] This staffing requirement could have been met either through reallocating work force to the CO, or through less than 9% overtime work by the current staff of 12 technicians.

45. Thus, the two COs with the largest UNE-P volumes in SBC's regions could easily have been staffed to handle a shift in ordering from UNE-P to CHC/FDT loops merely through reallocating 3 employees and/or through working overtime. And the vast majority of COs are likely to see less significant volumes, and would therefore be able to accommodate them even more easily. Simply put, when compared to the vast amount of work handled by SBC's CO technicians, any reasonably foreseeable increase in hot cut

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[19] Of these, as of May 2002, approximately 1,286,394 UNE-Ps were provisioned in 1178 COs in the AIT region; 1,649,484 UNE-Ps were provisioned in 1225 COs in the SWBT region; and 135,207 UNE-Ps were provisioned in 576 COs in the Pacific Region.

[20] 5 in AIT, and 13 in SWBT.

[21] Referring to Attachment A, the total CO technician time to provision a hot cut loop in the Ameritech region (including both pre-wiring of 2 cross connects and cutover time) is estimated at 0.316 of an hour (or 18.96 minutes). Multiplying the 10,667 UNE-P lines provisioned between June and May by 0.316 hours = 3,378 hours, or a total of 1.9 FTE CO technicians at 1770 hours each per year.

[22] As set out in Attachment A, in the SWBT region, the total CO technician time to provision a hot cut loop (including both pre-wiring of 4 cross connects and loop cutover time) is estimated at 0.5 of an hour (or 30 minutes). Multiplying 3,392 UNE-P lines by 0.5 hours = 1,696 hours , or a total of 0.96 FTE CO technicians at 1770 hours each per year.

demand that would result from the elimination of switching from the UNE list, would be easily accommodated by SBC's COs.

46. Moreover, even if it were the case that the increase in hot cut volumes that would result from removing switching from the UNE list fell disproportionately on one or a few COs, SBC would still be able to accommodate that demand. SBC has abundant experience in handling spikes in demand at individual COs, and is easily capable of accommodating those spikes, provided it receives adequate notice.

47. For example, SBC regularly experiences spikes in ordering activity at the start and end of the school year, as families and, more particularly, college students establish and disconnect telephone service as they move in and out of town. For a three to four week period last fall, as the University of Michigan at Ann Arbor school year began, the Ann Arbor Main CO saw an increase in the regular work load of approximately 150 retail orders for new service per day to 800 per day (a growth of about 433%). Because of the CO layout, each of these new lines required between one and six cross-connects to establish service. In the spring, a similar increase in work load volumes will be seen as the school year ends and service is disconnected (involving the removal of those same cross connects).

48. SBC handles such increases in volumes by increasing overtime, and reallocating CO technicians from other central offices and work areas (such as maintenance and repair) that are not seeing similar work load increases. Thus, during that period last fall, staffing in the Ann Arbor Main CO was increased from 8 CO technicians to 15 technicians, all of whom worked overtime and staggered shifts to handle volumes in a timely manner, enabling Ameritech to satisfy its due date commitments.

49. The fact that SBC is aware that volumes will increase at the start and end of the school year assists it in ensuring it has adequate resources in place to accommodate the anticipated work load. As noted earlier, timely CLEC forecasts of anticipated increases in UNE-Loop volumes enhance SBC's ability to ensure it has adequate resources in place to meet that demand in a similar fashion.

50. As discussed earlier, CHC/FDT work is just part of the overall work done on a daily basis in any given CO. Depending on the work load and lay out of the CO, anywhere from 2 to 10 (or more) CO technicians may be at work simultaneously on the same MDF with no impact to productivity. Cable pairs are deployed on the MDF as cables are brought into the CO; each cable pair serves a single local access line. When multiple CHC/FDT conversions are scheduled in a single day for a single central office, the pre-wiring work may be done over several shifts in the days leading up to the due date. Because the access lines for these conversions are generally spread throughout the CO, the actual cutovers are then accomplished without technicians interfering in each other's work space.

51. It is possible that hot cut conversions of end-users with large numbers of access lines at a single location (for example, the conversion of a business park or campus) could be located on a relatively narrow part of the MDF, limiting CO technician access. As also

noted earlier, hot cuts exceeding 24 loops to the same end-user at the same location in the AIT and SWBT regions, and 20 loops in the Pacific region, are to be worked as projects. This enables SBC to work with the CLEC to ensure that the requested conversions are provisioned in a time frame that accounts for any concentrations of access lines that could impact frame access.

52. The PM results discussed earlier demonstrate that SBC is committed to provisioning hot cuts for the CLECs in a manner that ensures that the stringent PM standards are met. As described in this declaration, SBC's long-standing processes and procedures for the scaling its resources to handle both steadily increasing volumes, as well as unanticipated spikes in those volumes, are designed to ensure that those standards will continue to be met as level of competition increases – even without the continued availability of unbundled switching.

53. This concludes our declaration.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on July 17, 2002.

John Berringer

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on July 17, 2002.

David R. Smith

David R. Smith