

REBUTTAL TESTIMONY

of

KAREN K. FURBISH

On Behalf of

WORLDCOM, INC.

Docket No. 01-0539

Submitted: July 16, 2002

Redacted

OFFICIAL FILE

I.C.C. DOCKET NO. 01-0539
WorldCom Exhibit No. 1.1

Witness _____

Date 7/23/02 Reporter [Signature]

1 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

2 A. The purpose of my rebuttal testimony is to respond to certain points raised
3 in the Direct Testimony of Eric Panfil filed on behalf of Ameritech-Illinois
4 ("Panfil Direct") relating generally to the scope of the Illinois Commerce
5 Commission Staff's final draft rule for 83 Illinois Administrative Code Part
6 731 ("Staff Final Draft Rule"), and specifically, to the inclusion of wholesale
7 special access performance measurements and standards in the rule. I discuss
8 why Mr. Panfil's Direct testimony incorrectly interprets the requirements of
9 Section 13-712(g) of the Illinois Public Utilities Act (IPUA), and why the
10 Staff's Final Draft Rule and Tiering provisions appropriately and reasonably
11 require only carriers with obligations under Section 251(c) of the federal
12 Telecommunications Act of 1996 to be subject to wholesale carrier to carrier
13 performance measurements and standards -- including wholesale special
14 access -- in the Code Part 731 rule. In addition, I also discuss why the
15 application of specific local performance metrics recommended by Terry
16 Spieckerman in her Direct Testimony on behalf of Ameritech Illinois is
17 unnecessary and unwarranted at this time.

18 Q. DO YOU AGREE WITH MR. PANFIL'S ASSERTION THAT
19 ~~SECTION 13-712 OF THE ILLINOIS PUA~~ IS LIMITED TO "BASIC
20 LOCAL EXCHANGE SERVICE" AND SHOULD BE APPLICABLE
21 TO ALL "LOCAL EXCHANGE CARRIERS" PROVIDING
22 WHOLESALE SERVICES TO OTHER CARRIERS?
23

24 A. No. ~~Like Mr. Panfil, I am not an attorney and, therefore, neither am I~~
25 ~~offering any legal opinions regarding the statutory provisions the Illinois~~

26 ~~PLIA. However, I do believe a plain reading of the statutory language cannot~~

27 ~~support Mr. Panfil's interpretation.~~ Section 13-712(g) reads as follows:

28 The Commission shall establish and implement carrier to carrier
29 wholesale service quality rules and establish remedies to ensure
30 enforcement of the rules.

31
32 ~~I agree with the statement contained in the Direct Testimony of Samuel S.~~
33 ~~McClerren of the Illinois Commerce Commission Staff ("McClerren Direct") that~~
34 ~~"This language clearly indicates that Section 13-712(g) was intended to benefit~~
35 ~~the carrier purchasing services from a wholesale provider." (McClerren Direct,~~
36 ~~lines 100-101). As pointed out by Mr. McClerren, staff listened closely to the~~
37 ~~needs of carriers purchasing services from other carriers and developed a rule that~~
38 ~~balanced those needs against the administrative burdens imposed on carriers~~
39 ~~providing wholesale services." (McClerren Direct, lines 102-105). Mr. Panfil,~~
40 ~~however, puts forth a tortuous interpretation of the Illinois PLIA that does not~~
41 ~~withstand any reasonable reading. I disagree with Mr. Panfil's contention that~~
42 ~~Section 13-712(a), which explicitly requires *local* service standards applicable to~~
43 ~~every telecommunications carrier providing *basic local exchange* service to all~~
44 ~~types of customers can be read to apply to the requirements contained in Section~~
45 ~~712(g) (Panfil Direct, lines 129-137). With the minor modifications that I~~
46 recommended in my Direct Testimony (WorldCom Ex. 1.0, pp. 15-19), the Staff
47 Final Draft Rule reasonably and appropriately establishes a rule that makes sense
48 based on actual Illinois market conditions, and correctly takes into account the
49 dominance -- now and for the foreseeable future -- of large incumbent Local
50 Exchange Carrier (LEC) (Tier 1) facilities.

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Q. WILL YOU ELABORATE ON WHY LARGE INCUMBENT LECs SHOULD BE THE PRIMARY FOCUS OF THE RULE?

A. All non-incumbent carriers, wireline and wireless, must rely to some extent on ubiquitous incumbent LEC facilities available on a wholesale basis to meet their retail customers' needs. It is simply inefficient and impractical to expect competitors and wireless providers to duplicate down to the last loop and transport circuit or facility the incumbent LECs' networks, built over a period of decades under a monopoly system that virtually guaranteed cost recovery and profits.

~~Mr. Panfil's Direct Testimony does not specify any rationale to support the contention that all LECs should be equally subsumed into the rule except assert that Section 13-712(g) must be interpreted like Section 13-712(a). While Mr. Panfil contends that "it is reasonable to assume that the General Assembly would have clearly differentiated between the two carriers [sic] if it intended to treat them differently" (Lines 122-124 and 425-436). I believe it is more reasonable to assume that the General Assembly intentionally did not specify within Section 13-712(g) which carriers would be covered by rules or the extent to which specific types of carriers would be treated differently under such rules, subject to 13-712(g) because the General Assembly meant to leave that decision in the hands of the expert regulatory agency - the Illinois Commerce Commission. From a logical standpoint, since other provisions of the IPUA spell out when certain requirements apply to all carriers, it makes sense that where such specificity is lacking, as it is in 13-712(g), the General Assembly has deferred to~~

75 ~~the Illinois Commission's discretion to whether and to what extent carriers should~~
76 ~~be subject to rules that the Commission has been empowered to promulgate.~~
77 ~~Thus, contrary to Mr. Penfil's position, I believe it is reasonable to assume that~~
78 ~~the Illinois Commission can and should determine whether and to what extent~~
79 ~~carriers providing wholesale services should be subject to rules, including~~
80 ~~whether it is just and reasonable to apply different rules to different carriers, and~~
81 ~~whether wholesale services should be restricted to only basic local exchange~~
82 ~~services (by definition, retail services).~~

83 The largest (Tier 1) LECs alone possess the ability to thwart competition
84 via control over their legacy monopoly networks. There are no competitors,
85 singly or in combination that have, or will have in the foreseeable future, the
86 ubiquitous facilities held by Tier 1 LECs. All non-ILEC wireline and wireless
87 carriers alike must rely on these Tier 1 LEC networks to compete and serve their
88 own customers. Ameritech Illinois's insistence that Competitive Local Exchange
89 Carriers (CLECs) and other non-ILEC carriers be subject to the same wholesale
90 reporting requirements is another attempt to burden competitors – which ^{have} do
91 not ^{have} ubiquitous networks nor any “bottleneck” facilities -- with unnecessary costs
92 and regulatory requirements as a means to thwart competition.

93 Q. **DO YOU AGREE WITH AMERITECH-ILLINOIS' CONTENTION**
94 **(SPEICKERMAN DIRECT, pp. 3-15) THAT CERTAIN CLEC-SPECIFIC**
95 **WHOLESALE LOCAL SERVICE RULES SHOULD APPLY TO CLECS?**
96

97 A. No. Ms. Speickerman proposes that all LECs provide (1) Customer
98 Service Records (CSRs) in response to requests from incumbent LECs or other
99 CLECs; (2) Firm Order Confirmations (FOCs) for release of a subscriber's

100 telephone number in response to requests from incumbent LECs or other CLECs;
101 (3) FOCs to release the unbundled loop(s) on which a subscriber's local service
102 resides. (Spieckerman Direct, pp. 3). First, I would point out that the process for
103 CLEC-to-CLEC migrations of customers have not been worked out yet in the 13-
104 state migrations collaborative taking place for the SBC region, including the
105 Ameritech states. Therefore, I believe it is premature to codify any such
106 standards and set benchmarks before the processes for the different migrations
107 that may occur between LECs ^{are established} ~~and service delivery methods are established.~~ ✓
108 Further, even if a determination is made in the future that metrics and benchmarks
109 should be applied to CSR and FOC returns for line reuse to all LECs, it has not
110 been determined that the same intervals used for large incumbent LECs should
111 apply to CLECs whose processes are newer and/or automation less advanced
112 because of the CLEC's size and/or ordering volumes.

113 The New York Public Service Commission recently adopted "Guidelines"
114 for migrations, following a 14-month Phase II collaborative and, previously, a 10-
115 month Phase I guidelines development process, that detail the different processes
116 for migrations and provided some timing intervals for residential and small
117 business (less than 5 lines) for CSR delivery. No reporting requirements or
118 remedies were discussed, just benchmarks and a means to bring disputes among
119 carriers to the New York Public Service Commission.

120 In New York, the benchmarks for CSR were phased in and are less
121 stringent ^{than} ~~that~~ Verizon-New York's carrier-to-carrier responsibilities in its
122 wholesale local performance measurement plan. ✓

123 For these reasons, I believe it is premature and inappropriate to require
124 CLECs to be subject to the reporting requirements proposed by Ameritech-
125 Illinois.

126

127 **Q. DO YOU AGREE THAT STAFF'S FINAL DRAFT RULE ADDRESSES**
128 **ONLY INTRASTATE SPECIAL ACCESS SERVICES?**
129

130 **A.** No. Staff's Definition of the term "Wholesale Special Access Service" does
131 not specify that the services are intrastate only. While Mr. Panfil argues that
132 Staff's definition of "Wholesale Service" specifies services "subject to the
133 Commission's jurisdiction," I believe that the Illinois Commerce Commission
134 can appropriately adopt by rule wholesale performance measures applicable to
135 incumbent LEC circuits even though those circuits may be tariffed on an interstate
136 basis and by FCC rule can carry up to 90% intrastate traffic. Such circuits are
137 used by CLECs and wireless carriers to serve Illinois end-user customers and
138 therefore should be of interest to the Illinois Commission. To date, nine other
139 state commissions have adopted such requirements and I urge the Illinois
140 Commission to do the same. A brief summary of other state actions is appended
141 to this testimony and is identified as Attachment 1.

142 ~~Q. DO YOU HAVE EXAMPLES OF OTHER STATES' RULINGS THAT~~
143 ~~REFUTE THE ASSERTIONS MADE BY MR. PANFIL (PANFIL DIRECT,~~
144 ~~LINES 507-509) THAT PERFORMANCE ISSUES RELATING TO~~
145 ~~SPECIAL ACCESS SERVICES PURCHASED FROM AN INCUMBENT~~
146 ~~LEC'S INTERSTATE TARIFF "FALL OUTSIDE THE JURISDICTION~~
147 ~~OF THIS COMMISSION".~~
148

173 ~~the Commission's need to ensure that intrastate services are free~~
174 ~~from discrimination and barriers to competitive entry, require us to~~
175 ~~assert jurisdiction when it is lawful for us to do so.³~~

176 ~~And as the Hearing Commissioner pointed out in the Colorado Public Utilities~~
177 ~~Commission's final decision considering Owest's Motion for Modification of its previous~~
178 ~~order to report on its interstate and intrastate special access performance,~~

180 ~~Finally, I am not convinced by Owest's jurisdictional argument~~
181 ~~That special access is from the federal tariff does not mean it~~
182 ~~cannot be part of the CPAD.⁴~~

183 ~~Consistent with the consent of the Federal Communications Commission and Colorado Public~~
184 ~~Utilities Commission, I decline to fully enforce the Commission's Order. I will continue to~~
185 ~~monitor the growing number of states who have ruled that it is appropriate to require incumbent~~
186 ~~LEC reporting on both interstate and intrastate special access performance.~~

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189 Q. DO YOU AGREE WITH MR. PANFIL'S CLAIMS (PANFIL DIRECT,
190 LINES 520-529) THAT LARGE INCUMBENT LECs' INTERSTATE
191 SPECIAL ACCESS SERVICES ARE COMPETITIVE IN ILLINOIS?

192 A. No. Regardless of the Federal Communications Commission's (FCC's)
193 pricing flexibility authority granted to Ameritech Illinois, interstate special access
194 services provided by Ameritech Illinois and Verizon Illinois are not competitive.
195 If Special Access services were competitive, then large incumbent LECs like
196 Ameritech Illinois and Verizon Illinois would not be able to raise prices, provide

³ WLTC Docket No. IIT 991292, *In Re the Complaint of AT&T Communications of the Northwest, Inc. v. S.WEST Communications, Inc. Regarding the Provision of Access Services*, Tenth Supplemental Order, May 18, 2000, paragraph 28.

⁴ Docket No. 011-0412, *In The Matter Of The Petition For An Alternative Approach To Enforcement Of Competitive Performance Assurance Plan In Colorado: Decision On Motions For Modification And Stay Of The Order Of The Colorado Public Utilities Commission*, PUC 011-0412, 2001, pp. 21-22, http://www.dora.state.co.us/puc/decisions/2001/R01-1142-I_011-0412.pdf.

198 substandard wholesale provisioning and maintenance service, nor continue to be
199 the overwhelmingly dominant providers in every single market – which
200 dominance the FCC was careful to point out still exists.

201 I have assembled a matrix that provides an overview of Ameritech
202 Illinois' current tariff prices for the most commonly used interstate special access
203 facilities purchased by competitive LECs and wireless carriers to serve end-user
204 customers. That matrix is appended to this testimony and identified as
205 Attachment 2. The matrix shows that the prices in all instances are actually
206 *higher* in zones in the areas of the state where Ameritech Illinois has been granted
207 pricing flexibility authority by the FCC. The FCC itself specifically did not find
208 large incumbent LECs to be non-dominant in their provision of these services, but
209 believed when it promulgated the rules in 1999 that sufficient competition existed
210 to restrain incumbent LECs' prices. That has not turned out to be accurate.

211 Moreover, WorldCom, arguably the largest facilities-based CLEC in the
212 nation, still must rely substantially on incumbent LEC facilities to compete for
213 larger business and institutional customers' "last-mile" needs to provide service.
214 WorldCom first seeks to serve customers via WorldCom's own facilities. When
215 facilities are not available, WorldCom looks to alternative carriers. The first
216 choice is another competitive LEC or a Competitive Access Provider (CAP),
217 since their prices are usually lower and wholesale service quality better than the
218 ubiquitous incumbent LEC. However, no CLEC or CAP -- either individually or
219 combined -- has facilities capable of the reaching a meaningful percentage of the
220 commercial and institutional buildings in the United States or in Illinois. An

221 analysis of WorldCom's proprietary internal "lit building" database indicates that
222 on a nationwide basis, WorldCom must rely on ILECs about 90% of the time to
223 meet "off-net" facilities requirements. According to this database, in Illinois,
224 WorldCom's on-net facilities combined with services purchased from other
225 CAPs/CLECs enable WorldCom to provide service to commercial and
226 institutional customers in 493 buildings from such facilities. However,
227 WorldCom buys wholesale special access service from incumbent LECs in
228 10,301 buildings in the state.

229 Thus, in Illinois, in order to provide service to business and institutional
230 customers, WorldCom relies on incumbent LECs' special access facilities
231 approximately 95% of the time to meet its "off-net" facilities needs. Clearly,
232 CLEC's dependence on Ameritech Illinois' special access facilities demonstrates
233 Ameritech's overwhelming dominance of the special access market in Illinois and
234 illustrates the necessity of regulatory oversight of Ameritech Illinois' performance
235 with respect to such facilities as those facilities directly impact other carriers that
236 must utilize those facilities to provide service to customers that reside in Illinois.

237

238 **Q. DO YOU AGREE WITH MR. PANFIL'S ASSERTION IN HIS DIRECT**
239 **TESTIMONY (lines 538-554) THAT THE NUMBER AND**
240 **COMPLEXITY OF TARIFFED SPECIAL ACCESS SERVICES**
241 **PRESENT PROBLEMS FOR THE IMPLEMENTATION OF**
242 **WHOLESALE SPECIAL ACCESS PERFORMANCE METRICS AND**
243 **STANDARDS FOR TIER 1 CARRIERS?**

244
245 **A.** No. First, the Joint Competitive Industry Group (JCIG) metrics submitted
246 as part of my Direct Testimony (Exhibit 1.2) are directed at only DS0, DS1,
247 DS3 and OCn circuits and services, not all possible services specified in a

248 given large incumbent LEC's interstate or intrastate special access tariff.
249 Secondly, Mr. Panfil's assertion in his Direct testimony that "imposition of
250 new service quality standards on special access contracts would potentially
251 change the costs on which the service prices were based" (lines 552-554) is not
252 accurate; and even if it is true for some carriers' contracts, it is irrelevant. At
253 the state level, WorldCom is not at this time proposing the adoption of
254 remedies for failing to meet special access service benchmarks, but is simply
255 proposing the measurement and reporting of Tier I interstate and intrastate
256 special access service performance to Ameritech Illinois' and Verizon Illinois'
257 affiliated and non-affiliated wholesale customers.

258

259 **Q. HAVE YOUR RECOMMENDATIONS CHANGED AFTER**
260 **REVIEWING OTHER PARTIES' TESTIMONIES IN THIS**
261 **PROCEEDING?**

262

263 **A.** Absolutely not. I continue to recommend that the Illinois Commerce
264 Commission adopt Staff's Final Draft Rule, with the modifications
265 recommended in my Direct Testimony, and further, that the Commission make
266 specific findings in its order in this proceeding that the Joint Competitive
267 Industry Group Special Access Performance Metrics (Attachment B to Furbish
268 Direct) should be included in the performance plans of Ameritech Illinois and
269 Verizon Illinois in compliance with Staff's Final Draft Rule.

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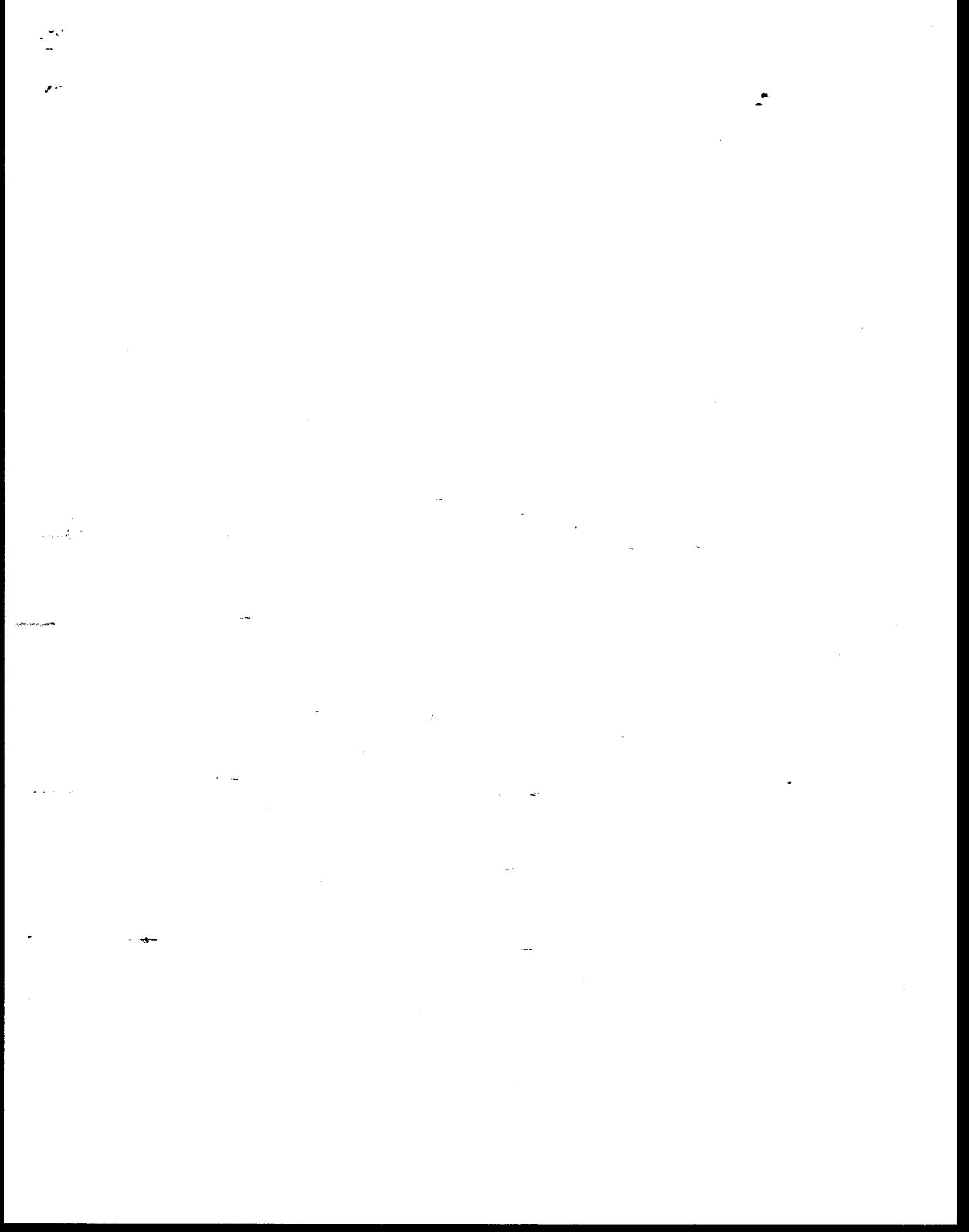
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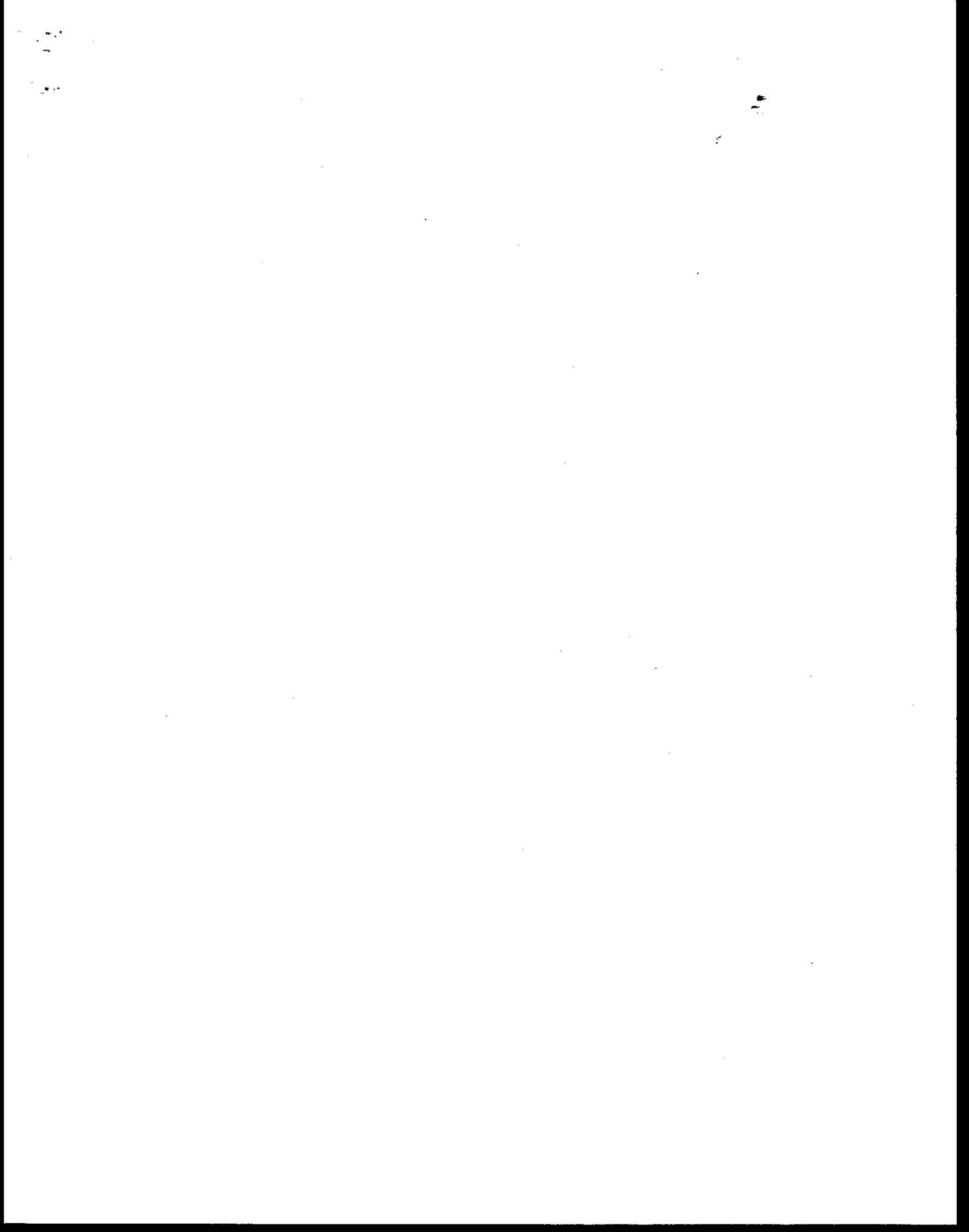
272 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

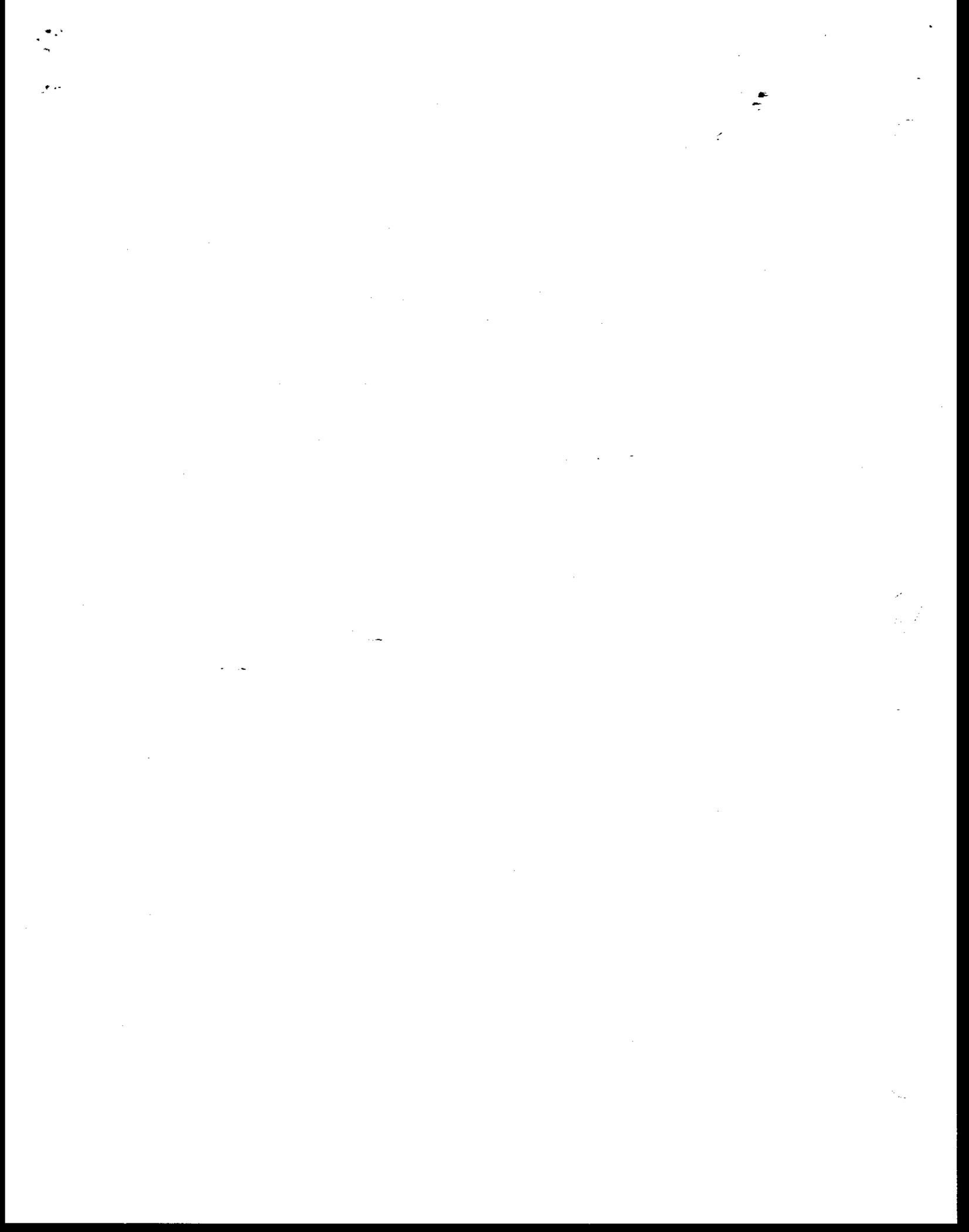
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274 **A.** Yes, it does.

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WorldCom Ex. 1.1
Furbish Rebuttal
Docket No. 01-0539
July 16, 2002

Attachment 1

Current Status of State Commission Rulings: ILEC monitoring and Reporting of
Interstate and Intrastate Special Access Performance

- **Minnesota:** The Minnesota PUC became the first state to issue an order finding explicit jurisdiction over an ILEC's (Qwest/U S WEST's) interstate special access for performance reporting. *In the Matter of the Complaint of AT&T Communications of the Midwest, Inc. Against U S WEST Communications, Inc. Regarding Access Service.* Docket No. P-421/C-99-1183, Order Finding Jurisdiction, Rejecting Claims For Relief, And Opening Investigation (issued August 15, 2000)

In March 2002, the Minnesota PUC adopted metrics proposed by WorldCom (*i.e.*, the metrics developed and advocated by WorldCom before they were subsequently modified and endorsed by the Joint Competitive Industry Group) and required Qwest to report on its performance in provisioning special access to its wholesale competitor customers. *In the Matter of Qwest Wholesale Service Quality Standards* Docket No. P-421/M-00-849, Order Setting Reporting Requirements And Future Procedures (issued March 4, 2002)

In May 2002, the Minnesota PUC issued an order denying Qwest's motion for reconsideration. *In the Matter of Qwest Wholesale Service Quality Standards*, Docket No. P-421/M-00-849, Order Denying Reconsideration And Modifying Order On Own Motion (issued May 29, 2002).

- **New York:** Verizon reports on its special access performance on an interstate and intrastate basis, for both wholesale and retail customers, to the New York Public Service Commission, as part of the NYPSA's "Special Services Guidelines." Verizon has been reporting under the New York Guidelines since the mid-1980s.

In June 2001, the New York PSC updated the Guidelines, adding additional metrics. CASE 00-C-2051 - Proceeding on Motion of the Commission to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York Inc.; CASE 92-C-0665 - Proceeding on Motion of the Commission to Investigate Performance-Based Incentive Regulatory Plans for New York Telephone Company. Opinion And Order Modifying Special Services Guidelines For Verizon New York Inc., Conforming Tariff, And Requiring Additional Performance Reporting (Issued and Effective June 15, 2001)

In December 2001, the NY PSC slightly revised and updated the Special Services Guidelines on reconsideration. CASE 00-C-2051 - Proceeding to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York Inc.; CASE 92-C-0665 - Proceeding on Motion of the Commission to Investigate Performance-Based Incentive Regulatory Plans for New York Telephone Company. Order Denying Petitions For Rehearing And Clarifying Applicability Of Special Services Guidelines (Issued December 20, 2001)

WorldCom Ex. 1.1
Rebuttal Testimony of Karen K. Furbish
Attachment 1

Current Status of State Commission Rulings: ILEC monitoring and Reporting of
Interstate and Intrastate Special Access Performance

- **Colorado:** In November 2001, the Colorado PUC affirmed the requirement for Qwest to monitor and report special access information. Docket No. 01I-041T, *In The Matter Of The Investigation Into Alternative Approaches For A Qwest Corporation Performance Assurance Plan In Colorado; Decision On Motions For Modification And Clarification Of The Colorado Performance Assurance Plan*, November 5, 2001

In March 2002, Qwest's petition for reconsideration of that Order was denied by the Colorado PUC, and implementation of special access reporting is underway. *In the Matter of the Investigation into Alternative Approaches for a Qwest Corporation Performance Assurance Plan in Colorado*, Docket No. 01I-041T, Decision on Remand and Other Issues Pertaining to the Colorado Performance Assurance Plan (adopted March 27, 2002)

- **New Hampshire:** In December 2001, Verizon began reporting special access service results to the New Hampshire PUC pursuant to stipulation. DT 01-006 *VERIZON NEW HAMPSHIRE Petition to Approve Carrier to Carrier Performance Guidelines and Performance Assessment Plan, Order Regarding Metrics and Plan* (issued March 29, 2002, referring to Stipulation).
- **Maine:** In April 2002, as part of its Order adopting a Performance Assurance Plan for Verizon's §271 related obligations, the Maine PUC also accepted a voluntary agreement from Verizon to report its intrastate and interstate special access performance against certain New York Special Services Guidelines. *Inquiry Regarding the Entry of Verizon-Maine into the InterLATA (Long Distance) Telephone Market Pursuant to Section 271 of the Telecommunications Act of 1996*, Docket No. 2000-849, Findings Report (April 10, 2002)
- **Washington:** In ruling on jurisdictional arguments raised by Qwest in an AT&T complaint on Qwest's Special Access performance, the Washington Utilities and Transportation Commission held that there was an absence of clear authority that the 10% rule pre-empts all state authority, and further reasoned that the public and the economy of the state required the UTC to assert jurisdiction where it is lawful. WUTC Docket No. UT-991292, *In Re the Complaint of AT&T Communications of the Northwest, Inc., v. U S WEST Communications, Inc, Regarding the Provision of Access Services, Tenth Supplemental Order*, May 18, 2000.

In April 2002, the Washington Utilities and Transportation Commission ("WUTC") adopted the Colorado special access performance metrics to measure

Current Status of State Commission Rulings: ILEC monitoring and Reporting of Interstate and Intrastate Special Access Performance

Qwest's interstate and intrastate wholesale special access performance. *In the Matter of the Investigation into US West Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No. UT-003022, 30th Supplemental Order, Commission Order Addressing Qwest's Performance Assurance Plan.

In May 2002, the WUTC denied Qwest's petition for reconsideration regarding its special access reporting. *In the Matter of the Investigation into US West Communications, Inc.'s Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No. UT-003022, 33rd Supplemental Order; Denying in Part and Granting in Part, Qwest's Petition for Reconsideration of the 30th Supplemental Order.

- **Tennessee:** In May 2002, the Tennessee Regulatory Authority adopted a modified version of WorldCom's original (i.e., pre-Joint Competitive Industry Group) metrics. *In re: Docket to Establish Generic Performance Measurements, Benchmarks and Enforcement Mechanisms for BellSouth Telecommunications, Inc.*, Docket No. 01-00193, Order Setting Performance Measurements, Benchmarks and Enforcement Mechanisms (issued May 14, 2002). BellSouth did not request reconsideration of the special access portion of that order.
- **Utah:** In June 2002, the Utah Public Service Commission ordered Qwest to include special access in its Sec. 271-related Performance Assurance Plan. *In the Matter of the Applications of QWEST CORPORATION, fka US WEST Communications, Inc., for Approval of Compliance with 47 U.S.C. § 271(d)(3)(C)*, Docket No. 00-049-08, Order On Performance Assurance Plan (issued June 18, 2002).
- **Massachusetts:** In August 2001, the Massachusetts Department of Telecommunications and Energy ordered Verizon to report its special access performance on both an interstate and intrastate basis, as an interim matter, pending completion of its review of Verizon's performance on both a wholesale basis for both affiliated and non-affiliated customers, and on a retail basis to Verizon's own retail customers. *Investigation by the Department of Telecommunications and Energy on its own motion pursuant to G.L. c. 159, §§ 12 and 16, into Verizon New England Inc., d/b/a Verizon Massachusetts' provision of Special Access Services*. D.T.E. Docket No. 01-34, Order, August 19, 2001.

WorldCom Ex. 1.1
Rebuttal Testimony of Karen K. Furbish
Attachment 1

Current Status of State Commission Rulings: ILEC monitoring and Reporting of
Interstate and Intrastate Special Access Performance

- Texas: The Texas PUC found in its review of Southwestern Bell's post-271 performance: "... to the extent a CLEC orders special access in lieu of UNEs, SWBT's performance shall be measured as another level of disaggregation in all

UNE measures. Texas PUC Project No, 20400 - *Section 271 Compliance Monitoring of Southwestern Bell Telephone Company of Texas, Order No. 33, Approving Modification to Performance Remedy Plan and Performance Measurements*, May 24, 2001. The implementation aspects of this decision are currently pending in an arbitration proceeding.

- Other states where special access performance reporting is under consideration:
 - Massachusetts (ordered interim reporting September 2001; final decision pending)
 - New Jersey
 - Indiana
 - Georgia
 - Louisiana

WorldCom Ex. 1.1
Furbish Rebuttal
Docket No. 01-0539
July 16, 2002

Attachment 2

WorldCom, Inc. - FURBISH REBUTTAL TESTIMONY EXHIBIT 1.1, Attachment 2

Ameritech Illinois - Special Access Rates for Zone 1
1-year term

	1-year term			5-year term		
	Non-Pricing Flexibility	Pricing Flexibility	Difference	Non-Pricing Flexibility	Pricing Flexibility	Difference
Interoffice						
DS1 fixed	\$68.00	\$78.00	14.7%	\$21.00	\$24.80	18.1%
DS1 mileage	\$24.00	\$24.15	0.6%	\$12.00	\$13.50	12.5%
DS3 fixed	\$300.00	\$328.00	9.3%	\$200.00	\$240.00	20.0%
DS3 mileage	\$100.00	\$103.00	3.0%	\$28.00	\$33.60	20.0%
Channel Termination						
DS0 (56kb/s)	\$80.00	\$95.00	18.8%	\$58.00	\$65.00	12.1%
DS1	\$190.00	\$196.00	3.2%	\$92.00	\$93.00	1.1%
DS3	\$2,300.00	\$2,370.00	3.0%	\$900.00	\$960.00	6.7%

Source (tariff sections for Ameritech Tariff FCC No. 2):

DS1 fixed	7.5.9(B)(3)	21.5.2.7(B)(3)	7.5.9(B)(3)	21.5.2.7(B)(3)
DS1 mileage	7.5.9(B)(4)	21.5.2.7(B)(4)	7.5.9(B)(4)	21.5.2.7(B)(4)
DS3 fixed	7.5.9(C)(2)	21.5.2.7(C)(2)	7.5.9(C)(2)	21.5.2.7(C)(2)
DS3 mileage	7.5.9(C)(3)	21.5.2.7(C)(3)	7.5.9(C)(3)	21.5.2.7(C)(3)

Channel Terminations

DS0 (56kb/s)	7.5.9(A)(1)	21.5.2.7(A)(1)	7.5.9(A)(1)	21.5.2.7(A)(1)
DS1	7.5.9(B)(1)	21.5.2.7(B)(1)	7.5.9(B)(1)	21.5.2.7(B)(1)
DS3	7.5.9(C)(1)(a)	21.5.2.7(C)(1)(a)	7.5.9(C)(1)(a)	21.5.2.7(C)(1)(a)

Ameritech Illinois - Special Access Rates for Zone 3
1-year term

5-year term

	Non-Pricing Flexibility	Pricing Flexibility	Difference	Non-Pricing Flexibility	Pricing Flexibility	Difference
Interoffice						
DS1 fixed	\$72.00	\$79.50	10.4%	\$23.00	\$30.40	32.2%
DS1 mileage	\$25.00	\$26.40	5.6%	\$12.50	\$13.75	10.0%
DS3 fixed	\$330.00	\$361.00	9.4%	\$220.00	\$270.00	22.7%
DS3 mileage	\$110.00	\$113.00	2.7%	\$34.00	\$38.40	12.9%
Channel Termination						
DS0 (56kb/s)	\$80.00	\$95.00	18.8%	\$58.00	\$65.00	12.1%
DS1	\$215.00	\$232.00	7.9%	\$109.00	\$110.00	0.9%
DS3	\$2,425.00	\$2,490.00	2.7%	\$960.00	\$1,020.00	6.3%

Source (tariff sections for Ameritech Tariff FCC No. 2):

DS1 fixed	7.5.9(B)(3)	21.5.2.7(B)(3)	7.5.9(B)(3)	21.5.2.7(B)(3)
DS1 mileage	7.5.9(B)(4)	21.5.2.7(B)(4)	7.5.9(B)(4)	21.5.2.7(B)(4)
DS3 fixed	7.5.9(C)(2)	21.5.2.7(C)(2)	7.5.9(C)(2)	21.5.2.7(C)(2)
DS3 mileage	7.5.9(C)(3)	21.5.2.7(C)(3)	7.5.9(C)(3)	21.5.2.7(C)(3)
Channel Terminations				
DS0 (56kb/s)	7.5.9(A)(1)	21.5.2.7(A)(1)	7.5.9(A)(1)	21.5.2.7(A)(1)
DS1	7.5.9(B)(1)	21.5.2.7(B)(1)	7.5.9(B)(1)	21.5.2.7(B)(1)
DS3	7.5.9(C)(1)(a)	21.5.2.7(C)(1)(a)	7.5.9(C)(1)(a)	21.5.2.7(C)(1)(a)

Ameritech Illinois - Special Access Rates for Zone 5

	1-year term			5-year term		
	Non-Pricing Flexibility	Pricing Flexibility	Difference	Non-Pricing Flexibility	Pricing Flexibility	Difference
Interoffice						
DS1 fixed	\$76.00	\$86.00	13.2%	\$40.00	\$50.50	26.3%
DS1 mileage	\$29.00	\$30.00	3.4%	\$13.00	\$14.05	8.1%
DS3 fixed	\$360.00	\$420.00	16.7%	\$250.00	\$325.00	30.0%
DS3 mileage	\$120.00	\$126.00	5.0%	\$42.00	\$49.00	16.7%
Channel Termination						
DS0 (56kb/s)	\$80.00	\$95.00	18.8%	\$58.00	\$65.00	12.1%
DS1	\$250.00	\$294.00	17.6%	\$123.00	\$125.00	1.6%
DS3	\$2,650.00	\$2,720.00	2.6%	\$990.00	\$1,050.00	6.1%

Source (tariff sections for Ameritech Tariff FCC No. 2):

DS1 fixed	7.5.9(B)(3)	21.5.2.7(B)(3)	7.5.9(B)(3)	21.5.2.7(B)(3)
DS1 mileage	7.5.9(B)(4)	21.5.2.7(B)(4)	7.5.9(B)(4)	21.5.2.7(B)(4)
DS3 fixed	7.5.9(C)(2)	21.5.2.7(C)(2)	7.5.9(C)(2)	21.5.2.7(C)(2)
DS3 mileage	7.5.9(C)(3)	21.5.2.7(C)(3)	7.5.9(C)(3)	21.5.2.7(C)(3)
Channel Terminations				
DS0 (56kb/s)	7.5.9(A)(1)	21.5.2.7(A)(1)	7.5.9(A)(1)	21.5.2.7(A)(1)
DS1	7.5.9(B)(1)	21.5.2.7(B)(1)	7.5.9(B)(1)	21.5.2.7(B)(1)
DS3	7.5.9(C)(1)(a)	21.5.2.7(C)(1)(a)	7.5.9(C)(1)(a)	21.5.2.7(C)(1)(a)