

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission)
On Its Own Motion)
) Docket No. 01-0539
Adoption of 83 Ill. Adm. Code 731)

Rebuttal Testimony of

FAYE H. RAYNOR

On Behalf of Verizon North Inc. and
Verizon South Inc.

June 16, 2002

OFFICIAL FILE

I.C.C. DOCKET NO. 01-0539
Verizon Exhibit No. 4.9
Witness Raynor
Date 7/2/02 Reporter DW

1 **Q. Please state your name and business address.**

2 A. My name is Faye H. Raynor, and my business address is 600 Hidden Ridge, Irving,
3 Texas 75038.

4 **Q. Are you the same Faye H. Raynor that previously submitted testimony in this**
5 **docket on behalf of Verizon North Inc. and Verizon South Inc. (“Verizon”)?**

6 A. Yes.

7 **Q. What is the purpose of your Rebuttal Testimony?**

8 A. My testimony is in response to the Direct Testimony filed by other parties in this
9 proceeding. I address the certain specific subject matters regarding Sections 731.805 of
10 Staff’s Proposed Rule, the use of contractual arrangements as an alternative to regulation,
11 and additional reporting and compliance requirements of Level 1 carriers.

12 **Q. TDS Metrocom/McLeodUSA witness Cox elaborates on his concern with Section**
13 **731.805 of Staff’s Proposed Rule (MTSI/TDS Ex. 1.0, p. 5, line 105). Please**
14 **comment on those concerns.**

15 A. Verizon does not agree with Mr. Cox’s statutory analysis of whether a competitive local
16 exchange carrier (“CLEC”) is obligated to provide wholesale service. Verizon agrees
17 with Staff that such obligations indeed exist. I am not an attorney and will defer to our
18 attorneys to address this issue in the briefing stage of this proceeding.

19 **Q. McLeodUSA/TDS Metrocom witness Cox states that when CLECs offer wholesale**
20 **services to other carriers, “two carriers are able to negotiate a contract for such**
21 **services, which may include service level agreements” as an alternative to regulation**
22 **(MTSI/TDS Ex. 1.0, p. 7, line 135). Do you agree that including the measures and**

23 **standards of Part 731 within interconnection agreements is a possible means by**
24 **which each carrier will be obligated to meet those standards?**

25 A. Yes. Witness Cox gave an example in his testimony of why Level 4 (CLEC) carriers
26 should not be subject to additional regulation as included in Section 731.805 of Staff's
27 Proposed Rule. While Verizon disagrees that Level 4 carriers should be eliminated from
28 regulation, there is some merit in his representation of service level agreements within
29 Interconnection Agreements, if they meet the requirements of Part 731. As previously set
30 forth in my Direct Testimony and supported by Verizon witness Louis Agro, the
31 incorporation of a Level 1 carrier's performance plan, by reference into an
32 interconnection agreement, is a reasonable alternative to tariffing. (Verizon Ex. 1.0, p. 9,
33 line 195; Verizon Ex. 2.0, p. 10, line 249).

34 **Q. Please comment on Ameritech witness Ehr's description of what should be**
35 **contained in the Rule (Ameritech Ex. 2.0, p. 10, line 219).**

36 A. I do not believe it is practical to have a rule that defines "...the specific products, services
37 and processes subject to the wholesale carrier-to-carrier service quality requirements..."
38 At best, a rule can identify the major functions or categories (*e.g.*, pre-order, ordering,
39 provisioning, maintenance, billing, etc.). As mentioned previously in my testimony,
40 performance plans can be incorporated by reference into interconnection agreements and
41 allow the plan itself to enumerate the needed detail and specifics required to function
42 properly.

43 **Q. Ameritech witness Ehr states that it is not reasonable for Level 1 carriers to be**
44 **required to report additional wholesale measures and comply with additional**

45 wholesale standards as part of this Rule (Ameritech Ex. 2.0, p. 14, line 311). Please
46 comment.

47 A. I agree with Ameritech's position on this issue. It appears the legislation intended to
48 establish a set of minimum service quality standards applicable to all carriers providing
49 basic local exchange service in Illinois. Although a carrier may be able to offer a
50 performance plan that exceeds the defined minimum standards, the Rule requirements
51 should focus on the minimum measures and standards that ensure reliable
52 telecommunications services in the State of Illinois.

53 Q. ~~Ameritech witness Ehr states that the Staff's Proposed Rule conflicts with the letter~~
54 ~~and intent of Section 13-712 of the Public Utilities Act (the "Act") (Ameritech~~
55 ~~Ex. 2.0, p. 4, line 65). Do you agree with this statement?~~

56 A. ~~While all of Ameritech witness Ehr's statements are factually accurate, Verizon does not~~
57 ~~believe the use of its existing plan conflicts with Section 13-712. Staff's Proposed Rule~~
58 ~~properly takes into account that an existing plan is the result of a significant amount of~~
59 ~~work and effort that need not be repeated. Verizon, however, would not oppose~~
60 ~~Ameritech's proposal to present a new plan.~~

61 Q. Do you agree with Ameritech witness Panfil's statement that Section 13-712(g) of
62 the Act applies to all carriers (Ameritech Ex. 1.0, p. 5, line 117)?

63 A. Yes. I think that without question, the language in statute applies to all carriers and
64 thereby subjects all carriers to minimum service quality standards. There is nothing in
65 Section 13-712 that indicates otherwise. This makes sense because from an end-user's
66 perspective, it does not matter which carrier is providing the poor service.

67 **Q. Mr. Panfil gives an example of standards that are applied in only one direction in**
68 **the Proposed Rule (Ameritech Ex. 1.0, p. 10, line 230). Please comment.**

69 A. This indeed is an excellent example of disparate treatment between proposed
70 classifications of carriers. The Customer Service Record (“CSR”) is an integral part of
71 the process in providing service to an end-user and facilitating his ability to choose
72 providers. Verizon witness Agro, provides additional comments on this subject in his
73 Rebuttal Testimony (Verizon Ex. 5.0, pp. 3-6).

74 **Q. Please comment on the testimonies of Ameritech witness Panfil and Citizen witness**
75 **Mason on the definition of “Wholesale Service” as it is used in the Proposed Rule**
76 **and specifically the treatment of special access services (Ameritech Ex. 1.0, p. 18,**
77 **line 441; CTC Ex. 2.0, p. 10, line 240).**

78 A. I agree strongly with both Ameritech and Citizens that the definition of “Wholesale
79 Services” as addressed in the Rule should be defined to encompass only basic local
80 exchange service and not special access. ~~As I stated in my Direct Testimony, this is~~
81 ~~clearly expressed in Section 13-712 of the Act.~~ Verizon Witness Holland will address the
82 issue of special access services in more detail in his Rebuttal Testimony.

83 **Q. Please comment on the Supplemental Direct Testimony of Ameritech witness Panfil.**

84 A. Verizon’s amendment to Staff’s proposed Section 731.900, as set forth in my
85 Supplemental Direct Testimony, would resolve many of the concerns expressed in
86 Mr. Panfil’s testimony. It is Verizon’s position that to the extent that an interconnection
87 agreement contains terms regarding the termination of wholesale service, those terms
88 should control.

89 I disagree, however, with Mr. Panfil's suggestion that this issue be considered in the Part
90 735 rulemaking. That rulemaking addresses retail credit and collections policies. As
91 such, addressing this issue in the context of the Part 735 rulemaking would be improper.

92 **Q. Does that conclude your Rebuttal Testimony?**

93 **A. Yes.**