XIII. Advanced Services: xDSL and Line Splitting:

xDSL[1]

The term "digital subscriber line" ("xDSL")[2] refers to various technologies generally used to provide packet switched data offerings such as high-speed Internet access services. A packetized DSL signal generally can only be transmitted over an all-copper loop facility if the all-copper loop facility contains no load coils or repeaters.[3] The quality of the DSL signal is impacted by the length and gauge of the copper loop. Different DSL technologies have different maximum recommended loop lengths. Because DSL technologies are distance sensitive, the quality of the DSL signal may also be impacted by the presence of excessive bridged tap on the loop.[4] In order to make an existing copper loop more suitable for DSL, CLECs may request that SBC Missouri condition the loop to remove load coils, repeaters and/or excessive bridged tap.[5] ILECs (including SBC Missouri) utilize load coils, repeaters, and bridged taps in their networks to support various services and allow the ILECs to efficiently and flexibly manage their networks. However, while these things are beneficial for some services (such as voice), they can impair or even

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[1] *See* Chapman Direct, pp. 10-11.

[2] The "x" in xDSL is a place holder for the various types of DSL services, such as, but not limited to, ADSL (asymmetric digital subscriber line), HDSL (high-speed digital subscriber line), IDSL (ISDN Digital Subscriber Loop), SDSL (symmetrical digital subscriber line), UDSL (universal digital subscriber line), VDSL (very high-speed digital subscriber line), and RADSL (rate-adaptive digital subscriber line).

[3] There are limited exceptions to this general rule. IDSL stands for ISDN DSL. IDSL is a relatively low-speed DSL that, like ISDN, can be transmitted over certain digital loop carrier systems.

[4] Bridged tap equates to extra loop length, and, accordingly, may impact DSL service.

[5] Based on CLEC request and consistent with applicable industry standards and currently approved SBC Missouri ICAs, "excessive" bridged tap" is defined as bridged tap in excess of 2,500 feet total length (with no single segment of more than 2,000 feet). SBC Missouri also offers additional terms and conditions for the removal of non-excessive bridged tap (i.e., bridged tap 2,500 feet in total length or less) to interested CLECs. CLECs using this option may request the removal of non-excessive bridged tap (for loops that do not have excessive bridged tap) or the removal of "all" bridged tap (for loops that have both excessive and non-excessive bridged tap).

prohibit the deployment of DSL. As a result, CLECs requesting a loop for the provision of DSL service may request that SBC Missouri condition the loop to remove any load coils, repeaters, and/or excessive bridged tap present on the loop.[6]

1. Should the ICA refer to the *FCC's* Triennial Review Order and its implementing regulations as the sole source of SBC's obligations to provide xDSL?

MCI xDSL Issue 1: *Is the FCC's Triennial Review Order the sole source of SBC's obligations to provide xDSL?*

SBC's Statement of the Issue: *Should the Appendix reflect the Parties' obligation to comply with the TRO in the lawful and effective FCC Rules relating to xDSL?*

Discussion:

SBC states that its proposed language states that xDSL loops and xDSL sub-loops are offered "in accordance with the FCC's *Triennial Review Order* and associated and effective implementing rules," because those authorities specifically address SBC's obligations with respect to unbundled copper 2-wire and 4-wire xDSL loops and xDSL sub-loops, loop conditioning, spectrum management, and maintenance repair and testing.

MCI responds that the *TRO* is not the sole source of SBC's obligations to provide xDSL. FCC regulations other than the *TRO*,[7] applicable state law,[8] and the terms and

[6] The conditioning options listed are SBC Missouri's basic conditioning options. As noted above, SBC Missouri also offers CLECs additional conditioning options for the removal of non-excessive bridged tap and the removal of "all" bridged tap (the simultaneous removal of both excessive and non-excessive bridged tap), which may be incorporated into a CLEC's interconnection agreement.

[7] *See, e.g.*, *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, 3699, ¶ 2 (1999) (*UNE Remand Order*), *reversed and remanded in part sub. nom. United States Telecom Ass'n v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) (*USTA*), *cert. denied sub nom. WorldCom, Inc. v. United States Telecom Ass'n*, 123 S.Ct 1571 (2003 Mem.) ("UNE Remand Order"), ¶ 15.

[8] The Commission has jurisdiction over the rates and rentals charged by telecommunications companies including rates and charges for the use of telecommunications facilities. State law also requires the Commission to determine that such rates, charges, rentals or services are not unjust, unreasonable, unjustly discriminatory or unduly preferential or in any way in violation of law. Missouri Title 25, Chapter 386.240.

conditions of the ICA itself[9] impose obligations on SBC to provide xDSL to MCI. MCI condemns SBC's language as "yet another attempt to include a unilateral change-of-law right in the agreement."[10]

SBC responds that, in an effort to accommodate MCI's concerns that SBC's language sought to include a "unilateral change of law in the agreement," SBC Missouri withdrew a portion of its language that read "as such rules may be modified from time to time." By referencing the FCC's *TRO* and implementing rules, SBC's language comprehensively addresses SBC's obligations concerning xDSL loops and xDSL sub-loops.[11]

Decision:

The Arbitrator agrees with MCI that, in fact, SBC's proposed language does not comprehensively address SBC's obligations concerning xDSL loops and xDSL sub-loops. For this reason, MCI's language is preferable.

2. Should the xDSL Appendix contain a special liability and indemnity section in addition to that contained in the General Terms and Conditions?

MCI xDSL Issue 2: *Should the Commission adopt SBC's liability and indemnity language for the DSL Appendix in addition to that contained in the GT&Cs?*

Discussion:

SBC states that its proposed language contains specific liability and indemnity provisions for DSL services because Attachment 25 DSL allows CLECs to provision "nonstandard" xDSL technologies on SBC's network and the general liability and indemnity

[9] *See, e.g.*, Section 10.3.1.5 and Section 8 of the UNE Appendix.

[10] MCI's Position Statement, MCI xDSL Issue 1.

[11] Chapman Direct, pp. 9-12; Chapman Rebuttal, p. 5.

language in the General Terms and Conditions does not adequately address the risks presented by such services.

MCI responds that it is not necessary to have multiple liability and indemnity provisions scattered throughout the ICA. The general liability and indemnity provisions in the GT&C attachment are comprehensive and apply equally to each of the individual appendices. If SBC's proposed language was included in the ICA, it would supercede the corresponding provision in the GT&C attachment. Further, MCI asserts, the fair and reasonable language in the GT&Cs would be superceded by SBC's "one-sided, self-serving provisions."[12] MCI charges that SBC's proposed language is unreasonable since it would make MCI liable to SBC even in the absence of any underlying fault on MCI's part.

SBC replies that DSL services have the potential to interfere with other services that have been provisioned over nearby facilities. In order to minimize the potential for harm to adjacent services, the industry has established standards for the deployment of various xDSL technologies. But when new technologies develop, it takes time for the industry to determine the appropriate deployment standards. Until industry standards are developed, there are risks associated with deploying non-standardized DSL technologies. One of those risks is that the deployment of the technology will have unexpected negative impacts on other services.[13] SBC's proposed language balances MCI's ability to deploy cutting edge technologies for which no standard has yet been established with MCI's responsibility to ensure that its deployment of those technologies do not inappropriately harm the existing services on the network.

[12] Collins Direct, at p. 10.

[13] Chapman Direct, pp. 9-12.

Decision:

The Arbitrator is of the opinion that all liability and indemnity language should be collected in the GT&Cs; therefore, MCI's position is preferable here. The provisions in the GT&Cs can be drafted to cover all of SBC's various concerns.

3. Should time and material charges related to xDSL be set out in the ICA's Pricing Appendix or should the ICA simply refer to SBC's tariff?

MCI xDSL Issue 3: *Should time and materials charges be set forth in Appendix Pricing or as set forth in SBC Missouri's tariff?*

Discussion:

SBC states that its proposed language provides that the rates for the services at issue shall be those set out in SBC's FCC Tariff No. 73, Maintenance of Service Charges, because those tariffs contain approved rates that are appropriate for the work activities in question.

MCI responds that all prices should be set out in the ICA, including time and material charges related to xDSL. Having the prices in the ICA ensures contractual certainty for both parties since both parties will know exactly what will charged and paid for each element and service that is ordered. Allowing SBC to point to its FCC tariff for these prices effectively allows SBC to make changes to this ICA by unilaterally changing its tariff and forces MCI to accept contractual changes to which it has not agreed.

SBC replies that its willingness to offer these services, which are voluntary commercial offerings not subject to negotiation or arbitration under the Act, was based in part on its ability to use the existing rates and billing mechanisms. These approved tariff rates assure that SBC's offering for these services is available on a non-discriminatory basis. MCI has not objected to the proposed rates; rather, MCI objects that the rates are

contained in SBC's federal access tariff. The FCC time and material charges are the rates that currently apply under Attachment 25: xDSL to the M2A and the other agreements SBC Missouri has in place today with other CLECs. SBC does not object to its FCC time and material rates being set out in Appendix Pricing to the ICA as proposed by MCI, as long as those rates are noted as being subject to change if the tariffs are modified during the period of the successor ICA.

SBC asserts that MCI's language should be rejected because it is an improper attempt to compel arbitration of certain voluntary commercial offerings that SBC has developed that are not required by, or subject to, §§ 251 and 252 of the Act. SBC has not agreed to negotiate, and did not negotiate, any of these issues in its ICA negotiations with MCI and has provided a written notice to MCI regarding its position on these issues. Nor does SBC agree to submit for compulsory arbitration these or any other non-Section 251(b) and (c) issues.

Decision:

The real issue here is that SBC wants variable rates for these services, while MCI wants fixed rates. SBC maintains that these are not § 251(c) services and that they are thus not subject to the Arbitrator's jurisdiction. More importantly, that means that the rates are not subject to the Act. For this reason, the Arbitrator concludes that the rates, whether contained in the ICA or in the tariff, must be variable at SBC's option.

4. Should the ICA relieve MCI of its obligation to pay for acceptance testing if SBC fails to meets certain performance standards?

<u>MCI xDSL Issue 4</u>: *Should there be an exception to MCIm's obligation to pay for acceptance testing when certain performance standards are not met?*

Discussion:

SBC states that the Commission should reject MCI's proposed language because (1) this matter is not subject to arbitration; and (2) the process proposed by MCI is unnecessary and is unduly cumbersome to administer.

MCI proposes that when SBC fails to properly provision DSL loops 90% of the time, MCI will not be required to pay SBC for acceptance testing for a period of 60 days. This provision is in MCI's current agreements with SBC in Michigan and Ohio.[14] MCI wants this language in the ICA because MCI must rely on SBC meeting its performance obligations under the ICA in order to provide service to its own end-users. When SBC fails to properly provision DSL loops as required under the agreement, MCI's business suffers, as does its relationship with its customers.[15]

SBC replies that, as with the previous issue, this one relates to a wholly voluntary and completely optional offering, SBC's commercial, non-§ 251(b) or (c), Acceptance Testing Offering, which SBC is willing to make available to CLECs outside the §§ 251 and 252 process. To the extent MCI wishes to have such optional testing, SBC is willing to include it in the ICA for convenience only. But if MCI does not agree to the provisions under which SBC is willing to make this commercial offering available, the Acceptance Testing Provision should simply be removed from the parties' xDSL Appendix.

SBC further complains that, from a substantive perspective, MCI's proposed language is unnecessary and is unduly cumbersome. The language MCI proposes dates back to the original development of the acceptance testing process in Texas. At that time, due to the newness of the Texas xDSL loop offering and the acceptance testing offering, as

[14] Tenerelli Direct at p. 4.

[15] *Id.*, at 3.

well as the lack of established performance measures, SBC agreed to add the language MCI proposes here to address CLEC concerns. Since that time, however, SBC's xDSL loop offering and provisioning methods have become well-established and its performance is now monitored through a number of specific performance measurements. The old language that MCI proposes here, which in essence requires SBC to perform a manual check of its performance based on a random sampling, is outdated and has been eliminated from the acceptance testing offering for quite some time. Further, the language proposed by MCI is unbalanced in that it allows MCI to request that SBC perform this burdensome review whenever MCI "believes" provisioning standards are not being met. MCI could request such a review every single month, even if month after month a review showed that SBC had performed acceptably. Finally, SBC's standard acceptance testing language already includes provisions that ensure that MCI is not required to pay for an acceptance test if SBC did not provision the xDSL loop correctly.[16]

Decision:

The Arbitrator concludes, for the reasons stated above, that SBC's language is preferable.

5. What should the ICA provide with respect to Acceptance Testing, Cooperative Testing, Loop Conditioning, and the maintenance and repair of xDSL loops?

<u>MCI xDSL Issue 5(a)</u>: ***Are acceptance, cooperative testing, loop conditioning, maintenance and repair of xDSL loops within the scope of SBC's § 251(c)(3) unbundling obligations?***

[16] Chapman Direct, pp. 21-23.

SBC's Statement of the Issue: ***Should the tariff time and material charges apply for maintenance work and testing performed by SBC Missouri at MCIm's request beyond that required under the Act for the parties ICA?***

MCI xDSL Issue 5(b): ***Has SBC waived the argument that it did not voluntarily negotiate the items listed in issue 5(a) above?***

SBC's Statement of the Issue: ***Should MCI's proposed language relating to acceptance testing be rejected?***

Discussion:

SBC states that its proposed language appropriately notes that certain services in this section are voluntary offerings not subject to negotiation or arbitration under §§ 251 and 252 of the Act. They are being included in the ICA solely for the convenience of the parties.[17]

MCI responds that SBC has proposed language limiting its obligations under § 251(c)(3) of the Act pertaining to the provision of xDSL loops.[18] Although the parties agree that SBC is obligated to provide MCI with access to DSL-capable loops, they disagree over the scope of SBC's obligations. MCI contends that SBC's language ignores the plain requirements of the FCC's rules, specifically, 47 C.F.R. § 51.319(a)(1), (iii) and (iv). Those rules, MCI claims, clearly require SBC to condition, maintain, repair, and test xDSL loops provided to MCI.

SBC replies that it agrees that it has an obligation to provision xDSL loops and to comply with the FCC's rules relating to loop conditioning, maintenance, repair, and testing. The issue, in dispute, however, concerns the rates that should apply (1) to work either party performs at the request of the other and where the trouble is found not to be in the dispatched party's network or equipment, and (2) to SBC's voluntary acceptance testing

[17] Chapman Direct, pp. 21-23

[18] Price Direct, pp. 142-143.

and cooperative testing offerings. As noted under MCI xDSL Issue 3, SBC does not object to its FCC tariff maintenance of service charges being included in the parties' Appendix Pricing, provided it is noted that the rates will subject to modification if the tariffs are modified during the term of the ICA.

SBC's witness, Chapman, testified that SBC has TELRIC-based rates for activities that are required in order to provide unbundled network elements.[19] In addition to these required activities, SBC has also developed a number of additional, optional offerings based upon CLEC requests. Chapman testified, "SBC Missouri's willingness to develop these offerings hinged on its ability to charge a particular rate for the offering."[20] SBC is obligated to provide access to unbundled xDSL loops and, in meeting that obligation, performs testing to ensure that agreed-upon levels of quality have been met.[21] In addition to performing this testing to ensure that SBC has provisioned the loop correctly, SBC has agreed to perform additional testing at MCI's request. This additional testing "is testing that is not designed to determine that SBC Missouri has met its obligations under the agreement by providing a "good" loop. Instead, this is simply optional testing that SBC Missouri facilitates at MCIm's request."[22] This additional, optional testing includes xDSL loop acceptance testing and xDSL loop cooperative testing.

[19] Chapman Direct, p. 17.

[20] Id.

[21] Id.

[22] *Id.; and see* xDSL Appendix at § 9.

Acceptance testing is performed for the requesting CLEC by the SBC technician dispatched to the end user's premise when a new xDSL-capable loop is initially installed.[23] It permits the CLEC to avoid having to dispatch its own technician.

> Acceptance Testing is an option that allows a CLEC to request that the SBC Missouri technician dispatched to the end user's premise during the provisioning process assist in the CLEC's own testing of the loop by placing a short on the loop at the premise. This CLEC testing does not occur until after SBC Missouri has provisioned and tested the xDSL Loop. Thus, prior to this Acceptance Testing, SBC Missouri has complied fully with its obligations to provide an xDSL-capable loop under Section 251 and its ICA.[24]

Chapman testified that Cooperative testing is similar to Acceptance Testing.[25]

> Cooperative Testing may occur any time after the xDSL Loop has been provisioned. Cooperative Testing, as offered in the xDSL Appendix, is an option that allows a CLEC to request that SBC Missouri dispatch a technician to an end user's premise served by a working xDSL Loop (an existing xDSL Loop that has been provisioned by SBC Missouri and provided to the CLEC) so that the *CLEC* can perform its own tests while the SBC Missouri technician places a short on the loop at the premise. In both Acceptance Testing and Cooperative Testing, SBC Missouri is not performing a test at all. Instead, SBC Missouri is assisting the CLEC as the CLEC performs its own tests.[26]

SBC urges the Commission to adopt its proposed language. SBC repeats that these optional services are not within the scope of compulsory arbitration under § 252 and SBC does not consent to arbitrate these offerings. For convenience, SBC is willing to include these services in the ICA, but only if SBC's language is used. If MCI does not accept SBC's language, then these services should be removed from the ICA.

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[23] *Id.,* at p. 18.

[24] *Id.,* at p. 19.

[25] *Id.*

[26] *Id.*

Decision:

The first question is whether or not loop conditioning, acceptance testing, cooperative testing, and loop maintenance and repair are within the scope of SBC's § 251(c)(3) unbundling obligations. Rule 47 C.F.R. § 51.319(a)(1), (iii) and (iv), provide:

> (iii) Line conditioning. The incumbent LEC shall condition a copper loop at the request of the carrier seeking access to a copper loop under paragraph (a)(1) of this section, the high frequency portion of a copper loop under paragraph (a)(1)(i) of this section, or a copper subloop under paragraph (b) of this section to ensure that the copper loop or copper subloop is suitable for providing digital subscriber line services, including those provided over the high frequency portion of the copper loop or copper subloop, whether or not the incumbent LEC offers advanced services to the end-user customer on that copper loop or copper subloop. . . .
>
> * * *
>
> (C) Insofar as it is technically feasible, the incumbent LEC shall test and report troubles for all the features, functions, and capabilities of conditioned copper lines, and may not restrict its testing to voice transmission only.
>
> * * *
>
> (iv) Maintenance, repair, and testing.
>
> (A) An incumbent LEC shall provide, on a nondiscriminatory basis, physical loop test access points to a requesting telecommunications carrier at the splitter, through a cross-connection to the requesting telecommunications carrier's collocation space, or through a standardized interface, such as an intermediate distribution frame or a test access server, for the purpose of testing, maintaining, and repairing copper loops and copper subloops.
>
> (B) An incumbent LEC seeking to utilize an alternative physical access methodology may request approval to do so from the state commission, but must show that the proposed alternative method is reasonable and nondiscriminatory, and will not disadvantage a requesting telecommunications carrier's ability to perform loop or service testing, maintenance, or repair.

The cited rules require SBC to condition and test xDSL loops for a requesting carrier and to provide access to the loops so the carrier can maintain and repair them. SBC has explained that acceptance testing and cooperative testing are outside the scope of the testing that Rule 47 C.F.R. § 51.319(a)(iii)(C) obligates it to perform for a requesting carrier. Rule 47 C.F.R. § 51.319(a)(iv)(A) also speaks of testing and requires the ILEC to provide access so that the CLEC can do this testing itself. The record shows that acceptance testing and cooperative testing are not obligatory testing under § 51.319(a)(iii)(C), but are voluntary testing under § 51.319(a)(iv)(A). For this reason, the Arbitrator concludes that SBC is correct. Acceptance testing and cooperative testing are voluntary offerings, beyond the scope of SBC's unbundling obligations and thus beyond the scope of this arbitration. MCI must accept SBC's language with respect to these services if it wants them to be available under the ICA. To answer SBC's question, yes, the tariffed time and material charges apply to these services unless the parties agree to put them in the ICA. MCI's language relating to Acceptance Testing is rejected.

The cited rules do not obligate SBC to maintain or repair xDSL loops, but only to provide non-discriminatory access so that the CLEC can repair them itself.[27] For this reason, the Arbitrator concludes that SBC's service of maintaining and repairing xDSL loops for CLECs is a voluntary offering, outside of the scope of its obligations and thus beyond the scope of this arbitration. Again, MCI must accept SBC's language with respect to these services if it wants them to be available under the ICA. Again, the tariffed time and material charges apply to these services unless the parties agree to put them in the ICA.

[27] In its testimony and Brief, SBC has acknowledged that it is obligated to maintain and repair xDSL loops.

The last question is whether SBC has waived its argument that it has not consented to negotiate and arbitrate Acceptance Testing, Cooperative Testing, and the maintenance and repair of xDSL loops. The Arbitrator concludes that SBC has not waived this argument.

Line Splitting[28]

Line splitting is an arrangement in which two CLECs share an unbundled copper xDSL loop in a manner that permits one CLEC to provide circuit-switched voice service to an end-user over the loop and the other CLEC to provide DSL-based data service over the loop to the same end-user. In a line sharing arrangement, by contrast, SBC provides the circuit-switched voice service. The *TRO* established the rules governing the manner in which ILECs must facilitate CLECs' ability to engage in line splitting.[29]

In a line splitting arrangement, the end-user's circuit-switched voice and xDSL service is provisioned over a single 2-wire copper xDSL loop. This xDSL loop is terminated at a CLEC's collocation arrangement where it is connected to a CLEC-owned splitter. The "splitter" is a device that separates the frequencies over which the voice and xDSL signals travel. Once the splitter has separated these signals, the data portion of the line is connected to the data CLEC's digital subscriber line access multiplexer ("DSLAM") equipment that generates the DSL signal. The voice portion of the line is connected separately to the voice switch. These connections occur within the CLEC collocation arrangement.

There are two basic types of line splitting arrangements: UNE Line Splitting, where SBC is still required to offer unbundled local circuit switching for the CLEC's

[28] Chapman Direct, pp. 30-47.

[29] 47 C.F.R. § 51.319(a)(1)(ii).

embedded base, and CLEC-switched Line Splitting. "UNE Line Splitting" is simply a line splitting arrangement in which the CLEC purchases unbundled local switching with shared transport ("ULS-ST") from SBC to provide the end-user's voice service. "CLEC-switched Line Splitting" is a line splitting arrangement in which the end-user's voice service is provisioned over a CLEC-owned switch. Obviously, there are operational differences between these two scenarios. There are also variations within these two types.

Both UNE Line Splitting and CLEC-switched Line Splitting arrangements use at least one UNE, an unbundled xDSL Loop. The difference is in how the circuit-switched voice service portion of the line splitting arrangement is provided. In a UNE Line Splitting arrangement, SBC provides the local circuit switching via a ULS-ST port terminated to a CLEC collocation arrangement. In a CLEC-switched Line Splitting arrangement, a CLEC provides the local circuit switching via CLEC-owned switching. The circuit switching can also be provided by a third party.

The CLEC must connect the voice to the appropriate connecting facility, either that designated for the ULS-ST or a facility connecting to the CLEC-owned switch or third party switch. CLECs often pre-wire their splitters so that the voice and data connections are in place before the line splitting arrangement is provisioned. Both the splitter and the DSLAM are required for line splitting, and, due to xDSL technical limitations, the data CLEC must be collocated.

As stated, the voice CLEC in a line splitting arrangement may either use its own switching equipment to provide voice service, obtain switching capability from a third party vendor, or, for the CLEC's existing embedded base during the 12-month transition period, continue to purchase a ULS-ST from SBC. If the voice CLEC is collocated in the central

office, it may use a splitter located in its collocation space to perform the splitting function and send the data portion of the service to the data CLEC's DSLAM. However, the more common practice is for the voice CLEC to designate termination information for the data CLEC's collocation arrangement identifying where SBC should terminate the connection to the xDSL loop, and, if available and ordered, the ULS-ST. After the 12-month transition, line splitting involving the ULS-ST will not be available.

The FCC's rules establish that ILECs must support line splitting in situations where a CLEC provides voice service using its CLEC-provided switching or through local circuit switching obtained as an unbundled network element.[30] However, the latter option only applies to the extent that local circuit switching is available on an unbundled basis. Under the *TRRO*, SBC has no obligation to offer unbundled local circuit switching except for the CLECs' existing embedded base during the 12-month transition period. As a result, after March 10, 2006, the FCC's rules relating to line splitting using unbundled switching will no longer be applicable. Similarly, a large portion of the Line Splitting Appendix will have no application after March 10, 2006, because many of the provisions in the Line Splitting Appendix only apply to the extent SBC offers the ULS-ST.

6. What should the ICA provide with respect to line splitting where the CLEC switches the voice with its own switch?

<u>MCI Line Splitting Issue 5 Issue</u>: *What terms and conditions should apply for line splitting with a CLEC-owned switch?*

Discussion:

SBC states that the Commission should reject MCI's proposed language, which requires SBC to cross-connect on its main distribution frame a voice CLEC's unbundled

[30] 47 C.F.R. § 51.319(a)(1)(ii)(A).

local switch port UNE with the data CLEC's splitter in the data CLEC's collocation arrangement, because it is inconsistent with existing FCC rules.

MCI responds that its proposed language details the technical process necessary to permit MCI to combine a line split loop with MCI's own switching. In light of the fact that SBC may soon not be ubiquitously available, "Line Splitting with a CLEC-owned Switch" is an increasingly important service delivery method for competitive carriers. Therefore, SBC's proposal that MCI and other CLECs await the outcome of a collaborative proceeding that may be months or years away when a simple solution is readily available amounts to little more than an anti-competitive ploy by the dominant carrier.

SBC replies that the FCC rules provide that an ILEC has no obligation to make available cross-connections to connect the equipment of two CLECs so long as the ILEC allows those CLECs to provide the requested connection themselves. SBC is currently meeting its obligation by allowing CLECs to connect their collocation arrangements via cage-to-cage cabling offered at TELRIC-based pricing.[31] MCI, however, wants SBC to offer both cage-to-cage cable between CLECs and CLEC-to-CLEC cross-connects on SBC's frames.[32]

SBC contends further that, from a network architecture perspective, MCI's proposal unnecessarily complicates the provisioning processes. The available network architecture allows CLECs to manage their own offerings with minimal involvement from SBC. SBC has no processes in place to handle the proposed architecture because its current systems and processes are not designed to provision and maintain cross-connects

[31] *See*, 47 C.F.R. Section 51.323(h).

[32] Chapman Direct, p. 40.

that do not serve any SBC network function.[33] Under MCI's proposal, every line splitting arrangement would include cross-connects that are not associated within the UNE. As a result, SBC cannot maintain a mechanized inventory of these cross-connects. In the event of a trouble report on an end-user's line, all three carriers -- SBC, the voice CLEC and the data CLEC -- would have to be involved in the troubleshooting in order to isolate the problem. SBC would have to review manual records to determine the impacted facilities. All this work activity would be an addition to the normal trouble reporting procedures that SBC would follow for trouble on the loop.

SBC charges that these factors would add significant complication to the process and are likely to hinder trouble resolution. SBC states that the factors could also result in the inadvertent disconnection of service. MCI's proposal unnecessarily places SBC in the middle of a physical arrangement between two CLECs, creating additional, increased operational difficulties relating to ongoing provisioning, maintenance and repair.[34]

Decision:

The FCC's rules require SBC to "provide a requesting telecommunications carrier that obtains an unbundled copper loop from the incumbent LEC with the ability to engage in line splitting arrangements with another competitive LEC."[35] SBC contends, and the Arbitrator agrees, that this rule does not require SBC to provide the cross-connects at issue here.

[33] Chapman Direct, p. 41.

[34] Chapman Direct, pp. 45-47; Chapman Rebuttal, pp. 11-23.

[35] 47 C.F.R. § 51.319(a)(1)(ii) (emphasis added).