Exhibi	t No.:
Issue:	Entrance Facility Charges

Witness: Alan Lubeck

Type of Exhibit: Rebuttal Testimony Sponsoring Party: CenturyTel of Missouri,

LLC d/b/a CenturyLink Case No.: TC-2020-0333

Date Testimony Prepared: June 30, 2020

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

Socket Telecom, LLC,)	
)	
Complainant,)	
)	Case No. TC-2020-0333
v.)	
)	
CenturyTel of Missouri, LLC)	
d/b/a CenturyLink,)	
)	
Respondent.)	

REBUTTAL TESTIMONY

OF

ALAN LUBECK

ON BEHALF OF CENTURYTEL OF MISSOURI, LLC D/B/A CENTURYLINK

June 30, 2020

- 1 Q. Please state your name and address:
- 2 A. My name is Alan Lubeck. My business address is 13116 W 128th Street, Overland Park,
- 3 Kansas 66213.
- 4 Q. By whom are you employed and what are your responsibilities?
- 5 A. I am currently employed by CenturyLink, Inc., as Director Public Policy. In my current
- 6 role, I interact with Public Service Commission staff in nine states, responding to their
- 7 questions and data requests.
- 8 Prior to my current role, I worked on federal Universal Service Fund issues, including
- 9 CenturyLink's planning for Connect America Fund Phase I and Phase II, federal Lifeline
- reform and federal E-rate reform. In all, I have been with CenturyLink for 33 years.
- 11 Q. Please describe your educational background.
- 12 A. I graduated in 1980 from the University of Nebraska Lincoln with a Bachelor of Science
- degree in Business Administration with a major in Accounting.
- 14 Q. Have you previously testified before State Public Utilities Commissions?
- 15 A. Yes. I have appeared before and testified in Commission hearings in Pennsylvania, Texas,
- Indiana, Washington, South Carolina, Minnesota, Nebraska, Wyoming and Minnesota.
- 17 Q. What is the purpose of your testimony?
- 18 A. The purpose of my testimony is to explain why CenturyLink's assessment of entrance
- facility charges for Socket's use of DS1 and/or DS3 facilities is appropriate.
- 20 Q. Can you describe the purpose of an entrance facility?
- 21 A. An entrance facility allows a CLEC to connect to the ILEC's network. The Federal
- Telecommunications Act (FTA) of 1996 states in Section 251(C)(2):

INTERCONNECTION.--The duty to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network (A) for the transmission and routing of telephone exchange service and exchange access; (B) at any technically feasible point within the carrier's network; that it's the duty of the ILEC to allow the CLEC to interconnect with the ILEC's "(B) at any technically feasible point within the carrier's network."

Referring to the analogy of the freeway in Mr. Kohly's testimony, Socket ordered trunking, or lanes, to exchange local traffic with CenturyLink. While the terms of the ICA do not allow CenturyLink to charge for the underlying facilities, or the asphalt (i.e., the DS1 or DS3 facilities over which the trunks "ride"), the agreement does allow CenturyLink to charge for entrance facilities, which are equivalent to a park entrance. While you do not pay for the road to access the park, you do pay an admission or entrance fee to use the facilities of the park. In this case, Socket is paying an entrance facility charge in order to "enter" CenturyLink's network.

- Q. What did Congress expect from the Incumbent Local Exchange Carriers when it passed the Federal Telecommunications Act of 1996?
- A. Congress expected each Incumbent Local Exchange Carrier (ILEC) to allow interconnection on its network by the requesting telecommunications carriers (CLECs). In addition to the quote above from Section 251(C)(2) of the FTA, the FCC issued guidance interpreting this portion of the FTA in its first report and order on the FTA to mean:
 - 210. We conclude that, at a minimum, incumbent LECs must provide interconnection at the line-side of a local switch (at, for example, the main distribution frame), the trunk-side of a local switch; the trunk interconnection points for a tandem switch; and central office cross-connect points in general.¹

¹ Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers, CC Docket No. 96-98, CC Docket No. 95-185, First Report and Order, 11 FCC Rcd 15499, 15506-07 ¶ 210 (1996).

- Q. Where did Congress and the FCC expect that the interconnection of networks wouldoccur?
- As noted by both the FTA and the FCC's first report and order, the interconnection of networks occur at any technically feasible point on the ILEC's network.
- 5 Q. What does the term "on the ILEC's network" indicate for interconnection?
- 6 A. The interconnections included in this arbitration are all for exchange access, which is the exchange of local traffic. As noted in the FCC Order above, the interconnection of 7 networks would be completed on the ILEC's network. Therefore, in these situations, the 8 9 FCC Order indicates that the interconnections would be at either "the trunk-side of a local switch; the trunk interconnection points for a tandem switch; and central office cross-10 connect points in general." In fact, the FCC further interprets this requirement by saying: 11 "We also agree with numerous commenters that claim that interconnection at the trunk-12 side of a switch is technically feasible and should be available upon request. 13 Interconnection at this point is currently used by competing carriers to exchange traffic 14 with incumbent LECs. Interconnection to tandem switching facilities is also currently used 15 by IXCs and competing access providers and is thus technically feasible. Finally, central 16 17 office cross-connect points, which are designed to facilitate interconnection, are natural points of technically feasible interconnection to, for example, interoffice transmission 18 facilities."2 19
- 20 Q. Which party incurs the cost for interconnection of the parties' networks?
- A. The party seeking interconnection, which in this case is Socket. Paragraph 209 gives an indication of which party incurs the cost of interconnection: "... Section 251(c)(2) lowers

² *Id.* at ¶ 211.

barriers to competitive entry for carriers that have not deployed ubiquitous networks by permitting them to select the points in an incumbent LEC's network at which they wish to 2 deliver traffic. Moreover, because competing carriers must usually compensate incumbent LECs for the additional costs incurred by providing interconnection, competitors have an incentive to make economically efficient decisions about where to interconnect."³

6 Q. Since the CLEC bears the cost of interconnecting the networks, how should the rates for interconnection be assessed? 7

The ICA rate sheet clearly allows for this charge to occur as it is a physical network connection. Socket ordered the network services where it interconnects with the CenturyLink network using the underlying DS1 and DS3 facilities. The entrance facility is the approved charge where the Socket trunks connect to the CenturyLink network.

Finally, the ICA refers to other industry accepted rulings and documentation of entrance facilities as being "cost-based" facilities. The following excerpt is from Article V, Section 1.3, of the ICA:

The Parties acknowledge that in paragraph 140 of its Triennial Review Remand Order the FCC said, in part: "We note in addition that our finding of nonimpairment with respect to entrance facilities does not alter the right of competitive LECs to obtain interconnection facilities pursuant to section 251(c)(2) for the transmission and routing of telephone exchange service and local exchange service. Thus, competitive LECs will have access to these facilities at cost-based rates to the extent that they require them to interconnect with the incumbent LECs network."

The "facilities" that the FCC has determined are necessary for CLECs to interconnect with the ILEC's network to exchange local traffic are entrance facilities. Without them, the FCC has found that CLECs are impaired in their ability to interconnect and exchange local

1

3

4

5

8

9

10

11

12

13

14

15

16 17

18 19

20

21

22

23

24

25

A.

 $^{^{3}}$ *Id.* at ¶ 209.

traffic with the ILEC's network. Furthermore, the FCC has directed that these entrance

2 facilities will be provided at cost-based rates.

Prior to the FCC's issuance of its Triennial Review Remand Order referenced in Article V, Section 1.3 of the ICA, entrance facilities, were used for two purposes: local interconnection and backhauling. In the FCC's Triennial Review Remand Order, the Commission distinguished these two types of entrance facilities and relieved ILECs of the obligation to provide entrance facilities for backhaul as an Unbundled Network Element (UNE). However, the FCC continued to require ILECs to provide Entrance Facilities for local interconnection at cost-based rates. The FCC has found that these local interconnection entrance facilities are a necessary UNE that CLECs require in order to interconnect and exchange local traffic with the ILEC's network. However, ILECs do not have to provide these facilities for free; they are allowed a cost-based rate for these entrance facilities and that rate is established in the Pricing Schedule of the Interconnection, Article VII.A. Price Schedule.

- Q. Do you agree with Mr. Kohly's assertion that "trunks or trunk groups are not facilities?"
- A. No. While Mr. Kohly admits to ordering trunks, Mr. Kohly neglects to explain that trunks
 must ride a physical facility such as a DS1 or DS3. Mr. Kohly's analogy of a freeway
 demonstrates the need for an entrance facility. For example, the lanes on the road may
 direct the traffic flow, but the roadbed (e.g. asphalt) provides the support for that traffic.
 In this case, the DS1 and DS3 facilities provide the support for the trunks which carry the
 traffic. Mr. Kohly's statement that trunks are "simply logical paths" ignores the need for
 Socket to have a physical connection to the CenturyLink network. Socket knowingly

- ordered trunking pursuant to the ICA and those trunks ride DS1 and DS3 facilities, which,
- 2 if used for purposes other than local interconnection, would be charged at a higher rate than
- entrance facilities. Socket did not get charged for the higher-rated DS1 or DS3 facilities
- as described in the rate sheet in the ICA. Instead, CenturyLink charges the entrance facility
- 5 rate for the interconnection of the two networks.
- 6 Q. Does this conclude your testimony?
- 7 A. Yes.

VERIFICATION

Under penalty of perjury, I declare that the foregoing is true and correct to the best of my knowledge and belief.

Alan Lubeck