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SEP 10 2002

September 10, 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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By Hand Delivery

Ms. Marlene H. Dortch
Federal Communications Commission
Office of the Secretary
c/o Vistrionix, Inc.
236 Massachusetts Avenue, N.E.
Suite 110
Washington, D.C. 20002

WorldCom, Cox, and AT&T ads. Verizon
CC Docket Nos. 00-218, 00-249, and 00-251

Dear Ms. Dortch:

Enclosed please find four copies each of Verizon VA's (i) Response to WorldCom's Application for Review and (ii) Response to AT&T's Petition for Reconsideration. Please do not hesitate to call me with any questions.

Sincerely,



Kelly L. Faglioni
Counsel for Verizon

KLF/ar

Enclosures

cc: Jeffery Dygert, Assistant Bureau Chief, Common Carrier Bureau (8 copies) (By Hand)

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With enclosures, via email and UPS-Next Day:

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

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

In the Matter of)
Petition of AT&T Communications of)
Virginia Inc., Pursuant to Section 252(e)(5)) CC Docket No. 00-251
of the Communications Act for Preemption)
of the Jurisdiction of the Virginia)
Corporation Commission Regarding)
Interconnection Disputes With Verizon)
Virginia Inc.)

VERIZON'S RESPONSE TO AT&T'S PETITION FOR RECONSIDERATION

AT&T's Petition for Reconsideration asks the Wireline Competition Bureau "(Bureau") to reverse its decision and require Verizon to provide tandem transit services without limitation at TELRIC-based rates.¹ AT&T once again argues (1) that Verizon has a duty to provide interconnection under § 251(c)(2)(A) of the Telecommunications Act of 1996 ("Act"); (2) that

¹ See AT&T Petition for Reconsideration at 1.

AT&T has a “right” to interconnect indirectly with other carriers under § 251(a)(1); and (3) that “[p]roperly read together,” these sections mean that Verizon must provide tandem transit services to AT&T without limitation.² This is the same argument AT&T made in its post-hearing briefs.³ AT&T does not provide any new legal arguments and does not provide any new factual support for its old arguments. For this reason alone, the Bureau should reject AT&T’s reconsideration request. Moreover, the reasons supporting the Bureau’s original decision remain compelling and require the same result on reconsideration.⁴

AT&T’s position relies on a tortured reading of §§ 251(c)(2)(A) and 251(a)(1). AT&T asserts that nothing in the “plain language” of § 252(c)(2)(A) limits Verizon’s interconnection duties to traffic exchanged between Verizon and AT&T.⁵ AT&T’s position misses the point. While the plain language of the statute may not contain the specific limitation that AT&T addresses--it does not have to. This is because the plain language does not extend Verizon’s interconnection duty beyond “the transmission and routing of telephone exchange service and exchange access” to include traffic that Verizon neither originates nor terminates. There does not need to be a statutory limitation when the statute in question does not provide the service that AT&T is requesting. Indeed, this conclusion is supported by the Federal Communications Commission’s (“Commission”) definition of “Interconnection” in 47 C.F.R. § 51.5. That rule

² See AT&T Petition for Reconsideration at 3.

³ See AT&T Post-Hearing Br. at 34-39; AT&T Reply Br. at 12-18.

⁴ See *In the Matter of Petition of WorldCom, Inc., Cox Virginia Telcom, Inc., and AT&T Communications of Virginia Inc., Pursuant Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc.*, CC Docket Nos. 00-218, 00-249, 00-251, DA 02-1731, Memorandum Opinion and Order ¶ 117 (rel. July 17, 2002) (the “*Virginia Arbitration Order*”). The Bureau held that “the Commission has not had occasion to determine whether incumbent LECs have a duty to provide transit service under this provision [§ 251(c)(2)] of the statute, nor do we find clear Commission precedent or rules declaring such a duty.” *Id.*

defines “Interconnection” as the “linking of two networks for the *mutual* exchange of traffic.”⁶ As the transiting carrier in the tandem transit situation, Verizon is not exchanging traffic with AT&T or the third party carrier so there is no exchange of traffic with Verizon at all – mutual or otherwise.

AT&T also misreads § 251(a)(1) when it argues that this statute provides “CLECs the *right* to interconnect indirectly with the facilities and equipment of other carriers.”⁷ Section 251(a)(1) does not provide a *right* to any telecommunications carrier--competitive or incumbent. Instead, this section provides that AT&T, as a telecommunications carrier, has the “*duty* to interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers.”⁸ Nothing in that section entitles AT&T to commandeer Verizon’s network as its means to fulfill that duty.

AT&T’s argument turns the ultimate goal of the Act, the promotion of facilities-based competition, on its head. AT&T argues that without Verizon’s unlimited transit service, CLECs would be delayed in deploying facilities-based local competition.⁹ This argument makes no sense because AT&T wants to use Verizon’s facilities in order to *avoid* deploying facilities itself to interconnect with other carriers. If the Bureau requires Verizon to provide unlimited transit services at TELRIC-based rates, it would discourage facilities-based competition because AT&T would have no incentive to deploy those facilities to third-party carriers. Why would AT&T

⁵ See AT&T Petition for Reconsideration at 3.

⁶ 47 C.F.R. § 51.5.

⁷ AT&T Petition for Reconsideration at 3 (emphasis added).

⁸ 47 U.S.C. § 251(a)(1) (emphasis added). AT&T also ignores its statutory duty to enter into reciprocal compensation arrangements with third-party carriers. See Verizon Post-Hearing Br. at NA-22-41; Verizon Reply Br. at NA-16-21. Section 251(b)(5) of the Act requires all carriers to establish reciprocal compensation arrangements for the transport and termination of telecommunications traffic.

bear the time and expense of its own interconnection negotiations and the construction of its own interconnection facilities if it could force Verizon to provide transit service at TELRIC-based rates in perpetuity?

AT&T claims that “[u]se of the incumbent LEC’s local tandem is essential to CLEC’s ability to exchange traffic with smaller LECs ... where direct interconnection of facilities is commercially impractical.”¹⁰ This argument, however, ignores the fact that Verizon has agreed voluntarily to provide transit service until traffic between the carriers exceeds a DS-1 level. Thus, AT&T is not required to interconnect directly with truly small carriers. Moreover, the Act imposes a duty on *all* carriers to interconnect with other carriers.¹¹ The Act does not say only large carriers have this duty, or that interconnection is not required when it is “commercially impractical.”

Since the applicable statutory language does not support AT&T’s position, AT&T improperly asks the Bureau to change the law. Taking issue with the Bureau’s stated policy that in “addressing the issues that the parties have presented for arbitration – the only issues that we decide in this order – we apply current Commission rules and precedents,”¹² AT&T argues that the Bureau has somehow abandoned its own duty by not requiring Verizon to provide transit services.¹³ According to AT&T, “[t]he fact that the Commission may not have ruled on a particular issue does not mean that the Bureau may choose not to rule where the Act requires it to

⁹ See AT&T Petition for Reconsideration at 4.

¹⁰ *Id.* at 3.

¹¹ 47 U.S.C. § 251(a)(1).

¹² *Virginia Arbitration Order* ¶ 4.

¹³ AT&T Petition for Reconsideration at 5-6.

do so.”¹⁴ The Bureau, however, did rule; it just did not rule in AT&T’s favor. Instead, it ruled that Verizon does not have a duty under current rules to provide transit services,¹⁵ and as much as AT&T may wish otherwise, the Bureau did not have a duty to rule otherwise.

Verizon’s transit service proposal, which the Bureau adopted with modification,¹⁶ is fair and consistent with applicable law. It provides that Verizon will *voluntarily* provide transit service at TELRIC-based rates up to the DS-1 level. The DS-1 threshold is consistent with Verizon’s own practices for when it implements direct end office trunking so as to avoid tandem exhaust. Requiring CLECs to adhere to the same standards simply ensures that they cannot force Verizon to operate its network inefficiently, to the detriment of all.¹⁷ Once traffic exceeds the DS-1 level, AT&T no longer receives Verizon’s *voluntary* service at TELRIC. For traffic above that level, AT&T should be required to pay additional rates because of the inefficiencies it imposes. Therefore, the DS-1 level acts as an incentive to AT&T to interconnect directly with carriers with which AT&T exchanges traffic. This is what the Act seeks to promote.

For the reasons stated herein, Verizon respectfully requests that AT&T’s Petition for Reconsideration be denied.

¹⁴ *Id.* at 6.

¹⁵ *Virginia Arbitration Order* ¶ 117.

¹⁶ *Id.* ¶ 115.

¹⁷ *See* Tr. at 2214-2215. As Verizon argued in its post-hearing briefs, Verizon charges AT&T non-usage sensitive access charges for ports and a billing fee that Verizon’s vendor assesses on Verizon for transit traffic. *See* Verizon Post-Hearing Br. at NA-37-38.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I do hereby certify that the foregoing Response was sent as follows this 10th day of September, 2002 by e-mail and overnight, express delivery:

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**VERIZON'S RESPONSE TO
WORLD COM'S APPLICATION FOR REVIEW**

WorldCom, Inc. ("WorldCom") purports to seek "review" of two issues. In both cases, however, WorldCom admits that it does not seek a different resolution of the issue actually

arbitrated.¹ Rather, with respect to Issue IV-25 -- access to Verizon's Calling Name (CNAM) database -- WorldCom asks the Federal Communications Commission ("Commission") to address the resolution of the issue in different proceedings before different decision-makers. With respect to Issue IV-84 -- resale of advanced services -- WorldCom does not ask for review of the Wireline Competition Bureau's (the "Bureau") decision relating to advanced services or for adoption of its proposed contract language. Instead, WorldCom asks the Commission to hold that, despite the Bureau's rejection of its contract language, WorldCom can do that which the *Virginia Arbitration Order*² said it could not -- that is, mix and match unbundled network elements and resale services.³ Both requests for review should be denied.

I. THE COMMISSION SHOULD DENY WORLDCOM'S APPLICATION FOR REVIEW OF THE BUREAU'S DECISION REGARDING ACCESS TO THE CALLING NAME DATABASE.

The Commission should deny WorldCom's Application for Review as it relates to the Bureau's decision regarding access to Verizon's CNAM database. The Bureau held that "the Act and the Commission's rules do not entitle WorldCom to download a copy of Verizon's CNAM database or otherwise obtain a copy of that database from Verizon."⁴ WorldCom "does not seek

¹ With respect to the Arbitrator's resolution of Issue IV-25 (Calling Name Database), WorldCom states "WorldCom does not dispute that particular conclusion." WorldCom Application for Review at 3. With respect to the Arbitrator's resolution of Issue IV-84 (Resale of Advanced Services), WorldCom states that "WorldCom does not seek review of the determination that a requirement that xDSL be resold will not be imposed . . ." WorldCom Application for Review at 8.

² *In the Matter of Petition of WorldCom, Inc., Cox Virginia Telcom, Inc., and AT&T Communications of Virginia Inc., Pursuant Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc.*, CC Docket Nos. 00-218, 00-249, 00-251, DA 02-1731, Memorandum Opinion and Order 2002 WL 1576912 (F.C.C.) ("*Virginia Arbitration Order*").

³ The *Order* correctly concluded that it had no basis to direct "Verizon to comply with the novel requirement of combining its resold services with UNEs on behalf of WorldCom." *Order* ¶ 637.

⁴ *Virginia Arbitration Order* ¶ 524. The Bureau rejected "WorldCom's argument that Commission rule 51.319(e) requires that Verizon provide access to its CNAM database beyond that provided for in

review” of the Bureau’s decision; it is not asking the Commission to permit it to obtain “batch” access to Verizon’s CNAM database in Virginia.⁵

Instead, WorldCom is “concerned” about whether it can obtain batch access to CNAM databases from other local exchange carriers in other states.⁶ That concern, however, is not one the Commission should address in this proceeding because it is not relevant here. Instead, WorldCom should make its arguments to the commissions in the other states, and permit those commissions and the other local exchange carriers to address them.

WorldCom states that it is concerned that some of the language in the Bureau’s Order could be interpreted to mean that “the Commission’s rules prohibit state commissions from ordering batch access to the CNAM database.”⁷ Accordingly, it wants the Commission to clarify that the Bureau’s order “does not invalidate decisions in which state commissions have provided such access pursuant to their independent authority.”⁸ Questions about the states’ “independent authority,” however, should be addressed by the states, not this Commission. Accordingly, there is no basis for the Commission to clarify the Bureau’s Order as WorldCom requests, and its Application for review should be denied.

II. THE COMMISSION SHOULD DENY WORLDCOM’S APPLICATION FOR REVIEW OF THE BUREAU’S DECISION REGARDING RESALE OF ADVANCED SERVICES.

In connection with Issue IV-84 for WorldCom and V-9 for AT&T, the Bureau rejected WorldCom’s and AT&T’s proposal to require Verizon to provide resold advanced services over

rule 51.319(e)(2)(i).” *Id.* at ¶ 525. The Bureau also rejected “WorldCom’s argument that the Act entitles it to receive “bulk” access to Verizon’s CNAM database.” *Id.* at ¶ 527.

⁵ WorldCom Application for Review at 3.

⁶ *Id.* at 4-5.

⁷ *Id.*

an unbundled network elements platform (“UNE-P”). More specifically, the Bureau rejected WorldCom’s proposed Part A, § 1.2, which WorldCom claimed would allow it to combine resold services with UNEs. WorldCom now asserts that the Commission should “clarify” that Verizon has a “general duty to resell services such as OS/DA pursuant to section 251(b)(4) in conjunction with its duty to provide unbundled network elements pursuant to section 251(b)(3).”⁹ WorldCom makes this claim even though it asserts that it is not disputing the Bureau’s conclusion with respect to advanced services and even though the Bureau rejected its proposed Part A, § 1.2.

Although the Telecommunications Act of 1996 (“Act”) gives WorldCom and other CLECs “three forms of entry -- resale, use of unbundled network elements, and self-provisioning,”¹⁰ there is no support for WorldCom’s assertion that it can mix and match UNEs and resale. In fact, WorldCom cites none. WorldCom’s claim is tantamount to an argument that it can “unbundle” Verizon’s retail services, an argument that has been repeatedly rejected. For example, contrary to WorldCom’s unsupported assertion, the *Local Competition Order*¹¹ addressed incumbent LECs’ obligation to provide telecommunications services to competitors for resale. It clearly stated that the “Act does not require an incumbent LEC to make a wholesale offering of any service that the incumbent does not offer to retail customers,” nor does it require the LEC “to disaggregate a retail service into more discrete retail services.”¹² The Bureau

⁸ *Id.* at 2.

⁹ WorldCom Application for Review at 7.

¹⁰ *Id.*

¹¹ *In re Implementation of the Local Competition Provision in the Telecommunications Act of 1996*, First Report and Order, 11 F.C.C.R. 15499 (1996) (“*Local Competition Order*”).

¹² *Id.* at ¶¶ 872 and 877. The Bureau recognized and cited these same paragraphs of the *Local Competition Order* in rejecting AT&T’s proposal to resell stand-alone vertical features at a wholesale

recognized this limitation on resale services, when it denied AT&T's request to sell "stand-alone" vertical features separate and apart from dial tone at a § 252(d)(3) avoided cost discount.

A federal court also has recognized that ILECs need not sell services to their competitors that they do not offer to retail customers. In *AT&T Communications of South Central States v. BellSouth Telecommunications*,¹³ AT&T challenged part of an arbitrated interconnection agreement on the grounds that the agreement did not require BellSouth to separate out its operator services and directory assistance platforms ("OS/DA") from basic local service and provide local service for resale without OS/DA. The court rejected AT&T's claim, emphasizing that retail services and resale obligations are coextensive. Specifically, the court found that BellSouth had "no obligation to provide its local exchange service for resale in any manner other than in the way it provides this service to its own customers."¹⁴ Requiring BellSouth to disaggregate the telecommunications services offered at retail would be tantamount to requiring it "to provide a completely new service," which the Act does not compel.¹⁵

The circumstance in which an ILEC must provide the avoided cost discount -- governed by § 251(c)(4)(A) -- is tied to how Verizon offers the service at retail. Because the Act's wholesale pricing scheme (a § 252(d)(3) avoided cost discount) is directly tied to an ILEC's retail offerings, the pricing scheme applies only when a CLEC resells the ILEC's *retail* service. When WorldCom serves a customer using a UNE-P, it necessarily eliminates a key ingredient of Verizon's retail offerings -- dial tone. Similar to AT&T's request for stand-alone vertical features, WorldCom wants the ability to offer disaggregated retail services, but it wants the

avoided cost discount. *Virginia Arbitration Order* ¶ 641.

¹³ 20 F. Supp.2d 1097 (E.D.Ky. 1998).

¹⁴ *Id.* at 1103.

benefit of a price calculated on the aggregate retail service that includes dial tone. Just as the Bureau observed in rejecting WorldCom's language, WorldCom again "has not explained why it is entitled to [its proposed contract language] under applicable law."¹⁶

WorldCom attempts to justify its proposed language by claiming that the parties previously negotiated and agreed to it. WorldCom is wrong. In connection with this issue, WorldCom originally cited its proposed Part A, § 1.2, which is from the parties' previous agreement and makes clear that it *does not* apply to resale:

1.2 Verizon shall provide the services in any Technically Feasible **combination** requested by MCI, pursuant to the terms of this Agreement and in accordance with the requirements of Applicable Law, or where appropriate, the Bona Fide Request ("BFR") process set forth in Section [6] (BFR Process for Further Unbundling) of this Part A, **except that Local Resale shall be provided pursuant to Attachment II.** Neither Party shall discontinue or refuse to provide any service provided or required hereunder, except in accordance with the terms hereof, without the other Party's written agreement. Verizon shall not reconfigure, reengineer or otherwise redeploy its network in a manner which would impair MCI's ability to offer Telecommunications Services in the manner contemplated by this Agreement, the Act, or the FCC's rules and regulations without providing notice of network changes in accordance with the Act and FCC rules and regulations.

Despite its representation in the course of the arbitration that it was merely pursuing "proposed language [that] had been negotiated and agreed to by Verizon and WorldCom"¹⁷ in their old agreement, WorldCom dramatically altered its proposed contract language, deviating from the language in the parties' old agreement. WorldCom introduced its new argument and contract language, not in its Petition as it now claims,¹⁸ but in the Direct Testimony of

¹⁵ *Id.*

¹⁶ *Virginia Arbitration Order* ¶ 637.

¹⁷ WorldCom Application for Review at 8.

¹⁸ WorldCom claims that, "[i]n its arbitration petition, WorldCom also sought inclusion of contractual language that would obligate Verizon to provide both unbundled network elements and resold service which WorldCom could, in turn, use together to provide service to its own customers."

WorldCom witness Mark Argenbright, who set forth the proposed language and illustrated how it differed from WorldCom's original proposal as well as the parties' original agreement:

1.2 Verizon shall provide the services set forth in this Agreement in any Technically Feasible ~~combination arrangement of resale services and Network Elements~~ (possibly in conjunction with facilities provided by MCIIm) requested by MCIIm, pursuant to the terms of this Agreement and in accordance with the requirements of Applicable Law, or where appropriate, the Bona Fide Request ("BFR") process set forth in Section [6] (BFR Process for Further Unbundling) of this Part A. ~~except that local resale shall be provided pursuant to Attachment H~~ Examples of such arrangements include, but are not limited to, (i) Network Element Platform ("UNE-P") in conjunction with resold DSL services or Advance Services and (ii) UNE-P in conjunction with resold Operator Services/Directory Assistance Services. Neither Party shall discontinue or refuse to provide any service provided or required hereunder, except in accordance with the terms hereof, without the other Party's written agreement. Verizon shall not reconfigure, reengineer or otherwise redeploy its network in a manner which would impair MCIIm's ability to offer Telecommunications Services in the manner contemplated by this Agreement, the Act, or the FCC's rules and regulations without providing notice of network changes in accordance with the Act and FCC rules and regulations.¹⁹

Rather than specifically *excluding* resale services, WorldCom *included* resale services, still claiming that its intent was "[t]o clarify the intent behind its proposed language."²⁰ This is not the language from the parties' old agreement, and in light of WorldCom's dramatic alteration, its

WorldCom Application for Review at 7. Contrary to WorldCom's claim, the issue it raises now is not discernable from its Petition for Arbitration, in which WorldCom queried:

Issue IV- 84: Should the Interconnection Agreement contain a provision: (1) obligating Verizon to provide services in any Technically Feasible combination requested by WorldCom (**excepting Local Resale**); (2) prohibiting either party from discontinuing or refusing to provide any service provided or required under the Interconnection Agreement (except in accordance with the terms of the Interconnection Agreement), without the other party's written agreement; and (3) prohibiting Verizon from altering its network without notice in a manner (i) inconsistent with the FCC's notice requirements and (ii) that would impair WorldCom's rights under the Interconnection Agreement?

¹⁹ August 17, 2001 Direct Testimony of Mark Argenbright on Behalf of WorldCom, Inc. (Issue IV-84) (WorldCom Ex. 24) (hereinafter "Argenbright Direct"), at 35-37.

²⁰ Argenbright Direct at 37, line 5.

intent is something entirely different.²¹

WorldCom further suggests that absent its proposed contract language, it would not be able to obtain OS/DA at a wholesale rate. WorldCom's argument misses the mark. As the FCC found in the *UNE Remand Order*,²² Verizon does not have to offer OS/DA as a UNE when Verizon provides customized routing,²³ which it does. According to the FCC, when an ILEC offers non-discriminatory access to its underlying databases used in the provision of OS/DA as required under § 251(b)(3) of the Act, "competitors are not impaired without access to the incumbent's OS/DA service as an unbundled network element."²⁴ The Bureau resolved Issues IV-80 and IV-81 to ensure that Verizon provides WorldCom with customized routing and nondiscriminatory access to its OS/DA databases.²⁵ Accordingly, Verizon is not required to offer OS/DA as a UNE.

As discussed above, Verizon is also not required to offer OS/DA at resale separate and apart from its dial tone offering. WorldCom has a choice. It may choose to provide services through a UNE-P, in which case it may obtain customized routing to transport OS/DA calls to its

²¹ WorldCom further cites the September 5, 2001 Rebuttal Testimony of Mark Argenbright on Behalf of WorldCom, Inc. (Issue IV-84), at 25, for the proposition that the "current agreement allow WorldCom to obtain and offer services through these mixed arrangements, and it is important that Verizon be required to continue providing such arrangements." Because WorldCom made this assertion for the first time in its rebuttal testimony, Verizon had no opportunity to offer direct testimony to dispute it. Nevertheless, WorldCom's assertion is incorrect. Verizon does not provide WorldCom OS/DA services at resale when WorldCom provides local service over UNE-Ps under the parties' existing agreement. Further, WorldCom cites no particular combination of resold services and UNEs that it claims to obtain under the parties' existing agreement, which explicitly excludes resale from the "combinations" addressed in Part A, § 1.2.

²² *In re Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 15 F.C.C.R. 3696 (1999) ("*UNE Remand Order*").

²³ *UNE Remand Order* ¶ 442.

²⁴ *Id.*

²⁵ *Virginia Arbitration Order* ¶¶ 532-540.

own provider or a third party provider or access Verizon's OS/DA services. Alternatively, WorldCom can choose to resell Verizon's dial tone service, including its OS/DA. The Commission should not, contrary to federal law, grant WorldCom the relief it seeks simply because WorldCom does not like its choices. The *UNE Remand Order* limits the circumstance in which a CLEC can require an ILEC to unbundle OS/DA. Federal law prevents a CLEC from requiring an ILEC to disaggregate its retail service. WorldCom should not now be permitted to avoid the application of this law.

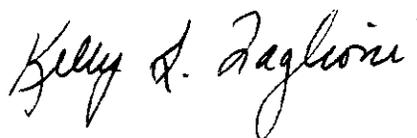
Other than OS/DA, which is available to WorldCom, and advanced services, which it claims not to dispute, WorldCom provides no further example of the resale services it hopes to provide over a UNE-P. WorldCom did not join in AT&T's request to provide stand-alone vertical services, but even if it had, the Bureau rejected AT&T's request. WorldCom should not be permitted to skirt the Bureau's conclusion regarding vertical features or raise questions about another un-specified service the parties and Bureau had no chance to address. Moreover, the very nature of UNEs underscores the fallacy of WorldCom's claim. When a CLEC obtains a UNE loop or the UNE-P from Verizon, it obtains "exclusive use of that facility."²⁶ Verizon is not then free to use the same facility it leased to a CLEC in order to provide services for resale.

In short, the law does not allow the "mixing and matching" of UNEs and resale services and the price arbitrage that would result. WorldCom has provided no legal or practical reason why the Commission should permit WorldCom to do that which the Bureau rejected specifically with respect to both advanced services and vertical features. With respect to OS/DA -- WorldCom's only articulated concern -- WorldCom has options for providing OS/DA over a

²⁶ *Local Competition Order* ¶ 268; see also *Federa-State Joint Board on Universal Service*, Report and Order, 12 FCC Rcd 8776, ¶ 160 (1997).

UNE-P. Accordingly, the Commission should deny WorldCom's Application for Review.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I do hereby certify that the foregoing Response was sent as follows this 10th day of

September, 2002 by e-mail and overnight, express delivery:

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