

Exhibit No.:
Issues: Records and Billing Relating to Reciprocal Compensation
Witness: Joe B. Murphy
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: Southwestern Bell Telephone Company
Case No.: TC-2000-225, et al.

FILED³

MAY 31 2000

Missouri Public
Service Commission

SOUTHWESTERN BELL TELEPHONE COMPANY

CASE NO. TC-2000-225, et al.

Rebuttal Testimony
of

Joe B. Murphy

St. Louis, Missouri
May 2000

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³

MAY 31 2000

Missouri Public
Service Commission

MCI WorldCom Communications, Inc.,)
et. al.,)

Complainants,)

Case No. TC-2000-225, et al.

vs.)

Southwestern Bell Telephone Company,)

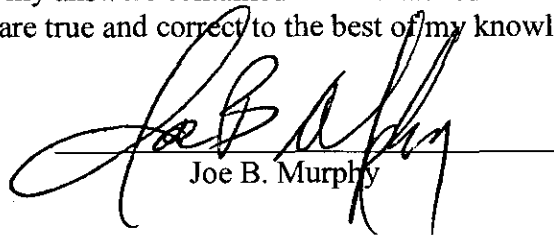
Respondent.)

AFFIDAVIT OF JOE B. MURPHY


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

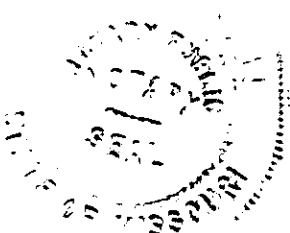
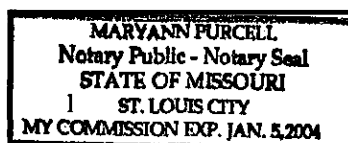
I, Joe B. Murphy, of lawful age, being duly sworn, depose and state:

1. My name is Joe B. Murphy. I am presently Director-Carrier Compensation for SBC Telecommunications, Inc.
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.


Joe B. Murphy

Subscribed and sworn to before me on this 26th day of May 2000.


Notary Public



REBUTTAL TESTIMONY OF JOE B. MURPHY

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Joe B. Murphy. My business address is One Bell Center, St. Louis, Missouri 63101.

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

A. I am employed by SBC Telecommunications, Inc. as Director-Carrier Compensation.

Q. WHAT ARE YOUR RESPONSIBILITIES IN THIS POSITION?

A. I am responsible for directing the exchange of data and the associated billings and payments between Southwestern Bell Telephone Company ("SWBT") and the Independent Local Exchange Carriers ("ILECs") and facility-based Competitive Local Exchange Carriers ("CLECs") for the intraLATA toll and local usage that is transported over the traditional Local Exchange Carrier ("LEC") network.

Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?

A. I received a Bachelor of Business Administration degree, with majors in Accounting and General Business, from the University of Central Arkansas in 1979.

Q. PLEASE OUTLINE YOUR WORK EXPERIENCE.

A. After graduating from college, I worked as a staff auditor with a Little Rock based CPA firm from 1979 to 1981. From 1981 to 1983, I worked as an internal auditor for a multi-state publicly traded company. I was hired by AT&T in 1983 to work in the finance department. In 1984, I joined SWBT as an auditor on the staff of the Arkansas IntraLATA Toll Pool. In this position I was responsible for auditing the revenues,

1 expenses, taxes and facility investments of the pool member companies. In 1985, I was
2 promoted to Area Manager-Settlements. In this position I worked on various
3 intercompany toll settlement issues within the SWBT operating areas. I also assisted in
4 the implementation of the various intraLATA access charge plans that are used for
5 intercompany toll compensation between SWBT and the ILECs. In 1999, I was
6 promoted to my current position of Director-Carrier Compensation.

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

8 A. The purpose of my testimony is to describe the existing intercompany compensation
9 methods and record exchange processes that are in use between SWBT and facility-based
10 CLECs for the exchange of intraLATA toll and local traffic that uses the traditional LEC
11 network. I will also address certain issues related to the amounts claimed to be due from
12 SWBT for reciprocal compensation, and the nature of the traffic which complainants
13 claim is local traffic in this proceeding.

14 **Q. WHAT DO THE INTERCONNECTION AGREEMENTS BETWEEN SWBT AND**
15 **MCI WORLDCOM (MFS), BROOKS AND BROADSPAN PROVIDE WITH**
16 **RESPECT TO THE RECORDS WHICH ARE REQUIRED TO BE EXCHANGED**
17 **TO DETERMINE THE AMOUNT OF RECIPROCAL LOCAL COMPENSATION**
18 **WHICH IS OWED?**

19 A. The agreements provide that the company whose customer originated the call which is
20 subject to reciprocal local compensation is responsible for creating the record used by the
21 company terminating the call to create a bill.¹ For local traffic originated by SWBT end
22 users and terminating to end users of a CLEC, it is SWBT's responsibility to create the

¹ See BroadSpan Witness Ashby Schedule 2, Attachment 12, Page 6 of 6, Item G; Brooks Witness Price Schedule 1, Page 9, Item G; and MFS Witness Devine Schedule 1, Page 32, Item 19.3.

1 records measuring this traffic and send those records to the CLEC, to be used by the
2 CLEC to bill SWBT. For local calls originated by CLEC end users, it is the CLEC which
3 is responsible to create the records and provide them to SWBT, which will utilize these
4 records to bill the CLEC for terminating compensation.

5 **Q. WHAT TYPE OF RECORDS ARE REQUIRED TO BE USED FOR THIS**
6 **PROCESS UNDER THE INTERCONNECTION AGREEMENTS BETWEEN**
7 **SWBT AND MCI WORLDCOM (MFS), BROOKS AND BROADSPAN?**

8 A. SWBT and the CLECs are required to use Category 92 records. The Category 92 record
9 exchange process provides the necessary information so the companies involved in
10 transporting and terminating the calls over the traditional LEC network can bill the
11 originating company for the use of their facilities.

12 **Q. IF SWBT'S NETWORK IS UTILIZED TO TRANSIT CALLS FROM ONE CLEC**
13 **TO ANOTHER, WHO IS RESPONSIBLE FOR CREATING THE**
14 **APPROPRIATE RECORDS AND PAYMENT TO THE TERMINATING CLEC?**

15 A. The CLEC whose customer originated the call which is subject to reciprocal local
16 compensation is required to pay both the transiting company (SWBT) and the terminating
17 company, and to create the records used by the transiting and terminating companies to
18 bill the originating CLEC for the call.

19 **Q. PLEASE PROVIDE AN EXAMPLE OF THE RECORD EXCHANGE PROCESS**
20 **UTILIZED BY SWBT AND CLECS?**

21 A. Murphy Schedule 1 provides a copy of Page 22 from Section 5 of the SWBT Data
22 Exchange Binder. A copy of this binder is provided to all facility-based CLECs when
23 they have their Initial Billing Meeting with SWBT personnel to discuss the data exchange
24 requirements.

25 Schedule 1 depicts a call originated from a facility-based CLEC that transits through
26 SWBT and ILEC1 to terminate at ILEC2. In this example, the CLEC has chosen to

utilize the traditional LEC network for the termination of its end user customer's call.

The CLEC is required to provide a Category 92 record of this call to SWBT, ILEC1, and ILEC2. SWBT, ILEC1, and ILEC2 will use the record received from the CLEC to bill the CLEC for the use of their respective networks.

Q. IF THE CALL ORIGINATED FROM THE END USER CUSTOMER IN THE ILEC2 OPERATING AREA, WOULD ILEC2 BE REQUIRED TO PROVIDE RECORDS TO SWBT, ILEC1 AND THE CLEC?

A. Yes it would. The Party whose customer originates a call which uses the traditional LEC network for the termination of its end user customer's call is responsible for providing records to all Parties on the call path so they can be compensated for the use of their facilities.

Q. WHAT STEPS DOES SWBT PERFORM TO HELP FACILITATE THE CATEGORY 92 RECORD EXCHANGE PROCESS?

A. SWBT has personnel available to assist the ILECs and facility-based CLECs with questions regarding the data exchange process. SWBT personnel meet with each new facility-based CLEC to explain the data exchange requirements. Additionally, since all Parties need to know which companies are providing the facilities on the various call paths (and therefore need to be compensated for the use of their facilities), SWBT prepares data tables that provide this information. These data tables are updated as necessary and are provided to the industry at no charge.

Q. PLEASE DESCRIBE THE PROCESS USED BY SWBT TO IDENTIFY ISP-BOUND TRAFFIC FROM SWBT END USERS TO ISPS SERVED BY CLECS.

A. For traffic originated by SWBT end users which is locally dialed and being routed to a CLEC network, SWBT, in the absence of specific ISP telephone numbers provided by the CLEC, utilizes the following identification process: On a monthly basis, utilizing the

1 Category 92 originating records, SWBT determines if any telephone number has received
2 more than 200 calls/month or if it has calls over 60 minutes in duration. If either of the
3 above criteria is met, this number is placed on a report. The numbers appearing on the
4 report are then validated to determine the type of tone (data vs. facsimile) received. If a
5 data tone is detected, the telephone number is included on the report containing suspected
6 ISP numbers. The report with the suspected ISP numbers is then used to populate a table
7 in the Primary Carrier System. Messages originated by SWBT and sent to the suspected
8 ISP number are totaled by minutes and messages by each suspected ISP number and
9 placed on a report which is provided to the CLEC.

10 **Q. WHY DOES SWBT IDENTIFY THE SUSPECTED ISP-BOUND TRAFFIC?**

11 A. Because although ISP-bound traffic appears to be local traffic, it is actually interstate
12 exchange access traffic, as described in the testimony of SWBT Witnesses Bert Halprin
13 and Paul Cooper.

14 **Q. IS THE AMOUNT OF SUSPECTED ISP-BOUND TRAFFIC SIGNIFICANT?**

15 A. Yes it is. To illustrate how significant it is, I have prepared an analysis of the volumes of
16 calls from SWBT end user customers that were transported to the MFS Missouri, Brooks
17 Missouri and BroadSpan Missouri operating areas. My analysis, which is contained in
18 Schedules 2, 3 and 4 of this testimony, reflects that the suspected ISP minutes of use
19 represented 95.97% of the traffic transported to MFS Missouri, 93.31% of the traffic
20 transported to Brooks Missouri, and 46.20% of the traffic transported to BroadSpan. In
21 my Schedules, I have also identified the individual telephone numbers that have
22 significant suspected ISP minutes from a representative (December, 1999) usage month.
23 As shown on these Schedules nearly all of the locally dialed traffic originated by SWBT

1 end users and delivered to MFS and Brooks is headed for the internet, and therefore is not
2 a local call. For BroadSpan during this same time period, nearly half of the locally dialed
3 calls originated by a SWBT end user and delivered to BroadSpan were headed for the
4 internet. These Schedules also show that a large percentage of these calls are made to
5 just a handful of telephone numbers. Finally, as depicted on Schedule 2, page 3;
6 Schedule 3, page 3; and Schedule 4, page 3, nearly all the locally dialed traffic exchanged
7 during relevant time frames flowed one direction—from SWBT to MFS, Brooks and
8 BroadSpan—and very little, if any, traffic flowed from these CLECs to SWBT.

9 **Q. DO THE CLECS REVIEW THE SUSPECTED ISP INFORMATION SENT TO**
10 **THEM BY SWBT?**

11 A. Yes, at least some CLECs do. SWBT has occasionally received feedback from a CLEC
12 which has identified a telephone number that was listed on the suspected ISP report that
13 was not an ISP.

14 **Q. WHAT DOES SWBT DO TO CORRECT THIS SITUATION?**

15 A. The data associated with any number that is identified not to be an ISP is included in with
16 the data transmitted to the CLEC for billing purposes.

17 **Q. HAVE YOU REVIEWED SENFT SCHEDULE 1 WHICH ATTEMPTS TO**
18 **IDENTIFY THE AMOUNTS DUE TO BROADSPAN FROM SWBT?**

19 A. Yes, I have.

20 **Q. DO YOU AGREE THAT SENFT SCHEDULE 1 CORRECTLY IDENTIFIES THE**
21 **AMOUNTS DUE TO BROADSPAN FROM SWBT?**

22 A. No, I do not.

1 **Q. PLEASE DESCRIBE THE ITEMS THAT ARE INCORRECT.**

2 A. The "usage minutes" used in the calculations are significantly higher than the minutes
3 originated from SWBT end users for the traffic that is subject to the reciprocal
4 compensation provisions contained in the interconnection agreement between the parties.
5 The BroadSpan usage minutes appear to contain significant quantities of traffic that
6 SWBT is not obligated to pay for and for which BroadSpan should be compensated via
7 other existing compensation methods (IXC access charges, FG-A, cellular, etc.). Senft
8 Schedule 1 also fails to include the SWBT payment that is associated with the March
9 2000 data month (\$103,785.74) and includes an invoice for October 1999 that SWBT
10 never received.

11 **Q. HOW DO YOU KNOW THAT THE BROADSPAN RECIPROCAL**
12 **COMPENSATION MINUTES ARE SIGNIFICANTLY OVERSTATED?**

13 A. SWBT knows the number of minutes that it sent to BroadSpan based on its originating
14 records. The interconnection agreement between BroadSpan and SWBT requires both
15 parties to exchange reciprocal compensation data based on originating records for
16 intercompany compensation purposes. The minutes shown on Senft Schedule 1 are
17 significantly higher than the minutes originated from SWBT end user customers.

18 **Q. HAS SWBT SENT DATA TO BROADSPAN?**

19 A. Yes, it has. SWBT has sent reciprocal compensation originating record data to
20 BroadSpan for the usage periods from July 1999 to March 2000.

1 **Q. HAS BROADSPAN SENT ANY RECIPROCAL COMPENSATION DATA TO**
2 **SWBT?**

3 A. No, it has not. Although BroadSpan has been using SWBT's facilities to transit and
4 terminate its end user customers originated calls since July 20, 1999, BroadSpan has
5 never sent any reciprocal compensation records to SWBT.

6 **Q. DOES THIS MEAN THAT BROADSPAN IS IN BREACH OF ITS**
7 **INTERCONNECTION AGREEMENT IN THE AREA OF INTERCOMPANY**
8 **RECORD EXCHANGE?**

9 A. Yes, BroadSpan is in breach of the interconnection agreement.

10 **Q. HOW DID BROADSPAN KNOW IT WAS REQUIRED TO EXCHANGE**
11 **RECIPROCAL COMPENSATION DATA WITH SWBT?**

12 A. The interconnection agreement between BroadSpan and SWBT which was filed by
13 BroadSpan witness Ashby in this proceeding as Ashby Schedule 2 (see Attachment 12,
14 Page 6 of 6, Item G) contains the requirements for the exchange of originating record
15 data between the parties. In an effort to get the record exchange process in place, SWBT
16 personnel began working with BroadSpan on July 30, 1998 (almost a full year before
17 BroadSpan went into service). BroadSpan personnel attending the first meeting were
18 Richard Phillips, President, and Susan Butler, Vice President.

19 **Q. DOES BROADSPAN BILL SWBT RECIPROCAL COMPENSATION USING**
20 **THE RECORDS THAT SWBT SENT TO BROADSPAN?**

21 A. No, it does not. Although the interconnection agreement requires the use of the
22 originating records process, BroadSpan is obviously using some other method to bill
23 SWBT.

1 **Q. DOES BROADSPAN PROVIDE SWBT WITH THE APPROPRIATE DATA TO**
2 **SUPPORT ITS BILLING TO SWBT?**

3 A. No, it does not. BroadSpan has never provided SWBT with any supporting
4 documentation for the bills it sends to SWBT. Since there is no billing detail attached to
5 a BroadSpan bill, there is no way to verify what traffic SWBT is being billed for and no
6 way to check the calculations of the amounts claimed.

7 **Q. CAN THE DIFFERENCE BETWEEN THE BROADSPAN MINUTES ON SENFT**
8 **SCHEDULE 1 AND THE MINUTES PROVIDED TO BROADSPAN BY SWBT**
9 **BE ACCOUNTED FOR AS SUSPECTED ISP MINUTES?**

10 A. No it cannot. As I have previously discussed, for SWBT end user customer originated
11 local calls, SWBT identifies the suspected ISP traffic that is transported to BroadSpan
12 and excludes those minutes from the volumes SWBT provides to BroadSpan. SWBT has
13 excluded approximately 89.6 million suspected ISP minutes from the BroadSpan data for
14 the July 1999 through March 2000 usage months. SWBT has advised BroadSpan of the
15 number of suspected ISP minutes that were excluded from the data.

16 **Q. CAN YOU DETERMINE AN APPROXIMATE VALUE OF THE SUSPECTED**
17 **ISP MINUTES EXCLUDED BY SWBT?**

18 A. Although SWBT does not believe that any compensation is due to BroadSpan on traffic
19 transported to ISPs, it is possible to determine an approximate value of the suspected ISP
20 minutes by taking the number of minutes of ISP traffic excluded by SWBT and
21 multiplying these minutes by the appropriate reciprocal compensation rate. For
22 BroadSpan, using the rates contained in the interconnection agreement, the result of this
23 calculation would equate to approximately \$919,300 for the suspected ISP minutes
24 through the March 2000 usage month.

1 **Q. HAS SWBT BILLED BROADSPAN FOR THE USE OF SWBT'S FACILITIES?**

2 A. No it has not. The interconnection agreement between SWBT and BroadSpan requires
3 the exchange of originating data for intercompany billing. Since BroadSpan has never
4 sent any data to SWBT, SWBT has no records on which to bill BroadSpan for the use of
5 SWBT facilities.

6 **Q. PLEASE SUMMARIZE YOUR REVIEW OF SENFT SCHEDULE 1.**

7 A. Senft Schedule 1 indicates that SWBT owes BroadSpan approximately \$2.1 million for
8 the July 1999 through March 2000 usage period. This is simply not the case. As I have
9 discussed above, the amount claimed is not based on the record exchange process
10 required by the interconnection agreement. BroadSpan's claimed amount does not
11 include the SWBT payment associated with the March 2000 data month and the amount
12 claimed cannot be explained by the suspected ISP volumes. BroadSpan should be
13 ordered to comply with the interconnection agreement in the area of record exchange and
14 intercompany billing. BroadSpan should also be required to provide the appropriate
15 supporting documentation with its bills to allow SWBT to review the bill for accuracy.

16 **Q. HAVE YOU REVIEWED ARONSON SCHEDULE 1 WHICH ATTEMPTS TO**
17 **IDENTIFY THE AMOUNTS DUE TO MFS MISSOURI FROM SWBT?**

18 A. Yes, I have.

19 **Q. DO YOU AGREE THAT ARONSON SCHEDULE 1 CORRECTLY IDENTIFIES**
20 **THE AMOUNTS DUE TO MFS MISSOURI FROM SWBT?**

21 A. No, I do not.

1 **Q. PLEASE DESCRIBE THE ITEMS THAT ARE INCORRECT.**

2 A. Aronson Schedule 1 fails to include the SWBT payment that is associated with the
3 1/10/99 invoice (\$14,609.51). Additionally, the adjustments column (item d) on this
4 Schedule contains charges for traffic that was not originated by SWBT end user
5 customers. SWBT is not obligated under the interconnection agreement to pay MFS
6 Missouri for any traffic that was not originated from SWBT end user customers.
7 Aronson Schedule 1 also contains finance charges on amounts billed by MFS Missouri
8 for the traffic that SWBT is not obligated to pay for (the ISP traffic transported to MFS
9 Missouri and for the traffic originated by other ILECs and CLECs).

10 **Q. DOES MFS CURRENTLY UTILIZE THE ORIGINATING RECORDS THAT**
11 **SWBT PROVIDES TO MFS TO BILL SWBT FOR RECIPROCAL**
12 **COMPENSATION IN MISSOURI?**
13

14 A. No, not currently. In Schedule 1, (footnote d.) of Mr. Aronson's testimony, he indicates
15 that beginning with the 9/10/99 invoice date, WorldCom based its bill for reciprocal
16 compensation on WorldCom's terminating recordings. Footnote d. states "...the balance
17 of terminating usage is invoiced using WorldCom measure of terminating usage". As I
18 described above, the interconnection agreement between SWBT and MFS/WorldCom
19 requires that originating records be utilized to bill SWBT for reciprocal compensation. In
20 addition, the use of terminating recordings makes it very likely that SWBT is being billed
21 for traffic originated by other ILECs and CLECs.

22
23 **Q. HOW MANY SUSPECTED ISP-BOUND MINUTES WERE EXCLUDED FROM**
24 **THE VOLUMES SWBT PROVIDED TO MFS MISSOURI?**

25 A. SWBT has excluded approximately 967.8 million suspected ISP minutes from the MFS
26 Missouri data.

1 **Q. CAN YOU DETERMINE AN APPROXIMATE VALUE OF THE SUSPECTED**
2 **ISP MINUTES EXCLUDED BY SWBT?**

3 A. Although SWBT does not believe that any compensation is due to MFS Missouri on
4 traffic transported to ISPs, it is possible to determine an approximate value of the
5 suspected ISP minutes by taking the number of minutes of ISP traffic excluded by SWBT
6 and multiplying these minutes by the appropriate reciprocal compensation rate. For MFS
7 Missouri, using the rates contained in the interconnection agreement, the result of this
8 calculation would equate to approximately \$10.1 million for the suspected ISP minutes
9 through the March 10, 2000 invoice.

10 **Q. PLEASE SUMMARIZE YOUR REVIEW OF ARONSON SCHEDULE 1.**

11 A. Aronson Schedule 1 indicates that SWBT owes MFS Missouri approximately \$15.0
12 million for the invoice dates June 10, 1998 through April 10, 2000. This is not the case.
13 As I have discussed above, the amount claimed does not include the SWBT payment
14 associated with the January 10, 1999 invoice and cannot be explained by the suspected
15 ISP volumes. In addition to suspected ISP volumes, the MFS Missouri claim contains
16 charges for traffic originated by other ILECs and CLECs for which SWBT is not
17 obligated to pay. The MFS Missouri claim also contains inappropriate interest charges.

18 **Q. HAVE YOU REVIEWED ARONSON SCHEDULE 2 WHICH ATTEMPTS TO**
19 **IDENTIFY THE AMOUNTS DUE TO BROOKS MISSOURI FROM SWBT?**

20 A. Yes, I have.

21 **Q. DO YOU AGREE THAT ARONSON SCHEDULE 2 CORRECTLY IDENTIFIES**
22 **THE AMOUNTS DUE TO BROOKS MISSOURI FROM SWBT?**

23 A. No, I do not.

1 **Q. PLEASE DESCRIBE THE ITEMS THAT ARE INCORRECT.**

2 A. Aronson Schedule 2 does not properly reflect the SWBT payment of \$51,073.83
3 associated with the 2/10/00 invoices. Aronson Schedule 2 only credits SWBT with
4 \$46,483.91 which leaves \$4,589.92 to reduce the amount claimed. Additionally, the
5 adjustments column (item d) on this Schedule contains charges for traffic that was not
6 originated by SWBT end user customers. SWBT is not obligated under the
7 interconnection agreement to pay Brooks Missouri for any traffic that was not originated
8 from SWBT end user customers. Aronson Schedule 2 also contains finance charges on
9 amounts billed by Brooks Missouri for traffic that SWBT is not obligated to pay for (the
10 ISP traffic transported to Brooks Missouri and for the traffic originated by other ILECs
11 and CLECs).

12 **Q. DOES BROOKS CURRENTLY UTILIZE THE ORIGINATING RECORDS**
13 **THAT SWBT PROVIDES TO BROOKS TO BILL SWBT FOR RECIPROCAL**
14 **COMPENSATION IN MISSOURI?**

15
16 A. No, not currently. In Schedule 2, (footnote d.) of Mr. Aronson's testimony, he indicates
17 that beginning with the 9/10/99 invoice date, WorldCom based its bill for reciprocal
18 compensation on WorldCom's terminating recordings. Footnote d. states "...the balance
19 of terminating usage is invoiced using WorldCom measure of terminating usage". As I
20 described above, the interconnection agreement between SWBT and Brooks/WorldCom
21 requires that originating records be utilized to bill SWBT for reciprocal compensation. In
22 addition, the use of terminating recordings makes it very likely that SWBT is being billed
23 for traffic originated by other ILECs and CLECs.

1 **Q. HOW MANY SUSPECTED ISP-BOUND MINUTES WERE EXCLUDED FROM**
2 **THE VOLUMES SWBT PROVIDED TO BROOKS MISSOURI?**

3 A. SWBT has excluded approximately 1.4 billion suspected ISP minutes from the Brooks
4 Missouri data.

5 **Q. CAN YOU DETERMINE AN APPROXIMATE VALUE OF THE SUSPECTED**
6 **ISP MINUTES EXCLUDED BY SWBT?**

7 A. Although SWBT does not believe that any compensation is due to Brooks Missouri on
8 traffic transported to ISPs, it is possible to determine an approximate value of the
9 suspected ISP minutes by taking the number of minutes of ISP traffic excluded by SWBT
10 and multiplying these minutes by the appropriate reciprocal compensation rate. For
11 Brooks Missouri, using the rates contained in the interconnection agreement, the result of
12 this calculation would equate to approximately \$10.9 million for the suspected ISP
13 minutes through the March 10, 2000 invoice.

14 **Q. PLEASE SUMMARIZE YOUR REVIEW OF ARONSON SCHEDULE 2.**

15 A. Aronson Schedule 2 indicates that SWBT owes Brooks Missouri \$13.4 million for the
16 invoice dates November 3, 1997 through April 10, 2000. This is not the case. As I have
17 discussed above, the amount claimed does not properly reflect the SWBT payment
18 associated with the February 10, 2000 invoice and cannot be explained by the suspected
19 ISP volumes. In addition to suspected ISP volumes, the Brooks Missouri claim contains
20 charges for traffic originated by other ILECs and CLECs for which SWBT is not
21 obligated to pay. The Brooks Missouri claim also contains inappropriate interest charges.

1 **Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY**

2 A. The three CLECs involved in the proceeding have all filed inappropriate claims against
3 SWBT. Each of the complaining CLECs seeks reciprocal compensation payments for
4 traffic which is not local traffic subject to reciprocal compensation. Furthermore, the
5 amounts claimed by each of these CLECs includes claims for traffic other than excluded
6 ISP-bound traffic, for which SWBT is not obligated to pay reciprocal compensation
7 under the terms of the interconnection agreements. BroadSpan's claim is not based on
8 the processes required by their interconnection agreement, does not include all payments
9 made by SWBT toward the disputed invoices, and significantly exaggerates the actual
10 minutes of use excluded. Both the MFS Missouri and Brooks Missouri claims do not
11 include all payments made by SWBT and in addition to the suspected ISP traffic, contain
12 claims for compensation for traffic originated by other ILECs and CLECs for which
13 SWBT is not obligated to pay reciprocal compensation. Additionally, both the MFS
14 Missouri and Brooks Missouri claims contain interest charges on items that SWBT is not
15 obligated to pay.

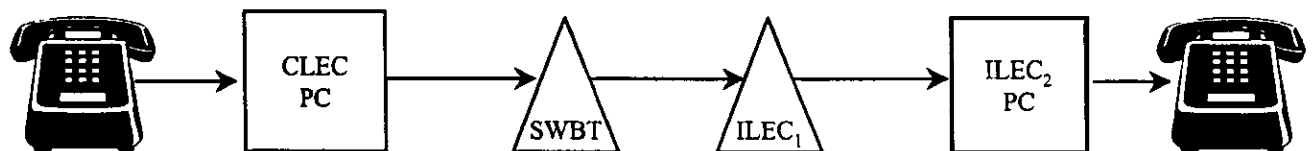
16 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

17 A. Yes, it does.

18

DATA EXCHANGE

1+ DDD Call Flow



Originating

T-1

T-2

Terminating

Creates 01-01-01
92-01-01
92-99-01

T-1, T-2, Terminating Co.
Bills CLEC applicable
rate elements.

Forwards copy of
92-99-01 to
SWBT (T-1)
ILEC₁ (T-2)
ILEC₂ (Terminating)

Murphy Schedule1

MFS Missouri

**SWBT Originated Traffic Transported to MFS Missouri
MOU Analysis (MOUs in Thousands)**

Usage Month	Non-ISP MOUs	Suspected ISP MOUs	Total MOUs	% Suspected ISP
Nov-97	1,488	0	1,488	0.00%
Dec-97	5,692	0	5,692	0.00%
Jan-98	3,840	8,348	12,188	68.49%
Feb-98	4,998	11,637	16,635	69.95%
Mar-98	5,544	12,732	18,276	69.67%
Apr-98	403	27,743	28,146	98.57%
May-98	362	24,043	24,405	98.52%
Jun-98	515	27,056	27,571	98.13%
Jul-98	521	28,833	29,354	98.23%
Aug-98	1,614	30,716	32,330	95.01%
Sep-98	754	32,349	33,103	97.72%
Oct-98	829	30,810	31,639	97.38%
Nov-98	833	36,240	37,073	97.75%
Dec-98	847	37,665	38,512	97.80%
Jan-99	1,371	44,782	46,153	97.03%
Feb-99	1,184	54,615	55,799	97.88%
Mar-99	413	45,276	45,689	99.10%
Apr-99	471	47,553	48,024	99.02%
May-99	470	51,620	52,090	99.10%
Jun-99	546	51,553	52,099	98.95%
Jul-99	597	51,840	52,437	98.86%
Aug-99	807	60,763	61,570	98.69%
Sep-99	780	52,138	52,918	98.53%
Oct-99	767	44,097	44,864	98.29%
Nov-99	1,042	54,147	55,189	98.11%
Dec-99	1,347	47,713	49,060	97.25%
Jan-00	2,571	53,509	56,080	95.42%
Totals	40,606	967,778	1,008,384	95.97%

MFS Missouri

December 1999 Line Number Analysis

MFS Missouri Line Numbers with Significant MOUs	Suspected ISP (MOUs in Thousands)
3148029799	23,875
3148020104	14,250
3148130001	5,231
3148020101	1,387
3148010016	1,221
	<hr/>
Subtotal (5)	45,964
All Others (20)	1,749
	<hr/>
Total Dec 1999	47,713

MFS Missouri

**MFS Missouri Originated Traffic Transported to SWBT
MOU Analysis (MOUs in Thousands)**

Usage Month	Terminating MOUs
Nov-97	0
Dec-97	0
Jan-98	0
Feb-98	0
Mar-98	0
Apr-98	0
May-98	0
Jun-98	0
Jul-98	0
Aug-98	0
Sep-98	0
Oct-98	0
Nov-98	0
Dec-98	0
Jan-99	0
Feb-99	0
Mar-99	0
Apr-99	0
May-99	0
Jun-99	0
Jul-99	0
Aug-99	0
Sep-99	899
Oct-99	0
Nov-99	0
Dec-99	983
Jan-00	0
Totals	<hr/> 1,882

Brooks Missouri

SWBT Originated Traffic Transported to Brooks Missouri
MOU Analysis (MOUs in Thousands)

Usage Month	Non-ISP MOUs	Suspected ISP MOUs	Total MOUs	% Suspected ISP
Aug-97	1,144	0	1,144	0.00%
Sep-97	1,085	0	1,085	0.00%
Oct-97	3,336	0	3,336	0.00%
Nov-97	1,084	2,164	3,248	66.63%
Dec-97	2,388	2,749	5,137	53.51%
Jan-98	1,939	6,042	7,981	75.70%
Feb-98	857	8,106	8,963	90.44%
Mar-98	2,050	10,204	12,254	83.27%
Apr-98	1,804	18,284	20,088	91.02%
May-98	605	15,606	16,211	96.27%
Jun-98	2,445	15,905	18,350	86.68%
Jul-98	2,101	9,950	12,051	82.57%
Aug-98	1,628	27,126	28,754	94.34%
Sep-98	1,983	28,403	30,386	93.47%
Oct-98	1,749	31,230	32,979	94.70%
Nov-98	1,986	20,663	22,649	91.23%
Dec-98	2,172	39,757	41,929	94.82%
Jan-99	16,325	49,335	65,660	75.14%
Feb-99	7,292	67,150	74,442	90.20%
Mar-99	3,635	61,702	65,337	94.44%
Apr-99	3,625	66,704	70,329	94.85%
May-99	3,900	92,793	96,693	95.97%
Jun-99	3,590	76,905	80,495	95.54%
Jul-99	2,775	77,346	80,121	96.54%
Aug-99	7,070	92,816	99,886	92.92%
Sep-99	3,100	105,495	108,595	97.15%
Oct-99	2,977	98,558	101,535	97.07%
Nov-99	4,406	125,456	129,862	96.61%
Dec-99	5,860	122,000	127,860	95.42%
Jan-00	6,206	136,882	143,088	95.66%
Totals	101,117	1,409,331	1,510,448	93.31%

Brooks Missouri**December 1999 Line Number Analysis**

Brooks Missouri Line Numbers with Significant MOUs	Suspected ISP (MOUs in Thousands)
8164103700	25,778
4175200308	18,916
8164103705	11,423
8164105600	11,037
4175228527	4,922
4175205520	4,076
8164107500	3,974
4175207873	3,266
4175202000	3,071
8164109990	2,778
4175221024	2,732
8164106181	2,718
4175200001	2,630
8164106071	2,085
4175200616	1,861
8164100099	1,608
4175225000	1,272
Subtotal (18)	104,147
All Others (76)	17,853
Total Dec 1999	122,000

Brooks Missouri

**Brooks Missouri Originated Traffic Transported to SWBT
MOU Analysis (MOUs in Thousands)**

Usage Month	Terminating MOUs
Aug-97	0
Sep-97	0
Oct-97	0
Nov-97	0
Dec-97	0
Jan-98	0
Feb-98	0
Mar-98	0
Apr-98	0
May-98	296
Jun-98	0
Jul-98	172
Aug-98	0
Sep-98	0
Oct-98	0
Nov-98	308
Dec-98	0
Jan-99	0
Feb-99	0
Mar-99	0
Apr-99	0
May-99	0
Jun-99	0
Jul-99	0
Aug-99	0
Sep-99	306
Oct-99	0
Nov-99	0
Dec-99	0
Jan-00	0
Totals	<hr/> 1,082

BroadSpan

SWBT Originated Traffic Transported to BroadSpan MOU Analysis (MOUs in Thousands)

Usage Month	Non-ISP MOUs	Suspected ISP MOUs	Total MOUs	% Suspected ISP
Jul-99	4	0	4	0.00%
Aug-99	487	0	487	0.00%
Sep-99	338	770	1,108	69.49%
Oct-99	1,236	5,247	6,483	80.93%
Nov-99	1,765	13,029	14,794	88.07%
Dec-99	8,984	12,803	21,787	58.76%
Jan-00	10,561	14,735	25,296	58.25%
Feb-00	30,062	16,376	46,438	35.26%
Mar-00	50,940	26,668	77,608	34.36%
Totals	104,377	89,628	194,005	46.20%

BroadSpan**December 1999 Line Number Analysis**

BroadSpan Line Numbers with Significant Terminating MOUs	Suspected ISP (MOUs in Thousands)
3142216000	7,409
3142216001	3,659
3142216667	1,735
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Total Dec 1999	12,803

BroadSpan

**BroadSpan Originated Traffic Transported to SWBT
MOU Analysis (MOUs in Thousands)**

Usage Month	Terminating MOUs
Jul-99	0
Aug-99	0
Sep-99	0
Oct-99	0
Nov-99	0
Dec-99	0
Jan-00	0
Feb-00	0
Mar-00	0
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Totals	0