

Exhibit:
Issue: Records
Witness: Dunlap
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Southwestern Bell Telephone Co.
Company: Southwestern Bell Telephone Co.
Case No.: TO 2000-667

SOUTHWESTERN BELL TELEPHONE COMPANY

CASE NO. TO 2000-667

FILED³

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Missouri Public
Service Commission

REBUTTAL TESTIMONY

OF

JOYCE L. DUNLAP

St. Louis, Missouri

November, 2000

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

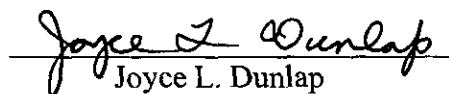
In the Matter of the Investigation into the)	
Effective Ability for Resale of Southwestern Bell)	
Telephone Company's Local Plus Service by)	Case No. TO-2000-667
Interexchange Carriers and Facilities-Based)	
Competitive Local Exchange Companies.)	

AFFIDAVIT OF JOYCE L. DUNLAP

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

I, Joyce L. Dunlap, of lawful age, being duly sworn, depose and state:

1. My name is Joyce L. Dunlap. I am presently Associate Director-Exchange Carrier Relations/Settlements for Southwestern Bell Telephone Company.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal 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.

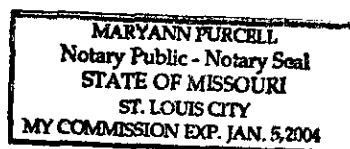

Joyce L. Dunlap

Subscribed and sworn to before me this 6th day of November 2000.




Notary Public

My Commission Expires: January 5, 2004



1 **Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?**

2 A. My name is Joyce L. Dunlap. My business address is One Bell Center 31-P-5 St.

3 Louis Missouri 63101.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR TITLE?**

6 A. I am employed by Southwestern Bell Telephone (SWBT) Company as Associate

7 Director – Exchange Carrier Relations/Settlements for Missouri.

8

9 **Q. HAVE YOU PREPARED AN EXHIBIT WHICH PROVIDES INFORMATION**
10 **REGARDING YOUR EMPLOYMENT, EDUCATIONAL BACKGROUND AND**
11 **APPEARANCES BEFORE THE COMMISSION?**

12 A. Yes. That information is attached as Schedule 1.

13

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

15 A. The purpose of my testimony is to respond to issues raised by Mr. Gary Godfrey and

16 Mr. David Jones in their direct testimony.

17

18 **Q. DO YOU AGREE WITH MR. GODFREY'S ASSESSMENT IN HIS DIRECT**
19 **TESTIMONY ON PAGE 3 LINES 20-23 AND PAGE 4 LINES 1-20 THAT THE**
20 **RECORDING PROBLEM SOUTHWESTERN BELL TELEPHONE COMPANY**
21 **(SWBT) EXPERIENCED IN ITS ERICSSON SWITCHES WAS NOT LIMITED**
22 **TO THOSE SWITCHES?**

1 A. No. I do not.

2

3 **Q. PLEASE EXPLAIN.**

4 A. Mr. Godfrey bases his assessment on the fact that Northeast Missouri Rural (NEMR)
5 had a number of unmatched records for the one hour period studied out of the 48 hour
6 Industry records test. During SWBT's investigation of these unmatched records and
7 subsequent to Mr. Godfrey filing his direct testimony in this case, SWBT discovered that
8 we had inadvertently failed to pull all of the records associated with all of NEMR's NXX
9 codes for the test.

10

11 **Q. DO YOU KNOW HOW THIS ERROR OCCURRED?**

12 A. For the Industry records test, SWBT established a test system table to pull records for
13 the calls destined for all of the NXXs belonging to the eleven companies participating in
14 the Industry 48 hour test. When this table was developed, some of the NEMR NXXs
15 were accidentally omitted. As a result, the copy of the call records we made for the 48
16 hour test were incomplete with respect to NEMR.

17

18 **Q. DID THIS ERROR AFFECT ACTUAL COMPENSATION TO NEMR?**

19 A. No. This error did not affect actual compensation to NEMR because all NEMR
20 NXXs are included in the tables used for our monthly processing. It was only in the test
21 system table established for the Industry 48 hour test where this error occurred.

22

1 **Q. DID THIS ERROR HAVE ANYTHING TO DO WITH LOCAL PLUS**
2 **RECORDING IN THE ERICSSON SWITCHES?**

3 A. No.
4

5 **Q. DID THIS ERROR EXPLAIN WHY NEMR EXPERIENCED MORE**
6 **UNMATCHED DATA THAN MODERN FOR THE INDUSTRY 48 HOUR TEST?**

7 A. Yes. It was only NEMR's NXXs that were omitted from the test system table. All of
8 Modern's NXXs were included.
9

10 **Q. HAS SWBT CORRECTED THIS ERROR?**

11 Yes. SWBT has pulled all of the missing data. At the direction of Mr. Bob
12 Schoonmaker, that data was e-mailed to Mr. Ralph Thies at GVNW Consulting, Inc. on
13 October 19, 2000.
14

15 **Q. DOES THIS ADDITIONAL DATA ACCOUNT FOR ALL OF THE**
16 **UNMATCHED RECORDS THAT NEMR EXPERIENCED DURING THE**
17 **INDUSTRY TEST?**

18 A. Yes. This missing data accounts for all but three calls for which the originating
19 number was not provided by NEMR. SWBT continues to try to match these three calls
20 based on the time of the call and the terminating number.
21

1 **Q. MR. JONES AT PAGE 5 LINES 18 THROUGH 20 OF HIS DIRECT**

2 **TESTIMONY DISCUSSES THE DEPLOYMENT OF LOCAL PLUS IN**

3 **MISSOURI. WHEN DID SWBT DEPLOY LOCAL PLUS?**

4 A. SWBT deployed Local Plus in five exchanges in the Westphalia LATA (Argyle,
5 Freeburg, Linn, Meta and Westphalia) and in one exchange in the Kansas City LATA
6 (Knob Noster) in December 1998. Local Plus was deployed by SWBT in all our
7 remaining exchanges in June 1999.

8

9 **Q. MR. JONES AT PAGE 6 LINES 1 THROUGH 3 OF HIS DIRECT**

10 **TESTIMONY DISCUSSES THE FACT THAT SWBT HAS NOT SEPARATELY**

11 **IDENTIFIED LOCAL PLUS USAGE TO THE MISSOURI INDEPENDENT**

12 **LOCAL EXCHANGE COMPANIES (ILECS) SINCE APRIL 2000. IS THIS**

13 **CORRECT?**

14 A. Yes. Since SWBT began providing category 11 access records to the ILECs in April
15 2000, per the Commission's Report and Order dated June 10, 1999 in Case No. 99-254
16 we have included Local Plus usage in the total IntraLATA toll minutes terminating to the
17 ILECs.

18

19 **Q. WHY HAS SWBT DONE THIS?**

20 A. We understood that it was the Missouri ILECs preference. During the development
21 and discussions for the category 11 records which took place in the summer of 1999 the
22 Missouri ILECs stated that they did not want this usage separately identified.

23

1 **Q. WHY DID THE MISSOURI ILECS MAKE THIS REQUEST?**

2 A. The Missouri ILECs wanted this usage reported as IntraLATA toll so that there would
3 be no question that their terminating access rates should be applied to this usage.

4
5 **Q. DID SWBT PROPOSE TO THE ILECS THAT THE USAGE BE**
6 **SEPARATELY IDENTIFIED?**

7 A. Yes. During the development of the category 11 records, SWBT proposed that fields
8 133-134 of the record contain a traffic type indicator to identify the various types of
9 intercompany compensation traffic (WATS, MTS, originating 800, OPH and Local Plus)
10 it would be exchanging.

11
12 **Q. DID THE ILECS ACCEPT THIS PROPOSAL?**

13 A. No, they did not.

14
15 **Q. COULD SWBT NOW PUT PROGRAMMING IN PLACE TO IDENTIFY AND**
16 **REPORT LOCAL PLUS USAGE SEPARATELY ON THE CATEGORY 11**
17 **RECORDS IT PROVIDES?**

18 A. Yes, it could be done. However, this process of separately identifying the usage
19 would require additional programming. The programming and testing of this process
20 could not be implemented prior to 4th quarter 2001.

21
22 **Q. MR. JONES DISCUSSES AT PAGE 7 LINES 17 THROUGH 20 AND PAGE 8**
23 **LINES 1 THROUGH 7 OF HIS DIRECT TESTIMONY THAT THE LOCAL**

1 **PLUS RECORDING ISSUE THAT SWBT FOUND DURING THE MISSOURI**

2 **RECORDS TEST IS NOT LIMITED TO ERICSSON SWITCHES, DO YOU**

3 **AGREE?**

4 A. No. I believe that Mr. Jones is basing his conclusion on the unmatched records that
5 NEMR experienced. As I have previously explained, the missing records for NEMR
6 were not the result of a switch problem, but rather a result of failing to pull all of the
7 records for the test. A full set has now been provided. While there were some unmatched
8 records which appear to have been originated by Local Plus customers in a non-Ericsson
9 switch, SWBT has rechecked the translations in our other Missouri switches and verified
10 that Local Plus has been recorded correctly. SWBT continues to investigate these
11 unmatched calls on a call by call basis.

12
13 **Q. HAS SWBT CORRECTED THE RECORDING PROBLEM IT**

14 **EXPERIENCED IN ITS ERICSSON SWITCHES?**

15 A. Yes. The recording problems in our Ericsson switches was initially corrected on
16 August 11, 2000, with a follow up correction being made on September 11, 2000.

17
18 **Q. DO YOU KNOW WHAT CAUSED THIS PROBLEM?**

19 A. Yes. In the Ericssons the switch translations that tell the switch what type of record
20 to make were incorrectly programmed.

21
22 **Q. WHAT WAS DONE BY SWBT TO CORRECT THIS PROBLEM?**

1 A. SWBT technicians in our translations group corrected the translation in each of the
2 individual Ericsson switches to have Local Plus traffic correctly recorded as call code
3 006. Then technicians in our technical support group made test calls verify that the
4 proper Automatic Message Accounting (AMA) 006 record was being made by each of
5 the Ericsson switches.

6
7 **Q. MR. JONES ON PAGE 8 LINES 8 THROUGH 20 AND 9 LINES 1 THROUGH**
8 **5 OF HIS DIRECT TESTIMONY DISCUSSES THE NEGATIVE IMPACT OF**
9 **THE LOCAL PLUS RECORDING PROBLEM ON HIS COMPANY. CAN YOU**
10 **COMMENT ON HIS ASSESSMENT OF THAT NEGATIVE IMPACT?**

11 A. As discussed in the direct testimony filed by Mr. Hughes in this case, SWBT notified
12 the Missouri ILECs of this problem as soon as we learned of it and corrected it. We also
13 told them that we would like to negotiate a retroactive settlement for this usage and
14 would be willing to make a preliminary settlement subject to true up for any company
15 that felt particularly impacted and wanted one. We continue to work with the companies
16 involved and hope to have a retroactive settlement made by end of November. In the case
17 of Mid-Missouri we have already made a preliminary partial payment for the Local Plus
18 usage and continue to work with Mr. Jones to true up that amount. No other company
19 sought a preliminary settlement.

20
21 **Q. WILL SWBT HAVE THE PRECISE NUMBER OF MINUTES INVOLVED AS**
22 **A RESULT OF THE RECORDING PROBLEM ON WHICH TO BASE A**
23 **RETROACTIVE ADJUSTMENT?**

1 A. Since this usage was not recorded with the correct call type and retained, no precise
2 number of minutes will be available. SWBT will make, with the concurrence of the
3 involved companies, an adjustment based on current volumes adjusted for start-up
4 growth.

5
6 **Q. DO YOU AGREE THAT THE PROBLEMS RECENTLY IDENTIFIED**
7 **JUSTIFY CHANGING THE BUSINESS RELATIONSHIP BETWEEN**
8 **CARRIERS AS PROPOSED BY MR. JONES IN HIS DIRECT TESTIMONY ON**
9 **PAGES 9 THROUGH 11?**

10 A. No.

11
12 **Q. PLEASE EXPLAIN WHY YOU DO NOT AGREE.**

13 I think that the identification of problems and the manner in which the Industry has
14 worked together to resolve them shows just the opposite. The process under which the
15 originating carriers' records are used for the basis of intercompany compensation has
16 been in existence for over 12 years. In fact, during the entire duration of the PTC Plan,
17 SWBT, GTE, Sprint and Fidelity relied on originating records the small companies
18 created for all toll calls placed from the small companies' exchanges. During that period,
19 periodic audits were performed. In each audit, various problems with the systems we all
20 used would be found and corrected. The Industry's approach with the current record test
21 was no different. Problems identified, like SWBT's translation error in its Ericsson
22 switches, have been corrected. While we do not like to make mistakes we view this
23 process as healthy. As a result of our Industry records test, the overall integrity of our

1 systems have been verified and any problems found have been corrected. With these
2 problems addressed, we see no need to scrap a system that has served the Industry well
3 for years. And in any event, the issue of changing the business relationship as proposed
4 by Mr. Jones is way beyond the scope of this case.

5

6 **Q. MR. JONES ON PAGE 11 LINES 15 THOUGH 20 AND PAGES 12 AND 13**
7 **OF HIS DIRECT TESTIMONY MAKES A RECOMMENDATION FOR THE**
8 **TREATMENT OF RESOLD LOCAL PLUS TRAFFIC, DO YOU AGREE WITH**
9 **HIS RECOMMENDATION?**

10 No not entirely. Mr. Jones needs to make a distinction between Local Plus traffic that is
11 truly resold and Local Plus traffic that is being provided by means of Unbundled Network
12 Elements (UNEs). If Local Plus is being provided through the true reselling of SWBT's
13 Local Plus service then SWBT would be the party responsible for the creation of records,
14 the transmission of those records to all parties on the call path and the payment of
15 terminating access charges. But if Local Plus is being provided through the use of
16 UNEs, then the responsibility for the creation of intercompany compensation records, the
17 transmission of those records to all parties on the call path and the payment of
18 terminating access becomes the responsibility of the company that originated the call, i.e.
19 the company who has purchased the UNEs from SWBT.

20

21 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

22 A. Yes.

SUMMARY OF EDUCATION, WORK EXPERIENCE AND QUALIFICATIONS

Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?

- A. I have received an Associate of Business Administration in 1983, a Bachelor of Business Administration in 1986 and a Master of Business Administration in 1994, from Lindenwood College in St. Charles, Missouri.

Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE.

- A. I have been employed by Southwestern Bell Telephone Company since 1969. From 1969 to 1980, I held various positions in finance and capital recovery in Missouri and Texas.

In 1980 I was appointed Manager-Administrative. In 1987 my title was changed to Area Manager-Administrative. In this position I was involved in the administration of the Missouri Toll and Access Pools, assisted in the development of the Missouri Primary Toll Carrier Plan and was administrator of that plan from July 1, 1988 to March 1, 1990.

In March 1990 I was appointed Area Manager-Industry Relations, and in this position have responsibilities for coordination and administration of various systems and settlements with all incumbent independent local exchange telephone companies (ILECs)

in Missouri, including day-to-day contacts on a variety of issues. In addition, I have assisted in the analysis of data and testimony associated with Public Service Commission dockets involving ILECs.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?

A. Yes.