Exhibit No:
Issues: NIM-5, ITR-1,2,5, 6,7,8,9,10c,
         ITR-10g,11a,11b,12a,
         OET-4a,b,c,5a,b,c,d, e, 6,7,8a
         OET-8b,9,10,11,11b, 12
         IC-3, 17,GT&C Def.1,9a,9b,
         GT&C Def.10a,b,11a, b, 12a
         GT&C 12b, 13,14a,14b,21a, 21b
Witness: Timothy Oyer
Type of Exhibit: Direct Testimony
Sponsoring Party: Southwestern Bell
Telephone, L.P. d/b/a
SBC Missouri
Case No: TO-2005-0166

SOUTHWESTERN BELL TELEPHONE L.P., d/b/a

SBC MISSOURI

CASE NO. TO-2005-0166

DIRECT TESTIMONY

OF

TIMOTHY OYER

Dallas, Texas

January 24, 2005

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Level 3 Communications, LLC's	)
Petition for Arbitration Pursuant to Section 252(b)	)
Of the Communications Act of 1934, as Amended	)
By the Telecommunications Act of 1996, and the	) <u>Case No. TO-2005-0166</u>
Applicable State Laws for Rates, Terms and	)
Conditions of the Interconnection with Southwestern	)
Bell Telephone Company, L.P., d/b/a SBC Missouri	)

AFFIDAVIT OF TIMOTHY OYER

STATE OF TEXAS	)
	)
COUNTY OF DALLAS	)

I, Timothy Oyer, of lawful age, being duly sworn, depose and state:

1.   My name is Timothy Oyer. I am presently Area Manager-Interconnection for SBC Operations, Inc.

2.   Attached hereto and made a part hereof for all purposes is my Direct Testimony.

3.   I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

_____
Timothy Oyer

Subscribed and sworn to before me this 19th day of January, 2005.

_____
Notary Public

My Commission Expires: 01-30-2006

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I. INTRODUCTION

1 Q. **PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Timothy Oyer. My business address is Three SBC Plaza, Dallas, Texas

3   75202.

4 Q. **BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?**

5 A. I am employed by SBC Operations Inc. as Area Manager—Network Regulatory.

6 Q. **WHAT ARE YOUR RESPONSIBILITIES AS AREA MANAGER- NETWORK**
7   **REGULATORY?**

8 A. My primary responsibility is to represent the SBC-owned incumbent local exchange

9   carriers ("ILECs") in the development of network policies, procedures, and plans from a

10   regulatory perspective. I am also responsible for representing those companies' network

11   organizations' interests in negotiations with competitive local exchange carriers

12   ("CLECs").

13 Q. **PLEASE OUTLINE YOUR WORK EXPERIENCE.**

14 A. I have been employed by SBC since 1981, and have held various management and non-

15   management positions, primarily in SBC Network organizations. In 1999, I accepted my

16   current position with the Network Regulatory Organization. From 1997 through 1999, I

17   worked in the Network Operations Center managing groups that monitor and provision

18   transport, loop electronics, and advanced services. From 1987 through 1997, I held

19   various management and non-management positions in central office operations. From

20   1981 through 1987, I held non-management positions in telephone exchange and cable

21   repair.

22

23

1	**Q.**	**WHAT IS THE PURPOSE OF YOUR TESTIMONY?**
2	A.	I will explain and support the technical aspects of SBC Missouri's position with respect to
3		disputed issues in the General Terms and Conditions Definitions ("GT&C Definitions")
4		Appendix, the Network Interconnection Methods ("NIM") Appendix, the Interconnection
5		Trunk Requirements ("ITR") Appendix, the Out-of-Exchange Traffic ("OET") Appendix,
6		and the Intercarrier Compensation ("IC") Appendix.

II. SBC'S NETWORK

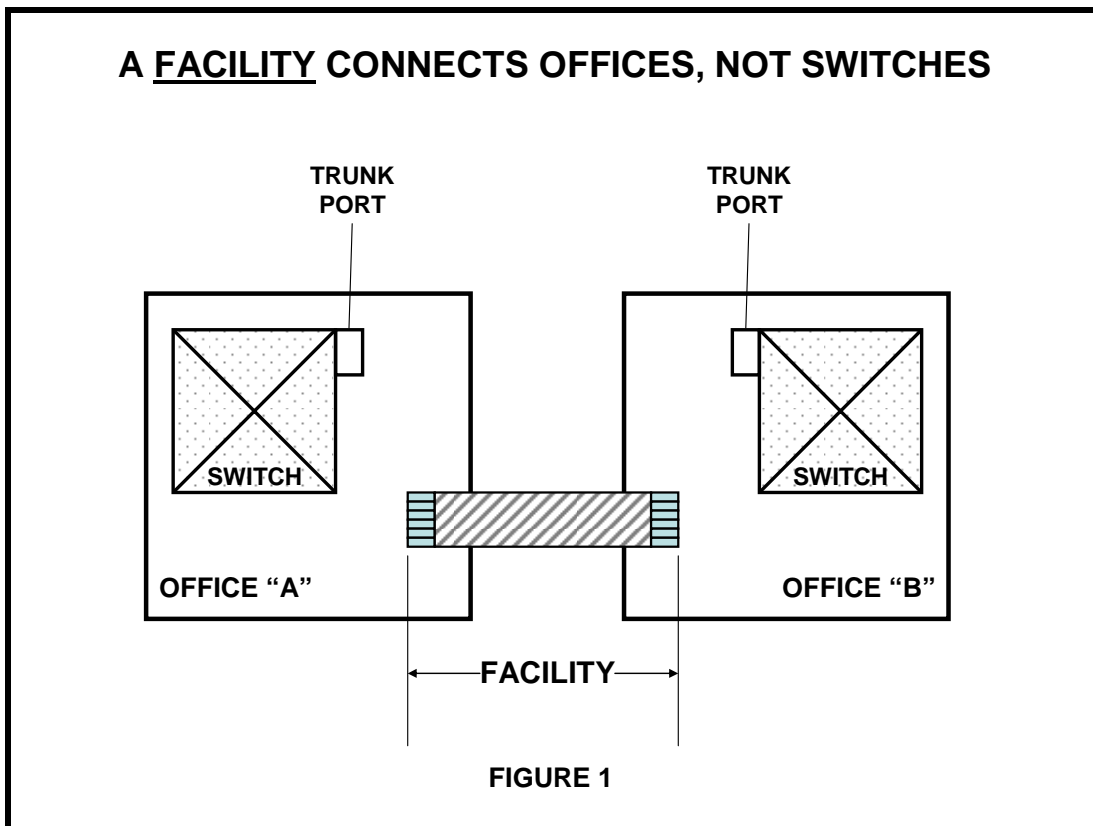|		
7	**Q.**	**WILL YOU BRIEFLY DECRIBE SBC'S NETWORK?**
8	A.	Yes. I will limit the description to the network, and network terms that are relevant to the
9		discussion of CLEC interconnection.
10	**Q.**	**WHAT IS A POINT OF INTERCONNECTION?**
11	A.	A Point of Interconnection ("POI") is a physical point on SBC Missouri's network where
12		SBC and a CLEC deliver Interconnection traffic to each other. It serves as a physical
13		demarcation point between the facilities of SBC and the CLEC that each party is
14		responsible to provide and maintain. It is the physical linking of their respective
15		networks.
16	**Q.**	**HOW DO THE TWO CARRIERS EXCHANGE TRAFFIC AT THIS POI?**
17	A.	Traffic is exchanged over trunks that are provisioned on the facilities.
18	**Q.**	**THEN ARE CALLS CARRIED OVER TRUNKS OR FACILITIES?**
19	A.	Both. However, there is a difference between a trunk and a facility.
20 21	**Q.**	**CAN YOU EXPLAIN THE DIFFERENCE BETWEEN FACILITIES AND TRUNKS?**
22	A.	Yes. There is a definite distinction between the two. Below is information that describes
23		both in detail.
24		**Facilities**

1 A facility is a physical medium that is used to connect two points within a network or

2 between two networks. FIGURE 1 illustrates a facility that connects two points within a

3 network – office "A" and office "B". Facilities, in the SBC Missouri network, are

4 primarily made of copper or fiber optic cable. In SBC Missouri's network, facilities

5 typically establish physical connectivity between central offices. Facilities may also

6 establish physical connectivity between SBC Missouri central offices and central offices

7 that belong to other carriers. When two telecommunications companies interconnect

8 their networks together, facilities are physically connected together, linking the two

9 networks to one another. This physical linking of the two companies' facilities creates an

10 end to end (or point-to-point) facility path that allows each company to establish the

11 trunking network between their switches. It is common to see facilities referred to in

12 terms such as DS-1, DS-3, OC-3, or OC-12.

13

A **FACILITY** CONNECTS OFFICES, NOT SWITCHES

TRUNK
PORT

TRUNK
PORT

SWITCH

SWITCH

OFFICE "A"

OFFICE "B"

←FACILITY→

FIGURE 1

1   **Trunks**

2   Trunks are dedicated talk paths from one switch to another switch. Trunks connect to

3   switches at trunk ports. A trunk port is an interface to the switch. FIGURE 2 illustrates

4   how a trunk connects the switch in office "A" to the switch in office "B". Typically,

5   more than one trunk is needed between two switches. More than one trunk can be

6   grouped together in software in what is referred to as a trunk group. In SBC Missouri's

7   network, a trunk group is dedicated to only deliver calls between the two switches

8   connected by the trunk group. There are different types of trunk groups based on the

9   switching or routing instructions programmed into the switch – some are final groups that

10   do not alternate route, while some are high usage groups that do allow alternate routes.

11   An alternate route is one that is selected by the switches in the case that the preferred,

12   high usage trunk group is not available.

13   **Q.   ARE FACILITIES ONLY USED TO PROVISION TRUNKS IN SBC MISSOURI'S**
14   **NETWORK?**

15   A.   No. While trunks require a facility so two offices or two carriers can exchange traffic,

16   this is just one use of a facility. Facilities are used to provision circuits that connect many

17   types of communications devices such as burglar alarm systems or computers. It is

18   important to remember that "facilities" and "trunks" are separate and distinct elements of

19   a network.

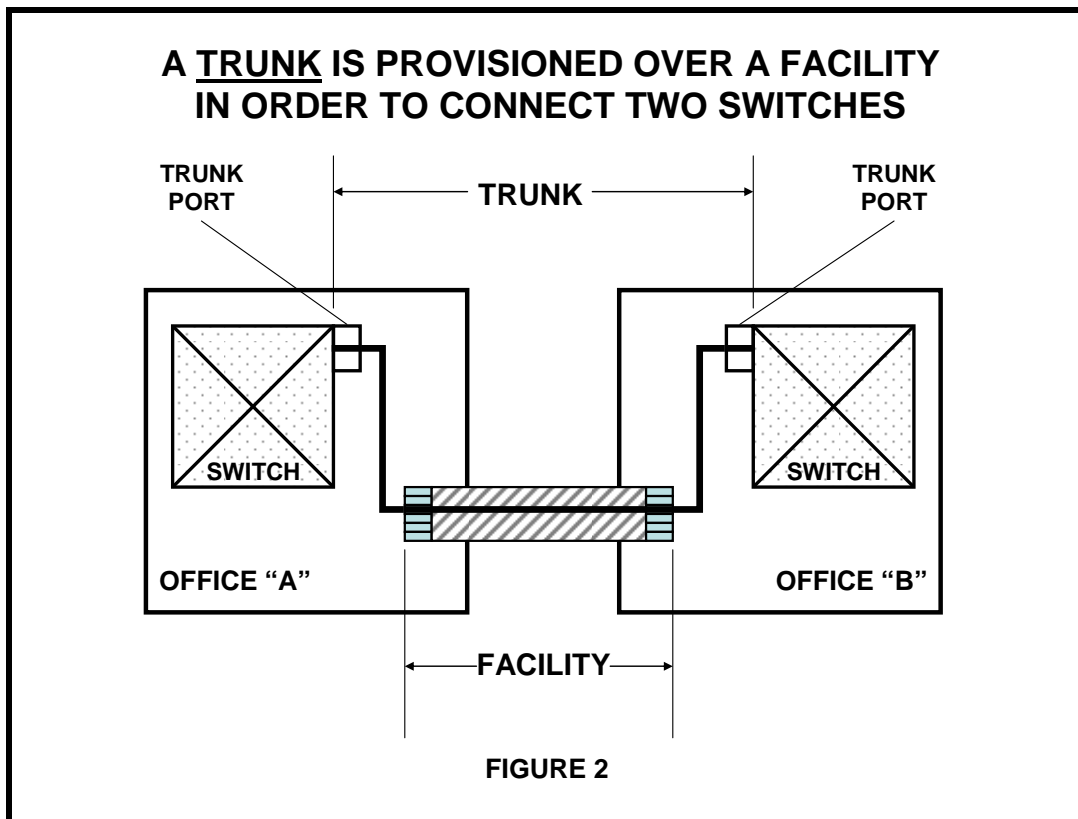20   **Q.   CAN YOU ESTABLISH TRUNKING AND EXCHANGE CALLS BETWEEN**
21   **OFFICES WITHOUT A FACILITY?**

22   A.   No. Trunks are provisioned over facilities. Without a facility, a talk path or trunk cannot

23   be provisioned. Similarly, simply having a facility between two points in a network

24   without trunks, as illustrated in FIGURE 1, is not enough to complete a call. A trunk

4

1   group with at least one trunk must have been established between those two points, as

2   illustrated in FIGURE 2, before calls between the switches can be exchanged.

3   **Q.   HOW ARE FACILITIES, TRUNKS, AND TRUNK GROUPS USED TO**
4   **EXCHANGE CALLS BETWEEN TWO OFFICES?**

5   A.   FIGURE 2, below, illustrates a trunk group between two offices. There are four trunks in

6   this group. The trunks are illustrated by the straight lines and the facility is illustrated by

7   the tube.

**A <u>TRUNK</u> IS PROVISIONED OVER A FACILITY
IN ORDER TO CONNECT TWO SWITCHES**

TRUNK PORT — TRUNK — TRUNK PORT

SWITCH   SWITCH

OFFICE "A"   OFFICE "B"

FACILITY

FIGURE 2

8

9   End user "A" dials the telephone number assigned to end user "B". The originating

10   switch "A" routes the call, based on the NPA-NXX of end user "B", to the trunk group

11   that connects switch "A" to switch "B". Within that trunk group, an idle trunk is

12   identified and selected. This trunk, represented by the dashed line in FIGURE 2A is

13   dedicated to this call for the duration of the call. Consequently, this trunk cannot be used

14   for another call until the current call is completed. In this scenario, another available

1   trunk in this group would be used to carry other calls between switch "A" and switch "B"

2   as long as end user "A" is talking to end user "B".

FIGURE 2A
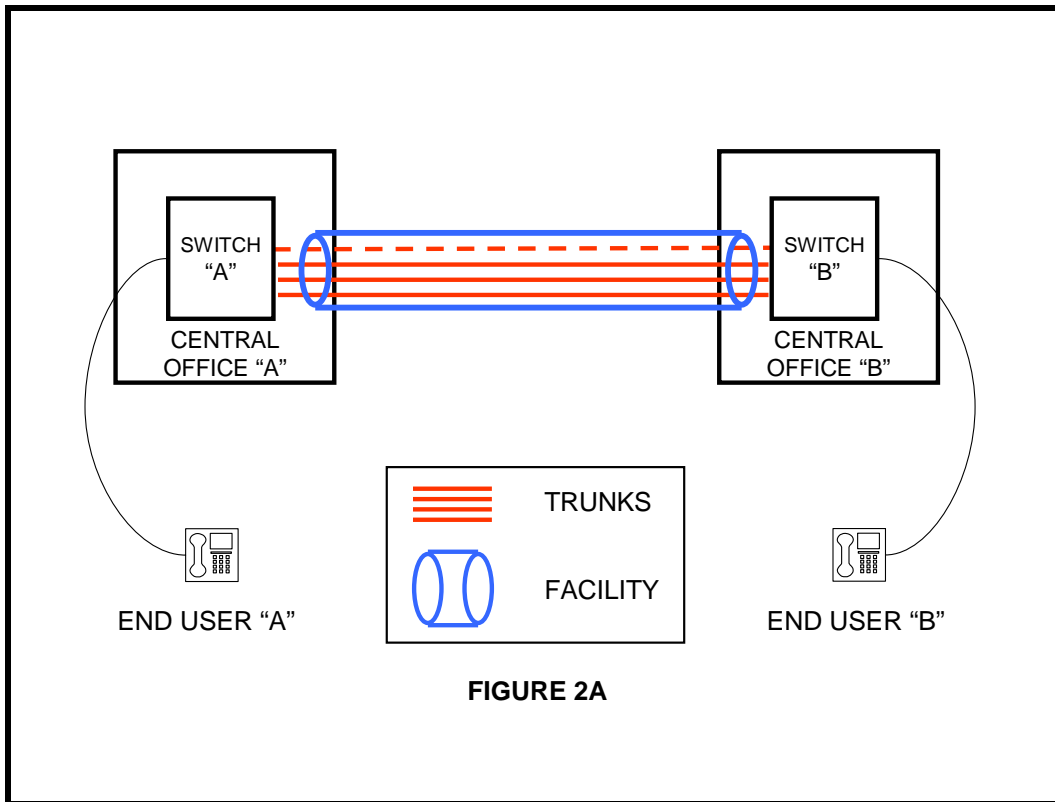
3

4   **Q.   WHY IS THE DISTINCTION BETWEEN TRUNKS AND FACILITIES**
5   **IMPORTANT?**

6   A.   When SBC Missouri and another carrier interconnect their networks and exchange traffic

7   there are costs associated with the facility used for interconnection.   There is no charge

8   for the trunks that are established on that facility. Level 3 incorrectly uses the two terms,

9   "facility" and "trunk", interchangeably, saying it has facilities to a certain location when

10   in fact it has trunks to a location, yet the underlying facilities are actually SBC

11   Missouri's. A number of NIM and ITR issues that Level 3 and SBC Missouri have

12   settled allow for Level 3 to establish trunks to the necessary offices while SBC Missouri

13   assumes the financial responsibility on its side of the POI for the underlying facilities.

1   The distinction between trunks and facilities is also important to the

2   Commission's analysis of ITR Issue 11(A), where Level 3 argues that it must be

3   permitted to combine local, and switched access traffic on a single trunk group because

4   SBC Missouri has an obligation under Section 251(c)[1] to permit interconnection "at any

5   technically feasible point." Level 3's argument confuses trunks with facilities. Section

6   251(c) has nothing to do with Level 3's trunking obligations or the issue of what type of

7   traffic can be carried over local interconnection trunk groups. Section 251(c) relates to

8   SBC Missouri's obligation to provide "interconnection" – which the FCC has concluded

9   refers only to the physical linking of two networks for the mutual exchange of traffic"

10   and does *not* include the transport or termination of traffic. *Local Competition Order,* ¶

11   176.[2] Contrary to Level 3's suggestion, trunking to a point in the network does not create

12   a POI, and responsibility for trunks is not related to the POI. A POI is created only when

13   Level 3's facilities (over which Level 3's trunks ride) are physically connected to SBC

14   Missouri's network.

15 **Q. HOW MANY AND WHAT TYPES OF TANDEMS DOES SBC MISSOURI**
16   **EMPLOY?**

17 A.   SBC Missouri presently has 12 tandems. Typically, tandems can be categorized

18   according to the function that the tandem performs. The function of the tandem refers to

19   the type of traffic the tandem handles. Throughout the SBC West, SBC Southwest, SBC

20   Midwest, and SBC East regions, many different types of tandems are used by SBC. For

21   example, there are single purpose tandems such as local only tandems, operator tandems,

22   and interLATA or access tandems. There are also multi-purpose or multi-function

---

[1] All references to Section 251 or 252 in my testimony are to those sections of the Federal Telecommunications Act of 1996 ("the Act").

[2] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 CC Docket No. 96-98, FCC 96-325, Local Competition Order-First Report and Order, August 8, 1996.

1		tandems such as (1) combined local and intraLATA tandems; (2) combined intraLATA
2		and interLATA tandems (also referred to as an access tandem); and (3) combined local,
3		intraLATA, and interLATA tandems.
4	**Q.**	**WHAT IS AN ACCESS TANDEM?**
5	A.	An access tandem is a switch that is designed and engineered to provide access between
6		the local exchange carrier ("LEC") network and the inter-exchange carrier network. An
7		access tandem provides end users in the LEC network with access to an interexchange
8		carrier ("IXC") that they have chosen to handle interLATA long distance calls. An
9		access tandem also provides the IXCs access to the end users in the LEC network for
10		terminating calls from end users in other LATAs. Sometimes, an access tandem is also
11		referred to as a "Feature Group D" tandem, or an "equal access" tandem, or an
12		interLATA tandem.
13	**Q.**	**ARE THERE ANY ATTRIBUTES TO AN ACCESS TANDEM THAT WOULD**
14		**LEND TO VARIATIONS IN THE DEFINITION PROVIDED ABOVE?**
15	A.	No. An access tandem is an access tandem. The definition provided above is an industry
16		accepted standard, and SBC Missouri is not sure why Level 3 has proposed a variation on
17		Issue GT&C Definition 1.
18	**Q.**	**DOES SBC MISSOURI HAVE ANY "ACCESS TANDEM SWITCHES" THAT**
19		**FIT THE DEFINITION LEVEL 3 HAS PROPOSED?**
20	A.	No. Level 3 has proposed language that limits the definition of an access tandem switch
21		to one that only carries interLATA IXC traffic. SBC does not employ any such tandems
22		in Missouri (or any other state) as defined by Level 3. Rather, SBC Missouri employs a
23		tandem switch which is capable of handling a combination of different traffic types,
24		including IXC traffic.
25	**Q.**	**WHAT IS THE BASIC FUNCTION OF A TANDEM SWITCH?**

1   A.   The basic function of a tandem switch is to switch calls or traffic between other switches

2   – that is, calls from one switch to another switch for which there is no available direct

3   trunk path connecting those switches. A tandem switch accomplishes this by connecting

4   a trunk, which comes from one switch, to a trunk that goes to another switch. A tandem

5   switch does this for all types of traffic for which it is designed and built.

6   **Q.**   **YOU MENTIONED THAT SBC MISSOURI HAS 12 TANDEMS. PLEASE**
7   **IDENTIFY THEM BY LOCATION AND ALSO IDENTIFY THE TYPE OF**
8   **TRAFFIC THEY HANDLE.**

9   A.   The chart below identifies the SBC Missouri tandems. The chart uses acronyms to

10   describe their functions, as follows:

11   1) IRL – InterLATA access tandem,
12   2) IAL – IntraLATA toll tandem,
13   3) LCL – Local tandem,
14   4) OPR – Operator tandem,
15   R - Remote
16   H - Host
17   5) 800 – 800 tandem, and
18   6) EO – tandems that are partitioned to also perform an end office function serving a
19   local calling area.

20

ST. LOUIS LATA/SECTOR	CLLI CODE	IRL	IAL	LCL	OPR	800	EO
520 - FLAT RIVER	FLRVMOGE01T					X	X
520 - HANNIBAL	HNBLMOAC01T					X	X
520 - MEXICO	MEXCMOJU01T		X			X	X
520 - SIKESTON	SKSTMOGR04T	X	X		R	X	X
520 - ST.LOUIS	STLSMO05B2T				R		
520 - ST.LOUIS	STLSMO0501T	X	X	X		X	
520 - ST.LOUIS	STLSMO2101T	X	X	X		X	
Sub Total 520		**3**	**4**	**2**	**2**	**6**	**4**
524 - CHILLICOTHE	CHLCMOMI06T	X	X		R	X	X
524 - KANSAS CITY	KSCYMO5503T	X	X	X	H	X	X
524 - KIRKSVILLE	KKVLMOMO10T	X	X		R	X	X
524 - MOBERLY	MBRLMOAM06T	X	X			X	X
522 - SPRINGFIELD	SPFDMOTL02T	X	X		R		
524 - ST.JOSEPH	STJSMODN03T	X	X		R	X	X
Sub Total 524 & 522		**6**	**6**	**1**	**5**	**5**	**5**
MO TOTAL		**9**	**10**	**3**	**7**	**11**	**9**

21

9

| 1 | **Q.** | **WHAT IS THE BASIC FUNCTION OF AN END OFFICE SWITCH?** |

1   **Q.**   **WHAT IS THE BASIC FUNCTION OF AN END OFFICE SWITCH?**

2   A.   An end office switch serves customers within a geographic area. End offices can be

3   interconnected to one another directly or through a tandem switch via trunk groups.

4   **Q.**   **WHAT IS THE RELATIONSHIP BETWEEN A TANDEM AND AN END**
5   **OFFICE SWITCH?**

6   A.   A tandem interconnects end offices with each other, serving as a collection point or toll

7   center to other carriers such as IXCs, CLECs, other ILECs and wireless providers. There

8   are two terms commonly used for the relationship between a tandem and an end office:

9   1) the end office "homes" behind the tandem, and 2) the end office subtends the tandem.

10   This creates a hierarchy between the two types of switches. End offices have been

11   referred to as Class 5 offices, whiles tandems are generally referred to as Class 4 offices.

12   Routing traffic instructions to each switch are published to the industry using the local

13   exchange routing guide ("LERG") that defines by NPA-NXX[3] what end office switch the

14   NXX is homed to (where the customers with that NXX are served) and which tandem to

15   route local, intraLATA and interLATA traffic to when a carrier is routing traffic to that

16   NXX.

III. POINT OF INTERCONNECTION ("POI")

NIM ISSUE 5:   **Should The Interconnection Agreement Govern The Network Architecture And Exchange Of All Traffic Between The Parties, Or Just Local Traffic?**

---

[3]Numbering Plan Area" (NPA) (also called area code). An NPA is the 3-digit code that occupies the A, B, C positions in the 10-digit NANP format that applies throughout the NANP Area. NPAs are of the form NXX, where N represents the digits 2-9 and X represents any digit 0-9. In the NANP, NPAs are classified as either geographic or non-geographic: a) Geographic NPAs are NPAs which correspond to discrete geographic areas within the NANP Area, b) Nongeographic NPAs are NPAs that do not correspond to discrete geographic areas, but which are instead assigned for services with attributes, functionalities, or requirements that transcend specific geographic boundaries. The common examples are NPAs in the N00 format, e.g., 800**.** "NXX" or "Central Office Code" is the three-digit switch entity indicator that is defined by the fourth through sixth digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 station numbers. "Offers Service" - At such time as CLEC opens an NPA-NXX, ports

Agreement Reference: Network Interconnection Methods Section 2.5

1   **Q.**   **WHAT IS THE PARTIES' DISPUTE OVER NIM ISSUE 5?**

2   A.   The disputed language for NIM Issue 5, with SBC Missouri's proposed language in bold

3   italic and Level 3's proposed language in bold underline, is as follows: "Each party is

4   responsible for the appropriate sizing, operation, and maintenance of the transport facility

5   to the POI(s).   The parties agree to provide sufficient facilities for the ***Local***

6   ***Interconnection Trunk Groups*** **Trunk Groups** required for the exchange of traffic

7   between" Level 3 and SBC Missouri. The language proposed by Level 3 could be

8   interpreted as requiring SBC Missouri to be financially responsible for facilities that carry

9   all types of trunk groups – including, for example, OS-DA, BLVI ("Busy Line

10   Verification/Interrupt"), and 911 trunk groups. However, in Section 2.7 of the NIM

11   Appendix, the parties already have agreed that Level 3 (not SBC Missouri) is financially

12   responsible for facilities over which the OS-DA, BLVI, and 911 trunk groups that carry

13   Level 3-originated traffic ride. Level 3's proposed language should be rejected because it

14   conflicts with the parties' agreement in Section 2.7. Level 3 views this language as a

15   dispute over what traffic is to be exchanged between Level 3 and SBC Missouri over

16   these trunk groups and not the trunk groups or facilities themselves. To the extent Level

17   3 is correct, I address the issue further below and in ITR Issue 11(A).

18   **Q.**   **WHAT TYPES OF TRAFFIC DOES THE INTERCONNECTION AGREEMENT**
19   **GOVERN?**

20   A.   The interconnection agreement ("ICA") in dispute in this docket addresses provisions

21   associated with providing local service. Various state and federal tariffs address the

22   exchange of interLATA and intraLATA access traffic. This ICA governs Level 3's

23   relationship with SBC Missouri when it is acting as a CLEC; state and federal access

24   tariffs govern Level 3's relationship with SBC Missouri when Level 3 is acting as an

1		IXC. This ICA should not be used as a means to circumvent tariffs – as Level 3 attempts

1   IXC. This ICA should not be used as a means to circumvent tariffs – as Level 3 attempts

2   to do with its proposed language for numerous sections of the NIM and ITR Appendices.

3   SBC Missouri witness Sandra Douglas discusses the relationship of SBC Missouri's

4   tariffs to the ICA, and the related jurisdictional issues of the various types of traffic. The

5   NIM Appendix is intended to deal primarily with the facilities required for the overall

6   network architecture that the parties must implement in order to exchange local traffic for

7   the benefit of both parties' end users.

8 **Q. WHICH APPENDICES IN THE INTERCONNECTION AGREEMENT COVER**
9 **TRUNK GROUPS AND FACILITIES FOR LOCAL INTERCONNECTION**
10 **TRUNK GROUPS?**

11 A.   As stated in response to the previous question, the facilities required for local

12   interconnection and the responsibility both parties have for those facilities are covered in

13   the NIM Appendix. The trunk groups required to establish local interconnection are

14   discussed in the ITR Appendix. An explanation of the distinction between facilities and

15   trunks is included in Part II of my testimony.

16 **Q. SUMMARIZE WHY LEVEL 3'S PROPOSED LANGUAGE SHOULD BE**
17 **REJECTED AND SBC MISSOURI'S ADOPTED.**

18 A.   Level 3's proposed language should be rejected because it attempts to have the

19   interconnection agreement govern terms and conditions where Level 3 is acting in its

20   capacity as an IXC, when those actions as an IXC are actually governed by federal and

21   state tariffs. The parties' ICA cannot be used in that manner.

IV. COMBINING TRAFFIC

ITR ISSUE 1:   **Should the list of types of traffic that will be carried over trunk groups include "Telecommunications Traffic" or "Section 251(b)(5) Traffic, ISP Bound Traffic, IntraLATA toll [and] InterLATA 'meet point'" traffic?**

ITR ISSUE 2:   **Should Local Interconnection Trunk Groups And Meet Point Trunk Groups Be Limited To The Exchange Of Traffic Between The Parties' End Users?**

Agreement Reference: Interconnection Trunking Requirements Section 3.3

1 **Q.**   **DESCRIBE THE PARTIES' DISPUTE REGARDING INTERCONNECTION**
2   **TRUNK REQUIREMENTS.**

3 A.   First, I should clarify what is ***not*** in dispute here. There is no dispute over whether the

4   parties should maintain two separate trunk groups – (1) local interconnection trunk

5   groups for local/intraLATA toll traffic exchanged between Level 3 and SBC Missouri

6   customers and (2) meet point trunk groups for interexchange traffic running from Level 3

7   customers to IXCs and from IXCs to Level 3 customers. ***Level 3 has already established***

8   ***separate trunk groups to deliver the two types of traffic.*** Level 3 was required to do so

9   under the terms of its existing interconnection agreements with SBC Missouri. Level 3

10   acknowledges that it has established these trunk groups, and concedes that it is willing to

11   continue to exclude meet point traffic from the local interconnection trunk groups.

12   The real dispute here relates to traffic that Level 3 (in its capacity as an IXC)

13   delivers to SBC Missouri for routing to SBC Missouri local customers, and long distance

14   calls that Level 3 (acting in that same capacity) takes from SBC Missouri customers for

15   delivery to other exchanges. Level 3 wants to put that traffic on the same trunk groups

16   that carry local/intraLATA traffic exchanged between Level 3 and SBC Missouri acting

17   in Level 3's capacity as local exchange carriers. SBC Missouri proposes and Level 3

18   opposes language intended to ensure that the local interconnection trunks are used only

19   "for the exchange of traffic between each party's end users"[4] and are not used to

20   terminate IXC traffic. SBC Missouri seeks to have carriers utilize local interconnection

---

[4] ITR – Issue 2, SBC Missouri proposed language in Section 3.3.

1   trunk groups for Section 251(b)(5), intraLATA toll, and ISP-bound traffic. Pursuant to

2   tariffs, when Level 3 is acting as an IXC, it is required to use switched access Feature

3   Group D ("FGD") trunk groups for its interstate, and intraLATA / interLATA access

4   traffic. SBC witness Sandra Douglas discusses the details of these access tariffs in her

5   testimony.

6   Level 3's proposed language would permit interexchange access traffic, which

7   Level 3 delivers to SBC Missouri and other carriers in its capacity as an IXC, to be

8   terminated on local interconnection trunk groups. That should not be permitted for

9   several reasons. *First,* terms and conditions applicable to the exchange of traffic between

10   SBC Missouri and Level 3, where Level 3 is acting as an IXC, do not fall within the

11   parameters of Section 251 of the 1996 Act. Such terms and conditions therefore are not

12   properly the subject of a Section 251/252 interconnection agreement. (This legal issue

13   will be addressed more fully in SBC Missouri's briefs). *Second,* terms and conditions

14   relating to Level 3's relationship with SBC Missouri, and its rights and obligations vis-à-

15   vis SBC Missouri, when Level 3 is acting in its capacity as an IXC, are governed by

16   federal and state access tariffs. Those federal and state tariffs require interexchange

17   traffic to be delivered over access trunks, not local interconnection trunk groups. *Third,*

18   Level 3's proposal seeking to combine local/intraLATA toll traffic with interexchange

19   access traffic on the same trunk group should be rejected because it would create the

20   potential for blocking as well as significant billing problems without any discernible

21   upside.

ITR ISSUE 10(c):   Should Level 3 Be Required To Establish Local Interconnection Trunk Groups To Every Local Calling Area In Which Level 3 Offers Service?

Agreement Reference: Interconnection Trunking Requirements Section 5.2.2

1	Q.	**WHAT IS THE PARTIES' DISPUTE ON THIS ISSUE?**

2   A.   Here again, Level 3 confuses facilities with trunks. It is efficient and appropriate for

3   Level 3 and SBC Missouri to exchange traffic destined for a specific local calling area

4   over local interconnection trunk groups established to the local calling area in which

5   Level 3 offers service. This has nothing to do with the facility requirements on each

6   party's side of the POI, which is covered in Appendix NIM.

7   Q.   **ARE LOCAL INTERCONNECTION TRUNK GROUPS APPROPRIATE TO**
8   **EVERY LOCAL CALLING AREA WHERE LEVEL 3 OFFERS SERVICE?**

9   A.   Yes. Local interconnection trunk groups must be provisioned to support the appropriate

10   traffic. This assures proper routing per the LERG and also allows for proper tracking for

11   compensation. This issue is similar to ITR Issue 11(a) as noted earlier. SBC Missouri's

12   proposal should be adopted for the reasons I stated in connection with my testimony on

13   that issue.

ITR ISSUE 10(g): **Should Two-Way Local Interconnection Trunk Groups Carry Only Section 251(B)(5)/IntraLATA Traffic?**

Agreement Reference: Interconnection Trunking Requirements Section 5.2.7, 5.2.8, 5.2.9

ITR ISSUE 11(a): **Should Section 5.3 Address Only Local Interconnection Trunk Groups?**

Agreement Reference: Interconnection Trunking Requirements Sections 5.3, 5.3.1.1, 5.3.2.1

14 Q.   **WHAT IS THE PARTIES' DISPUTE ON ITR ISSUES 10(G) AND 11(A)?**

15 A.   Level 3 seeks to expand the definition of local traffic to include IXC-carried access

16   traffic. Consistent with the FCC, SBC Missouri maintains that local traffic includes only

17   Section 251(b)(5) traffic.[5] A local only trunk group is designed to support only Section

18   251(b)(5) traffic and Level 3 should not be allowed to expand the definition to include

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[5] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 CC Docket No. 96-98 Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68, FCC 01-131 "(ISP Remand Order"), para 34.

1		access traffic. This issue is also addressed by SBC Missouri witnesses Scott McPhee,
2		and Sandra Douglas.
3		As I explained in my discussion of ITR Issue 2, SBC Missouri and Level 3 disagree on
4		the type of traffic that should be allowed on the local interconnection trunk groups to be
5		established under the terms and conditions of this agreement. Level 3 proposes language
6		in connection with ITR Issue 11(a) (in addition to several other issues) that would allow
7		Level 3 to use the same interconnection trunk groups for all types of traffic except special
8		purpose traffic such as 911 and OS/DA. Specifically, under its proposed language, Level
9		3 could combine local/intraLATA toll traffic with interLATA IXC carried traffic on local
10		interconnection trunk groups. SBC Missouri opposes Level 3's proposed language.

11
12 **Q. WHAT TRAFFIC SHOULD BE CARRIED OVER LOCAL INTERCONNECTION TRUNK GROUPS?**

13	A.	As I explain further below, local interconnection trunk groups should only carry Section
14		251(b)(5) traffic/intraLATA toll and ISP-bound traffic. To ensure that Level 3 and SBC
15		Missouri are properly compensated for local, intraLATA and interLATA exchange
16		access, these different traffic types must be routed on separate trunk groups. Pursuant to
17		tariff, where Level 3 functions as an IXC, interexchange traffic that Level 3 exchanges
18		with SBC Missouri must be carried on switched access trunks – not local interconnection
19		trunks.

20
21 **Q. IS SBC MISSOURI'S PROPOSAL CONSISTENT WITH THE PARTIES' CURRENT ARRANGEMENT FOR THE DELIVERY OF TRAFFIC?**

22	A.	Yes. SBC Missouri's proposal that jurisdictionally distinct traffic be carried on separate
23		trunk groups is consistent with what the parties' have been doing under their current
24		interconnection agreement in this and other states in which SBC operates as an ILEC.
25		Indeed, in Section 5.4.1 and Section 5.4.3 of the ITR Appendix (ITR Issues 13 and 14 –

1		settled) Level 3 and SBC Missouri have agreed to establish meet point trunking
2		arrangements "for the transmission and routing of traffic between Level 3's End Users
3		and Interexchange Carriers" that is separate from the local interconnection trunk groups
4		for traffic exchanged between Level 3 and SBC Missouri.

5 **Q.   WHAT ABOUT THE EXCHANGE OF INTEREXCHANGE ACCESS TRAFFIC?**

6 A.   The parties' interconnection agreement is silent on the delivery of interexchange access

7 traffic; and that is how it should be because such traffic is governed by state and federal

8 tariffs. Level 3 is attempting to include in the ICA terms and conditions relating to such

9 traffic, and specifically seeks to deliver such traffic over existing local interconnection

10 trunk groups. Level 3 has testified in other states that Level 3 delivers interexchange

11 access traffic to SBC over Feature Group D trunks via third party carriers. Level 3's

12 witnesses have testified in Kansas, California, Wisconsin, and Arkansas that because

13 Level 3 does not have Feature Group D trunks, its interexchange access traffic is not

14 directly terminated to SBC's network. Instead, Level 3 hands off that traffic to a number

15 of IXC partners who then deliver the traffic to the SBC network over *Feature Group D*

16 *trunks*.

17 Level 3 openly admits that this is done so that carriers pay the appropriate

18 terminating charges. Level 3 witness Hunt testified in California: "We don't have a

19 Feature Group D network, so we have to hand the traffic off to somebody else to

20 terminate that traffic."[6] Level 3 witness DuCloo testified in California that to make sure

21 that Level 3's IXC partners appropriately terminate that traffic or pay the appropriate

22 termination charges or rates, Level 3 asks each of its vendors to certify that when they

23 have a direct relationship with the terminating ILEC that they terminate over Feature

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[6] Cal. Tr. (Hunt Cross) at 30 (Schedule TO-1).

1 Group D trunks and pay terminating access, and if they in turn use another IXC partner to

2 have that traffic terminated, that the vendor to certify that it performed that function." In

3 other state arbitrations, Level 3 has identified several carriers that Level 3 uses for this

4 purpose, one of which is currently being sued by SBC for access charge avoidance by

5 delivering access calls over local trunk groups. Level 3's attempt to absolve itself of

6 responsibility for the appropriate access compensation to SBC Missouri for Level 3

7 originated access calls by handing the calls to a third party carrier to complete and certify

8 to Level 3 that the calls are terminated over Feature Group D trunks and terminating

9 access compensation is paid, appears to be disingenuous, or at the very least, ineffective.

10 **Q. WOULD SBC'S PROPOSAL CAUSE LEVEL 3 TO INCUR SUBSTANTIAL**
11 **COSTS IN PROVISIONING FEATURE GROUP D TRUNKS?**

12 A. No. There is no reason why Level 3 cannot continue to deliver interexchange access

13 traffic in the manner it currently does – through IXC partners that use their own Feature

14 Group D trunk groups. If Level 3 continues to do so, it obviously would not have to

15 provision its own Feature Group D trunk groups. In any event, the requirement to carry

16 interexchange access traffic over Feature Group D trunks is a state or federal access tariff

17 requirement. And if Level 3 chooses not to use IXC partners to comply with those tariff

18 requirements, it is required to provision its own Feature Group D trunks. Again, that is a

19 state or federal tariff requirement and Level 3 cannot ignore that requirement simply

20 because it believes provisioning those trunk groups would be costly.

21 **Q. WHY SHOULD THE COMMISSION REJECT LEVEL 3'S PROPOSAL TO**
22 **CARRY JURISDICTIONALLY DISTINCT TRAFFIC ON THE SAME TRUNK**
23 **GROUP?**

24 A. First, combining traffic as suggested by Level 3 could potentially lead to blocked calls

25 due to improper routing of the calls, which I discuss more fully below. Second,

26 combining jurisdictionally distinct traffic on the same trunk group would create tracking

1   and billing problems.   InterLATA traffic   is compensated differently from Section

2   251(b)(5) traffic, which is subject to reciprocal compensation. Access compensation is

3   covered in more detail by SBC Missouri witness Sandra Douglas.

4 **Q.   CAN YOU EXPLAIN WHY SBC MISSOURI DEPLOYS DIFFERENT TYPES OF**
5   **TANDEMS?**

6 A.   SBC Missouri deploys tandems throughout its network based on specific traffic needs.

7   An intraLATA only tandem switch is planned, designed, and engineered to support only

8   local and intraLATA traffic, which limits its ability to support IXC carried traffic in a

9   number of ways. First, IXCs connect with SBC Missouri at SBC Missouri's access

10   tandems, not at intraLATA only tandem switches, to receive and deliver IXC carried

11   intraLATA and interLATA access traffic. Second, because IXCs are not connected to an

12   intraLATA only tandem switch, the switch is not provisioned to process the Feature

13   Group D information, including the carrier identification code ("CIC") associated with

14   the IXC that is necessary to deliver the call to the appropriate IXC. Therefore, any calls

15   destined for delivery to an IXC, but improperly routed to an intraLATA only tandem

16   switch, would be dropped. Third, Feature Group D traffic is not passed through an

17   intraLATA only tandem switch to the access tandem. The CIC information is used by an

18   access tandem only to identify the appropriate IXC in order to deliver an IXC directed

19   call and is dropped once the IXC has been identified. This is analogous to a rocket

20   booster. In order for a rocket to break earth's gravity and enter orbit, it is initially

21   propelled by rocket boosters. These boosters provide the necessary power to help the

22   rocket break through earth's gravity, but once expended, the boosters are jettisoned from

23   the rocket. In other words, while tandems can receive Feature Group D information, they

24   are not designed to pass Feature Group D information through to another tandem.

1		Because of this, an IXC call improperly routed to an intraLATA only tandem switch
2		would fail because the tandem is not connected to IXCs, nor is it provisioned to support
3		IXC-carried traffic. IXCs are connected to SBC Missouri at the SBC Missouri access
4		tandems
5	**Q.**	**IS IT FEASIBLE TO CONVERT AN INTRALATA TANDEM TO AN ACCESS**
6		**TANDEM?**
7	**A.**	No. In order to convert an intraLATA tandem into an access tandem, a CIC must be built
8		into the tandem for each IXC that operates in the tandem's LATA. In addition to that,
9		each IXC that provides service in that LATA will have to interconnect at the tandem.
10		Level 3's proposal would force every IXC that operates in the LATA to interconnect at
11		all SBC Missouri tandems solely for the benefit of Level 3. Even if all IXCs were to
12		agree to this additional burden, such a project could take several years to complete.
13	**Q.**	**WOULD COMBINING TRAFFIC CREATE AN INCREASED RISK OF FRAUD?**
14	A.	Yes. Software limitations prohibit both companies from being able to properly identify
15		the traffic they are receiving over combined trunk groups. SBC Missouri makes
16		terminating billing records on incoming trunk groups. All traffic that is sent over a single
17		trunk group will generate the same type of billing record. This is where the opportunity
18		for fraud exists. Level 3 must tell SBC Missouri what percentage of these calls should be
19		billed at a reciprocal compensation rate as opposed to an access rate. Without the ability
20		to identify the traffic, the parties are left no choice but to accept the word of the other as
21		to the true jurisdictional nature of the traffic. Accurate and proper compensation is best
22		accomplished through separate trunk groups. Separate trunk groups allows for traffic to
23		be accurately recorded and then properly billed. SBC witnesses Sandra Douglas and
24		Chris Read also discuss the compensation for access traffic, and the related billing issues.

1 2	**Q.**	**IS THERE REALLY A RISK OF OTHER CARRIERS REMOVING OR MODIFYING CPN?**
3	A.	Yes. There is risk of calling party number ("CPN") modification with the newer VoIP
4		technology, so any billing system that would use CPN to determine the jurisdictional
5		nature of a call may be fooled, with resultant loss of compensation revenue. A traditional
6		circuit switching system cannot modify CPN, although newer technologies can easily
7		change or delete CPN.
8 9 10	**Q.**	**IN THE PARALLEL ARBITRATIONS BETWEEN SBC AND LEVEL 3 IN OTHER STATES, LEVEL 3 HAS ACCUSED SBC OF COMBINING TRAFFIC FOR ITSELF, BUT NOT FOR LEVEL 3. IS ITS ACCUSATION TRUE?**
11	A.	No. IXC interexchange traffic delivered to the SBC local network by SBC's long
12		distance affiliate (or the third party IXC whose service that affiliate resells) is delivered
13		over Feature Group D trunks, as required by the applicable tariffs. Once that traffic is
14		delivered to the network, it is in fact combined with local and intraLATA traffic. But that
15		is true of all IXC traffic once it arrives on SBC's local network. As for traffic originated
16		by an SBC end user customer and delivered by SBC to its IXC affiliate, that traffic may
17		be combined with local traffic on common transport trunk groups ("CTTG") that run
18		between the originating end office and an SBC Missouri combined local/access tandem.
19		From there it is routed to the SBC IXC affiliate (or the third party IXC whose service that
20		affiliate resells) *over Feature Group D trunks.* This is no different than what happens to
21		IXC bound traffic directed to any IXCs that purchase originating switched access from
22		SBC, including Level 3, or its IXC partners.
23	**Q.**	**HOW SHOULD THE COMMISSION RULE ON THIS ISSUE?**
24	A.	The Commission should determine that compensation should be based on the
25		jurisdictional nature of the call, based on the originating and terminating NPA-NXX
26		codes, and that traffic is to be delivered over the appropriate trunk groups.

ITR ISSUE 11(b): **Should InterLATA Toll Traffic Be Routed Over Separate Trunk Groups From Section 251(B)(5)/ IntraLATA Traffic When There Is A Single Access Tandem In CA, NV And Midwest States?**

Agreement Reference: Interconnection Trunking Requirements Sections 5.3, 5.3.1.1, 5.3.2.1

1 **Q. WHAT IS THE PARTIES' DISPUTE ON THIS ISSUE?**

2 A. Although the specific proposed language does not apply specifically to Missouri, it is the

3 same issue as 11(a) discussed above, and SBC Missouri's proposal should be adopted for

4 the reasons stated therein.

ITR ISSUE 12(a): **Should Direct End Office Trunks Terminate Only Section 251(B)(5)/IntraLATA Traffic?**

Agreement Reference: Interconnection Trunking Requirements Section 5.3.3.1

5 **Q. WHAT IS THE PARTIES' DISPUTE ON THIS ISSUE?**

6 A. In ITR Issue 12(A), SBC Missouri and Level 3 disagree on the wording of the following

7 language – SBC Missouri's language is in bold italic and Level 3's language is in bold

8 underline.

9 The parties shall establish direct End Office primary high usage Local
10 Interconnection ***Trunk Groups*** for the exchange of ***Section***
11 ***251(b)(5)/IntraLATA*** **Telecommunications** traffic where actual or
12 projected traffic demand exceeds one DS1's worth of traffic for three (3)
13 consecutive months as measured during the busy hour.

14 Level 3 uses the term "Telecommunications" to describe the type of traffic to be routed

15 over direct end office trunk groups ("DEOTs"). This term is vague and over-inclusive.

16 Through its proposed language, Level 3 again seeks to carry interexchange access traffic

17 over local interconnection trunk groups. That language should be rejected for the reasons

18 discussed in ITR Issue 11(a) above and further below.

19 **Q. WHAT IS A DEOT?**

20 A. A DEOT is simply a direct trunk between two end office switches. Routing calls directly

21 from one end office switch to the other end office switch by way of a DEOT eliminates

1	the need to route through the serving tandem, thereby conserving tandem resources.
2	(Typically, a trunk group from an end office switch to a tandem switch is referred to as a
3	tandem trunk group, and a trunk group from one tandem switch to another tandem switch
4	is referred to as an inter-tandem trunk group.")

5
6 **Q. WHAT KIND OF TRAFFIC DOES A DEOT CARRY BETWEEN TWO END OFFICES?**

7 A. SBC Missouri only routes traffic, originated by the end users connected to one end office

8 switch and destined for the end users connected to another end office switch, over a trunk

9 group between those two end office switches. SBC Missouri designs trunk capacity at its

10 end office switches specifically to handle the traffic levels anticipated to/from the NPA-

11 NXX codes that are homed at each SBC Missouri end office switch. SBC Missouri does

12 not design or engineer its end office switches to perform a tandem function.

13 Only Section 251(b)(5)/intraLATA toll traffic between the Level 3 switch and a

14 SBC Missouri end office switch should be routed over a DEOT between those two

15 switches. Any IXC carried access traffic improperly delivered over a DEOT to an end

16 office would fail because the end office is not provisioned to support IXC carried traffic.

17 Level 3 would seek to expand Section 251(b)(5) to include IXC carried access traffic.

18 IXC carried access traffic should be routed to the appropriate access tandem switch. The

19 Commission should not allow Level 3 to improperly route IXC carried traffic over a

20 DEOT.

21
22 **Q. WHEN AND WHY DOES SBC MISSOURI ESTABLISH DEOTS IN ITS NETWORK?**

23 A. Typically, SBC Missouri establishes a DEOT between two end office switches when the

24 amount of traffic or call volume between the two offices reaches an offered load level,

25 measured at the tandem, that is equivalent to 24 trunks during a 20-day average busy hour

1		at the tandem. The use of DEOTS helps to relieve tandem exhaust, where traffic levels
2		between end office switches are sufficient to merit direct trunks. SBC Missouri does this
3		to conserve tandem switch and trunk resources. Conserving tandem switch and trunk
4		resources by using DEOTs makes SBC Missouri's network more efficient.
5 6 7	**Q.**	**IS SBC MISSOURI'S POLICY REGARDING DEOTS FOR ITSELF CONSISTENT WITH ITS POLICY FOR DEOTS ASSOCIATED WITH OTHER SBC AFFILIATES AND OTHER CARRIERS?**
8	A.	Yes. SBC Missouri's policy and guidelines regarding DEOTS for itself is consistent with
9		its policy regarding DEOTs associated with other SBC affiliates and other carriers. SBC
10		Missouri uses the same 24-trunk or DS0 level threshold with all affiliates and carriers.
11		This policy is also consistent with the DEOT language in the SBC Missouri generic ICA
12		and what SBC Missouri requests from other carriers.
13 14 15	**Q.**	**PLEASE SUMMARIZE WHY SBC MISSOURI'S PROPOSED DEOT LANGUAGE SHOULD BE ADOPTED AND LEVEL 3'S PROPOSED LANGUAGE SHOULD BE REJECTED.**
16	A.	SBC Missouri's proposed DEOT language provides for proper routing of traffic between
17		offices according to the LERG. Level 3's proposed language could create misrouted
18		traffic, possibly leading to blocked or failed calls, the inefficient use of end office
19		switching and trunk resources, as well as the potential for further litigation in the form of
20		dispute resolutions. The existing Level 3 ICA (ITR Sections 5.3, 5.3.1.1, 5.3.2.1)
21		contains language that is consistent with the language SBC Missouri proposes.
22	**Q.**	**HAVE ITR ISSUES 13, 14, 15 AND 16 SETTLED?**
23	A.	Yes.

V. TRANSIT

ITR ISSUE 5, 6, 7, 8, & 9:   Is A Non-Section 251 Service – Transit Service, In This Instance – Subject To Arbitration Under 252 Of The 1996 Act?

Agreement Reference: Interconnection Trunking Requirements Sections 4.3, 4.3.1, 4.3.2, 4.3.3, 4.3.4

OET ISSUE 5(e):   **Should A Non-251/252 Service Such As Transit Service Be Negotiated Separately?**

Agreement Reference: Out of Exchange Traffic Section 4.1

1 **Q.**   **WHAT IS THE NATURE OF THE DISPUTE BETWEEN THE PARTIES ON ITR**
2 **ISSUE 5, 6, 7, 8 AND 9, AND OET ISSUE 5(E)?**

3 A.   The parties disagree over whether terms and conditions related to transit traffic should be

4 included in the parties' ICA. Level 3 believes transit traffic should be included in the

5 ICA. SBC Missouri believes the ICA should only cover traffic that falls under Sections

6 251 and 252. SBC Missouri is not required to transit traffic under these sections of the

7 Act. That being the case, terms and conditions governing transit traffic should not be

8 included in the parties' ICA, but SBC does offer transit service via a separate agreement.

9 SBC witness Scott McPhee addresses this subject further in his testimony.

10 **Q.**   **IS TRANSIT TRAFFIC A SECTION 251/252 OBLIGATION?**

11 A.   No. Transit traffic is telecommunications traffic between originating and terminating

12 carriers that is transported between the originating and terminating carriers over the

13 network of a third party carrier (here, SBC Missouri). In other words, neither end user is

14 an SBC Missouri customer. This agreement between Level 3 and SBC Missouri is only

15 for the exchange of traffic between Level 3 and SBC Missouri pursuant to Sections 251

16 and 252. Level 3's transit traffic neither originates from nor terminates on SBC

17 Missouri's network and, as such, does not create a Section 251/252 obligation subject to

18 this agreement.

19 **Q.**   **DOES SECTION 251(C)(2) OBLIGATE SBC MISSOURI TO PROVIDE**
20 **TRANSITING?**

21 A.   No. Though I am not an attorney, I believe Section 251(c)(2) is clear that "[t]*he duty to*

22 *provide*, for the facilities and equipment of any requesting telecommunications carrier,

| 1 | | *interconnection with the local exchange carrier's network*" (emphasis added) is an |

1   *interconnection with the local exchange carrier's network*" (emphasis added) is an

2   obligation of the ILEC to interconnect its own network with another carrier's network,

3   not to connect the networks of two other carriers. The FCC stated in paragraph 176 of

4   the *Local Competition Order* that "the term 'interconnection' under Section 251(c)(2)

5   refers only to the physical linking of two networks for the mutual exchange of traffic"

6   and does not include the transport or termination of traffic. Had Congress intended to

7   require ILECs to provide transit, it could have explicitly included such an obligation in

8   Section 251(c)(2), like it did with the inclusion of four other specific obligations (A-D)

9   under Section 251(c)(2). In short, transit service is a non-251/252 service, and as such is

10   not an arbitrable issue in this docket.

11   **Q.**   **DOES INDIRECT INTERCONNECTION PURSUANT TO SECTION 251(A)(1)**
12   **IMPOSE A TRANSIT OBLIGATION ON SBC MISSOURI?**

13   A.   No. A plain reading of Section 251(a)(1) makes clear that it places no such obligation on

14   the incumbent LECs or any other carrier:

15   *Each telecommunications carrier has the duty* (1) *to interconnect directly*
16   *or indirectly* with the facilities and equipment of other
17   telecommunications carriers. (Emphasis added.)

18   Section 251(a)(1) requires all carriers to interconnect their facilities and equipment either

19   directly *or* indirectly. Thus, if Level 3 wishes to exchange traffic with SBC Missouri, the

20   statute imposes a duty to interconnect (either directly or indirectly) on Level 3 and SBC

21   Missouri – and SBC Missouri directly interconnects with Level 3. If Level 3 wishes to

22   exchange traffic with a third party carrier, the statute imposes a duty to interconnect on

23   Level 3 and the third party carrier. The Act requires nothing of SBC Missouri in that

24   situation.

1		Moreover, even if Section 251(a)(1) did require transiting (which it does not),
2		terms and conditions for transiting would not be subject to arbitration under Section 252.
3		The requirements that Section 251(a) imposes on all carriers are not subject to mandatory
4		negotiation or arbitration under the 1996 Act. Section 251(c)(1), which is the provision
5		that specifies the duties that incumbent LECs must negotiate and therefore are subject to
6		arbitration under Section 252, requires negotiation only of the duties that Sections 251(b)
7		and 251(c) impose on local exchange carriers, not the duties that Section 251(a) imposes
8		on all carriers.
9	Q.	**DOES SBC MISSOURI INTEND TO CEASE PROVIDING TRANSIT SERVICE**
10		**IF TERMS AND CONDITIONS RELATING TO IT ARE NOT INCLUDED IN**
11		**THE PARTIES' INTERCONNECTION AGREEMENT?**
12	A.	No. To the contrary, SBC Missouri will continue to transit traffic originated by Level 3.
13		But, for the reasons explained above, SBC Missouri should be permitted to do so
14		pursuant to tariff or an agreement other than an ICA.
15	Q.	**IS IT MORE EFFICIENT FOR SBC MISSOURI TO CARRY TRANSIT**
16		**TRAFFIC FOR LEVEL 3 THAN IT WOULD BE FOR LEVEL 3 TO DIRECTLY**
17		**CONNECT TO OTHER CARRIERS?**
18	A.	No. Not only does transiting require more trunks and trunk groups to accomplish, it also
19		requires additional points of switching. Using third party transiting, indirect
20		interconnection, is much less efficient than direct interconnection from an overall
21		network perspective.
22	Q.	**IF SBC MISSOURI AGREES TO PROVIDE A TRANSIT SERVICE, HOW**
23		**SHOULD LEVEL 3'S LOCAL TRANSIT TRAFFIC AND ORIGINATED**
24		**INTRALATA TOLL TRANSIT TRAFFIC BE ROUTED THROUGH SBC**
25		**MISSOURI'S NETWORK?**
26	A.	No matter what type of traffic one carrier delivers to another, the Local Exchange
27		Routing Guide ("LERG") identifies the proper routing for the purpose of delivering that
28		traffic. The LERG is used to identify end offices and local, access, and combination

1   local/access tandems, and it is the industry accepted routing guide established for

2   efficient planning and routing of telecommunications traffic.

3   Routing per the LERG is necessary to allow carriers to design and manage their

4   networks in the most efficient manner. Level 3 would deny SBC Missouri the right to

5   manage and control its network; instead, Level 3 wants SBC Missouri's network to be

6   operated solely for the benefit of Level 3. If SBC Missouri agrees to provide a transit

7   service to Level 3, that transit traffic should be delivered to SBC Missouri at the

8   appropriate tandem as designated by SBC Missouri in the LERG.

9   An analogy might be helpful. Suppose a person wanted to fly from Kansas City,

10   MO to Switzerland on American Airlines. That person would purchase a ticket subject to

11   the terms and conditions of American Airlines. Suppose American Airlines only had

12   flights to Switzerland that fly out of Chicago O'Hare. The person in Kansas City wanting

13   to fly to Switzerland, would need to get to Chicago to board that flight. He could not buy

14   Kansas City to St. Louis ticket, board that flight, and then insist that American Airlines

15   fly him to Switzerland.

16   American Airlines schedules flights based on passenger demand, flight time, pilot

17   certifications, plane or jet capabilities, and fuel requirements, among other things. While

18   a flight from Kansas City to St. Louis may use a short range propeller plane or turbojet,

19   an international flight from Chicago to Switzerland would most likely use a long range

20   777 or other heavy jet. The pilots and crew are also trained and skilled specific to the

21   flight requirements and aircraft.

22   Much like American Airlines, SBC designs and builds its network based on

23   demand, capacity, rating, and routing. A local tandem is designed and engineered to

1   primarily support local traffic, much like a regional airport primarily handles local or

2   commuter flights. An access tandem is designed and engineered to primarily support

3   long distance intraLATA / interLATA toll access traffic, much like an airport such as

4   Chicago O'Hare acts as a national / international hub to handle extended flights such as

5   national coast-to-coast and international travel. This information is maintained in the

6   LERG to assist carriers with identifying the proper routing for the purpose of delivering

7   telecommunications traffic to the appropriate local or access tandem.

8   Just as the person seeking to fly on American Airlines to Switzerland in the

9   example above should meet American Airlines at the Chicago O'Hare Airport and not in

10   St. Louis, Level 3 should route its traffic, including any transit traffic, to the appropriate

11   local tandem or access tandem per the LERG. And this should be no different whether

12   the transit traffic is local or intraLATA toll in nature.

13   **Q.   PLEASE SUMMARIZE WHY THE COMMISSION SHOULD NOT INCLUDE**
14   **TRANSIT TRAFFIC IN THE INTERCONNECTION AGREEMENT.**

15   A.   The Commission should hold that transiting is not a Section 251/252 obligation subject to

16   this ICA and, therefore, it should not be included in this ICA. Additionally, SBC

17   Missouri should not be held liable for reciprocal compensation for transited traffic on

18   behalf of originating carriers that change, alter, modify or withhold CPN as discussed

19   further in the testimony of SBC witness Scott McPhee.

20   **Q.   IF THE COMMISSION DOES REQUIRE THE PARTIES TO INCLUDE TERMS**
21   **AND   CONDITIONS   RELATED   TO   TRANSIT   TRAFFIC   IN   THE**
22   **INTERCONNECTION AGREEMENT, HOW SHOULD IT BE DONE?**

23   A.   If the Commission requires the parties to include terms and conditions related to transit

24   traffic in the ICA, the language proposed by SBC Missouri, in its Transit Traffic

25   Agreement, provides for transiting in a manner that protects the interests of all parties,

1		clearly establishes and defines the duties and obligations of all parties, including the
2		originating carrier, transiting carrier, and terminating carrier.
3	**Q.**	**DO YOU OPPOSE LEVEL 3'S PROPOSED TRANSITING LANGUAGE FOR**
4		**THE ITR APPENDIX?**
5	A.	Yes. First, Level 3's language states that it will be required to establish direct trunks
6		when traffic reaches a DS1 or greater level for three consecutive months. This language
7		would be acceptable but for the fact that Level 3 takes the teeth out of the direct trunking
8		requirement by not specifying a time frame within which direct trunks must be
9		established. Instead, Level 3 repeatedly uses vague language requiring it to use
10		"commercially reasonable efforts" to establish direct trunks. This is tantamount to
11		imposing no direct trunking requirement at all and requiring SBC Missouri to provide
12		transiting indefinitely. SBC Missouri's proposed language, in contrast, requires direct
13		trunks to be established within the reasonable period of 60 days.
14		Second, Level 3's proposal contains no language stating that Level 3 will not
15		strip, alter, add, delete, or change CPN. This is clearly unreasonable in view of FCC
16		requirements requiring the passage of CPN, in particular, 47 CFR Section 64.1601(a).
17		For reasons discussed in ITR Issue 11(a), such language is essential and is included in
18		SBC Missouri's Transit Traffic Service Appendix.
19		Third, Level 3's language in Section 4.3.4 requires SBC Missouri to track and
20		notify Level 3 when traffic reaches more than a DS1 level. SBC Missouri, however,
21		should not be required to manage Level 3's network in this manner. Level 3 has admitted
22		in other proceedings that it tracks the amount of traffic it transits with other carriers;
23		therefore, it does not need SBC Missouri to track the traffic for it.

1   Fourth, Level 3's language proposed in Missouri does not say anything about

2   pricing.

VI. OUT OF EXCHANGE TRAFFIC ("OET")

OET ISSUE 4(a):   **Should Each Party Be Required To Administer Its Network To Ensure Acceptable Service Levels To All Users Of Its Network Services?**

Agreement Reference: Out of Exchange Traffic Section 3.3

3   **Q.   WHAT IS OUT OF EXCHANGE TRAFFIC ("OET") AND WHY IS THERE AN**
4   **OET APPENDIX?**

5   A.   As SBC Missouri witness Scott McPhee explains in more detail in his testimony, the

6   OET Appendix reflects SBC Missouri's obligations relating to traffic that originates or

7   terminates with a Level 3 end user outside of SBC Missouri's local exchange area and

8   terminates or originates from other than an SBC Missouri end user ("OET traffic").

9   **Q.   WHAT IS THE NATURE OF THE DISPUTE BETWEEN LEVEL 3 AND SBC**
10   **MISSOURI WITH RESPECT TO OET ISSUE 4(A)?**

11 A.   Level 3 opposes SBC Missouri's proposed language for Section 3.3 of the OET

12   Appendix relating to network administration. The parties agreed to language identical to

13   Section 3.3 in GTC Section 36.2. For the same reasons that this language is appropriate

14   to include in the GTC Appendix, it is appropriate to include in the OET Appendix.

15 **Q.   DOES SBC MISSOURI EXPECT LEVEL 3 TO ADMINISTER ITS NETWORK**
16   **TO ENSURE ACCEPTABLE SERVICE LEVELS TO ALL USERS OF ITS**
17   **NETWORK SERVICES?**

18 A.   Yes. SBC Missouri administers its network to ensure acceptable service levels to all

19   users of its network services. In doing so, SBC Missouri ensures that no harm or damage

20   is done to other carriers' networks, and does not interfere with the service of other

21   CLEC's end users. SBC Missouri expects the same from Level 3 and other carriers.

22   Each party has an obligation to ensure that its network operates at acceptable levels.

1   Failure to do so could cause damage to the other interconnecting party's network or

2   interfere with end user service.

**Q.   DID LEVEL 3 PROVIDE ANY SPECIFIC TESTIMONY REGARDING THIS
3
4   ISSUE?**

5   A.   I was not able to locate any Level 3 testimony that explains why Level 3 is not willing to

6   agree to administer its network to ensure acceptable service levels to all users of its

7   network services.

**OET ISSUE 4(b):   Should The OET Appendix Include Terms Preserving Each Party's
Right To Implement Protective Network Management Controls And
Traffic Reroutes?**

Agreement Reference: Out of Exchange Traffic Sections 3.4-3.5

**Q.   WHAT IS THE NATURE OF THE DISPUTE BETWEEN LEVEL 3 AND SBC
8
9   MISSOURI WITH RESPECT TO OET ISSUE 4(B)?**

10   A.   Level 3 opposes SBC Missouri's proposed language for Sections 3.4 and 3.5 of the OET

11   Appendix relating to protective network management controls and traffic reroutes.

**Q.   SHOULD THE OET APPENDIX SPECIFY THAT EACH PARTY MAY UTILIZE
12
13   NETWORK MANAGEMENT CONTROLS AND TRAFFIC REROUTES?**

14   A.   Yes.   While the parties have agreed to language identical to Sections 3.4 and 3.5 in ITR

15   Sections 10.1.1 and 10.2.1, the ITR and OET Appendices are different.   The ITR

16   Appendix deals with traffic where SBC Missouri is the incumbent, while the OET

17   Appendix deals with traffic outside of SBC Missouri's franchised territory.   This

18   language simply allows both parties to manage their respective networks and to minimize

19   the impacts of service disruptions. The same reasons that this language is appropriate in

20   the ITR Appendix apply to the OET Appendix.

**OET ISSUE 4(c):   Should The OET Appendix Include A Provision That The Parties
Will   Cooperate   And   Share   Information   Regarding   Expected
Temporary Increases In Call Volumes?**

Agreement Reference: Out of Exchange Traffic Section 3.6

1 **Q. WHAT IS THE NATURE OF THE DISPUTE BETWEEN LEVEL 3 AND SBC**
2 **MISSOURI WITH RESPECT TO OET ISSUE 4(C)?**

3 A.   Level 3 opposes SBC Missouri's proposed language for Sections 3.6 of the OET

4   Appendix relating to cooperation between the parties and sharing information regarding

5   expected temporary increases in call volumes. The parties agreed to language identical to

6   Section 3.6 in ITR Section 10.3.1. As noted above, the ITR and OET Appendices are

7   different. The ITR deals with traffic where SBC Missouri is a registered ILEC, while the

8   OET Appendix deals with traffic outside of SBC Missouri's territory. However, the

9   same reasons that this language is appropriate in the ITR Appendix apply to the OET

10   Appendix. Level 3 does not suggest otherwise.

OET ISSUE 5(a):   Should Section 4.1 Reference Level 3 Having A POI Within A LATA Or Within An Exchange Area?

Agreement Reference: Out of Exchange Traffic Section 4.1

11 **Q. SHOULD POIs BE PROVIDED AS AGREED TO IN APPENDIX NIM?**

12 A.   Yes. Agreed-to language in Section 4.1 indicates that the parties will exchange traffic to

13   points of interconnection ("POIs") according to Appendix NIM of this Agreement. For

14   the reasons agreed to in NIM Issue 2, SBC Missouri's additional proposed language

15   relating to POIs should be adopted.

OET ISSUE 5(b):   Should The Scope Of The OET Appendix Govern The Exchange Of "Telephone Traffic, ISP-Bound Traffic And IP-Enabled Services Traffic," Or "Section 251 (B)(5) Traffic" And ISP-Bound Traffic"?

Agreement Reference: Out of Exchange Traffic Section 4.1

16 **Q. DOES THE DISPUTE BETWEEN LEVEL 3 AND SBC MISSOURI WITH**
17 **RESPECT TO OET ISSUE 5(B) RELATE TO ANY OTHERS?**

18 A.   This issue is directly related to OET Issue 9. See my discussion below, as well as the

19   testimony of SBC Missouri witness Scott McPhee.

OET ISSUE 5(c):   Should The Agreement Provide That SBC Will Accept Level 3's "OET Traffic" Or "Telecommunications Traffic"?

Agreement Reference: Out of Exchange Traffic Section 4.1

1 **Q.** **WHAT IS SBC MISSOURI'S POSITION WITH RESPECT TO OET ISSUE 5(C)?**

2 A. This appendix deals with OET traffic and should be clearly limited to that. See the

3 testimony of SBC Missouri witness Scott McPhee for a further discussion of the purpose

4 of the OET Appendix.

OET ISSUE 5(d): **Should Level 3 Be Required To Establish A Direct End Office Trunk Once Traffic Between The Parties Exceeds One DS1 (Or 24 Trunks)?**

Agreement Reference: Out of Exchange Traffic Section 4.1

5 **Q.** **IS THE DISPUTE BETWEEN LEVEL 3 AND SBC MISSOURI REGARDING**
6 **OET ISSUE 5(D) SIMILAR TO ANY OTHER ISSUES IN THIS ARBITRATION?**

7 A. Yes. This issue is similar to ITR Issue 12 as explained in my testimony above. As I note,

8 Level 3 and SBC Missouri have agreed to establish a DEOT once traffic exceeds 24

9 trunks (one DS1) for 3 months. For the same reasons discussed there, the OET Appendix

10 should provide that Level 3 will establish a DEOT when the amount of traffic reaches a

11 certain threshold. DEOTs help conserve tandem switch and trunk resources. This makes

12 the network more efficient. SBC Missouri establishes DEOTs for itself under similar, but

13 more stringent, guidelines, and also requires its affiliates to establish DEOTs at a 24 trunk

14 threshold.

15 **Q.** **IS IT MORE EFFICIENT TO TRANSIT TRAFFIC THROUGH THIRD PARTIES**
16 **AS LEVEL 3 ASSERTS IN ITS POSITION STATEMENT?**

17 A. No. Rarely, if ever, would transiting traffic through third parties be more efficient for the

18 third party or SBC Missouri. It is only more efficient for Level 3 because in these

19 instances third parties are left to carry the freight on Level 3's behalf. As discussed

20 above, there are inherently more transport and/or more stages of switching involved in

21 transiting than there would be to directly interconnect between carriers.

OET ISSUE 6: **Should Level 3 Be Required To Trunk To Each Tandem In The LATA?**

1 **Q.** **IS THE DISPUTE BETWEEN LEVEL 3 AND SBC MISSOURI REGARDING**
2   **OET ISSUE 6 SIMILAR TO ANY OTHER ISSUES IN THIS ARBITRATION?**

3 **A.** Yes. This issue is the same as ITR Issue 4(a), which has been settled.

4 **Q.** **WHY SHOULD LEVEL 3 ESTABLISH TRUNKS TO EVERY SBC MISSOURI**
5   **LOCAL TANDEM IN A MULTI-TANDEM LATA?**

6 **A.** While the POI establishes the point at which SBC Missouri and Level 3 facilities meet to

7   interconnect our two networks, trunk groups are established on these facilities so traffic

8   can be exchanged between the two networks. Each SBC Missouri tandem serves its own

9   set of end offices for the purposes for which it was designed and built. SBC Missouri

10   must deliver calls from Level 3 to all of SBC Missouri's end users. If Level 3 only

11   establishes a trunk group to the tandem that is near the POI, only those calls to SBC

12   Missouri end users that are behind that tandem can be efficiently delivered. Calls to such

13   end users are switched once by the first tandem to the end user's end office for

14   completion. However, calls destined for SBC Missouri end users behind other tandems

15   must be switched at the first tandem to redirect the call to the proper tandem, then

16   switched a second time at the second tandem to the end user's end office for completion.

17   Having Level 3 connect to only one SBC Missouri tandem is not an efficient method of

18   delivering calls from Level 3 to other SBC Missouri end users in the LATA. This

19   method places an immediate burden on SBC Missouri in the form of additional points of

20   switching and additional tandem trunk ports for each call to the distant tandems. There

21   are long-term effects, also. Re-directing Level 3's traffic from one tandem to another can

22   accelerate tandem exhaust, leading to more frequent tandem switch growth jobs and the

23   need to purchase additional tandems. When Level 3 establishes direct trunk groups to

24   every SBC Missouri tandem within the LATA, the network functions more efficiently.

OET ISSUE 7:   **Should Language Relating To Trunk Groups For Ancillary Services That Was Agreed To In The ITR Appendix Also Be Included In The OET Appendix?**

Agreement Reference: Out of Exchange Traffic Section 4.3

1 **Q.   WHAT IS THE NATURE OF THE DISPUTE ON OET ISSUE 7?**

2 A.   Both Level 3 and SBC Missouri are in agreement that language from the ITR Appendix

3   will govern trunk groups for ancillary service. However, SBC Missouri proposes that

4   actual substantive language be included which is nearly identical to the ITR language in

5   Section 3.2. Level 3 proposes a vague reference to the ITR Appendix, but does not refer

6   to a particular section.

OET ISSUE 8(a):   **Should SBC Be Required To Double Tandem Switch Calls To/From Level 3?**

Agreement Reference: Out of Exchange Traffic Section 4.9

7 **Q.   WHAT IS THE UNDERLYING DISPUTE IN OET ISSUE 8(A)?**

8 A.   SBC Missouri proposes substantive language that provides Level 3 with access to any

9   subtending offices where Level 3 establishes a trunk group to that serving tandem. Level

10   3 offers only a vague reference to the ITR Appendix. This is similar to OET Issue 6 as

11   discussed above.

OET ISSUE 8(b):   **Should SBC's End Offices Provide Level 3 Accessibility Only To The NXXs That Are Served By That End Office?**

Agreement Reference: Out of Exchange Traffic Section 4.9

12 **Q.   WHAT IS THE UNDERLYING DISPUTE IN THIS ISSUE?**

13 A.   This is an extension of Level 3's position in ITR 12 that it should be able to combine both

14   local and non-local traffic on a single interconnection trunk group. SBC Missouri's end

15   offices are not designed to serve a tandem function, and SBC Missouri's language simply

16   clarifies that point.

1	**Q.**	**WHAT KIND OF TRAFFIC IS ROUTED TO A DIRECT END OFFICE TRUNK**
2		**GROUP BETWEEN TWO END OFFICES?**

3 A. Only traffic that is originated by the end users connected to one end office switch,

4 destined for the end users connected to another end office switch, is routed over a trunk

5 group between those two end office switches. Trunk capacity at SBC Missouri end office

6 switches is designed for NPA-NXX codes that are homed at that end office switch. SBC

7 Missouri end office switches are not designed to perform a tandem function.

8 DEOTs are used to alleviate tandem exhaust issues where traffic levels between

9 end office switches are sufficient enough to merit direct trunks.

10	**Q.**	**WHY AREN'T CALLS DESTINED TO END USERS IN OTHER SWITCHES**
11		**ROUTED OVER A DIRECT END OFFICE TRUNK GROUP BETWEEN TWO**
12		**END OFFICES?**

13 A. SBC Missouri engineers each of its end office switches to handle the traffic and

14 switching requirements needed to provide service to only the end users that are connected

15 to each particular office. Calls destined for end users that are in an office other than the

16 office at the terminating end of a direct trunk group should be routed originally to the

17 proper office using another DEOT group or a tandem trunk group. Misrouting calls over

18 a direct trunk group forces an end office to function like a tandem. This results in

19 network resources for that switch being used at a faster than planned rate. SBC Missouri

20 purchases, administers, and maintains end office switches to function only as end office

21 switches – not as tandem switches. Tandem switches perform functions that cannot be

22 performed by end office switches. Forcing an end office switch to function like a tandem

23 reduces the level of service provided to end users.

OET ISSUE 9:   **Should The OET Appendix Govern The Exchange Of "Telecommunications Traffic And IP-Enabled Services Traffic" Or "Section 251(B)(5) Traffic And ISP-Bound Traffic"?**

Agreement Reference: Out of Exchange Traffic Section 5.1

OET ISSUE 11(a): **Should The OET Appendix Govern The Exchange Of "Telecommunications Traffic And IP-Enabled Services Traffic" Or "Section 251(B)(5) Traffic And ISP-Bound Traffic"?**

Agreement Reference: Out of Exchange Traffic Sections 9.1, 9.3, 9.7

1 **Q.** **HOW SHOULD SECTION 251(B)(5) TRAFFIC BE DEFINED?**

2 A. As follows: "Section 251(b)(5) traffic" is telecommunications traffic exchanged between

3 Level 3 and SBC Missouri in which the originating end user of one party and the

4 terminating end user of the other party are:

5 (i) both physically located in the same SBC local exchange area as
6 defined by SBC Missouri in the applicable tariff; or

7 (ii) both physically located within neighboring SBC local exchange
8 areas that are within the same common mandatory local calling
9 area. This includes, but it is not limited to, mandatory Extended
10 Area Service ("EAS"), mandatory Extended Local Calling Service
11 ("ELCS") or other types of mandatory expanded local calling
12 scopes.

13 Simply stated, SBC Missouri's proposed definition of Section 251(b)(5) traffic in this

14 agreement is consistent with the Act and the FCC's prior rulings. SBC Missouri witness

15 Scott McPhee addresses this issue more fully in his testimony.

16 **Q.** **IS LEVEL 3 CORRECT THAT THE TERM "SECTION 251(B)(5) TRAFFIC" IS**
17 **NEWLY CRAFTED BY SBC MISSOURI?[7]**

18 A. No. The use of these terms is consistent with the FCC's characterization of traffic. I note

19 that the FCC has abandoned its official definition of "local traffic", citing unnecessary

20 ambiguities created by the term "local traffic."[8] Instead, the FCC refers to traffic that is

21 subject to reciprocal compensation under Section 251(b)(5) as 251(b)(5) traffic. The use

22 of "251(b)(5)" is consistent with the FCC's classification of jurisdictional traffic:

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[7] Level 3 Position Statement at DPL – Out of Exchange Issue OET 9 and OET 11.
[8] See *ISP Remand Order* (FCC 01-131), para 45.

| 1 | | "251(b)(5)," "ISP-bound," "intraLATA" and "interLATA." SBC Missouri witness Scott |
| 2 | | McPhee addresses this issue as well. |

OET ISSUE 10: **Should The OET Appendix Include Terms Detailing The Compensation Due Each Other For Exchanging Transit Traffic?**

Agreement Reference: Out of Exchange Traffic Sections 6.0-6.3

3	Q.	**IS THE DISPUTE BETWEEN LEVEL 3 AND SBC MISSOURI REGARDING**
4		**OET ISSUE 10 SIMILAR TO ANY OTHER ISSUES IN THIS ARBITRATION?**
5	A.	This issue is related to my testimony in Transit Section V concerning ITR Issues 5-9 and
6		OET Issue 5(e) with respect to SBC Missouri's position that a non-Section 251/252
7		service such as transit should not be included in this agreement. This issue also addresses
8		compensation for transit, which is addressed in more detail by SBC Missouri Witness
9		Scott McPhee.

OET ISSUE 11(b): **Should SBC Be Allowed To Use A Two-Way Direct Final Trunk Group To Exchange Traffic With Level 3?**

Agreement Reference: Out of Exchange Traffic Sections 9.1, 9.3, 9.7

OET ISSUE 12: **Should The Agreement Require The Parties To Use A Two-Way Direct Final Trunk Group To Exchange Traffic With Level 3?**

Agreement Reference: Out of Exchange Traffic Section 9.2

10	Q.	**HOW DOES SBC MISSOURI HANDLE ITS OWN INTERLATA SECTION**
11		**251(B)(5) AND ISP-BOUND TRAFFIC?**
12	A.	SBC Missouri routes its own interLATA Section 251(b)(5) and ISP-bound traffic over
13		two-way direct final ("DF") trunk groups that SBC Missouri creates specifically for that
14		purpose. A DF trunk group does not have an alternate trunk group to which it may pass
15		overflow traffic. It is the only route available for this type of traffic. Because SBC
16		Missouri is restricted by the Modified Final Judgment (MFJ) and the FCC as to the
17		methods by which an ILEC can deliver interLATA EAS local traffic, these direct final
18		trunk groups ensure that SBC Missouri does not inadvertently violate those restrictions.

1   The only traffic routed over this two-way DF trunk group is traffic that originates and

2   terminates within the same interLATA extended area service ("EAS") local calling area.

3   Any method agreed upon by Level 3 and SBC Missouri to exchange interLATA

4   EAS local traffic must be in compliance with these restrictions. While two-way DF

5   trunks best comply with these restrictions, SBC Missouri is willing to negotiate with

6   Level 3 for other options that would also comply with these restrictions.

VII. MISCELLANEOUS

IC ISSUE 3:   **Should The Agreement Define Section 251(B)(5) Traffic To Mean Calls In Which The Originating End User And The Terminating End User Are Both Physically Located In The SBC Local Exchange Area Or Common Mandatory Local Calling Area?**

Agreement Reference: Intercarrier Compensation Section 3.2

7   **Q.   WHAT IS THE NATURE OF THE DISPUTE BETWEEN THE PARTIES FOR IC**
8   **ISSUE 3?**

9   A.   The nature of the dispute between SBC Missouri and Level 3 on IC Issue 3 centers

10   around whether or not the originating end user and the terminating end user should be

11   physically located within the same local exchange area or common mandatory local

12   calling area for exchange of Section 251(b)(5) traffic. SBC witness Scott McPhee

13   discusses this issue, and the compensation for this type of traffic in detail in his direct

14   testimony.

IC ISSUE 17:   **What Is The Proper Routing And Treatment Of IntraLATA Toll Traffic That Is Subject To A Primary Toll Carrier ("PTC") Arrangement?**

Agreement Reference: Intercarrier Compensation Section 10.1

15   **Q.   HOW SHOULD INTRASTATE, INTRALATA TOLL TRAFFIC BE ROUTED?**

16   A.   Intrastate/intraLATA toll traffic that is not presubscribed to an IXC is carried by SBC

17   Missouri on behalf of SBC Missouri end users, and is carried by Level 3 on behalf of its

1	end users. This traffic should be routed according to the LERG over local
2	interconnection trunk groups between the parties. See my discussion of the transiting
3	issues above.

VIII. GENERAL TERMS AND CONDITIONS ("GT&C") DEFINITIONS

GT&C DEFINITION 1:   **Should The Definition Of "Access Tandem Switch" Be Limited To IXC-Carried Traffic Or Should It Include Intra-LATA Toll Traffic, Section 251(B)(5) Traffic And ISP-Bound Traffic?**

Agreement Reference: GT&C Definition of "Access Tandem Switch"

4	Q.	**DOES THE LANGUAGE PROPOSED BY SBC MISSOURI ACCURATELY**
5		**DEFINE THE FUNCTION OF A TANDEM SWITCH?**
6	A.	Yes, as explained in Part II of my testimony, the language that SBC Missouri has
7		proposed more accurately reflects the basic function of and types of traffic handled by
8		SBC Missouri tandems.

GT&C DEFINITION 9(a): Should The Commission Adopt A Definition Of "Local/Access Tandem Trunk"?

Agreement Reference: GT&C Definition of "Local/Access Tandem Switch"

9	Q.	**WHAT IS A "LOCAL/ACCESS TANDEM"?**
10	A.	A "local/access tandem" is a tandem that handles local traffic as well as intraLATA and
11		interLATA IXC traffic. Throughout the 13 states in which it is an incumbent provider,
12		SBC employs many different types of tandems, some of which either cannot handle IXC
13		traffic or cannot effectively accommodate interconnection with CLECs. Section II of my
14		testimony provides detail of the respective functions of the tandems utilized and deployed
15		by SBC.

16	Q.	**WHAT IS SBC MISSOURI'S PROPOSED LANGUAGE FOR THE DEFINITION**
17		**OF A "LOCAL/ACCESS TANDEM"?**
18	A.	SBC Missouri proposes a local/access tandem be defined in the GT&C Definitions as "a
19		switching machine within the public switched telecommunications network that is used to

1		connect and switch trunk circuits between and among other central office switches for
2		Section 251(b)(5)/intraLATA traffic and IXC-carried traffic."
3	Q.	**WHAT IS LEVEL 3'S PROPOSED LANGUAGE FOR THE DEFINITION OF A**
4		**"LOCAL/ACCESS TANDEM"?**
5	A.	Level 3 proposes that the definition for local/access tandem be "an intermediate switch or
6		connection between an originating telephone call location and the final destination of the
7		call."
8	Q.	**WHY DOES SBC MISSOURI DISAGREE WITH LEVEL 3'S PROPOSED**
9		**DEFINITION OF A "LOCAL/ACCESS TANDEM"?**
10	A.	SBC Missouri disagrees with Level 3's proposed definition of a local/access tandem
11		because it does not account for the type of traffic handled by the tandem. Level 3's
12		definition of local/access tandem applies to *any* tandem SBC might utilize – including
13		those that cannot accommodate IXC interconnection. The Commission should adopt the
14		definition proposed by SBC Missouri because it provides the necessary detail regarding
15		the type of traffic handled by a local/access tandem that is absent from Level 3's
16		proposed definition.
17	Q.	**WHY IS IT IMPORTANT TO INCLUDE THE DEFINITION OF A**
18		**"LOCAL/ACCESS TANDEM" IN THE INTERCONNECTION AGREEMENT?**
19	A.	This term appears throughout various appendices, including the GTC Definitions and ITR
20		Appendices, in both agreed and disputed provisions. Defining this term is important
21		because the Appendix should have its own self-contained definition.
22	Q.	**WILL ANY TANDEM HANDLE ANY TYPE OF TRAFFIC?**
23	A.	No. Tandems are provisioned to handle specific types of traffic and are often unable to
24		handle other types of traffic. For example, one of SBC's tandems in the state of Missouri
25		cannot handle InterLATA IXC traffic.

| 1 | | For this same reason, it is appropriate to have specific definitions of "local |

1   For this same reason, it is appropriate to have specific definitions of "local

2   interconnection trunk groups" (Def 10), "local/intraLATA tandem switch" (Def 11),

3   "local only tandem switch (Def 12), and "local only trunk groups (Def 13), as SBC

4   Missouri has proposed.

5   **Q.**   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

6   A.   Yes. SBC Missouri's existing network architecture, including its tandem switches, are

7   planned, forecast, designed, and engineered to serve specific functions in support of SBC

8   Missouri's end users as well as the end users of requesting carriers that interconnect to

9   SBC Missouri's network. It is inappropriate for Level 3 to define equipment within SBC

10   Missouri's network architecture to fit Level 3's needs and in a manner inconsistent with

11   how SBC Missouri deploys its network. The Commission should not allow Level 3 to

12   define or dictate how SBC Missouri's network architecture may be engineered, deployed

13   and defined.

GT&C DEFINITION 9(b): Should The Definition Of "Local/Access Tandem Switch" Reflect That Such Switches Are Used For Section 251(B)(5)/IntraLATA Traffic And IXC-Carried Traffic?

Agreement Reference: GT&C Definition of "Local/Access Tandem Switch"

14
15   **Q.**   **WHY DOES SBC MISSOURI INCLUDE A REFERENCE TO "SECTION 251(B)(5)/INTRALATA TRAFFIC AND IXC-CARRIED TRAFFIC" IN ITS**
16   **DEFINITION OF A "LOCAL/ACCESS TANDEM"?**

17   A.   As discussed above, SBC Missouri believes it is important to specify what kind of traffic

18   a tandem can handle because not all tandems within SBC Missouri's network can handle

19   the same types of traffic. SBC Missouri provisions its local/access tandems specifically to

20   handle Section 251(b)(5)/intraLATA and IXC carried traffic.

21   **Q.**   **IF SBC MISSOURI'S PROPOSED LANGUAGE FOR THE DEFINITION OF**
22   **"LOCAL/ACCESS TANDEM IS ADOPTED, WILL IT "REQUIRE LEVEL 3 TO**

| 1 | | **BUILD DUPLICATIVE INTERCONNECTION TRUNKS" AS LEVEL 3** |
| 2 | | **INDICATES IN ITS ISSUE DESCRIPTION?** |

3   A.   No. SBC Missouri's proposed definition does not create any additional obligations for

4   Level 3. It simply defines the term "local/access tandem."

5   **Q.**   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

6   A.   Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

7   define or dictate how SBC Missouri's network architecture may be engineered, deployed

8   and defined.

GT&C DEFINITION 10(a): Should the Commission adopt a definition of "Local Interconnection Trunk Groups"?

Agreement Reference: GT&C Definition of "Local Interconnection Trunk Groups"

9   **Q.**   **WHAT ARE "LOCAL INTERCONNECTION TRUNK GROUPS"?**

10   A.   SBC Missouri defines "local interconnection trunk groups" as "two-way trunk groups

11   used to carry Section 251(b)(5)/intraLATA traffic only."

12	**Q.**	**WHY DOES SBC MISSOURI BELIEVE IT IS IMPORTANT TO INCLUDE A**
13		**DEFINITION OF "LOCAL INTERCONNECTION TRUNK GROUPS" IN THE**
14		**GT&C DEFINITIONS?**

15   A.   The term "local interconnection trunk groups" appears throughout various appendices,

16   including the OET, NIM and ITR Appendices, in both agreed-to and contested provisions

17   (including some provisions that Level 3 is advocating. Therefore, SBC Missouri believes

18   this term should be defined for purposes of interpreting all relevant appendices.

GT&C DEFINITION 10(b): If The Answer To GT&C Definition 10(A) Is Yes, Should "Local Interconnection Trunk Groups" Be Defined As Trunks Used To Carry Section 251(B)(5)/Intra-LATA Traffic Only?

Agreement Reference: GT&C Definition of "Local Interconnection Trunk Groups"

19	**Q.**	**WHY DOES SBC MISSOURI INCLUDE A REFERENCE TO "SECTION**
20		**251(B)(5)/INTRALATA TRAFFIC AND IXC-CARRIED TRAFFIC" IN ITS**
21		**DEFINITION OF "LOCAL INTERCONNECTION TRUNK GROUPS"?**

1   A.   Again, SBC Missouri believes it is important to specify what kind of traffic a trunk group

2   carries.   Not all trunk groups, within SBC Missouri's network, are designed, nor

3   intended, to carry the same types of traffic.   SBC Missouri engineers and builds its local

4   interconnection trunk groups specifically to handle only Section 251(b)(5)/intraLATA and

5   ISP-bound traffic.   SBC Missouri believes local interconnection trunk groups must be

6   defined to insure that only Section 251(b)(5)/intraLATA and ISP-bound traffic is offered to

7   those groups.

8   Q.   **IF SBC MISSOURI'S PROPOSED LANGUAGE IS ADOPTED, WILL IT**
9   **"REQUIRE LEVEL 3 TO BUILD DUPLICATIVE INTERCONNECTION**
10   **TRUNKS" AS LEVEL 3 INDICATES IN THEIR ISSUE DESCRIPTION?**

11 A.   No. SBC Missouri's proposed definition does not create any additional obligations for

12   Level 3. It simply defines the term "local interconnection trunk groups."

GT&C DEFINITION 11(a):   Should The Commission Adopt A Definition Of "Local/IntraLATA Tandem Switch"?

Agreement Reference: GT&C Definition of "Local/IntraLATA Tandem Switch"

13 Q.   **WHAT IS THE DISPUTE IN THIS ISSUE BETWEEN THE PARTIES?**

14 A.   Level 3 would expand the definition of local traffic to include IXC carried traffic.

15 Q.   **WHAT IS A "LOCAL/INTRALATA TANDEM SWITCH"?**

16 A.   A "local/intraLATA tandem switch" is a tandem that handles Section 251(b)(5) local

17   traffic as well as intraLATA toll traffic, but it does not handle IXC carried traffic.

18 Q.   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

19 A.   Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

20   define or dictate SBC Missouri's network architecture. Only SBC Missouri should have

21   control of how its network architecture is engineered, deployed and defined.

GT&C DEFINITION 11(b): If The Answer To (A) Is Yes, Should The Definition Of "Local/IntraLATA Tandem Switch" Reflect That Such Switches Are Used For Section 251(B)(5)/Intra-LATA Traffic?

Agreement Reference: GT&C Definition of "Local/IntraLATA Tandem Switch"

1
2
3 **Q. WHY DOES SBC MISSOURI INCLUDE A REFERENCE TO "SECTION 251(B)(5)/INTRALATA TRAFFIC" IN ITS DEFINITION OF A "LOCAL/INTRALATA TANDEM SWITCH"?**

4 A. SBC Missouri believes it is important to specify what kind of traffic a tandem can handle

5 because not all SBC Missouri tandems can handle the same types of traffic. Where SBC

6 Missouri determines a need for a local/intraLATA tandem switch, SBC Missouri would

7 provision it specifically to handle Section 251(b)(5)/intraLATA traffic only.

8
9
10 **Q. IF SBC MISSOURI'S PROPOSED LANGUAGE IS ADOPTED, WILL IT "REQUIRE LEVEL 3 TO BUILD DUPLICATIVE INTERCONNECTION TRUNKS" AS LEVEL 3 INDICATES IN ITS ISSUE DESCRIPTION?**

11 A. No. SBC Missouri's proposed definition does not create any additional obligations for

12 Level 3. It simply defines the term "local/intraLATA tandem."

13 **Q. SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

14 A. Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

15 define or dictate SBC Missouri's network architecture or how that architecture may be

16 engineered, deployed and defined.

GT&C DEFINITION 12(a): Should The Commission Adopt A Definition Of "Local Only Tandem Switch"?

Agreement Reference: GT&C Definition of "Local Only Tandem Switch"

17 **Q. WHAT IS A "LOCAL ONLY TANDEM SWITCH"?**

18 A. A "local only tandem switch" is a tandem that handles only local traffic. It does not

19 handle intraLATA or interLATA IXC carried traffic.

20 **Q. WHAT IS SBC MISSOURI'S PROPOSED LANGUAGE FOR THE DEFINITION**
21 **OF A "LOCAL ONLY TANDEM"?**

1   A.   SBC Missouri proposes that a local only tandem be defined in the GT&C Definitions as

2   "a switching machine within the public switched telecommunications network that is

3   used to connect and switch trunk circuits between and among other central office

4   switches for Section 251(b)(5) and ISP-bound traffic."

5   Q.   **WHAT IS LEVEL 3'S PROPOSED LANGUAGE FOR THE DEFINITION OF A**
6   **"LOCAL ONLY TANDEM"?**

7   A.   Level 3 disagrees with SBC Missouri's definition of a local only tandem, but it has not

8   proposed an alternative definition.

9   Q.   **WHY IS THE DEFINITION OF A "LOCAL ONLY TANDEM" IMPORTANT?**

10   A.   This term appears throughout various appendices, including the OET and ITR

11   Appendices, in both agreed-to and contested provisions. Hence, defining this term is

12   necessary so that its meaning is consistent throughout these appendices.

13   Q.   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

14   A.   Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

15   define or dictate SBC Missouri's network architecture or how it is engineered, deployed

16   and defined.

    GT&C DEFINITION 12(b):   **If The Answer To (A) Is Yes, Should The Definition Of "Local Only Tandem Switch" Reflect That Such Switches Are Used For Section 251(B)(5) And ISP-Bound Traffic?**

    Agreement Reference: GT&C Definition of "Local Only Tandem Switch"

17   Q.   **WHY DOES SBC MISSOURI INCLUDE A REFERENCE TO "SECTION**
18   **251(B)(5)/INTRALATA TRAFFIC" IN ITS DEFINITION OF A "LOCAL ONLY**
19   **TANDEM SWITCH"?**

20   A.   It is important to specify what kind of traffic a tandem can handle because not all SBC

21   Missouri tandems can handle the same types of traffic. SBC designs and provisions local

22   only tandem switches to handle Section 251(b)(5) local and ISP-bound traffic only.

23   Q.   **IS A LOCAL ONLY TANDEM SWITCH CAPABLE OF SUPPORTING IXC**
24   **CARRIED ACCESS TRAFFIC?**

1   A.   No.

2   Q.   **IF SBC MISSOURI'S PROPOSED LANGUAGE IS ADOPTED, WILL IT**
3   **"REQUIRE LEVEL 3 TO BUILD DUPLICATIVE INTERCONNECTION**
4   **TRUNKS" AS LEVEL 3 INDICATES IN ITS ISSUE DESCRIPTION?**

5   A.   SBC Missouri's proposed definition does not create any additional obligations for Level

6   3. It simply defines the term "local only tandem."

7   Q.   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

8   A.   Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

9   define SBC Missouri's network. Only SBC Missouri should have control of how its

10   network architecture is engineered, deployed and defined.

> **GT&C DEFINITION 13:**   Should The Definition Of "Local Only Trunk Groups" Reflect That Such Trunk Groups Are Used For Section 251(B)(5) Traffic Only?

> **Agreement Reference: GT&C Definition of "Local Only Trunk Groups"**

11 Q.   **WHAT IS SBC MISSOURI'S PROPOSED DEFINITION FOR "LOCAL ONLY**
12   **TRUNK GROUPS" IN GT&C DEFINITION 13?**

13 A.   SBC Missouri proposes to define local only trunk groups as "two-way trunk groups that

14   carry Section 251(b)(5) traffic only," while Level 3 would define them as "two-way trunk

15   groups that carry telecommunications services traffic only."

16 Q.   **WHY DOES SBC MISSOURI OBJECT TO LEVEL 3'S PROPOSED**
17   **DEFINITION FOR "LOCAL ONLY TRUNK GROUPS"?**

18 A.   The term "telecommunications services" is overly broad. Adopting Level 3's proposed

19   definition would allow non-Section 251(b)(5) traffic to be improperly combined with

20   Section 251(b)(5) traffic over local only trunk groups. Combining the two different types

21   of traffic over the same trunk group could lead to potential blocking or misrouted traffic

22   as well as improper billing of the non-Section 251(b)(5) traffic.

> **GT&C DEFINITION 14(a):**   Should The Commission Adopt A Definition Of "Local Tandem"?

Agreement Reference: GT&C Definition of "Local Tandem"

1 Q.   **WHAT IS A "LOCAL TANDEM SWITCH"?**

2 A.   A "local tandem switch" is a term that identifies any type of tandem that handles local

3   traffic and serves a specific local calling area ("LCA"). A local tandem can be a local

4   only, a local/intraLATA, or a local/access tandem. Section II of my testimony provides

5   detail of the respective functions of the tandems utilized and deployed by SBC Missouri.

6 Q.   **WHAT IS SBC MISSOURI'S PROPOSED LANGUAGE FOR THE DEFINITION**
7   **OF A "LOCAL TANDEM"?**

8 A.   SBC Missouri proposes that a local tandem be defined in the GT&C definitions as "any

9   local only, local/intraLATA, local/access or access tandem switch serving a particular

10   LCA."

11 Q.   **WHY IS THE DEFINITION OF A "LOCAL TANDEM" IMPORTANT?**

12 A.   This term appears throughout various appendices, including the NIM, the IC, and the ITR

13   Appendices, in both agreed-to and contested provisions, as well as provisions that Level

14   3 advocates. Hence, SBC Missouri believes defining this term is necessary.

15 Q.   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

16 A.   Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

17   define SBC Missouri's network. Only SBC Missouri should have control of how its

18   network architecture is engineered, deployed and defined.

GT&C DEFINITION 14(b):   **If The Answer To (A) Is Yes, Should The Definition Of "Local Tandem" Include Any Local Only, Local/IntraLATA, Local/Access, Or Access Tandem Switch, As Defined, Serving A Particular LCA?**

19 Q.   **WHAT IS LEVEL 3'S PROPOSED LANGUAGE FOR THE DEFINITION OF A**
20   **"LOCAL ONLY TANDEM"?**

21 A.   Level 3 disagrees with SBC Missouri's definition of a local tandem, but it has not

22   proposed an alternative definition. SBC Missouri asks the Commission to adopt the

23   definition SBC Missouri proposes.

| 1 | Q. | WHAT IS LEVEL 3'S POSITION CONCERNING THE VARIOUS |
| 2 | | DEFINITIONS OF TANDEM SWITCHES AS PROPOSED BY SBC MISSOURI? |

3   A.   Level 3 proposes that the various definitions of tandem switches be replaced with one

4   definition of the term "tandem switch" as follows: "A switching machine within the

5   public switched telecommunications network that is used to connect the switch trunk

6   circuits between and among other central offices switches."

7   Q.   **HOW DO YOU RESPOND?**

8   A.   It would be inappropriate to use one broad definition for all tandem switches. As

9   discussed above, different types of tandem switches carry different types of traffic and

10   each type of tandem should be defined accordingly. Level 3's proposed definition fails to

11   take into account access tandem switches, which provide connection between central

12   office switches and IXCs for access traffic. Level 3's definition also fails to

13   acknowledge that tandem switches also connect between and among other tandem

14   switches. SBC Missouri's existing network architecture, including its tandem switches,

15   are planned, forecast, designed, and engineered to serve specific functions in support of

16   SBC Missouri's end users, as well as the end users of requesting carriers that interconnect

17   to SBC Missouri's network. It is inappropriate for Level 3 to define equipment within

18   SBC Missouri's network architecture to fit Level 3's needs and in a manner inconsistent

19   with how SBC Missouri deploys its network.

20 Q.   **SHOULD THE COMMISSION ADOPT SBC MISSOURI'S DEFINITION?**

21 A.   Yes. As stated above in GT&C Def Issue 1, the Commission should not allow Level 3 to

22   define or dictate how SBC Missouri's network architecture may be engineered, deployed

23   and defined.

GT&C DEFINITION 21(a):   **Should Virtual Foreign Exchange Traffic, Virtual NXX Traffic And FX-Type Traffic Be Defined As Traffic Delivered To Telephone Numbers That Are Rated As Local**
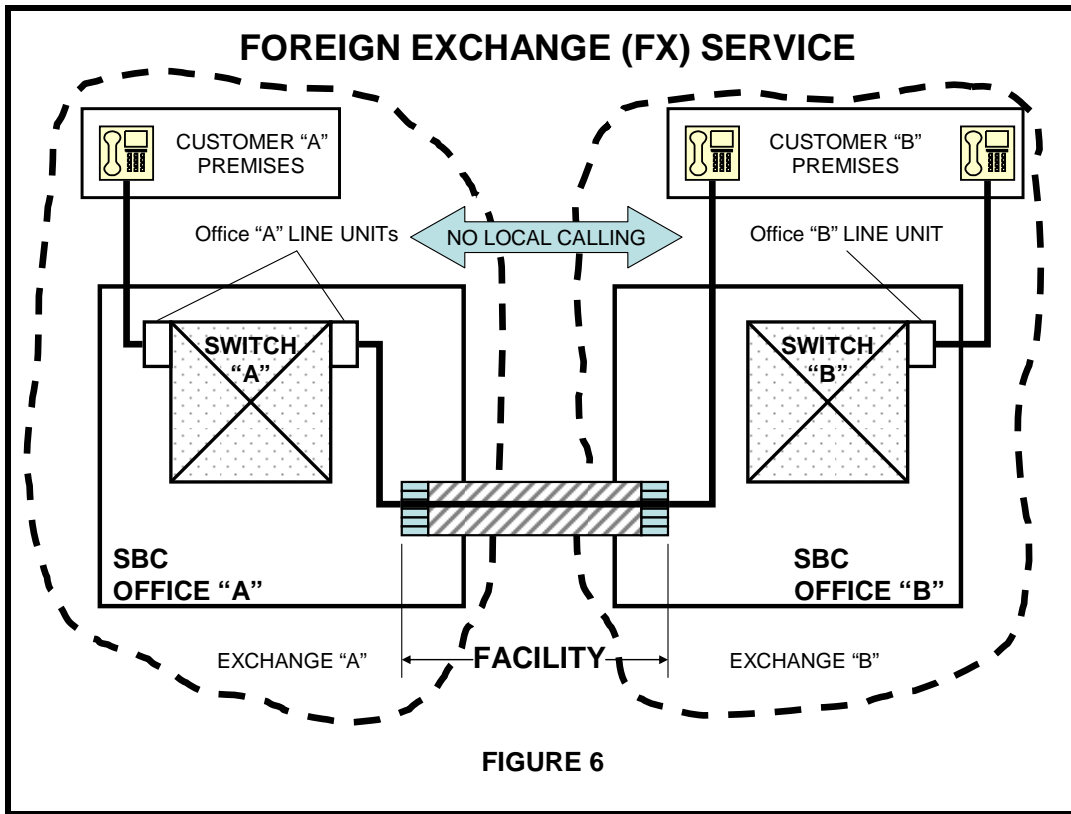
1   **Q.**   **WHAT IS FOREIGN EXCHANGE ("FX") SERVICE?**

2   A.   Foreign Exchange ("FX") service is a service, offered by SBC Missouri to its customers,

3   that enables them to obtain dial tone over a line from an exchange (*i.e*., the foreign

4   exchange) that is not local to their home exchange. End users within the foreign

5   exchange are then able to call the FX customer on a local basis rather than pay a toll

6   charge for the call.

7   **Q.**   **HOW DOES FX SERVICE WORK?**

8   A.   The typical FX customer is a business that wants to expand its customer base by making

9   it easy for customers to call the business locally, even if the business is located in another

10   exchange. FIGURE 6 illustrates an example of FX service that SBC Missouri provides to

11   its customers. Customer A lives in Exchange "A". Customer B has a business in

12   Exchange "B". There is no local calling between Exchange "A" and Exchange "B";

13   therefore customer A must pay a toll charge whenever he calls customer B's telephone

14   number served out of switch "B". Customer B wants A to be able to call his business at a

15   local rate, so he purchases SBC Missouri's FX service, and obtains a line appearance and

16   a telephone number served out of switch "A". Customer B will now have two telephone

17   sets or lines at his premises, but customer A is now able to call customer B's business by

18   dialing his Exchange "A" telephone number.

FOREIGN EXCHANGE (FX) SERVICE

FIGURE 6

1

2   With FX service, SBC Missouri has a facilities and equipment from customer A's

3   premise and end office entirely to customer B's premise. SBC Missouri is responsible

4   for delivering the call from customer A to Customer B. For this, customer B

5   compensates SBC Missouri.

6 **Q.**   **WHAT IS VIRTUAL NXX ("VNXX")?**

7 A.   VNXX is where a carrier opens an NXX code in one rate center to allow another carrier's

8   end users to call, on a local basis, customers belonging to the VNXX carrier in another

9   rate center that normally would be a toll call. The term "virtual" is derived from the fact

10   that the carrier that opens the code in the remote rate center has no physical presence or

11   equipment in that rate center.

12 **Q.**   **IS VNXX SIMILAR TO FX?**

13 A.   The intent of VNXX is similar to FX. That is, VNXX enables end users to call a business

14   on a local, rather than a toll basis. However, the manner in which VNXX is employed,
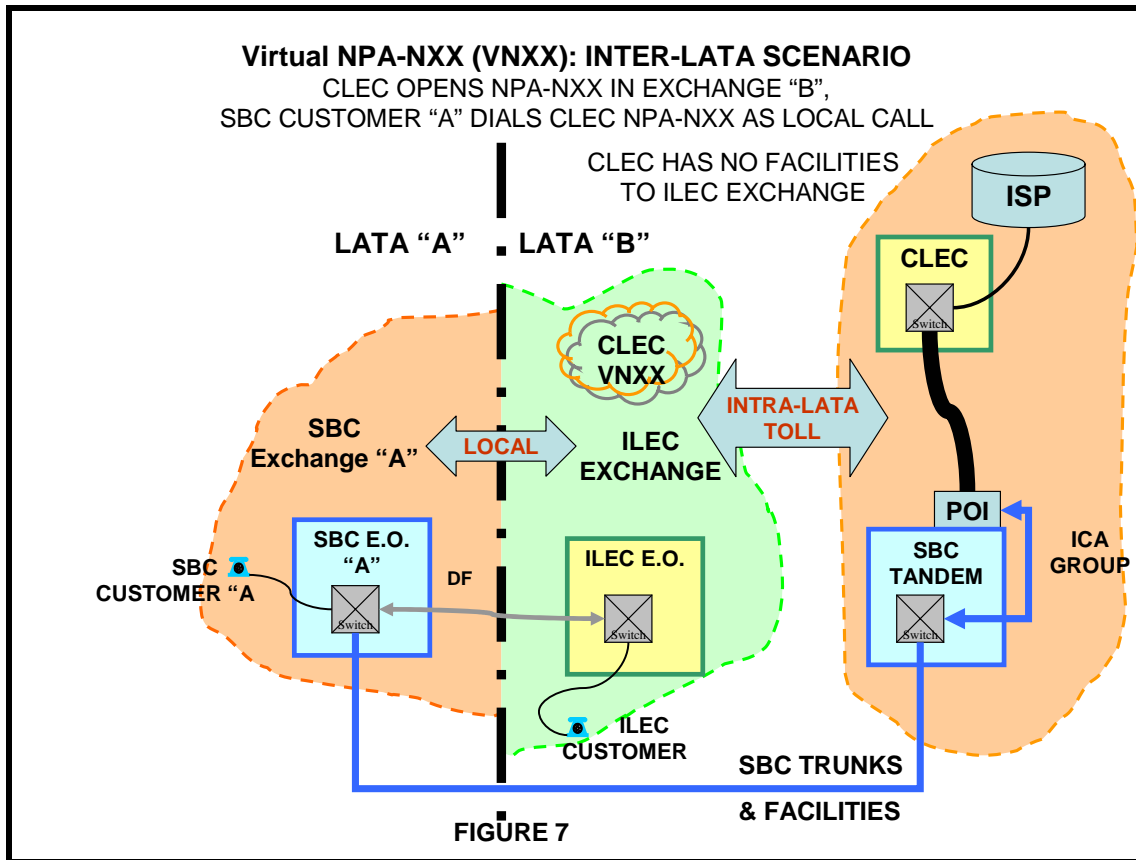
1   who is responsible for delivering the call, and how a carrier is compensated for the cost

2   of delivering the call is very different. Unlike FX, the VNXX carrier has no physical

3   equipment within the geographical area of the rate center where the VNXX code is

4   opened. Also, unlike FX service, the VNXX carrier assumes no responsibility to

5   transport the call from the originating exchange to its end user's exchange. Instead, the

6   ILEC (here, SBC Missouri) is left with responsibility for that transport. Once the ILEC

7   has transported the call from the originating exchange, the VNXX carrier delivers the call

8   to its end user. The ILEC is not compensated for delivering this call.

9 **Q.   HOW DOES VNXX WORK?**

10 A.   Typically, a carrier will use VNXX to offer ISP service to another carrier's end users

11   within a remote community. The end user is able to call the ISP as a local call. VNXX

12   can be used in either interLATA or intraLATA situations. FIGURE 7 illustrates a typical

13   interLATA VNXX scenario where Exchange A, in LATA A, and Exchange B, in LATA

14   B, are local to each other. The CLEC has an ISP customer in an exchange in LATA B

15   that is not local to either exchange A or B. The CLEC establishes an NPA-NXX code

16   that is rated to exchange B. Since customer A can call any code rated to exchange B as a

17   local call, the ISP's customer base has been expanded and SBC Missouri customer A can

18   now dial the ISP as a local call. Before the CLEC opened the VNXX code in Exchange

19   B, customer A would have had to dial an interLATA number to call the ISP; the call

20   would have been delivered to the IXC chosen by customer A to handle interLATA toll

21   calls. Customer A would have paid the IXC for this service.
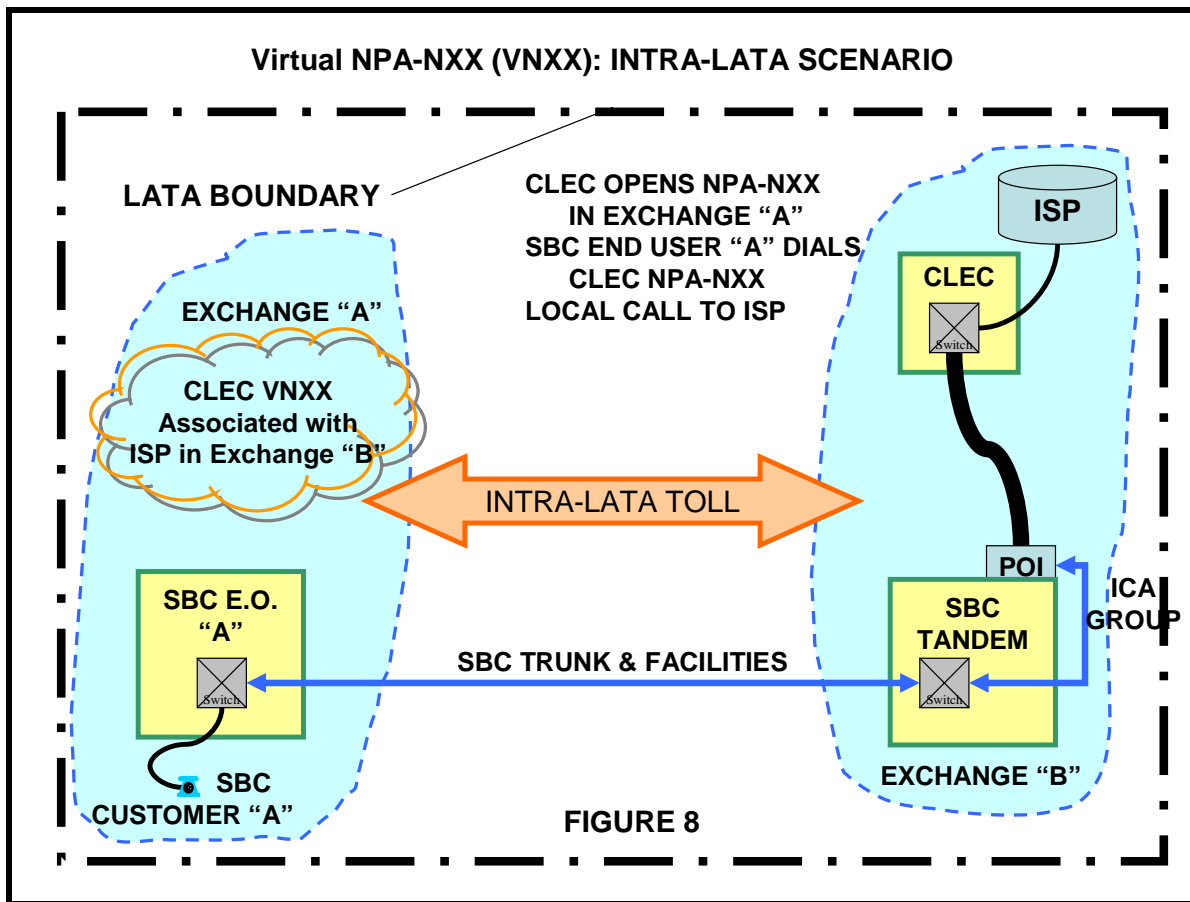
22   In the example in FIGURE 7, Exchange "B" is an ILEC exchange. When ILEC

23   customers and SBC Missouri's customer A call each other, these calls are delivered to the

24   respective carriers over a trunk group that rides on meet-point type facilities. That is, the

1	ILEC facilities meet the SBC Missouri facilities at the exchange area boundary ("EAB")
2	– in this case the LATA boundary. Both carriers share the cost of exchanging the traffic
3	between their respective customers. If this situation should ever exist in Missouri, Level
4	3 would expect SBC Missouri to deliver the call from customer A, in LATA "A", to the
5	Level 3 POI in LATA "B". In FIGURE 7, the CLEC's switch and POI are not in the
6	same LATA as customer A. SBC Missouri must deliver calls originated by its end users
7	in exchange A, to any code within the ILEC's exchange. With this VNXX arrangement,
8	SBC Missouri is forced to deliver the call outside of the local calling area of exchanges A
9	and B to a POI that is of considerable distance from the originating exchange. Typically,
10	as in this case, the CLEC's customer, the ISP, does not even reside in the community in
11	which the virtual NPA-NXX is rated – once again leading to the "virtual" nature of this
12	VNXX.

Virtual NPA-NXX (VNXX): INTER-LATA SCENARIO
CLEC OPENS NPA-NXX IN EXCHANGE "B",
SBC CUSTOMER "A" DIALS CLEC NPA-NXX AS LOCAL CALL

CLEC HAS NO FACILITIES
TO ILEC EXCHANGE

ISP

LATA "A"   LATA "B"

CLEC

CLEC VNXX

SBC Exchange "A"   LOCAL   ILEC EXCHANGE   INTRA-LATA TOLL

POI

ICA GROUP

SBC E.O. "A"   ILEC E.O.   SBC TANDEM

SBC CUSTOMER "A"   DF

ILEC CUSTOMER

SBC TRUNKS & FACILITIES

FIGURE 7

1

2 **Q.   HOW DOES VIRTUAL NXX WORK IN AN INTRALATA SITUATION?**

3 A.   FIGURE 8 illustrates an intraLATA VNXX scenario. In this example Exchange "A" is

4   in the same LATA as Exchange "B". If End user A, in Exchange "A", called another end

5   user in Exchange "B", he would incur an intraLATA toll charge for that call. Suppose

6   the CLEC opens an NPA-NXX that is rated to Exchange "A". The CLEC can do this

7   without investing in any equipment in Exchange "A". If end user A calls that NPA-

8   NXX, it is considered a local call and SBC Missouri is obligated to deliver the call.

9   However, since the CLEC and the CLEC's customer, the ISP, are physically located in

10   Exchange "B", SBC Missouri must transport the call to an exchange that is not normally

11   local to the originating exchange. Once again, similar to FX, the originating customer

12   can make a call to a foreign exchange on a local basis. However, unlike FX, SBC

1   Missouri is burdened with the cost of transporting that call without compensation for the

2   use of its facilities and equipment.

Virtual NPA-NXX (VNXX): INTRA-LATA SCENARIO

LATA BOUNDARY

CLEC OPENS NPA-NXX
IN EXCHANGE "A"
SBC END USER "A" DIALS
CLEC NPA-NXX
LOCAL CALL TO ISP

ISP

CLEC
Switch

EXCHANGE "A"

CLEC VNXX
Associated with
ISP in Exchange "B"

INTRA-LATA TOLL

POI

ICA
GROUP

SBC E.O.
"A"
Switch

SBC TRUNK & FACILITIES

SBC
TANDEM
Switch

SBC
CUSTOMER "A"

EXCHANGE "B"

FIGURE 8

3

4   These calls are clearly interexchange intraLATA toll calls and should be trated as

5   such.

6 **Q.   HOW IS AN INTRALATA IXC CALL ROUTED AND HOW IS IT SIMILAR TO**
7 **VNXX?**

8 A.   The following diagram shows how a call is routed using an IXC that has a tandem

9   interconnection and trunk group.

Figure 9

1
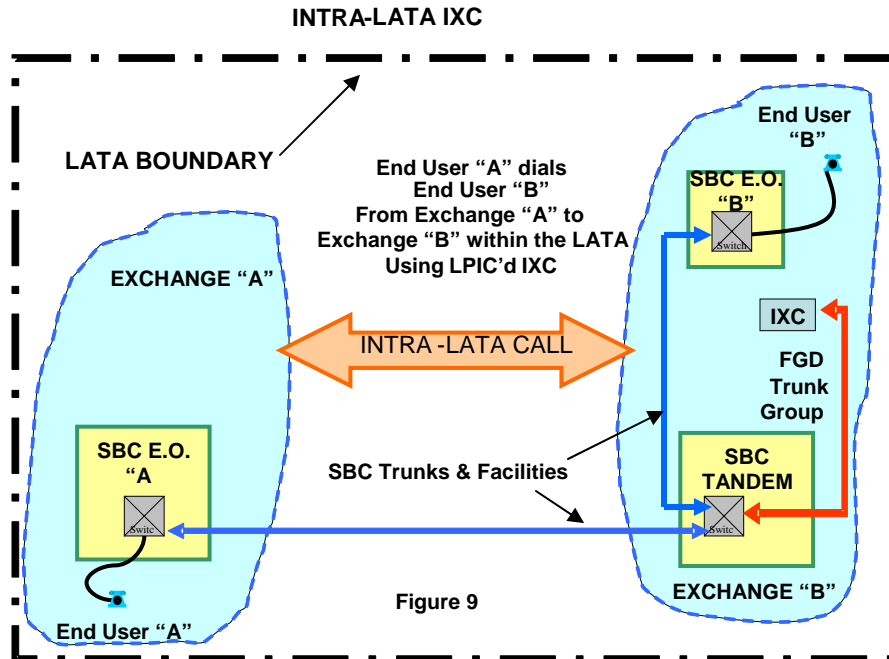
2   End user "A" dials end user "B", which is an intraLATA call. End user "A" is

3   LPIC'd to an IXC, which is interconnected at the SBC Missouri tandem. The call is

4   routed to the tandem over SBC Missouri trunks and facilities where the call is then

5   delivered to the IXC. The IXC compensates SBC Missouri originating intrastate access

6   charges for this portion of the call.

7   The IXC delivers the call back to the SBC Missouri tandem for termination to end

8   user "B". The call is routed to end office "B" over SBC Missouri trunks and facilities.

9   The IXC compensates SBC Missouri terminating intrastate access charges for this portion

10   of the call.

11   A VNXX call is handled in the same manner on the originating side of the call,

12   however, SBC Missouri is not compensated for the originating function of the call.

13   Instead, Level 3 would seek to receive reciprocal compensation from SBC Missouri as if

14   the jurisdictional nature of the call was local.

1 2	Q.	**SHOULD EACH PARTY BE REQUIRED TO BEAR THE COST OF TRANSPORTING FX (OR VNXX) TRAFFIC FOR THEIR END USERS?**

1 Q.   **SHOULD EACH PARTY BE REQUIRED TO BEAR THE COST OF**
2   **TRANSPORTING FX (OR VNXX) TRAFFIC FOR THEIR END USERS?**

3 A.   Yes.   An end user that has purchased FX service from SBC Missouri pays for the

4   facilities necessary to extend his line to the foreign exchange.   Therefore, SBC Missouri

5   is responsible for call delivery and is appropriately compensated by the FX customer for

6   delivering the call from the end user in the foreign exchange.   It is equally appropriate for

7   Level 3 to be solely responsible for delivering the call from the end user in the exchange

8   A to the VNXX end user outside the exchange.

9 Q.   **WHAT DOES LEVEL 3 PROPOSE?**

10 A.   Level 3 proposes that SBC Missouri provide free transport from the end user within the

11   exchange to the tandem serving the VNXX customer in another exchange.

12   In addition to free transport, Level 3 proposes that calls to its VNXX customer be

13   subject to reciprocal compensation.   Reciprocal compensation is not appropriate because

14   the call itself is not geographically local.   Moreover, given that all calls would move in

15   one direction – from the SBC Missouri end user within the exchange to the VNXX

16   customer outside the exchange – only SBC Missouri would pay reciprocal compensation.

17   This is discussed more fully in SBC Missouri witness Scott McPhee's testimony.

18 Q.   **WHY SHOULD THE COMMISSION ADOPT SBC MISSOURI'S PROPOSED**
19   **DEFINITIONS OF "VIRTUAL FOREIGN EXCHANGE ("FX") TRAFFIC" AND**
20   **"FX-TYPE TRAFFIC"?**

21 A.   SBC Missouri's proposed definitions for virtual foreign exchange traffic and FX-type

22   traffic accurately describe the call flow between the parties that constitutes FX service.

23   Level 3's proposed definition does not include any references to dedicated FX services

24   and excludes any reference to the Commission prescribed mandatory local calling area

25   which is fundamental for defining the jurisdiction of a call and its associated intercarrier

26   compensation.

GT&C DEFINITION 21(b): **Should "FX Telephone Numbers" Be Defined As Telephone Numbers With Different Rating And Routing Points Relative To A Given Mandatory Local Calling Area?**

1 **Q. WHAT IS THE NATURE OF THE DISPUTE BETWEEN SBC MISSOURI AND**
2 **LEVEL 3 REGARDING GT&C DEFINITION 21(B)?**

3 A. SBC Missouri and Level 3 disagree over the definition of "FX Telephone Numbers" as it

4 relates to transport responsibilities for VNXX delivered calls.

5 **Q. WHO SHOULD BE RESPONSIBLE FOR THE DELIVERY OF FX TRAFFIC?**

6 A. FX Telephone numbers, as deployed in SBC Missouri's network, are used to give SBC

7 Missouri end users local dialing to exchanges that would normally be toll. Under this

8 arrangement, the SBC Missouri end user's line is extended to the foreign exchange end

9 office where dial tone is obtained. The SBC Missouri end user, that has purchased the

10 FX service, pays SBC Missouri for the facilities necessary to extend his line to the

11 foreign exchange. SBC Missouri is responsible for call delivery from the foreign

12 exchange end user to the FX end user The FX end user compensates SBC Missouri for

13 delivering the call from the end user in the foreign exchange.

14 Level 3's virtual NXX, on the other hand, places the responsibility for delivering

15 the call from the end user in the foreign exchange to the VNXX end user onto SBC

16 Missouri. As a result, SBC Missouri is unable to recover its cost for delivery of what

17 would normally be a toll call, for which SBC Missouri would be compensated at access

18 service rates.

19 **Q. SUMMARIZE WHY THE COMMISSION SHOULD ADOPT SBC MISSOURI'S**
20 **PROPOSED DEFINITION OF "FX TELEPHONE NUMBERS".**

21 A. Since the actual use of the FX telephone number determines the associated compensation

22 regime between the parties (*i.e.,* FX telephone numbers that deliver second dial tone are

23 subject to the originating and terminating carrier's tariffed switched exchange access

1   rates), this differentiation is needed in the definition section to avoid future billing

2   disputes.

3 **Q.   DOES THIS CONCLUDE YOUR TESTIMONY?**

4 A.   Yes.