COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Investigation by the Department of Telecommunications and Energy on its own Motion into the Appropriate Pricing, based upon Total Element Long-Run Incremental Costs, for Unbundled Network Elements and Combinations of Unbundled Network Elements, and the Appropriate Avoided Cost Discount for Verizon New England, Inc. d/b/a Verizon Massachusetts' Resale Services in the Commonwealth of Massachusetts	D.T.E. 01-20

AT&T'S FOURTH SET OF INFORMATION REQUESTS TO VERIZON

AT&T Communications of New England, Inc. hereby submits to Verizon the following information requests. Please provide responses to these requests as they are completed.

Instructions

1. Each request should be answered on a separate page preceded by the request and by the name of the person responsible for the answer.

2. Please provide answers as they are completed.

3. These requests shall be deemed continuing so as to require supplemental responses if Verizon subsequently receives or becomes aware of additional information responsive to these requests.

4. If an answer refers to Verizon's response to another information request in this proceeding, please provide that response with the answer.

5. If Verizon cannot answer a request in full, answer to the extent possible and state why Verizon cannot answer the request in full.

6. If Verizon refuses to respond to any request by reason of a claim of privilege, state the privilege claimed and the facts relied upon to support the claim of privilege.

7. Unless otherwise stated, these requests concern Verizon's Massachusetts intrastate operations.

8. The page number references in the following questions are to the hard copy of Verizon's direct panel testimony that was distributed by Verizon on May 8, 2001.

INFORMATION REQUESTS

Please provide supporting documents and explanations for all inputs used in Part C of the Cost Study that were sourced to Product Management (*e.g.*, Workpaper Part C-1, Section 29, Page 1 of 1, Line 1, regarding "BH Intragroup CCs per Channel").

Please specify whether the Calling Name Delivery port additive is incremental to Calling Number Delivery, or includes Calling Number Delivery, please explain the reason.

Please provide supporting documents for all investments or inputs in Part C of the cost study that were sourced to Vendor (*e.g.*, Workpaper Part C-1, Section 37, Page 1 of 2, Line 1 regarding "modem" and Line 2 regarding "application processor").

With respect to the Simplified Message Desk Interface ("SMDI") in Workpaper Part C-1, Section 37, please state whether an Applications Processor is dedicated per customer, and please explain why.

For all port elements, please provide the effective fill being assumed, taking into account the SCIS fill factor inputs as well as the adjustments for utilization shown in Workpaper Part C-1, Section 38, of the cost study. Please provide all engineering guidelines or engineering planning documents that support the effective fill factors being assumed in Verizon's switching cost study.

Please provide supporting documents for the number of lines and trunks reflected or assumed in Part C of Verizon's cost study for each switching technology (*e.g.*, DMS, 5E), and for each type of line (*e.g.*, analog, non-GR303 DLC, GR-303, ISDN, coin, etc.). If the numbers of lines or trunks are based on SCIS line and trunk inputs, please provide the supporting documents for the SCIS inputs. Please include the dates that the data were effective.

Please state whether the 75 percent analog lines being assumed in Verizon's switch cost study (see Workpaper Part C-1, Section 38, Page 3 of 4) is the same percentage being used in the loop cost study, and explain why.

Please provide the following data about the switches currently deployed by Verizon in Massachusetts:

(a) number of switches by vendor (5E, DMS, etc.), and by type (host, remote, standalone, tandem); and

(b) number of wire centers that have more than one switch, excluding wire centers with multiple remotes. For any wire centers with more than one switch excluding multiple remotes, please explain the reason for the additional switch[es] with specificity (*e.g.*, required to provide ISDN, remote first switch exhausted on ports, etc.).

Please provide the following data about switch equipment forecasted by Verizon for Massachusetts for the period from January 1, 2001, to December 31, 2005, identified by CLLI:

(a) the number of new remotes expected to be installed (specify CLLI and vendor);

(b) the number of switches that will be replaced by a different switch manufacturer (specify CLLI and vendor and which ones, if any, were also included in part a above; and

(c) the number of remote switches that will be replaced by a new remote (specify CLLI, manufacturer, and which, if any, were included in parts a or b above).

Verizon's direct panel testimony states, at page 9, that Verizon "has not included costs associated with Operator Services/Directory Assistance ("OS/DA") in this filing." Please explain why a TOPS port is included in Verizon's switch cost study.

Verizon's direct panel testimony states, at pages 32-33, that the land and buildings factor (or factors) for certain central office equipment was calculated using "[a] factor based on Separations data, representing the portion of land, buildings, capital leases and leasehold improvements that is associated with central office equipment, [that] was then applied to yield the assignable Central Office Equipment L&B investments."

Please explain and provide supporting documentation for this factor based on Separations data.

Please confirm or deny whether the land and buildings factor is further allocated to digital switch equipment versus central office circuit equipment.

Please explain what, if any, adjustments were made to the land and building investments to account for forward-looking differences from embedded investments.

What is the planning time horizon for installing power equipment for central offices?

With respect to the power factors, Verizon's direct panel testimony states -- at page 33, lines 2-4 - that "[t]he installed investment of power equipment placed in 1998 was identified by the type of equipment it is supporting." Please explain in detail how the total installed investment of power equipment was identified by the type of equipment it is supporting. Please provide all supporting documentation.

Please provide all data from the Detailed Continuing Property Record ("DCPR") that was relied upon to develop the Engineer, Furnish & Install ("EF&I") factor for digital switches, and either describe or explain such DCPR data in sufficient detail that it can be understood. *See* Verizon's direct panel testimony at pages 28-29.

Please state whether any taxes are included in the EF&I factors. If so, please explain precisely what taxes are included and how the amount was determined, and provide all supporting documentation and calculations.

Please list the "other miscellaneous taxes imposed by the various taxing authorities" used in the calculations of ACFs. *See* Verizon's direct panel testimony at page 42.

Please state whether any adjustments were made to the "R" or "M" 1999 base-year switch expenses. If so, please list and provide quantities and explanations. If not, please explain why no adjustments were made. *See* Verizon's direct panel testimony at pages 42-43.

Please state whether any testing expenses and testing equipment investments were removed from switch-related expenses and investments. If so, please quantify the adjustments and explain how testing dollars that were removed were identified. *See* Verizon's direct panel testimony at pages 44-45.

Please state whether Verizon maintains any records for central office engineering expense that could be used to determine whether the expense is associated with switching versus circuit functionalities.

Please state whether an individual Verizon engineer routinely performs engineering for both switching and circuit functionalities. If so, please list the functions of an average central office engineer. If not, please list separately the functions of a switch engineer versus a circuit engineer. If only some engineers perform both functions, please identify the percentage of engineers that perform switching functions, circuit functions, and those that perform both switching and circuit functions.

A1. For switch-related non-recurring revenue that could be accurately categorized as either provisioning-related or customer interfacing, please quantify the amount assigned to each category. *See* Verizon's direct panel testimony at 46.

A2. Please specify precisely the New York data used to develop that a ratio of 75 to 80 percent is a reasonable approximation of the going forward investment levels compared to book investments. Please provide the relevant documents. *See* Verizon's direct panel testimony at 59-60.

A3. Please identify what percentage of all digital loop carrier ("DLC") lines are universal DLC, and what percent of total switched access lines are UDLC, both in Verizon's Massachusetts network today and within the hypothetical network reflected in Verizon's cost study filing. Please explain how this number was developed for use in the study. Please provide all supporting documentation and calculations.

A4. Please list each wire center, by CLLI, in Massachusetts that have changed as follows in the last five years:

(a) a remote switch changed to a host or standalone switch;

(b) a standalone switch changed to a host; or

(c) a host switch changed to a standalone.

A5. Verizon's direct panel testimony states, at page 132, that SCIS (Telcordia's Switch Cost Information System)"allocates traffic efficiently between host and remote switches." Please explain how SCIS allocates traffic efficiently between host and remote switches.

A6. Verizon's direct panel testimony states, at page 132, that "Existing office parameters, adjusted to make them forward-looking, were provided by Verizon MA's engineering organization for each existing switch in Massachusetts, and were used to create SCIS model offices for both DMS-100 and 5ESS technology."

Please list and explain all of the existing office parameters that were adjusted to make them forward looking to be used as inputs to SCIS. Please provide copies of all instructions given to the engineering organization associated with making these forward-looking adjustments.

A7. Verizon's direct panel testimony states at pages 132-133 that, in developing inputs for SCIS, "the current number of lines and trunks per switch were adjusted based on the Verizon MA's access line growth forecast, and the averages CCS per line and trunk were adjusted based on current CCS growth trends."

Please provide the access line forecasts and CCS growth trends used by Verizon to adjust the line inputs to SCIS. Provide all supporting documentation and calculations. Please identify the Verizon organization that developed the forecasts and trends. If Verizon has other line forecasts or trends used by the marketing, engineering, or strategic planning organizations, please provide them.

A8. Please provide any and all comparisons Verizon has made between SCIS total investment outputs and prices paid for actually purchased switches, either for Massachusetts or any other jurisdiction.

At page 136 of Verizon's direct panel testimony, Verizon states that it signed a switching agreement with Nortel for Verizon North in December 2000. Please specify the actual date that the agreement was signed. Also please state the first date that Verizon witness Nancy Matt or anyone else in Verizon's service cost organization was notified of the December 2000 agreement between Nortel and Verizon, specifying the individual or individuals, the date they were notified, and the exact manner of notification. Please provide all internal correspondence, notes, memos, e-mails and other documentation that evidences or refers in any manner whatsoever to such notification.

A9. Please explain whether the recent agreements or contracts negotiated with Nortel and Lucent in 2000, and referred to at pages 136-137 of Verizon's direct panel testimony, were negotiated by Verizon with the intent to purchase new host or standalone switches, or whether they were negotiated with the intent only to purchase "growth additions" (as

that term is used at page 135 of Verizon's direct panel testimony. Please provide all supporting documentation.

A10. Please estimate separately the amounts of money that Verizon plans to spend with Lucent and Nortel for all types of equipment, including, but not limited to, switching, circuit equipment, SS7 equipment, etc., between 2001 - 2003, inclusive.

A11. Please provide all comparisons Verizon made between the SCIS list prices and the list prices used in the calculations Verizon made to determine an overall effective discount. *See* Verizon's direct panel testimony at page 151.

A12. Please provide the year 2000 Lucent purchasing data used to develop the "overall effective discount" referred to at page 151 of Verizon's direct panel testimony.

A13. Please provide the year 2000 Nortel purchasing data referenced on page 152-153 of Verizon's direct panel testimony.

A14. Please state what percent of the Lucent purchases reflected in "the Lucent actual purchase data" discussed at page 152 of Verizon's direct panel testimony were associated with upgrade equipment.

A15. Please explain how Verizon determined that the quantities of Lucent equipment purchased in 2000 were representative of what would be purchased in the future. *See* Verizon's direct panel testimony at page 152.

A16. Please explain the contractual negotiating process that resulted in Verizon providing estimates of equipment quantities to be included in the Nortel Attachment "C", as discussed at pages 152-153 of Verizon's direct panel testimony. Please provide the basic assumptions of growth and switch upgrade requirements that Verizon used to develop these equipment quantities.

A17. Please explain whether the year 2000 switch purchases from Lucent, discussed at page 152 of Verizon's direct panel testimony, included every component that would be required to engineer, build and purchase a switch from scratch.

A18. Please explain whether the Verizon engineers' estimates of purchases from Nortel, discussed at pages 152-153 of Verizon's direct panel testimony, include every component that would be required to engineer, build and purchase a switch from scratch.

A19. Verizon asserts, at page 155 of its direct panel testimony, that "[t]he typical trunk addition provides for approximately 10 percent added capacity." Please explain whether Verizon purchases all the DS1 trunk plug-ins required for the ten percent typical trunk addition at the time of the addition, or whether the plug-ins are purchased on some other schedule. Please identify how often a trunk addition is required, on average.

A20. At page 155 of the direct panel testimony, Verizon states that "[t]he same utilization for Digital Loop Carrier lines at the RT was used for the switch digital line ports." Please explain why.

A21. Please explain why the utilization of analog line ports is set at 93 percent. *See* Verizon's direct panel testimony at 156.

A22. Please explain why DLC line ports have a lower utilization than analog line ports. *See* Verizon's direct panel testimony at 155-156.

A23. Please define "designed busy-hour minutes of use capacity" (*cf.* page 157 of Verizon's direct panel testimony) and explain why trunk port minutes of use was calculated using designed busy-hour minutes of use capacity.

A24. Please define busy hour total switch MOU capacity at the planning cycle midpoint (pg. 158 Panel Testimony) and explain why it was used to convert material investment to an MOU basis. Please contrast and compare to the methodology used to convert trunk material investment to an MOU basis.

A25. Please provide supporting documentation for the busy hour to any hour of the day conversion factor. *See* Verizon's direct panel testimony at 159.

A26. Please provide supporting documentation for the non conversation time factor. *See* Verizon's direct panel testimony at 159-160.

Please explain whether any combination local/tandem switches are currently deployed in MA. If so, please provide a list of CLLIs and the manufacturer of each combination switch. For each combination switch, please provide the number of subscriber lines per switch, the number of local trunks and the number of tandem trunks per switch.

Respectfully submitted,

AT&T COMMUNICATIONS OF NEW ENGLAND, INC.

By its attorneys,

_____

Jeffrey F. Jones

Kenneth W. Salinger

Jay E. Gruber

Emily R. Donovan

Kevin R. Prendergast

Palmer & Dodge LLP

One Beacon Street

Boston, MA 02118

(617) 573-0100

May 11, 2001

CERTIFICATE OF SERVICE

I hereby certify that I caused a true copy of the above document to be served upon the attorney of record for each other party by hand or mail on May 11, 2001.

_____