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BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

**CARL J. KUNASEK**

**Chairman**

**JIM IRVIN**

**Commissioner**

**WILLIAM A. MUNDELL**

**Commissioner**

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Arizona Corporation Commission  
**DOCKETED**  
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DOCKETED BY 

**IN THE MATTER OF U S WEST )  
COMMUNICATIONS, INC.'S )  
COMPLIANCE WITH SECTION 271 OF THE )  
TELECOMMUNICATIONS ACT OF 1996 )**

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**DOCKET NO. T-0000A-97-238**

September 21, 2000

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

2 **A.** My name is Michael A. Beach. I am a Vice President for WorldCom's ("WCOM's")  
3 West Region – Telco and Line Cost Management. My business address is 6312 S.  
4 Fiddler's Green Circle, Suite 600E, Englewood, Colorado, 80111.

5 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AS VICE PRESIDENT FOR**  
6 **WCOM.**

7 **A.** Since January 1997, I have been responsible for ensuring the implementation of  
8 interconnection and other capabilities that we receive from local exchange providers in  
9 order to support our local, wireless and long-distance capabilities. My group handles  
10 interconnection issues arising in the 23-state territory served primarily by Southwestern  
11 Bell, Pacific Telesis, Southern New England Telephone Company and Qwest  
12 Corporation formerly known as U S WEST Communications, Inc. ("Qwest"). In addition,  
13 my group includes Carrier Management for the ILECs and Independent Telco's operating  
14 in the territory described above, project management for OSS implementation for local  
15 service interfaces with these telcos, and bill audit and payment of nearly \$2 billion,  
16 annually, for interconnection and access charges from these carriers.

17 **Q. PLEASE DESCRIBE YOUR RELEVANT EXPERIENCE WITH MCI AND**  
18 **WCOM.**

19 **A.** I have been employed by MCI/WCOM for 25 years, in a number of capacities. (For  
20 purposes of this testimony, all references will be to WCOM). I have held management  
21 and executive positions in operations, carrier management, regulatory affairs and  
22 financial operations. During 20 years of that time, I have had responsibility for locations  
23 served by Qwest or its predecessor companies. In that capacity I negotiated the definition

1 and implementation of equal access interconnection with AT&T (at the time it owned  
2 U S WEST in the form of its Bell Operating Companies) and subsequently worked  
3 directly with Qwest on the implementation of equal access, other long distance access  
4 requirements, the negotiation of interconnection contracts under the Telecommunications  
5 Act of 1996 as well as implementation and enforcement of those contracts.

6 **Q. HAS WCOM ENTERED INTO INTERCONNECTION AGREEMENTS  
7 WITH U S WEST AND IS MCI/WCOM PROVIDING LOCAL SERVICE IN THE  
8 US WEST TERRITORY?**

9 **A.** Yes. WCOM and Qwest have entered into interconnection agreements as contemplated  
10 by the Telecommunications Act of 1996 in eight states. WCOM, through its MCImetro,  
11 MFS, and Brooks Fiber operating companies, has constructed and is operating local  
12 networks and is serving customers with facilities-based local services in eight cities in  
13 Qwest territory: Seattle/Tacoma, Portland, Minneapolis/St. Paul, Phoenix, Tucson,  
14 Albuquerque, Salt Lake City and Denver.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

16 **A.** The purpose of my testimony is to assist this Commission in making its recommendations  
17 to the Federal Communications Commission ("FCC") regarding Qwest's application to  
18 provide interLATA and interstate long distance service. Specifically, I will assist this  
19 Commission in determining whether Qwest has met certain 14-point checklist items for  
20 long distance entry as provided by Section 271 of the Telecommunications Act of 1996.  
21 I will address WCOM's position on Checklist Item 2 concerning provisioning of  
22 unbundled network elements, Checklist Item 5 concerning interoffice transport, and

1 Checklist Item 6 concerning local switching. I will also address the Arizona SGAT filed  
2 by Qwest as part of its 271 review.

3 **Q. WHAT HAS BEEN WCOM'S EXPERIENCE WITH QWEST'S PROVISIONING**  
4 **OF UNBUNDLED NETWORK ELEMENTS?**

5 **A.** WCOM's experience has been an arduous one. In particular, Qwest has avoided prompt  
6 compliance with the clear requirements in WCOM contracts to provide combined  
7 elements for either loop-transport combinations (defined by the FCC as Enhanced  
8 Extended Link or "EELs") or full service port and loop combinations (frequently referred  
9 to as Unbundled Network Elements Platform or "UNE-P"). These contracts have been in  
10 effect now for over three years. Qwest's rejection and refusal to provision MCImetro's  
11 resale and UNE test orders in Arizona in 1997 resulted in MCI filing a complaint with  
12 this Commission.

13 Most recently, in April 2000, WCOM attempted to place an order for  
14 combinations of elements in Colorado, Minnesota, and Washington but has now been  
15 told by the Qwest account team that WCOM must amend its current interconnection  
16 agreements in order for Qwest to process WCOM's orders. This is despite having  
17 language in approved and effective state interconnection agreements that specifically  
18 requires Qwest to provide WCOM with combinations of unbundled network elements.

19 On April 25, 2000, WCOM placed an order for UNE-P service via Qwest's IMA  
20 system for the state of Colorado. Qwest rejected WCOM's orders, referring the orders to  
21 the Qwest account team. WCOM was again informed that it would have to amend its  
22 current interconnection agreement *plus* WCOM must create new Billing Account  
23 Numbers ("BANs") for this service. WCOM did create the BANs as instructed, but

1 WCOM's orders were again rejected.. Further attempts to place UNE-P orders in  
2 Washington and Minnesota were also rejected.

3 During this time, Qwest submitted its standard Qwest UNE-P amendment to  
4 WCOM for consideration. It is WCOM's position that a contract amendment is not  
5 necessary for Qwest to process WCOM's orders for combinations of network elements.

6 While Qwest's prior activity in this area has been extremely uncooperative and could be  
7 characterized as anti-competitive, within the past 90 days their rhetoric has changed. I  
8 attribute this to the influence of the Qwest merger and an increased interest on the part of  
9 the new Qwest to achieve 271 approval at the state level and at the FCC. . This change in  
10 tone is welcome, but must be followed by actual changes in performance and delivery in  
11 order to be accepted as proof of actual change.

12 In light of the change in tone, I have agreed to initiate discussions to attempt to  
13 develop a mutually agreed upon amendment to add terms and conditions for combined  
14 network elements to the existing WCOM interconnect agreements. We have agreed to  
15 set aside certain issues on which it is clear the companies disagree and attempt to develop  
16 an amendment that addresses at least those terms and conditions where agreement can be  
17 reached. So far, progress in this effort appears promising. If successful, once this  
18 amendment is finalized, WCOM again intends to submit test orders for UNE-P and other  
19 combinations in order to test and evaluate the ordering, installation, maintenance and  
20 billing performance by Qwest in delivering this type of service. Similar testing was  
21 performed by WCOM with SBC in Texas prior to our launch of residential service using  
22 SBC-provided UNE-P connections and was instrumental in identifying and correcting

1 numerous problems in SBC ordering and provisions processes as well as the OSS  
2 interfaces the companies use.

3 In addition to an unnecessary contract amendment, Qwest requires WCOM, as  
4 well as other CLECs, to complete a lengthy product questionnaire before Qwest will  
5 process its UNE combinations orders. Although WCOM does not object to providing  
6 billing and other relevant information necessary for Qwest to process WCOM orders, the  
7 questionnaire serves as another roadblock to Qwest actually provisioning combinations of  
8 unbundled network elements. The Qwest product questionnaire is unnecessary lengthy,  
9 the current version is some 43 pages long, and much of the information requested is  
10 duplicative or appears to be marketing sensitive. By way of comparison, the SBC  
11 questionnaire is only nine pages long.

12 As part of the ordering process, Qwest requires CLECs to obtain a billing account  
13 number. After CLECs obtain the appropriate billing account number, the associated  
14 billing rates will then be loaded into Qwest's billing systems. Qwest has informed  
15 WCOM that it can expect to wait *three to four weeks* for Qwest to load the appropriate  
16 rates into the Qwest billing system before it may place an order. This is an unreasonably  
17 long period of time and only serves only to stall competition by delaying CLEC orders.

18 Qwest has also repeatedly refused to convert the local customer connections  
19 ordered by WCOM to EEL's – a simple loop and transport combination. As a result  
20 Qwest has improperly charged WCOM interstate special access charges that are far in  
21 excess of the state approved rates for UNE combinations. This overcharge by Qwest has  
22 now accumulated to approximately \$15 million and remains a disputed issue between the  
23 companies, of which \$4.5 million is for Arizona connections.

1           In summary, WCOM’s overall experience attempting to obtain Qwest unbundled  
2 network elements has been marked by unreasonable requests regarding contract  
3 amendments, unnecessary delay, and repeated refusal to provision WCOM’s orders that  
4 Qwest is required to provide under existing contracts. Clearly, Qwest has failed to meet  
5 its 271 burden regarding the provisioning unbundled network elements.

6 **Q. PLEASE DESCRIBE WCOM’S CONCERNS REGARDING QWEST’S**  
7 **PROVISIONING OF UNBUNLDED NETWORK ELEMENTS AS PROPOSED IN**  
8 **THE ARIZONA SGAT.**

9 **A.** Qwest provides in Section 9.23.1.2 that it will allow CLECs to access combinations of  
10 network elements in accordance with 47 C.F.R. 51.315(b). Rule 315(b) provides that  
11 “Except upon request, an incumbent LEC shall not separate requested network elements  
12 that the incumbent LEC currently combines.” Qwest’s interpretation of which network  
13 elements it currently combines is an extremely narrow one. As I understand it, Qwest’s  
14 position remains that “currently combined” elements are those that are specific to a  
15 particular customer and that combination of elements must be “pre-existing,” or presently  
16 in combination for an existing Qwest customer. This Commission has rejected Qwest’s  
17 narrow reading and has determined that the phrase “currently combined” refers to  
18 elements typically combined as part of Qwest’s normal business practices and ordinary  
19 operation of its network; not to the specific configuration for an individual customer.  
20 Obviously, this Commission has recognized that Qwest’s narrow interpretation would  
21 limit competitors to using UNE combinations to serve end users who already have Qwest  
22 service and prevent competitors from providing that same user additional with services or

1 different features than those already provided by Qwest. Certainly this would limit  
2 customer choice, preventing end users from gaining the benefits of competition.

3         Simply put, Qwest must combine network elements that are normally combined in  
4 Qwest's network. One example of network elements that Qwest normally combines in its  
5 network is second lines. Using Qwest's narrow interpretation, it would be willing to  
6 provide a second line to one of its own end users, but would refuse to combine elements  
7 for WCOM's use in providing a second line to the same user who had become a WCOM  
8 customer. For these reasons, WCOM therefore proposes that Section 9.23.1.2 be  
9 amended to provide that "Qwest shall combine elements of the type it currently combines  
10 in its network."

11         The same issue is raised by Qwest's proposed SGAT language at Section 9.23.2,  
12 which states that UNE combinations are available in five (5) categories. As established  
13 by the FCC and this Commission, as well as other state commissions in Qwest's territory,  
14 Qwest must provide access to UNE combinations that are currently available in Qwest's  
15 network. By specifying only five specific categories, Qwest unreasonably limits CLECs  
16 access to UNE combinations and could prevent CLECs from gaining access to all  
17 combinations currently available in Qwest's network. Qwest's proposed language is both  
18 discriminatory and in violation of state and federal law.

19         If Qwest's specific categories are allowed to remain in the SGAT language, then  
20 Qwest should be required to expand the categories of UNE combinations to include those  
21 combinations frequently found in the Qwest network and those most likely to be used by  
22 competitors. In addition, language must be added to make it clear that while these

1 specific combinations are available, other types of combinations of elements that are  
2 currently available within the Qwest network are available upon request by the CLEC.

3 The UNE-P section should be updated to include other combinations that CLECs  
4 are likely to request. For example, Section 9.23.3.2 that describes “UNE-P-POTS” states  
5 that UNE-P POTS is comprised of an analog 2-wire loop, analog line side port, shared  
6 transport and vertical features. This definition should, at a minimum, include a 2-wire  
7 analog loop, a 2-wire digital loop, a 4-wire analog loop, and a 4-wire digital loop. Any  
8 attempt to limit CLECs access to a 2-wire analog loop must be rejected as discriminatory  
9 and anti-competitive.

10 **Q. PLEASE STATE WCOM’S CONCERNS REGARDING QWEST**  
11 **REQUIREMENT REGARDING CONNECTIONS TO A “FINISHED SERVICE.”**

12 **A.** Section 9.23.1.2.2 of Qwest’s SGAT provides that UNE combinations will not be directly  
13 connected to a Qwest finished service, whether found in a tariff or otherwise, without  
14 going through a collocation. Qwest’s proposed language should be rejected. First, Qwest  
15 has failed to define a “finished service.” Without a definition, Qwest is given to  
16 unilateral ability to control when a CLEC would be required to collocate in this situation.  
17 Second, there is no legal basis upon which Qwest can rely to allow them to restrict  
18 CLECs in such a manner. Qwest has also provided no technical or financial support for  
19 such a refusal to provide connections that CLECs could use to provide authorized  
20 services to their end users. WCOM would expect its UNE-P customers to be able to  
21 originate a call from their UNE-P line and have it terminate to a Qwest subscriber in the  
22 same manner that the call originated and terminated when the subscriber was a Qwest  
23 customer. For these reasons, Qwest’s proposed section 9.23.1.2.2 should be rejected.

1 Q. PLEASE STATE WCOM'S CONCERNS REGARDING CERTIFYING  
2 "SIGNIFICANT AMOUNT OF LOCAL EXCHANGE TRAFFIC."

3 A. Because of WCOM's network configuration, many of WCOM's customer connections  
4 either do not fall directly into the three safe harbor options provided for in the FCC's  
5 *Supplemental Order Clarification*<sup>1</sup> (the "Order") or would be difficult or impossible for  
6 WCOM to prove meets one of those three tests, even when the customer connection was  
7 used exclusively for local. In its Order, the FCC recognized the potential for connections  
8 to carrier a "significant amount of local traffic" but not meet the three tests they have  
9 proposed. Thus, their Order included provisions for a waiver process. To this end,  
10 WCOM has recently filed a request with the FCC for waiver of the provisions of the  
11 Order to make clear that WCOM has a right under the FCC's unbundling rules to convert  
12 exclusively local circuits leased under Qwest's special access tariffs to unbundled  
13 network elements. WCOM proposes that the SGAT be revised to reflect that any such  
14 waiver would apply once granted by the FCC.

15 Q. PLEASE STATE WCOM'S CONCERNS REGARDING QWEST'S STANDARD  
16 PRODUCT OFFERING.

17 A. Proposed sections 9.23.3.3, 9.23.3.4, 9.23.3.5 and 9.23.3.5 provide that "[t]he standard  
18 offering is under development." This language should be rejected. Pursuant to the  
19 Telecommunications Act of 1996, Qwest has a legal obligation to make UNE  
20 combinations available to CLECs. Qwest cannot avoid its obligation by stating in its  
21 proposed SGAT that its product offering is "under development" and is therefore  
22 unavailable to CLECs. Moreover, several years have passed since the passage of the Act.

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<sup>1</sup> *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Supplemental Order Clarification, FCC 00-83 (2000).

1 Qwest has had sufficient time to implement standard processes for making UNE  
2 combinations available to CLECs.

3 **Q. PLEASE STATE WCOM'S CONCERNS REGARDING QWEST'S REFERENCE**  
4 **TO ITS STANDARD SERVICE INTERVALS IN SECTION 9.23.5.3 OF THE**  
5 **SGAT.**

6 **A.** Standard provisioning intervals are crucial to fostering competition in the local exchange  
7 market and serve to reduce instances of discrimination and anti-competitive behavior by  
8 incumbent local exchange providers that have long operated as a monopoly, outside of a  
9 free market economy. My first comment regarding standard intervals, or performance  
10 measurements in general, is that they should be included in the body of the SGAT or  
11 agreement. This is preferable to referencing an external document over which Qwest has  
12 unilateral control. Otherwise Qwest, as the incumbent provider, is able to revise its  
13 standard interval guide at will without CLEC involvement. This serves only to disrupt  
14 the ordering and provisioning process resulting in CLECs inability to adequately and  
15 accurately inform their customers as to service availability. Service orders not being  
16 provisioned consistent with standard intervals or not being provisioned at all and put on  
17 held order status, has been a long standing problem with Qwest experienced by WCOM  
18 in Arizona and many other states.

19 Given the importance of firm service intervals, WCOM proposes that once the  
20 measurements are available from the separate performance measurement proceeding in  
21 Arizona, the Qwest would be required to revise the SGAT accordingly.

22 Throughout the SGAT, Qwest proposes use of its standard interval guide. While  
23 referring to the standard interval guide on the one hand, Qwest creates for itself several

1 exceptions that severely limit the application of the “standard.” For example, Section  
2 9.23.3.9.7 provides that “CLEC agrees to work in good faith with Qwest, on all issues,  
3 including, if necessary, extending standard provisioning intervals, if CLEC orders and/or  
4 projects orders for more than 500 UNE-P lines in any one month.” This limitation is  
5 unacceptable since 500 UNE-P lines in a month does not constitute commercial volumes.  
6 For example, in Texas, SBC has provisioned up to *17,000 orders* in a single *week* on the  
7 behalf of WCOM. This volume of orders was achieved by WCOM for Texas service  
8 within six months following the launch of our UNE-P product and is expected to grow  
9 even higher. Qwest’s unreasonably low limit that will excuse it from adhering to the  
10 standard interval should be rejected.

11 There are other sections in the SGAT that provide Qwest a “way out” regarding  
12 its provisioning of service. For example, Section 9.23.3.11 provides that “...in the event  
13 the Parties anticipate significant delay past normal intervals due to high volumes or other  
14 issues, the Parties shall agree upon an appropriate implementation schedule and effective  
15 billing date.” In the same fashion, section 9.23.5.3 states that “CLEC and Qwest can  
16 separately agree to due dates other than the standard interval.” This provision should not  
17 be allowed to apply in a situation where Qwest refuses to deliver within the standard  
18 interval and offers only a longer due date. What CLEC could not “agree” to accept  
19 service after a lengthy delay if Qwest refused to meet the standard. Finally, section  
20 9.23.5.4 provides that “[t]he service interval will begin on the next business day for  
21 service requests received on a weekend day or after 3:00 p.m. on a business day. *This*  
22 *interval may be impacted by order volumes and load control considerations.*”

1           These exceptions to the rule proposed by Qwest make the rule no longer valid.  
2           Further, the standard interval guide is an internal Qwest document that can be unilaterally  
3           changed by Qwest and yet, Qwest proposes numerous exceptions even to the intervals it  
4           unilaterally developed for itself. Given Qwest's service track record, of which this  
5           Commission is fully aware, all such language should be removed from the terms of the  
6           SGAT and reasonable Service Guarantee payments should be added as a financial  
7           incentive for Qwest to meet the required intervals.

8 **Q. PLEASE STATE WCOM'S CONCERNS REGARDING QWEST'S FORECAST**  
9 **REQUIREMENT FOUND IN SECTION 9.23.3.12 OF THE SGAT.**

10 **A.** Qwest's proposed language regarding forecasts in Section 9.23.3.12 should be rejected.  
11           Since most of the UNE Combinations orders will be for combinations of unbundled  
12           network elements that Qwest routinely provisions in its own network, extensive  
13           forecasting information hardly seems necessary. The information requested more closely  
14           resembles marketing information rather than information necessary for Qwest to  
15           provision CLEC orders. WCOM would propose the alternative of providing Qwest with  
16           an anticipated *range* of order volumes that would be useful to Qwest in gauging their  
17           overall ordering system requirements. These volumes would be provided for a six-month  
18           period, updated quarterly. Coupled with trending data (that only Qwest has access to),  
19           this information regarding anticipated CLEC order volumes should be sufficient for  
20           Qwest's legitimate forecasting purposes.

21 **Q. PLEASE STATE WCOM'S CONCERNS REGARDING QWEST'S NOTICE OF**  
22 **TERMINATION OF SERVICE CONTAINED IN SECTION 9.23.3.14 OF THE**  
23 **SGAT.**

1 A. Section 9.23.3.14 states that Qwest shall be required to notify CLEC of Qwest's  
2 termination of the UNE combination service on a timely basis consistent with  
3 Commission rules and notice requirements. If Qwest terminates the provisioning of any  
4 UNE combination service to a CLEC, this is a most serious and likely customer-  
5 impacting situation. The SGAT should therefore include specific notice requirements,  
6 which would include requiring Qwest to provide CLECs a specified number of days  
7 before Qwest terminates service. WCOM proposes that Qwest must provide at least 90  
8 days notice before terminating UNE combination service in order for CLECs to contact  
9 their end user customers to make alternate arrangements regarding their service. In  
10 addition, Qwest should be required to cooperate with the CLEC in converting these end  
11 users to alternative service.

12 Q. **PLEASE STATE WCOM'S CONCERNS REGARDING BRANDING OF**  
13 **OPERATOR SERVICE AND DIRECTORY ASSISTANCE FOUND IN SECTION**  
14 **9.23.3.9.2 OF THE SGAT.**

15 A. Section 9.23.3.9.2 states that where Qwest will be providing CLEC operator services  
16 ("OS") and directory assistance ("DA"), such services will be offered with Qwest brand.  
17 Only at the request of CLEC, and limited to technical feasibility, will Qwest rebrand  
18 operator services and directory assistance in CLEC's name. CLECs must have the option  
19 of obtaining OS and DA service from Qwest that is as the CLEC specifies as part of its  
20 product offering in order to compete. Any other result is unreasonable and anti-  
21 competitive. Every switch location where Qwest can brand its own name, Qwest should  
22 be able to rebrand with the CLEC's specified branding. This would include allowing the  
23 CLEC the option of no branding. To the extent that Qwest is unable to offer a choice of

1 branding to CLECs, Qwest should not be allowed to brand its own OS or DA services  
2 with Qwest's brand.

3 **Q. PLEASE STATE WCOM'S CONCERNS REGARDING THE RATES AND**  
4 **CHARGES SECTION OF THE SGAT.**

5 **A.** Section 9.23.4.1.2 provides that Qwest may recover a separate non-recurring charge  
6 ("NRC") for each unbundled network element that comprises the UNE combination.  
7 Since Qwest cannot separate unbundled network elements that it currently combines,  
8 Qwest should not be able to recover multiple non-recurring charges for work that has not  
9 been performed. The Commission has determined that Qwest may recover its reasonable  
10 and prudent costs for providing combined elements. WCOM therefore proposes that a  
11 reasonable and prudent cost for providing combined elements would be a single non-  
12 recurring charge when two or more network elements are ordered in combinations. Such  
13 non-recurring charge shall not exceed the highest non-recurring charge for any of the  
14 separate network elements being ordered.

15 WCOM also has a concern with section 9.23.4.2. This section provides that  
16 where the Commission takes action to adjust the rates previously ordered; the parties will  
17 abide by the adjusted rates on a *going-forward basis*. Because this Commission will  
18 ultimately decide whether such rates will be retroactively applied, WCOM proposes that  
19 section 9.23.4.2 be revised to state, "Upon the compliance filing by Qwest, the Parties  
20 will abide by the adjusted rates on a going-forward basis, *or as ordered by the*  
21 *Commission.*"

22 WCOM seeks clarification regarding section 9.23.4.3, which provides that CLEC  
23 is responsible for billing its end user customer for all miscellaneous charges and

1 surcharges required by statute, regulation or otherwise required. WCOM proposes that  
2 such charges be specifically listed in this section of the SGAT rather than leaving them  
3 undefined.

4 Section 9.23.4.5 provides that Qwest will have a reasonable amount of time to  
5 implement system or other changes necessary to bill CLEC for rates and charges  
6 associated with UNE Combinations. Given WCOM's previous experience with Qwest's  
7 failure to timely load the appropriate rates into the Qwest billing system, WCOM  
8 proposes that Qwest be required to implement necessary system changes in 30 days from  
9 date of Commission action determining the newly adjusted rates for UNE Combinations.

10 **Q. PLEASE DISCUSS WCOM'S CONCERN REGARDING THE DEFINITION OF**  
11 **UNBUNDLED DEDICATED TRANSPORT CONTAINED IN SECTION 9.6.1 OF**  
12 **THE PROPOSED ARIZONA SGAT.**

13 **A.** Qwest should be required to revise its definition of unbundled dedicated transport to meet  
14 the definition established by the FCC. In its *Local Competition Order*, the FCC has  
15 defined unbundled local transport to mean "incumbent LEC transmission facilities  
16 dedicated to a particular customer or carrier that provide telecommunication between  
17 wire centers owned by incumbent LECs or requesting telecommunication carriers, or  
18 between switches owned by incumbent LECs or requesting telecommunication carriers."<sup>2</sup>

19 Qwest proposes two definitions of unbundled dedicated transport: Unbundled  
20 Dedicated Transport ("UDIT"), which, according to the SGAT, provides a transmission  
21 path between two Qwest wire centers. Extended Unbundled Dedicated Transport  
22 ("EUDIT"), on the other hand, is defined as a bandwidth specific transmission path

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<sup>2</sup> *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, *First Report and Order*, 11 FCC Rcd. At 15718, para. 440.

1 between the Qwest serving wire center and the CLEC wire center or an Interexchange  
2 Carrier's ("IXC's") point of presence located within the same Qwest service wire center.  
3 Qwest's definition is too limited since it does not include a transmission path between  
4 wire centers or switches of requesting CLECs. Qwest's section 9.6.1.1 should be revised  
5 to comport with the FCC's definition.

6 The FCC has also specified at what transmission speeds ILECs must make  
7 unbundled dedicated transport available to CLECs in its *UNE Remand Order*<sup>3</sup>. Qwest's  
8 proposed capacities should also reflect the requirements of the FCC. In paragraph 323 of  
9 the UNE Remand Order, the FCC revised section 319(d)(ii) to clarify that ILECs must  
10 unbundled "DS1 through OC192 dedicated transport offerings and such higher capacities  
11 as evolve over time." Qwest's proposed language limits the higher capacity to OC-12  
12 rather than OC-192. Qwest should revise section 9.6.1 to be consistent with the FCC's  
13 recent order addressing this issue.

14 Section 9.6.1 also states that the specifications, interfaces and parameters are  
15 described in Qwest's Technical Publication 77389. As Tom Priday of WCOM expressed  
16 in his testimony regarding advanced services in Arizona, WCOM's concerns are that  
17 Qwest's technical publications must be consistent with, or must incorporate, recognized  
18 industry standards.

19 **Q. PLEASE EXPLAIN WCOM'S CONCERN WITH THE USE OF THE TERM**  
20 **"FINISHED SERVICES" FOUND IN SECTION 9.6.2.1 OF THE SGAT.**

21 **A.** Section 9.6.2.1 provides that "CLEC is responsible for performing cross connections  
22 within their collocation between UDIT, EUDIT and other UNEs, ancillary services and

1 finished services and transmission design work, including regeneration requirements for  
2 such connections.” As stated previously in my testimony regarding combinations of  
3 unbundled network elements above, Qwest has not properly defined the term “finished  
4 service.” This would potentially free Qwest to refuse connections based on ambiguous  
5 language. This result would be particularly harmful to carriers such as WCOM who is  
6 both an IXC and a CLEC should Qwest define “finished service” to include access  
7 services.

8 **Q. PLEASE EXPLAIN WCOM’S CONCERN WITH THE COLLOCATION**  
9 **REQUIREMENT FOR UDIT FOUND IN SECTION 9.6.2.3 OF THE PROPOSED**  
10 **ARIZONA SGAT.**

11 **A.** Section 9.6.2.3 states that CLECs must be collocated at both end of the UDIT, except for  
12 pre-existing combinations. Qwest’s proposed SGAT language is in direct conflict with  
13 the FCC’s *UNE Remand Order*. The FCC has ruled that collocation is not a requirement  
14 for CLECs to gain access to incumbent’s interoffice transport network. In fact, the FCC  
15 noted that requiring requesting carrier to collocate in numerous end offices in order to  
16 obtain ubiquitous transport facilities would materially delay the ability of requesting  
17 carrier to enter a market or to expand its service offerings to the greatest number of  
18 consumers. For these reasons, Qwest’s collocation requirement for UDIT should be  
19 rejected.

20 Also, this Commission had rejected Qwest’s argument that the phrase “currently  
21 combined” describes pre-existing combined unbundled network elements. Any and all

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<sup>3</sup> *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96.98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, 15 FCC Rcd 3696 (1999).

1 references to the term “pre-existing” in the context of combinations should be removed  
2 from Qwest’s proposed SGAT language.

3 **Q. PLEASE EXPLAIN WCOM’S CONCERN GENERALLY WITH QUEST’S**  
4 **RATES AND RATE ELEMENTS FOR UNBUNDLED DEDICATED TRANSPORT**  
5 **FOUND IN SECTION 9.6.3 OF THE SGAT.**

6 **A.** WCOM’s concern is that rate elements and corresponding rates in the SGAT should be  
7 Commission approved. As mentioned previously, Qwest defines unbundled dedicated  
8 transport to include UDIT and EUDIT. By breaking unbundled dedicated transport into  
9 UDIT and EUDIT, Qwest is effectively creating a new service category service (EUDIT)  
10 with corresponding new rate elements, which are reflected in section 9.7.8 of Appendix A  
11 to the SGAT. However, Qwest has provided no rational or legal basis for distinguishing  
12 between UDIT and EUDIT. Their decision to implement the FCC requirement contained  
13 in the *UNE Remand Order* for unbundled transport as two separate “services” is puzzling  
14 at best. In addition, the proposed rates for EUDIT have not been addressed in the  
15 Arizona Cost Docket. The fact that the EUDIT rates were not addressed in the Arizona  
16 Cost Docket is reflected in footnote 1 to Appendix A. Similarly, the non-recurring rates  
17 for UDIT and the rates for OC-3 and OC-12 UDIT have not been addressed by the  
18 Commission. To the extent this Commission has not considered the rates proposed by  
19 Qwest in the SGAT, these rates should be subject to true up upon Commission approval  
20 in a new cost docket. Finally, because Qwest must provide dedicated transport elements  
21 at the higher capacities consistent with the FCC *UNE Remand Order*, Qwest should be  
22 required to propose rates for unbundled dedicated transport at OC-48, OC-96 and OC-  
23 192.

1 **Q. DOES WCOM ALSO HAVE A CONCERN WITH QWEST'S STANDARD**  
2 **INTERVALS FOR UNBUNDLED DEDICATED TRANSPORT FOUND IN**  
3 **SECTION 9.6.4 OF THE SGAT.**

4 **A.** Yes. Just as I have proposed when addressing combined elements earlier in this  
5 testimony, language should be added to the SGAT that once the performance  
6 measurements from this Commission's separate proceeding have been established, Qwest  
7 will revise its proposed SGAT to include such measurements and any appropriate remedy  
8 plans.

9 **Q. PLEASE STATE WCOM'S CONCERN REGARDING THE RATE ELEMENTS**  
10 **APPLICABLE TO SHARED INTEROFFICE TRANSPORT THAT ARE**  
11 **REFERRED TO IN SECTION 9.8.3 OF THE SGAT.**

12 **A.** Section 9.8.3 states that UNE Rates apply unless the end-user to be served has four  
13 access lines or more and the lines are located in density zone 1 in the MSAs specified in  
14 the UNEs Local Switching Section. *In the latter circumstances, market rates apply.*  
15 WCOM proposes that this section be revised to state, "In the latter circumstances, Qwest  
16 will charge market rates in accordance with Exhibit A." WCOM's position is that all  
17 rates should be properly reflected in the SGAT.

18 **Q. DOES THIS COMPLETE YOUR TESTIMONY?**

19 **A.** Yes it does. Thank you.

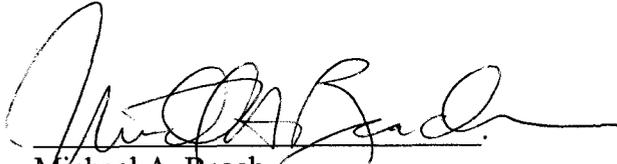
BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF U S WEST )  
COMMUNICATIONS, INC.'S )  
COMPLIANCE WITH §271 OF THE )  
TELECOMMUNICATIONS ACT OF 1996 )  
\_\_\_\_\_ )  
\_\_\_\_\_ )

Docket No. T-00000A-97-0238

AFFIDAVIT OF MICHAEL A. BEACH ON BEHALF OF WORLDCOM, INC.

I swear that on this 20th day of September, 2000, that the attached testimony submitted in the above referenced docket was prepared by me,

  
Michael A. Beach

Sworn and Subscribed on this 20th day of September, 2000 in the County of DENVER, State of COLORADO

  
Notary



MY COMMISSION EXPIRES 11/18/2003

CERTIFICATE OF SERVICE

I hereby certify that on this 20<sup>th</sup> day of September, 2000, the original and ten copies of testimony filed by Michael Beach on behalf of Worldcom, Inc. were sent via Airborne Express to the Arizona Corporation Commission. In addition a true and correct copy of the above listed document was sent via US Mail to the following parties:

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