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BEFORE THE

ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

Arizona Corporation Commission
DOCKETED
FEB 13 2001
DOCKETED BY CP

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

NOTICE OF FILING

SUPPLEMENTAL TESTIMONY OF

THOMAS T. PRIDAY

ON BEHALF OF WORLDCOM, INC.

WorldCom, Inc. ("WCOM") served electronically on February 12, 2001, the supplemental testimony of Thomas T. Priday. This testimony is now being formally filed and served on all parties listed on the attached service list.

RESPECTFULLY submitted this 13th day of February, 2001.

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BEFORE THE

ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
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MARC SPITZER
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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

SUPPLEMENTAL TESTIMONY OF

THOMAS T. PRIDAY

ON BEHALF OF WORLDCOM, INC.

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

A. My name is Thomas T. Priday. I am a Senior Manager for Carrier Management for WorldCom, Inc. (WCom). My business address is 6312 S. Fiddler's Green Circle, Suite 600 E, Englewood, CO 80111.

Q. ARE YOU THE SAME TOM PRIDAY THAT TESTIFIED IN THE WORKSHOPS ADDRESSING INTERCONENCTION, COLLOCATION, RESALE?

A. Yes.

Q. HAVE RESPONSIBILITIES, DUTIES AND YOUR RELEVANT EXPERIENCE WITH MCI AND WCOM CHANGED SINCE YOU FILED THAT TESTIMONY?

A. No.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to address several areas of concern for WCom, most notably mid-span meet interconnection and forecasting.

Q. HAS WCOM PREVIOUSLY FILED ANY TESTIMONY OR COMMENTS ADDRESSING THESE SECTIONS?

A. Yes, I prefiled testimony addressing an older version of Sections 4, 6, 7 and 8 and related sections of Qwest's SGAT filed on July 21, 2000.

Q. DOES WORLDCOM HAVE ANY COMMENTS ABOUT THESE SECTIONS?

A. Yes.

Q. PLEASE COMMENT UPON SECTION 7 AND RELATED ITEMS.

A. WCom, AT&T, Qwest and other intervenors recently discussed Section 7 in Colorado and in Oregon. However, I do not know what agreements, if any, were reached regarding Section 7 in Oregon. Therefore, my comments about Section 7 will reflect discussions last held in Colorado on January 23-26, 2001, and will not include any agreements that may have been reached in Oregon. In addition, WCom is currently in the process of negotiating additional mid-span meet language with Qwest and continues to discuss forecasting language off line with Qwest.

Regarding Sections 1.7 and 1.8: In Colorado the issue was discussed on how a CLEC can take advantage of new product offering without the necessity of negotiating a new amendment to its interconnection agreement ("ICA"). For example, there is a Single POI per LATA product offered by Qwest that establishes Qwest's policy on Single POI per LATA. It is not clear whether Qwest intends amend its "approved" SGAT as new products are offered. WCom has encountered problems in its efforts to use new product offerings, and Qwest's refusal to allow WCom to order existing services previously available to WCom once they have become "productized" unless WCom accepts a Qwest amendment to its ICA. This amendment process is not the simple, painless exercise that Qwest has portrayed on the record in other state proceedings. If WCom does not agree to the exact language provided by Qwest, the amendment process becomes very long and drawn out. As a result, standard procedures in effect before a service was "productized" have been unilaterally changed by Qwest.

Regarding Section 7.1.2.2, Qwest includes the EICT as a rate element. Qwest is not charged for this facility when interconnecting with CLEC switches. In Colorado, AT&T proposed this element be eliminated. In response, Qwest did propose that it would be willing to apportion the cost of the EICT on a 50-50 basis. WCom cannot agree that the 50% allocation of the cost of the EICT be a permanent allocation as was proposed by Qwest for Section 7.1.2.2 in the last collocation, interconnection, resale workshop, since WCom believes that the allocation must be made based on actual traffic. Therefore, WCom's proposal on this section remains as stated earlier, that the 50% is an initial allocation and then the allocation is trued-up to actual traffic volumes. Therefore, it appears this section is at impasse.

Regarding Section 7.1.2.3, WCom proposed mid-span meet language, some of which was acceptable to Qwest. Qwest also opposes striking the prohibition to use mid-span meet for access to UNEs. A Mid-span Meet POI that is used by CLEC and Qwest for interconnection, to the extent there is capacity available, should be available to CLEC and Qwest to provide other types of local connections contained in the SGAT, such as ancillary trunks, E911 trunks, and connections to UNEs. To the extent that the Mid-span Meet POI is used to access ancillary trunks, E911 or UNEs, WCom agrees that CLECs should pay the appropriate charges contained in the SGAT for that type of connection, calculated to the meet point. Qwest advised in our last Arizona workshop that it might be willing to add: "However, UNEs may be ordered from a Qwest wire center to a Mid-span meet POI." Qwest and WCom have exchanged mid-span meet language, but have not reached agreement on the language to be incorporated in Section 7.1.2.3 and WCom is hopeful agreement can be reached.

WCom proposes the following language for Section 7.1.2.3:

7.1.2.3Mid-Span Meet POI. A Mid Span Meet POI is a negotiated Point of Interface, limited to the Interconnection of facilities between one Party's switch and the other Party's switch. The actual physical Point of Interface and facilities used will be subject to negotiations between the Parties. Each Party will be responsible for its portion of the build to the Mid-Span Meet POI. These Mid Span Meet POIs will consist of facilities used for the provisioning of one or two way local/IntraLATA and Jointly Provided Switched Access interconnection trunks, as well as miscellaneous trunks such as HVCI, OS/DA , 911 and including any dedicated DS1, DS3 transport trunk groups used to provision originating CLEC traffic.

7.1.2.3.1 The Mid-Span Fiber Meet architecture requires each party to own its equipment on its side of the Point of Interconnection (POI) and then share the investment of the fiber between the parties as agreed. CLECs may designate Mid-Span Fiber Meet as the target architecture, except in scenarios where it is not technically feasible or where the parties otherwise agree. CLEC will not be bound to the target architecture where embedded investment is sufficient to meet forecasted needs for a particular location

7.1.2.3.2 In a Mid-Span Fiber Meet the Parties agree to establish technical interface specifications for Fiber Meet arrangements that permit the successful interconnection and completion of traffic routed over the facilities that interconnect at the Fiber Meet. The CLEC is responsible for providing at its location the Fiber Optic Terminal ("FOT") equipment, multiplexing, and fiber required to terminate the optical signal provided by Qwest. Qwest is responsible for providing corresponding FOT(s), multiplexing, and fiber required to terminate the optical signal provided by CLEC.

7.1.2.3.3 The parties shall, wholly at their own expense, procure, install, and maintain the FOT(s) in each of their locations where the Parties establish a Fiber Meet with capacity sufficient to provision and maintain all trunk groups. The parties shall mutually agree on the capacity of the FOT(s) to be utilized based on equivalent DS1s or DS3s. Each Party will also agree upon the optical frequency and wavelength necessary to implement the interconnection.

7.1.2.3.4 There are four basic Fiber Meet design options. The option selected must be mutually agreeable to both Parties. Additional arrangements may be mutually developed and agreed to by the Parties pursuant to the requirements of this section.

Design One: CLEC's fiber cable (four fibers) and Qwest's fiber cable (four fibers) are connected at an economically and technically feasible point between the CLEC and Qwest locations. This interconnection point would be at a mutually agreeable location approximately midway between the two. The Parties' fiber cables would be terminated and then cross-connected on a fiber termination panel as discussed below under the Fiber Termination Point options section. Each Party would supply a fiber optic terminal at their respective end. Either party may lease fiber from the other party, or from a third party, to fulfill its obligation to share the investment in the fiber. The POI would be at the fiber termination panel at the mid-point meet.

Design Two: CLEC will provide fiber cable to the last entrance (or Qwest designated) manhole at the Qwest tandem or end office switch. Qwest shall make all necessary preparations to receive and to allow and enable CLEC to deliver fiber optic facilities into that manhole. CLEC will provide a sufficient length of Optical Fire Resistant (OFR) cable for Qwest to pull the fiber cable through the Qwest cable vault and terminate on the Qwest fiber distribution frame (FDF) in Qwest's office. CLEC shall deliver and maintain such strands wholly at its own expense up to the POI. Qwest shall take the fiber from the manhole and terminate it inside Qwest's office on the FDF at Qwest's expense. Each Party will supply a fiber optic terminal at its respective end. The Parties will agree what remuneration, if any, CLEC will receive for providing the majority of the fiber optic cable. In this case the POI shall be at the Qwest designated manhole location.

Design Three: Qwest will provide fiber cable to the last entrance (or CLEC designated) manhole at the CLEC location. CLEC shall make all necessary preparations to receive and to allow and enable Qwest to deliver fiber optic facilities into that manhole. Qwest will provide a sufficient length of Optical Fire Resistant (OFR) cable for CLEC to run the fiber cable from the manhole and terminate on the CLEC fiber distribution frame (FDF) in CLEC's location. Qwest shall deliver and maintain such strands wholly at its own expense up to the POI. CLEC shall take the fiber from the manhole and terminate it inside CLEC's office on the FDF at CLEC's expense. Each Party will supply a FOT at its respective end. The Parties will agree what remuneration, if any, Qwest will receive for providing the majority of the fiber optic cable. In this case the POI shall be at the CLEC designated manhole location.

Design Four: Both CLEC and Qwest each provide two fibers between their locations. This design may be considered where existing fibers are available or near each Party's location. Both CLEC and Qwest will provide fiber cable to the last entrance manhole (unless both parties designate otherwise) at the other's respective locations. Both CLEC and Qwest will provide a sufficient length of Optical Fire Resistant (OFR) cable for the other to run the fiber cable from the manhole and terminate on each parties respective fiber distribution frame (FDF) in each parties respective location. Each

> party shall deliver and maintain such strands wholly at its own expense up to the POI. Each party shall take the fiber from the manhole and terminate it inside each party's respective office on the FDF at each party's respective expense. Both parties will work cooperatively to terminate each other's fiber in order to provision this joint point-to-point SONET system. Both parties will work cooperatively to determine the appropriate technical handoff for purposes of demarcation and fault isolation.

Regarding Section 7.2.2.8 concerning forecasting, Qwest offers general language regarding forecasting. However, it has been WCom's experience that such general language does not adequately describe or outline the extensive process Qwest imposes on CLECs for forecasting. On their face, the forecasting requirements Qwest outlined in the SGAT seem standard, but in practice such a process has led to miscommunication and inaccuracies between Qwest and various CLECs.

WCom has language in its existing Interconnection Agreement that is similar to that which Qwest has proposed in the SGAT. WCom has previously been bound by generic language to provide quarterly forecasts according to a process only referenced by Qwest in the Interconnection Agreement. In practice, WCom's forecasting groups have spent several years redesigning and tweaking WCom's industry standard methodology of forecasting to accommodate Qwest's peculiar requirements. Qwest continues to take the position that although WCom is meeting the plain language of the Interconnection Agreement in providing forecast, WCom may be exposed to potential business risk of insufficient capacity if we don't continue to submit our quarterly forecasts according to Qwest's peculiar requirements. WCom is concerned that the broad language and references to Qwest's forecasting "processes" do not represent the true burden of obligation Qwest imposes on CLEC's for forecasting. Such a burden is anti-competitive, and goes against the purpose of providing forecasts in the spirit of cooperation and true joint planning. WCom requests that a complete process be outlined by exhibit or added language so the full requirements of forecasting be brought to light and negotiated within the SGAT setting.

Additionally, WCom does not support the forecasting provisions in various sections of the SGAT because in addition to clarity problems, the provisions lack uniformity. While WCom is sympathetic to how business units may differ slightly in the content of forecasting, other ILECs do not have the peculiarity that exists in Qwest between business units, and within the industry. Qwest compartmentalizes processes within various business units so CLECs must mirror each process individually, rather than implement a consistent forecasting process across the board. While WCom has dedicated resources to be in compliance with Qwest's various methods of forecasting, it has not seen reciprocal action taken by Qwest to utilize these reports in proactive and accurate capacity planning. WCom's practical experience is that Qwest imposes hurdles to competition by tying up CLEC resources in fruitless forecasting processes.

WCom objects to Qwest's forecasting requirements for LIS trunks. Qwest provides contradictory language for forecasting. In section 7.2.2.8.1, agrees that parties, *"shall work in good faith to define a mutually agreed upon forecast of LIS trunking.*" However, in Section 7.2.2.8.3, Qwest requires both Parties to utilize the *"standard forecast timelines as defined in the standard Qwest LIS Trunk Forecast Forms for growth planning."*

Additionally, Parties are required in 7.2.2.8.4 to utilize the Forecast Cycle outlined in the Qwest LIS Trunk Forecast Forms. The "standard" Trunk Forecast Forms, and the "standard" forecast timelines are not standard, but unique to Qwest and an unnecessary hurdle to accurate and cooperative business planning.

Qwest's standard process for LIS trunking forecasts calls for a very specific format for projecting capacity that is not industry standard. Unlike SBC, GTE, and other ILECs who require *total* trunks to track forecasting, Qwest utilizes a system that wants only the *net* growth LIS trunks. WCom has previously worked in good faith in order to provide the modified data Qwest requires, but has encountered system and administrative nightmares when it comes to tracking actual growth under Qwest's process. Because Qwest wants only the plus/minus number of trunks from the existing usage at a specific point in time, capacity growth that was not projected in that forecast period, but utilized by the CLEC within that period, is not accounted for in actual trunk forecast. Rather, CLEC is forced to "true up" such growth by providing inflated forecast numbers in the next round of forecasting. When WCom experiences unanticipated growth, as is frequent in LIS trunking, it must consistently provide forecasts that are not accurate, but rather representative of past growth. This leads to heightened opportunity for error in forecasting. "True up" growth is not tracked in standard systems and must be done manually. Despite the additional time and resources required by WCom to report through such a system, Qwest has not agreed to allow WCom to provide forecasts using the industry standard gross total trunk format.

An additional issue stems from Qwest's standard forecast process for LIS trunking. 7.2.2.8.4 alludes to a forecast cycle that includes a 6-month network build. It is WCom's experience that Qwest anticipates the network build by "freezing" the submitted forecasts for a 6-month period. Qwest has refused to accept modifications and update, (even via standard quarterly forecasts) during such a frozen period. Subsequently, WCom must again "true up" what it had forecasted within the quarterly reports during the frozen forecast period on the next non-frozen quarter. This means, in some cases, WCom will be forecasting growth that had already occurred as long as 6 months earlier, if the capacity need was not known prior to the "freeze." While WCom does not dispute the need for Qwest to take a "snapshot in time" to analyze capacity needs, the six-month frozen period is too long, and results only in gross inaccuracies. WCom in some cases has experienced 40-70% growth in certain trunk groups within a 6-month period. Such growth is not always foreseeable in the 6-month period prior to the growth, but may be available for the quarterly forecasts. When faced with a business risk of not having capacity in place for a large customer, CLECs such as WCom have opted to overestimate needed trunks 6 months out, hoping to better size the needs in the quarterly reports.

Conversely, Qwest's standard frozen forecast process does not allow CLECs to downsize potential trunking needs through quarterly forecasts. Because forecasts are frozen 6 months prior, Qwest may be working off of inflated capacity needs from CLECs, where such needs would in other ILECs be right-sized through the quarterly forecast. Tying the CLEC to frozen estimates, when correct numbers are available, is an inefficient use of capacity. Furthermore, WCom is convinced that a key cause of the underutilization of Qwest's LIS trunks is due to the requirements imposed by Qwest as part of its own LIS forecasting process.

Section 7.2.2.8.6 creates a process for forecasting that Qwest imposes on CLECs. WCom also objects to the deposit proposal for trunk forecasting and under-utilization. The capacity and provisioning difficulty Qwest has encountered frequently is due largely to their inefficient methodology for utilizing forecasts. WCom stands ready to provide accurate forecasts on a quarterly basis for trunk utilization. Qwest has rejected the accurate forecasts in favor of a frozen/true up system that has proven to be contrary to good business practice. CLECs are not bound legally or by practice to put a deposit down to ensure Qwest properly plans utilizing CLEC forecasts. Qwest has also said on the record that they do not build to meet 100% of the CLEC forecasted needs. Instead, Qwest uses the CLEC forecasts as only one of various inputs into the construction and planning cycle. CLECs should not have to pay to receive assurance from Qwest that their needs will be met. The deposit system places a disproportional obligation and risk on the CLEC for trunk forecasting. CLECs are not obligated by any law, statute, or order to assume such risk.

As argued above, the deposit requirement does not account for the 6 month freeze within the forecast, or net true-ups inherent in Qwest's forecast system. WCom also requests language accounting for how the deposit will be held, tracked, and reciprocated. Any exchange of money to be held by Qwest for any amount of time should have an interest provision, as well as more specific language on how the amount will be refunded with proper utilization. WCom objects to the addition of monetary exchange relating to forecasting without the specific requirements of forecasts incorporated into the SGAT. Finally, WCom asks for Qwest's mutual obligation in a deposit scenario. Will Qwest pay CLEC a similar amount of money, or a sum proportionate to WCom's business risk, if Qwest fails to meet a CLEC forecasted need?

Ultimately WCom contends that providing time, and realistic forecasts for the quarterly requirements will result in a more accurate target for Qwest's capacity planning, and more efficient trunk utilization. Such a goal can be met without obligating CLEC to provide a deposit in addition to a forecast.

However, there are no provisions reflecting what occurs if Qwest fails to meet the capacity requirements. Qwest has not demonstrated why it desires quarterly forecasts with 2-year trunking requirements as opposed to semi-annual with a 1-year requirement, for example. WCom also prefers semi-annual forecasts.

Moreover, meaningful and effective forecasting should be a two-way process. CLECs should not be required to go through the very time-consuming process to provide forecasts to Qwest without specific reciprocal obligations upon Qwest. Qwest has failed to inform the parties how it will use the CLEC forecasts, and what it will report to CLECs regarding the construction of facilities. If forecasts are provided to Qwest, what assurance will the CLECs have that facilities will be available when the actual orders are placed?

Will Qwest notify the CLECs when they will not be constructing facilities to meet CLEC forecasts?

Finally, in Colorado, Qwest provided new language regarding forecasting that was a step backwards from language that was agreed upon by Qwest and WCom in Arizona. So these sections will have to be readdressed in Arizona.

Regarding Sections 7.5.4 and 7.6.3, concerning the provision of call records for transit traffic, WCom agrees that there is a need for proper collection of revenues, but WCom and Qwest have not charged each other in the past for such call records. WCom believes the cost to provide and store this data exceeds the benefit either party derives, which is why the parties have not charged each other in the past. WCom is exchanging on average 3 million call records per month that would result in revenue to Qwest of $7,500 per month. There has been no showing by Qwest that the exchange of this information is out of balance.

Q. PLEASE DISCUSS WCOM'S POSITION ON FORECASTING AND OTHER LIMITED ISSUES RELATING TO THE RESALE OF SERVICES FOUND IN SECTION 6.

A. WCom reached certain agreements with Qwest in Arizona. Qwest has rewritten this section in the multi-state workshop and the section is still at issue even as rewritten. The revisions are extensive. WCom believes that annual forecasts, initially 90 days in advance, are appropriate. WCom may agree to longer time after its initial experience is analyzed. WCom would provide the type of services to be offered, but would have to rely on its experience in other jurisdictions to forecast our usage. WCom would be unable to give an accurate initial forecast on new POTs, as opposed to an existing service. With an existing service, WCom could provide anticipated minimum and maximum number of resale service requests. WCom would provide contact personnel.

Qwest agreed that trying to distinguish between "new" vs. "existing" would be difficult. Qwest stated that it really wanted total resale numbers, and then it would estimate "new" vs. "existing."

Based upon WCom UNE-P experience for Southwestern Bell ("SBC"), SBC provides a maximum number of transactions that SBC can handle to WCom , and WCom provides them notice if we expect to exceed the maximum, 90 days in advance. Qwest also agreed to AT&T's proposed paragraph (b) and (c) and keep Qwest's existing (a) without "city" and "state" and (c) and (d), and they would be relettered (d) and (e). WCom requested and Qwest agreed to use 90-day period to measure accuracy, instead of 30. (Note this language is not in Colorado version.) WCom cannot provide Centrex by wire center, since WCom does not market on wire center basis and this presents a problem. Qwest should be able to project wire center volumes, based on historical data. WCom might be able to forecast business demand by wire center and does so now, but WCom cannot provide wire center forecasts for residential services at this time because its IT systems are not set up for this. Qwest agreed to one-year forecasts instead of two years and Qwest agreed to add WCom's request that forecasts be made on a "good faith" basis. Qwest also agreed to add to the third sentence, after "initial forecast", "or more frequently as CLEC seeks to resell new types of service (new to CLEC)."

As with forecasting for interconnection, WCom continues to believe that it should be advised as to who needs to know this information within Qwest such as the network organization, Qwest's IT organization, OSS personnel, service delivery people, wholesale product managers or account managers. WCom also desires feedback from Qwest on how forecasting would be used and were used.

Qwest generally agreed to modify the section as follows: Qwest may disclose CLEC forecasts to Qwest personnel "on need to know basis only." Qwest agreed that in no event shall information be provided to retail marketing, sales, or strategic planning personnel. Qwest agreed that the forecasting information would be segregated within Qwest and the Qwest personnel would have to sign non-disclosure agreements with penalties including termination from Qwest for violations. All such forecasting information would be described as "confidential and proprietary".

Regarding Section 6.4.1, Qwest essentially wants to initiate marketing, not just respond to an end user who asks for such information. In Colorado, AT&T proposed adding to the end of the last sentence "seeking such information" to settle this section. WCom concurs in AT&T's proposed language.

Q. DOES WCOM HAVE CONCERNS REGARDING SECTION 8?

A. Yes, it does.

Q. PLEASE DESCRIBE THOSE CONCERNS.

A. WCom's concerns again focus on forecasting obligations. WCom's comments regarding forecasting stated in relation to interconnection and resale are equally applicable here. Therefore, WCom will not repeat its forecasting comments, including confidentiality concerns, again for collocation. However, in Sections 8.4.1.4 through 8.4.1.6, Qwest added substantial forecasting requirements that remain open in every jurisdiction to the best of WCom's knowledge. No consensus has been reached on virtually all of Section 8.4 regarding ordering of collocation anywhere.

In the multi-state workshop Qwest added a 10% accuracy factor to Section 8.4.1.4. It agreed to clarify this factor further, how it would apply and why it believes that the 10% is an appropriate factor. For Section 8.4.1.5, Qwest is considering whether to add a requirement that Qwest notify a CLEC if its application is defective on its face. In other words, Qwest would have an affirmative obligation to do a "superficial" review of the application for "glaring" errors.

Qwest also apparently agreed that a forecast for any type of collocation, such as physical, cageless, caged, and virtual was sufficient to meet its forecasting needs. In other words, if a CLEC forecasts physical or caged collocation, but Qwest cannot meet that request, its forecast is valid for another form of collocation and remains valid for forecasted physical collocation requested by the CLEC but not provided Qwest.

In Section 8.1.1.3 it states that space will be provided utilizing "Qwest standard equipment bay configurations." Where are those configurations listed? Are they static? Are the configurations, such as NEBs documents and Qwest's technical publications, consistent with industry standards? In Colorado, Qwest agreed to strike reference to "Qwest" standard equipment to "industry standard equipment".

Regarding Section 8.1.1.6, in Colorado WCom raised concerns about the reasonable safety and maintenance standards as generally described. Specifically, what are "reasonable safety and maintenance requirements" and are they described in the IRRG or similar document. Are those requirements static, and if not, how are CLEC's kept informed of changes? WCom also objects to Qwest's unilateral ability to design and do space planning for the site. If CLEC is constructing, it should at least have a partial voice in design. This section should be re-worded to say, "Such adjacent structure shall be in accordance with parties jointly determined design and space planning for the site." Further, if physical collocation space becomes available in previously exhausted Qwest premises, Qwest must not require a carrier to move, or prohibit a CLEC from moving, a collocation arrangement into that structure. Instead Qwest must continue to allow the carrier to collocate in any adjacent controlled environmental vault, hut or similar structure that the carrier has constructed or otherwise procured as required by FCC rule.

On the first issue, Qwest advised it meant industry and public standards, and that the SGAT controls any conflicting internal document. Qwest agreed to add language to reference applicable OSHA, EPA, federal and state regulations.

Regarding Sections 8.1.1.8, 8.2.7, 8.4.6 and 8.6.1, Qwest is unwilling to add that remote collocation should allow for virtual collocation and refuses to delete reference to "physically".

Under Section 8.2.1.21.2, concerning Packet Switching, Qwest should not have the ability to hold up CLEC collocation of equipment previously inventoried/warranted for use while it petitions the Commission for reconsideration or clarification. To ensure Qwest does not delay by protesting every packet switch a CLEC wishes to collocate, this section should be revised as follows: "Qwest will not delay collocation of such equipment based on pending Commission decision."

Under Section 8.2.1.9.1, a last sentence should state as follows: "A Space Availability Report charge will apply if permitted by the Commission."

Under Section 8.2.1.10, a sentence should be added as follows: "If CLEC submits a request for an alternative form of collocation within 5 business days after receipt of denial, the date of the original physical collocation request will be considered as the date the alternative collocation was requested." This precludes Qwest from restarting the interval clock.

Under Section 8.2.1.10.1, WCom believes this section should be clarified by adding to the beginning of the paragraph, "If Qwest denies CLEC request for physical collocation space, Qwest must in each event provide, within ten days of denial, in a complete and detailed manner, floor plans or diagrams of the premises and description of the ground and surrounding area; analysis of the space as currently used; information about any possible reclamation, consolidation, planned expansion or other future use of that space, including the information and forecasts used in making the plans for future use, the date the space was originally reserved and the date Qwest intends to put the space to future use; disclosure of all space that has been reserved by Qwest or that is being used for storage of unused or underutilized equipment; information regarding Qwest's internal policies for administration, maintenance, equipment, storage, recreation, and other non-essential uses of space in its Central Offices, so that a CLEC can ascertain whether Qwest's procedures for determining whether space is available for collocators' equipment is similar to Qwest's procedures for determining whether space is available for its own equipment; information on the amount and usage of space currently used and projected to be used by Qwest's Affiliates; and plans for Central Office rearrangement and conversion of space used for administrative, maintenance, equipment, storage, recreation, and other non-essential uses; and any other information Qwest used to determine that there was no space available." WCom also requests that the denial notification describe whether the denial is based upon reserved space eg. the number and description of Qwest, Qwest affiliates and CLECs reservations of space.

Under Section 8.2.1.12, WCom requests the following addition to the end of section. "These floor plans or diagrams must show what space, if any, Qwest or any of its affiliates has reserved for future use, and must describe in detail the specific future uses for which the space has been reserved and the length of time for each reservation."

Regarding Section 8.2.1.2.3, in Colorado, Qwest announced that it will allow collocation of RSUs and will provide appropriate language.

For Section 8.2.2.1, "repairing" should be added to the first sentence.

Under Section 8.2.2.7, add "Initial" before direct. CLECs should only be obligated to initially train Qwest on their equipment. Qwest should be required to train their technicians after the initial training. Qwest agreed to add "Initial" in Colorado.

Under Section 8.2.3.9, after the first sentence, the following language should be added: "Qwest must immediately inform CLEC and detail the alleged violations."

Regarding Section 8.4.1.7, in Colorado Qwest advised that it needs to revise 1-year period because of RSU addition (1, 3, and 5 year intervals). Collocation Space Reservation Application Form will be provided at IRRG website. Qwest also advised that this type of application would not impact 5 collocation application limit in Section 8.4.1.8. Qwest further advised that the non-recurring charge for collocation application is price of collocation requested, including all relevant charges under Section 8.3 of Exhibit A. Qwest agreed to add language to state that 50% down payment will be applied to completed collocation . Qwest acknowledged that the average collocation price is $100,000, thus CLEC would on average have $50,000 at stake. Qwest advised that for this fee, it will mark Qwest records, ascertain if power is available and, if infrastructure is required, it will build infrastructure. Qwest acknowledged that the deposit is not intended to cover Qwest's cost, but to be a hurdle to prevent warehousing of space and loss of opportunity costs.

However, if one compares Section 8.2.1.16 (Qwest right to reserve floor space) with Section 8.4.1.7, Qwest does not have similar obligation. Apparently Qwest will not prepare Collocation Space Reservation Application Form, pay nonrecurring charges, or forfeit nonrecurring deposit if it doesn't use space. This does not appear to be a nondiscriminatory application of the SGAT.

WCom considers the cancellation forfeirture found in Section 8.4.1.7.4, concerning Reservation/Deposits for Collocation, to be disproportionate with the reservation policy. A CLEC forfeits the entire 50% deposit after 90 days if cancelled. But the 50% is to hold the space for 12 months. If one loses the deposit after 90 days anyway, there is no incentive to promptly cancel reservation. WCom believes a pro-rated system for loss of deposit should be adopted. Moreover, what are the actual damages to Qwest that they can justify such costly liquidated damages for cancellation?

Under Section 8.4.3.4, the Intervals for Physical Collocation are still too broad thereby allowing Qwest to sidestep its FCC obligation to complete collocation within 90 days. These intervals must be construed strictly. Qwest needs to face penalties for not being able to meet that 90-day deadline, not just count on loose language and a lack of negotiating power by CLECs to escape its legal responsibility to adhere to the deadlines.

Q. Does this conclude your supplemental testimony?

A. Yes, it does. Thank you.