June 29, 2001

Lyn Farmer
Chief Arbitrator
Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Dear Ms. Farmer:

RE: Docket No. T-00000A-00-0194

Pursuant to the Procedural Order dated February 15, 2001, enclosed please find one original and ten copies of Qwest’s Rebuttal testimony for Jim Overton. Mr. Overton was granted an extension for filing rebuttal testimony until June 29, 2001 due to a medical condition.

Please let me know if you have any questions.

Sincerely,

Monica Luckritz
Manager-Policy and Law

Enclosure
BEFORE THE
ARIZONA PUBLIC SERVICE COMMISSION

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

IN THE MATTER OF INVESTIGATION )
INTO QWEST CORPORATION'S ) DOCKET NO. T-00000A-00-0194
COMPLIANCE WITH CERTAIN ) PHASE II
WHOLESALE PRICING )
REQUIREMENTS FOR UNBUNDLED )
NETWORK ELEMENTS AND )
RESALE DISCOUNTS )

REBUTTAL TESTIMONY OF

JAMES C. OVERTON

QWEST CORPORATION

JUNE 29, 2001
I. IDENTIFICATION OF WITNESS

Q. PLEASE STATE YOUR NAME, EMPLOYER AND BUSINESS ADDRESS.

A. My name is James C. Overton. I am employed by the Qwest Corporation ("Qwest"), as a Director in the Technical Regulatory Group, Local Network Organization. My business address is 700 W. Mineral Street, Littleton, Colorado 80120.

Q. HAVE YOU FILED TESTIMONY IN THIS DOCKET PREVIOUSLY?

A. Yes.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide input from an engineering perspective relating to several of the costing and pricing issues that are before the Commission. I provide engineering testimony in response to several assumptions that the CLECs use in their cost studies and in response to CLEC challenges to some of Qwest's assumptions. My testimony addresses: (1) Cox's testimony involving access to multi-tenant environments ("MTEs") and multiple dwelling units ("MDUs"), including a description of Qwest's cable and wire termination policy as it relates to MTEs and MDUs; (2) the engineering
assumptions that should be used in the cost studies relating to the methods of placing outside plant that are used in different density zones; (3) the extent to which a telephone can realistically be expected to share the costs of placing outside plant facilities with other utility companies; (4) the nature of the engineering tasks that Qwest must perform for loop conditioning; and (5) the nature of the engineering tasks that Qwest must perform to complete filed verifications.

III. ACCESS TO MDUS AND MTES

Q. IN HIS TESTIMONY ON BEHALF OF COX, MR. COLLINS SUGGESTS THAT QWEST IS NOT PROVIDING ADEQUATE CLEC ACCESS TO MDUS AND MTES. DOES MR. COLLINS PROPERLY UNDERSTAND QWEST'S POLICIES RELATING TO THIS ISSUE?

A. I don't believe that he does.

Q. HOW DOES QWEST OFFER MDU/MTE ACCESS TO THE CLECS?

A. Qwest offers MDU/MTE access to the CLECs through the procedures set forth in Qwest's MTE Terminal Access Policy. The type of MTE terminal access that Qwest provides depends on the option that the building owner has selected through Qwest's Cable Wire Service Termination Policy ("CWSTP").

Q. WHAT IS THE CABLE WIRE SERVICE TERMINATION POLICY?
Qwest's CWSTP sets forth the guidelines for the installation of telecommunications facilities and services that Qwest offers. Under the CWSTP, there are four service options that are available to property owners for providing access to terminals in MTEs/MDUs.

Q. PLEASE DESCRIBE THE FOUR SERVICE OPTIONS.

A. The four options that are available pursuant to the CWSTP are described below. The availability of direct access to an MTE terminal depends upon the type of terminal and the CWSTP option that is selected.

CWSTP Option 1

MTE Terminals identified as Option 1 are the equivalent of an MTE network interface device ("NID"). An MTE NID is defined as a terminal that is simultaneously the Minimum Point of Entry ("MPOE") and the demarcation point where Qwest ownership and control ends and the property owner's ownership and control begins. MTE NID access may be obtained at the protector field as well as at the customer's inside wire appearance.

CWSTP Option 2

Option 2 sets the demarcation point at the floor level in a multi-story building. Qwest would own and maintain riser cable from the floor level back to the central office. The same architecture could apply at trailer parks or marinas, etc. Option 2 typically provides a readily accessible cross connect field for direct MTE terminal access at the MPOE. Qwest, in most cases, has inventories of the
Qwest-owned inside wire extending beyond the MTE terminal to the network demarcation point NID. Option 2 MTE terminal access may be obtained at the MPOE protector field or at the floor level NID.

**CWSTP Option 3**

In option 3, the demarcation point is located either in a suite or an apartment unit. Qwest owns and maintains all wire and equipment from the suite or unit back to the central office. Option 3 MTE terminals typically consist of terminals at the MPOE that are hard-wired and contain no readily accessible cross-connect field. The exception would be large buildings and high rise buildings. Prior to direct CLEC access, Qwest-owned and controlled inside wire for Option 3 MTE terminals was not always inventoried in provisioning and maintenance databases. Option 3 MTE terminal access may be obtained at the MPOE protector field as well as at the customer cross-connect of Qwest's owned and controlled inside wire.

**CWSTP Option 4**

Option 4 provides a MPOE for campus environments. These terminals are placed near the property line of a campus environment and are detached from MTE buildings usually resting on a separate pad on provided rights of way. Access to Option 4 terminals is provided through Field Connection Point ("FCP") and collocation processes.

**Q. WHAT IS THE DEFINITION OF A DEMARCATION POINT?**
A Demarcation Point is properly defined for purposes of this discussion as the point where Qwest-owned or controlled facilities cease, and CLEC, end user, owner or landlord ownership of facilities begins.

Q. WHAT IS THE DEFINITION OF A NETWORK INTERFACE DEVICE?

A. A Network Interface Device ("NID") is a network element that is a means of interconnection of end-user customer premises wiring to the incumbent LEC's distribution plant, such as a cross-connect device used for that purpose.

IV. CABLE PLACING ACTIVITIES

Q. WITNESSES FOR THE CLECS, INCLUDING MR. WEISS ON BEHALF OF AT&T, WORLDCOM, AND XO, CHALLENGE THE METHODS OF PLACING CABLE THAT ARE ASSUMED IN QWEST'S LOOPMOD STUDY. DO THEIR CRITICISMS REALISTICALLY REFLECT THE MANNER IN WHICH TELECOMMUNICATIONS COMPANIES PLACE CABLE WHEN INSTALLING OUTSIDE PLANT?

A. No. As I discuss below, the CLECs primarily challenge the assumption that a telecommunications company would rely on directional boring to place cables. Their position that boring would not be used with some frequency, particularly in high density areas, is wrong.

Q. DOES QWEST UTILIZE DIFFERENT CABLE PLACING METHODS?
Yes. Qwest and the contractors that Qwest retains to perform cable placement rely on a variety of methods for placing cable, including trenching, plowing, cut & restore, and directional boring. These different placement methods are also used in Qwest's LoopMod cost study.

Q. WHAT FACTORS DETERMINE THE CABLE PLACEMENT METHOD THAT QWEST WOULD USE?

A. The method of cable placement that Qwest chooses depends upon a variety of factors, including the density of the area in which the cable is being placed, the terrain, and the hardness or softness of the soil. These environmental factors bear directly on which method of placement is the most cost effective. For example, rural areas that have little development and terrain that is not rocky are conducive for plowing. On the other hand, downtown urban areas that have streets, sidewalks, buildings, and other structures are not conducive for plowing and often require placement methods that minimize disruption to the environment.

Q. WHEN DOES QWEST USE DIRECTIONAL BORING TO PLACE CABLE?

A. Placing cable by boring normally occurs in areas where there is a higher density of population. In established areas where streets, service infrastructures and landscaping have been constructed, it is often most cost-effective to use boring, as that method of placement generally avoids the costs of restoring streets, sidewalks, and other structures to their original condition and also minimizes the amount of time that public thoroughfares are disrupted.
by cable placements. Anyone who lives in an urban area is familiar with the large volume of cable placements that have occurred in cities over the past two or three years. Municipalities and the general public have spoken loudly about their concern over disruption to roads and other infrastructure in cities as the result of cable placement and have been applying increasing pressure on utility companies to place cables with minimal disruption. In my view, this recent experience only makes it more likely that the use of directional boring will increase in high density areas on a forward-looking basis.

Q. HAVE YOU REVIEWED THE ASSUMPTIONS IN LOOPMOD RELATING TO THE USE OF DIRECTIONAL BORING?

A. Yes. I have reviewed the assumptions relating to the frequency of placement methods that is assumed throughout the density zones in the model, and I believe that the placement methods assumed for each density group are reasonable and appropriate. With respect to directional boring, the model accurately estimates the frequency with which this method of placement will be used in high density areas. In my view, the CLECs are being unrealistic in suggesting that directional boring will not be used with much frequency in high density areas. This suggestion is contrary to actual experience and the real-world, practical concerns that go into placing a network.

Q. WHEN WOULD QWEST PLACE CABLE BY PLOWING?

A. In low density areas where there are larger areas of undeveloped ground, plowing would be the preferred method for placing cable. Due to the fact that
there are very few obstructions to contend with, cable can be placed quickly and cost effectively. LoopMod contains reasonable assumptions about the availability of plowing as a common method of placement in low density areas.

V. LOOP CONDITIONING

Q. WHAT IS LOOP CONDITIONING?

A. Loop conditioning is the process by which bridge taps and load coils are removed from a line. To allow a line to provide digital service, it can be necessary to remove bridge taps and load coils. To ensure that a line is clean, the bridge tap and load coils must be physically removed from the line. This activity requires a technician to actually access a line at each point on the line where bridge taps and load coils have been placed. This can require entering multiple manholes for a single line and traveling from one manhole to another. Before entering each manhole, the technician must purge the manhole to ensure that the air is of an acceptable quality and also, if needed, may have to pump water and mud from the space to gain access to the line. Within each manhole, to remove a load coil or a bridge tap, the technician must perform the tasks needed to physically detach the load coils and bridge taps from the cable.

Q. WITH RESPECT TO LOOP CONDITIONING, THE CLECS SUGGEST THAT ALL PAIRS IN A BINDER GROUP CAN BE DELOADED WHEN A CLEC REQUESTS DELOADING OF A SMALL NUMBER OF PAIRS IN A GROUP. IS THAT A REALISTIC ASSUMPTION?
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A. No.

Q. WHY IS IT UNREASONABLE TO ASSUME THAT A TWENTY-FIVE PAIR BINDER GROUP CAN BE DELOADED IN ITS ENTIRETY WHEN A CLEC REQUESTS DELOADING OF ONLY A FEW PAIRS?

A. Some loops in binder groups were loaded for a reason - to allow Qwest to provide voice service at an appropriate level of quality. If Qwest were to unload all circuits in a binder group, the voice service of some customers would be negatively affected. Accordingly, it is not feasible to deload the loops of customers whose loops depend on loading for voice service. In other words, if some circuits are unloaded, they would not function in the way that they were originally designed and would not provide the service that has been requested. Because Qwest did not specifically engineer circuits by twenty-five pair binder groups for specific types of services, most twenty-five pair binder groups have varying types of circuits; this fact makes it very unlikely that Qwest can condition entire binder groups at one time.

VI. FIELD VERIFICATION

Q. WHY IS A FIELD VERIFICATION REQUIRED WHEN A CLEC REQUESTS ACCESS TO EXISTING QWEST STRUCTURES?

A. Upon receipt of an access request, the request must be reviewed to see if the access is possible. The review is performed in the first instance from records and drawings of potential locations that have been requested. In some cases,
the updating of records cannot keep up with the speed of events in the field. Accordingly, it is necessary to have employees physically go to sites to confirm whether access is possible. The field verification ensures that there will be no additional costs to a CLEC by having blocked access or no space available. An example of this would be access to existing Qwest conduit structures. In some cases, conduits running from manhole to manhole could have abandoned cables that are no longer turned up, but have been left in the conduit.

VII. STRUCTURE SHARING

Q. DOES QWEST ATTEMPT TO SHARE STRUCTURES WITH OTHER SERVICE COMPANIES?

A. Yes. In the state of Arizona, Qwest has approximately twelve field engineers who attempt on an ongoing basis to apprise local service companies and CLECs of Qwest plans to open existing structures or place new facilities. Despite these efforts, it is very seldom that other utilities attempt to jointly place their facilities with Qwest and share in the costs of placement.

Q. WHY DOES STRUCTURE SHARING NOT OCCUR ON A MORE FREQUENT BASIS?

A. For most utility companies, it is difficult to plan in advance the placement of facilities to allow placement to coincide with another utility company's placement activities. In addition, in many cases, a CLEC is building structures
in locations where Qwest is already established as a service provider and has no need to build additional structures.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes