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July 30, 2003

Ex Parte Presentation

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

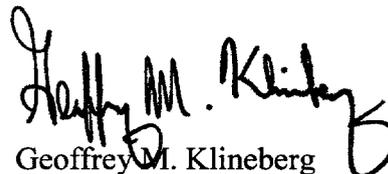
Re: *Application by SBC Communications Inc., et al. for Provision of In-Region,
InterLATA Services in Michigan, WC Docket No. 03-138*

Dear Ms. Dortch:

On behalf of SBC Communications Inc. ("SBC"), and at the request of FCC staff, I am attaching responses to several questions raised by the FCC staff during a conference call yesterday to discuss issues relating to line splitting, SS7 signaling, 911, and OS/DA. See Attachment. The following representatives from SBC participated on the conference call: Martin E. Grambow, Cynthia J. Mahowald, John T. Lenahan, Kelly M. Murray, Travis M. Dodd, Randall Johnson, Carol A. Chapman, Christopher P. Nations, Rebecca L. Sparks, Jamie Williams, and Geoffrey M. Klineberg. The following participated on behalf of the FCC: Gina Spade, Russ Hanser, and Marcus Maher.

In accordance with this Commission's Public Notice, DA 03-2039 (June 19, 2003), SBC is filing this letter electronically through the Commission's Electronic Comment Filing System. Thank you for your kind assistance in this matter.

Sincerely,


Geoffrey M. Klineberg

Attachment

cc: Gina Spade Layla Seirafi-Najar
 Susan Pié Qualex International
 Rodney Gregg

ATTACHMENT

Responses to Questions Relating to Line Splitting, SS7 Signaling, 911 and OS/DA

I. Line Splitting

A. Please address the hunt group issue raised in MCI's reply comments.

MCI argues that Michigan Bell's line splitting processes hinder MCI's abilities to compete in the small business market because "a customer cannot have hunting on a line-split line unless every line in the hunt group has DSL."¹ This is not true. Under linear hunting (*i.e.*, series hunting), a series of telephone lines (and their associated telephone numbers and switch ports) are organized in such a way that, if the first line is busy, the next line in the group is hunted and so on until the first free line in the hunting sequence is found.² The hunting functionality is provided by the Michigan Bell switch. Specifically, if a switch port within a hunt group is busy and there is another incoming call to that switch port, the switch hunts for a free switch port in the group and, if one is found, redirects the second call to the free switch port. Because the switch simply redirects incoming calls to a different switch port, the hunting functionality works regardless of whether the loop facilities associated with the individual switch ports within the hunt group are provided as part of a UNE-P or, if connected to stand-alone UNE switch ports, whether or not such loop facilities are used as part of a line splitting arrangement. Thus, if the CLEC has established a hunt group consisting of stand alone ULS-ST ports, the Michigan Bell switch will hunt for an available switch port within the group regardless of whether or not the CLEC has provisioned DSL on the loop facility connected to the switch port via a line splitting arrangement.

At this time Michigan Bell has not developed and implemented a process whereby a CLEC may set up a hunt group that includes both stand alone ULS-ST ports (which may be used in a line splitting arrangement) and switch ports provisioned as part of UNE-Ps. This issue has not been addressed previously because Michigan Bell was not aware of CLEC interest in the development of processes supporting this type of hunting arrangement. However, Michigan Bell would be willing to consider developing such a capability if formally requested via the bona fide request ("BFR") process.³ Furthermore, under currently available processes, the hunting functionality between a ULS-ST port and a UNE-P hunt group that MCI appears to seek can be emulated by using existing switch feature technology (*i.e.*, the use of Busy Line Transfer).

¹ MCI's Lichtenberg Reply Decl. ¶ 17.

² Depending on the options selected for the hunt group, the hunting sequence will either end with the last telephone line on the hunting list or will "circle" back around to the beginning of the hunting list and continue hunting through the called line.

³ Michigan Bell became aware that MCI wished to have the ability to establish hunt groups that include different classes of service (UNE-P and ULS-ST) in mid-June of this year.

B. MCI has claimed that when an end user goes from SBC line sharing to line splitting, the end-user must call to cancel its DSL before SBC would accept the migration. Is this true?

No. Michigan Bell's order processes for line sharing to line splitting conversions do not require the end user to contact his or her DSL provider to cancel the existing DSL service. Instead, the requesting CLEC (either by itself or in conjunction with a data CLEC) obtains authorization from the end user to convert the end user's voice and DSL services. The winning CLEC may then submit LSRs to Michigan Bell to request the disconnection of the HFPL and the establishment of the UNEs needed for line splitting.

C. When an end-user goes from line splitting back to SBC, the CLEC receives a line loss notification ("LLN"). Is it correct that the CLEC's DSL line is still connected and that the CLEC must submit a request to disconnect it? What type of information is included in the LLN? Does the LLN contain information that would notify the CLEC of the need to disconnect the DSL line?

This question relates to MCI's allegation that it "has received line loss notifications for customers who are MCI line-splitting customers" that "tell[] MCI that the customers have migrated back to SBC."⁴ MCI is apparently referring to line loss notifications ("LLNs") sent by SBC to MCI regarding stand-alone switch port UNEs used by MCI in a line splitting arrangement (*i.e.*, LLNs informing MCI of switch ports that have been disconnected because the customers served by such switch ports have elected to transfer their voice service to SBC). As SBC has explained, in a line splitting scenario the voice and DSL are being provided by the CLEC (or partnering CLECs) over an xDSL-capable UNE loop provisioned by SBC to the collocation arrangement designated by the ordering CLEC. As SBC understands it, MCI provides voice service to customers in this scenario by obtaining stand-alone switch port with shared transport UNEs from SBC, and then connecting those UNEs to xDSL-capable loops UNEs via a splitter within MCI's collocation arrangement. MCI would need to track which switch ports are connected to which stand-alone xDSL-capable loops, since it is MCI, not SBC, that has connected them together within its collocation arrangement.

In SBC's Midwest region, line loss notification information provided to a CLEC for a stand-alone unbundled port (ULS-ST) that has been "won back" to SBC retail should include (1) the telephone number and the circuit ID for the port; (2) the date the switch port was disconnected; and (3) notification type (for LSOG 6 only). The format for the port circuit ID is unique to stand-alone unbundled ports. (This is in contrast to LLNs for UNE-Ps, which do not include a circuit ID.) The provided LLN information, therefore, clearly informs MCI that the switch port/telephone number at issue is no longer available.

Thus, if the switch port had been connected by MCI to an xDSL-capable loop within its collocation arrangement (*i.e.*, a line splitting arrangement), MCI would know, based on the LLN information, that the switch port has been disconnected, and thus should know that such switch

⁴ MCI's Lichtenberg Reply Decl. ¶ 40.

port is no longer providing the voice service functionality that was going over the corresponding xDSL-capable loop. However, the LLN does not affect the xDSL-capable loop or MCI's right to continue using it. MCI has the ability to continue to use the loop to provide the end user's DSL service or to submit a disconnect request for the xDSL-capable loop to SBC and discontinue the DSL service to the end user.

II. Response to TSI's July 18, 2003, Ex Parte Letter Regarding SS7 Signaling

On July 18, 2003 (sixteen days after the comment deadline established by the Commission), TSI Telecommunication Services Inc. ("TSI") filed an ex parte letter in this docket alleging for the first time that SBC's application should be rejected because SBC fails to meet checklist item 10 – nondiscriminatory access to databases and associated signaling. Although TSI does not allege that it has been denied access to any SBC database or signaling – indeed, TSI admits that it is purchasing those products from SBC's access tariff – TSI nevertheless complains about the price it pays for those products. Specifically, TSI alleges that, as a third-party provider of SS7 signaling, it is entitled to the SS7 UNE rates included in interconnection agreements between Michigan Bell and Michigan CLECs and/or set forth in the Michigan Bell UNE tariff. See Tariff M.P.S.C. No. 20R, Part 19, Section 9 (App. L, Tab 1). TSI's claims should be rejected.

First, TSI's allegations involve fact-intensive and novel issues that are not appropriately addressed in this proceeding. TSI's ex parte letter claims that TSI has been providing signaling services on behalf of carrier customers since 1993, yet it provides no explanation as to why it did not raise these issues during the state 271 proceeding or in any other formal or informal proceeding before the MPSC. In fact, TSI only recently raised this issue with its SBC account team. In any event, the Commission's precedents are clear that a section 271 proceeding is not the appropriate forum for every potential disagreement a third-party has with SBC.

Second, a careful reading of TSI's comments reveals that it does not even allege that it is a "telecommunications carrier" that would be entitled to UNE pricing in its own right.⁵ Instead, TSI contends that "the signaling is being purchased on behalf of a carrier for the carrier's switched telecommunications traffic," TSI's Ex Parte at 2, and that "third-party alternative signaling providers stand in the shoes of their carrier customers." Id. at 3. In other words, TSI appears to be implying that it is acting as an "agent" for its CLEC customers – but it avoids claiming that an agency relationship actually exists (i.e., by never using the word "agent" in its

⁵ See 47 U.S.C. § 153(44). In fact, it appears highly unlikely that TSI is a "telecommunications carrier" providing a "telecommunications service" as defined in sections 3(44) and 3(46) of the Act because it does not appear to offer telecommunications for a fee "directly to the public, or to such classes of users as to be effectively available directly to the public." The Commission has made clear that this definition "is intended to clarify that telecommunications services are common carrier services . . ." First Report and Order and Further Notice of Proposed Rule making, In the Matter of Implementation of the Non-Accounting Safeguards of Section 271 and 271 of the Communications Act of 1934, as amended, 11 FCC Rcd 21905, ¶ 263 (1996). The hallmark of common carrier services, in turn, is the indiscriminate offering of the service to the public. See id. ¶ 265; Virgin Island Tel. Corp. v. FCC, 198 F.3d 921, 926-30 (D.C. Cir. 1999). TSI has presented no evidence in its filing, nor has it provided information to Michigan Bell's account team, that it provides its services on an indiscriminate basis to its customers, either through tariffs or otherwise.

filing). Although TSI may indeed provide SS7 services to some Michigan CLECs, that does not mean it is acting in a principal/agent relationship, and TSI has presented no evidence in support of any relationship (such as a letter of agency). Moreover, even if TSI were acting as an agent, the product would be sold in the name of the principal – not to TSI. TSI cannot boot-strap itself into its CLEC-customers' interconnection agreements and/or tariff arrangements with Michigan Bell simply because it provides services to such CLECs.

III. With Respect to the 911 Issue Discussed in the Cottrell/Lawson Joint Supplemental Reply Affidavit, Please Provide the Dates by which SBC Corrected the Customer Service Records to Reflect the End-User's Location as the Service Address.

As noted in the Cottrell/Lawson Supplemental Reply affidavit, SBC undertook a review of the embedded base of ULS-ST ports. It corrected the customer service records for approximately 50 accounts that reflected the central office rather than the end-user location as the service address. See Cottrell/Lawson Joint Supp. Reply Aff. ¶¶ 35-36 (Supp. Reply App., Tab 4). All but two of these records were corrected by June 17, 2003; the remaining two records were captured in a second review and were corrected by July 7, 2003.

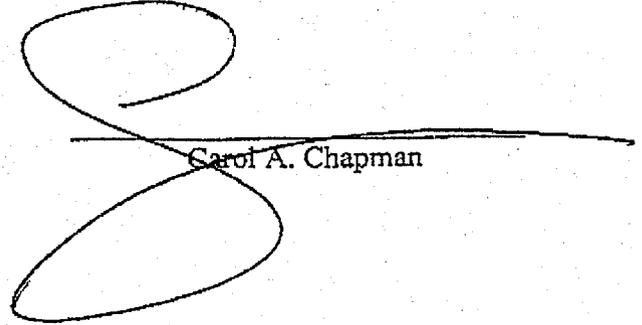
IV. Can CLECs Default to the Michigan Bell brand for OS/DA Services? If So, What Charges Apply?

As discussed in the Nations Supplemental Reply affidavit, Michigan Bell expressly offers CLECs that elect to purchase Michigan Bell's OS and/or DA services the option of requesting that those services be branded either with the CLEC's own name or with no name at all (i.e., that branding be "silent"). See Nations Supp. Reply Aff. ¶ 5 (Supp. Reply App., Tab 9). However, CLECs that do not elect either of these options default to the Michigan Bell brand. Approximately 14 CLECs currently default to Michigan Bell branding for OS and DA services. Non-recurring loading charges apply to CLECs that elect either silent branding or branding in their own name. See id. ¶¶ 6-7. Such charges do not apply to CLECs that default to the Michigan Bell brand.

Recurring "per-call" branding charges (for the LIDB query that is necessary to determine the brand for calls carried on shared trunks), are incurred by all UNE-P and resale CLECs, regardless of whether they brand in the CLEC's name, silent brand, or default to the Michigan Bell brand. In Michigan, the per-call branding charge to resellers is \$0.025, see, e.g., Easton Agreement, App. Pricing Schedule–MI, at 16 (App. B, Tab 6), while the charge to UNE-P providers is \$.005461, see MPSC Tariff 20R, Part 19, Sections 7 and 8 (App. L, Tab 1). Because no LIDB query is necessary for OS and DA traffic delivered by switch-based carriers to Michigan Bell over dedicated trunks, Michigan Bell does not assess switch-based carriers a per-call branding charge.

I hereby declare, under penalty of perjury, that Part I of the foregoing attachment is true and correct.

Executed on July 30, 2003.



Carol A. Chapman

I hereby declare, under penalty of perjury, that Part II of the foregoing attachment is true and correct.

Executed on July 29, 2003.



Scott J. Alexander

I hereby declare, under penalty of perjury, that Part III of the foregoing attachment is true and correct.

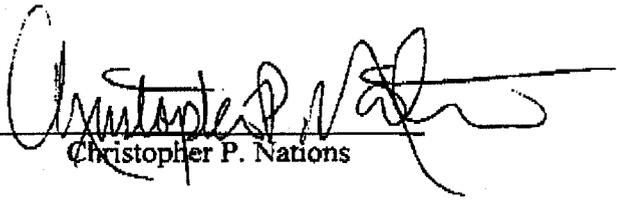
Executed on July 30, 2003.

Beth Lawson

Beth Lawson

I hereby declare, under penalty of perjury, that Part IV of the foregoing attachment is true and correct.

Executed on July 30, 2003.



Christopher P. Nations