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September 14, 2010

Via Email and U.S. Mail

Eric J. Krathwohl, Esq.
Rich May
176 Federal Street
Boston, MA 02110

Re: D.T.C. 10-2 - Petition of Choice One Communications of Massachusetts, Inc., Conversent Communications Massachusetts, LLC, CTC Communications and Lightship Telecom, LLC for Exemption from Price Cap on Intrastate Switched Access Rates as Established in DTC 07-9

Dear Mr. Krathwohl:

Attached is the CORRECTED public version of AT&T's First Set of Information Requests to One Communications in the above-referenced proceeding. Kindly replace the version circulated yesterday with the corrected version attached. AT&T apologizes for any confusion caused by this request.

Thank you.

Sincerely,


Mary E. Burgess

Attachment

cc: Lindsay DeRoach, Esq., Hearing Officer

Service List

**COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF
TELECOMMUNICATIONS AND CABLE D.T.C 10-2**

General Note for all data requests: Any references to OneComm are to be interpreted to include One Communications or any of its affiliates.

AT&T- OneComm- 1-1

Regarding the origination and termination of landline toll traffic by OneComm:

- (a) Does the functionality OneComm in MA uses to provide interstate originating and terminating switched access service materially differ from the functionality OneComm in MA uses to provide intrastate originating and terminating switched access service? If the answer is anything other than an unqualified no, identify and describe each material difference in detail, and quantify the cost difference caused by each purported material difference.
- (b) Does the functionality OneComm in MA uses to provide terminating switched access services, either for interstate or intrastate landline toll calls, materially differ from the functionality OneComm in MA uses to provide local call termination for which either the FCC adopted reciprocal compensation charge or local interconnection charge applies? If the answer is anything other than an unqualified no, identify and describe each material difference in detail, and quantify the cost difference caused by each purported material difference.
- (c) Does the functionality OneComm in MA uses to provide terminating switched access services, either for interstate or intrastate calls, materially differ from the functionality OneComm in MA uses to terminate VOIP originated calls? If the answer is anything other than an unqualified no, identify and describe each material difference, and quantify the cost difference caused by each purported material difference.
- (d) Does the functionality OneComm in MA uses to provide terminating switched access services, either for interstate or intrastate landline calls, materially differ from the functionality OneComm uses to terminate intraMTA wireless calls? If the answer is anything other than an unqualified no, identify and describe each material difference, and quantify the cost difference caused by each purported material difference.

AT&T- OneComm- 1-2

For 2009, or the most recent full calendar year for which data are available, provide, and in (a) thru (d) specifically identify and group the revenues in a matrix by (1) type of provider (CLEC/ILEC, mobile wireless services provider, cable VoIP services provider, and non-cable VoIP services provider), and by (2) each tariffed rate element billed:

- (a) Total *intrastate, terminating* switched access revenues billed and MOUs;
- (b) Total *intrastate, originating* switched access revenues billed and MOUs;
- (c) Total *interstate, terminating* switched access revenues billed and MOUs;
- (d) Total *interstate, originating* switched access revenues billed and MOUs;
- (e) Please provide the work papers for the rate elements, volumes, revenues and associated calculations for (a) through (d) above in electronic/Excel format.

AT&T- OneComm- 1-3

For 2009, or the most recent full calendar year, for which data are available, provide the following:

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- (a) Volumes of intraMTA minutes terminated on behalf of all wireless carriers, and dollars billed for such terminating intraMTA minutes;
- (b) Volume of intrastate, interMTA minutes terminated, on behalf of wireless carriers, and dollars billed for such intrastate, interMTA minutes.
- (c) Volume of local minutes terminated and dollars billed for wireless traffic as reciprocal compensation for such traffic;
- (d) Volume of local minutes terminated, and dollars billed for non-wireless traffic as reciprocal compensation for such traffic;

AT&T- OneComm- 1-4

What rate(s) does OneComm charge for termination of intraMTA wireless calls? Provide the source showing the basis for each such rate(s).

AT&T- OneComm- 1-5

What efficiency or cost cutting measures has OneComm implemented in its network operations: a) during the pendency of the DTC rate cap case (i.e. Case No. D.T.C 07-9)? b) since the DTC's decision of June 2009 in Case No. D.T.C 07-9?

AT&T- OneComm- 1-6

Reference Dr. Ankum's direct, P.10 – discussion that Taxi Company A will always have lower cost than Company B if Company A is able to buy its taxis more cheaply than B. Please explain whether Company B will be able to assess and maintain higher fares than Company A, when Company A has taxis ready and available to transport passengers to the same destinations as Company B.

AT&T- OneComm- 1-7

Reference Dr. Ankum's direct, P.27, lines 7-18, are all of OneComm switched and non-switched services in MA measured in terms minutes of use? Please provide a list of all OneComm services and describe how they are measured, e.g. per MOU, per line, per DS0, DS1, per call, etc.

AT&T- OneComm- 1-8

With respect to Dr. Ankum's statement, on p. 38 of his direct testimony, that "Any assertions that a loop connection is established *only* because an end user customer orders 'local service' is wrong and inconsistent with industry practices"

- a) does OneComm or any of its affiliates offer long distance service as a stand-alone service in MA (i.e., not as part of a bundle or packaged with other services)?
- b) Identify all instances, including supporting documentation (ASR forms, LSR forms, etc.,) where end users have requested long distance service as a stand-alone service from OneComm or any of its affiliates in MA.
- c) Identify all instances, including supporting documentation (ASR forms, LSR forms, etc.,) that support Dr. Ankum's suggestion that OneComm end users in MA initially request long distance service before local service and that initial long distance request triggers the need to incur the cost of a loop.
- d) Identify the number of end-users who have requested long distance service as a stand-alone service from OneComm or any of its affiliates for 2005-2009 (by residence and business).

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AT&T- OneComm- 1-9

Does OneComm believe its data services use the loop? Please explain in detail how OneComm or QSI has allocated the cost of the loop to data services when demand associated with those services have been excluded from NUCA?

AT&T- OneComm- 1-10

For each state in which its intrastate switched access rates have been capped, please state whether:

- a) OneComm has filed a cost study with respect to its switched access services, and identify such states;
- b) The cost study was provided to the state commission as a cost justification for setting OneComm's intrastate switched access rates based upon OneComm's cost, and identify such states; and
- c) The state commission issued an order establishing intrastate access rates based upon OneComm's stated costs, and identify such states.
- d) Please provide any state commission orders identified in c. above.

AT&T- OneComm- 1-11

Please state whether OneComm's interstate forward-looking switched access costs are above its interstate switched access rates. If so, please describe in detail:

- a) All actions OneComm has taken to enable it to raise its interstate access rates, including all petitions, appeals or other actions filed or taken with the FCC or any court;
- b) Has the FCC accepted OneComm's cost study in any such appeal/petition and waived the interstate capping rules as a result of its review of OneComm specific costs?;
- c) If so, what interstate switched access rates did the FCC authorize?
- d) Please identify the FCC docket number and order issued by the FCC on such proceedings.
- e) Please state the date the OneComm interstate rates were first established and list the subsequent dates of any changes to the rates since then. If no subsequent changes, please state so.
- f) Identify how OneComm is covering any alleged shortfalls with respect to interstate switched access.
- g) Please state whether OneComm is using revenues from its intrastate switched access services to offset any alleged shortfall in (e) above associated with providing interstate switched access.

AT&T- OneComm- 1-12

Does OneComm contend that it is entitled to recover all of its costs for providing switched access, regardless of how high they may be? If not, what limiting factors are appropriate to apply to a review OneComm's switched access costs and rates?

AT&T- OneComm- 1-13

Reference Dr. Ankum's direct testimony, pp.20-21, concerning the standards for review of a cost study:

- a) Does Dr. Ankum contend that OneComm should be permitted to charge switched access rates that are established on the basis of costs that are other than economically efficient costs?
- b) If your answer is "yes" please explain why. If your answer is "no," what criteria does OneComm suggest should be used to define "economically efficient costs"?

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- c) If switched access service was competitive, would a new entrant with higher costs than the incumbent be able to charge and maintain higher prices if the incumbent did not raise its price above the pre-entry level?

AT&T- OneComm- 1-14

In an unregulated market in which no market power exists, does OneComm believe that a new entrant is guaranteed to recover all of its costs, even if pre-existing competitors' costs for comparable products or services are lower than the new entrants' costs?

- a) For example, if hardware store A has higher costs than hardware store B which is located immediately across the street (and which offers the same commodity items for sale), and store A seeks to recover its higher costs by charging higher prices than store B, is store A entitled to recover all its costs in its retail prices? Is it entitled to recover any of these costs in a manner other than in its retail prices to end user customers?
- b) If store A incurs a higher cost than store B to build the shelf where it places its laundry detergents, would store A be able to charge and maintain a higher price than store B for the laundry detergents in order for it to recover the cost of the shelf? Would store A be able to charge and maintain higher prices for its other commodity products in the store, in order to be able to recover the costs of that detergent shelf?
- c) Does store A have any right to government intervention that requires some customers to pay its higher "compensatory" rates? Does OneComm contend that there is any public policy that supports such a result? If so, please describe such a policy in detail and provide any academic support for this position.

AT&T- OneComm- 1-15

Please provide the total original purchase price for the last three 5ESS Hosts installed in One Communications territory (excluding Massachusetts). Please itemize each piece of equipment installed.

AT&T-OneComm- 1-16

Please provide the total purchase price for the last three 5ESS Host additional/growth installations in One Communications territory (excluding Massachusetts). Please itemize each piece of equipment installed.

AT&T-OneComm- 1-17

Please provide all supporting documentation and calculations that support FACR inputs.

AT&T-OneComm- 1-18

Please provide the calculated 5ESS replacement/new, growth mix for One Communications in Massachusetts. Also provide the calculated 5ESS replacement/new, growth mix for One Communications in all states were One Communications operates.

AT&T-OneComm- 1-19

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AT&T-OneComm- 1-20

AT&T-OneComm- 1-21

Does the Digital Electronic Switching Factor (E9) on the Meta Monthly Tab, One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls contain MetaSwitch data? If the answer is yes, please identify and separate the MetaSwitch data from the Digital Electronic Switching Factor.

AT&T-OneComm- 1-22

Please provide all supporting documentation and calculations that supports the DS3 equivalents (O33-O41) on the Switch Inventory Tab, One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls.

AT&T-OneComm- 1-23

Please describe in detail the MetaSwitch Annual Maintenance Factor . Provide all supporting documentation and calculations that support the MetaSwitch Annual Maintenance Factor .

AT&T-OneComm- 1-24

Please explain why the MetaSwitch Annual Maintenance Factor (E14) is included in addition to the Digital Electronic Switching- Operating Expense Factor (E9), Meta Monthly Tab, One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls.

AT&T-OneComm- 1-25

Please provide a separate Power and Common Factor for MetaSwitch equipment, Meta Unit Investment Tab (D14), One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls.

AT&T-OneComm- 1-26

Please provide a separate Telco Installation Factor for MetaSwitch equipment, Meta Unit Investment Tab (D14), One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls.

AT&T-OneComm- 1-27

Please provide all supporting documentation and work papers that support the quantity numbers (E12-E20), MALC Tab, One Communications NUCA - Network Element Database.xls.

Please also indicate if this is a Massachusetts specific input. If not please provide support for Massachusetts MALC quantity numbers.

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AT&T-OneComm- 1-28

Please provide support for the calculation in Cells F7 and F8 on the Meta Unit Investment Tab, One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls. Include all supporting documentation and work papers.

AT&T-OneComm- 1-29

Please provide all supporting documentation and calculations that support the Circuit Switched Ports and Soft Switch ports on the Switch Inventory Tab (O43-O44), One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls.

AT&T-OneComm- 1-30

Please describe in detail why all of One Communications Routers, Switches, SBCs and Other Devices were included in the total investment and not Massachusetts only investment- Routers Switches SBCs, One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls.

Please indicate all occurrences in the cost study and backup materials provided where One Communications used non-Massachusetts inputs. Provide the rationale for each occurrence for using non-Massachusetts inputs.

AT&T-OneComm- 1-31

Please provide supporting documentation to explain how the TPI was calculated, and explain why One Communications chose to apply a TPI to switching, signaling equipment (sans equipment installed 2000) when the obvious trend in the telecommunications industry is for lower switching prices?

AT&T-OneComm- 1-32

On the Switch Inventory Tab (Lines 33 and 35), One Communications NUCA - Trunk-to-Trunk Switching Module MA.xls, it shows that a 5ESS Switch and a MetaSwitch are located at the same address (1 Federal St. Building 111-3). Please verify if this is correct.

Please provide all supporting documentation including calculations and business case analysis that explains One Communications decision to place a MetaSwitch at the 1 Federal St. Building 111-3 address.

AT&T-OneComm- 1-33

If new/growth lines need to be added at the 1 Federal St. Building 111-3 address, to which switch would OneComm add the new lines?

AT&T-OneComm- 1-34

Please provide One Communication's future plans for Lucent 5ESS Switches in Massachusetts.

a) Please also provide One Communication's future plans for 5ESS switches in all of its states.

AT&T-OneComm- 1-35

**COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF
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Please provide One Communication's future plans for Metaswitch and Lucent LCS Switches in Massachusetts.

a) Please also provide One Communication's future plans for MetaSwitch and Lucent LCS switches in all of its states.

AT&T-OneComm- 1-36

Please explain in detail the functionality differences between a MetaSwitch and a Lucent 5ESS switch.

AT&T-OneComm- 1-37

Please explain why the Lucent LCS uses the same costs as a MetaSwitch.

AT&T-OneComm- 1-38

In Response 1-10 within the Responses of One Communications to Verizon's First Set of Information Requests, the following is provided:

It is important to note that the NUCA cost model platform has evolved over time with adjustments and refinements made to improve the accuracy and reliability of the cost calculations. Accordingly, changes recommended not only by Commissions or Commission Staff, but also by opposing parties such as AT&T, have been incorporated in the current version of NUCA developed for One Communications in an effort to produce the most reliable cost estimates possible.

Please identify, by name, each such recommended change, and the party that recommended it (e.g., Commission, Commission Staff, AT&T) that has been incorporated in the current version of NUCA.

AT&T-OneComm- 1-39

Within the last 12 months, QSI Consulting has provided testimony developing a certain CLEC's cost of switched access (Illinois Commerce Commission 09-0315, Direct Testimony of Michael Starkey, October 9, 2009) utilizing the NUCA model. As part of that public testimony, QSI President Mr. Starkey presented multiple "diagrams" that described "network architecture" and "distributed network design" ostensibly "because of the different network architectures employed by the two different types of companies...[CLECs and large ILECs]" (Starkey Direct at 6). Please provide comparable diagrams applicable to One Communications in Massachusetts. In the event there are no such diagrams, please affirm or deny that the referenced diagrams in Mr. Starkey's ICC 09-0315 testimony apply to One Communications in every substantive respect. In the event they do not, please explain each and every difference.

AT&T-OneComm- 1-40

Regarding the Collocation Inventory worksheet within NUCA's **Aggregation Module**, please define or describe each of the following column labels: "DSO CFA", "DSO Active" and "DSO Not Available". As part of your response, please differentiate how each column is unique from the other. As part of your response, please identify which, if any, of the three columns most closely represents DSO Installed amounts.

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AT&T-OneComm- 1-41

At pages 8-12 of his testimony, Dr. Ankum posits that CLEC costs tend to be higher than ILEC costs, and states that “[o]ur cost study quantifies the degree to which OneComm has higher costs.” Please provide any economic or industry research corroborating the specific “degree” aspect of this statement, wherein similar “degrees” of cost difference are quantified, meaningfully proportioned, or otherwise measured.

AT&T-OneComm- 1-42

At page 5 of his testimony, Mr. Webber states that “[t]he cost study specifically models One Communications’ Massachusetts network while at the same time recognizing the economies of scale and scope enjoyed by One Communications via its much larger, regional network.” Has One Communications calculated or otherwise measured the degree of difference were its Massachusetts operations not to enjoy such economies? If so, please provide such calculations or measurements.

AT&T-OneComm- 1-43

At pages 23-24 of his testimony, Dr. Ankum provides the distinction between “forward-looking incremental costs and TELRIC” in part by quoting the FCC’s Local Competition Order paragraph (678) that distinguishes TELRIC from TSLRIC. Dr. Ankum concludes that “NUCA employs not TELRIC but the more general forward-looking incremental cost methodology.” Admit or deny that “the more general forward-looking incremental cost methodology” is TSLRIC. If the response is anything but an unequivocal “Admit”, please provide the common, recognizable name or acronym of the referenced “cost methodology”.

AT&T-OneComm- 1-44

Admit or deny that an accurate description of the cost principle of the term “cost causation” is that any incurred costs at issue would be avoidable if the demand increment (i.e., as in total demand of a service, not a single next unit of output) does not occur.

AT&T-OneComm- 1-45

Admit or deny that neither shared nor common costs are TSLRIC costs per se.

AT&T-OneComm- 1-46

At footnote 16 of his testimony, Dr. Ankum states the following: “Strictly speaking, we are demonstrating that OneComm’s costs cannot be recouped by mirroring Verizon’s interstate switched access rates. We recognize that Verizon’s interstate switched access rates may not represent its costs.”

Please provide documentation to support the referenced statement.

Is the statement intended to imply that Verizon’s interstate switched access rates do not cover its switched access costs?

If answer to b) above is yes, is OneComm aware of any petition by Verizon to the FCC or any courts that its interstate switched access rates are not compensatory?

AT&T-OneComm- 1-47

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Please identify the total number of part-time and full time employees of One Communications nationally, and in Massachusetts, at the end of each calendar or fiscal year for the periods ending in 2007, 2008, and 2009.

AT&T-OneComm- 1-48

Please provide a copy of documents or reports that summarize or discuss One Communications' financial condition as of 12/31/08 and 12/31/09. Such documents or reports may include, but are not necessarily limited to, what had previously been provided to the Securities and Exchange Commission (e.g., 10K or 10Q) or any reports required by holders of One Communications debt.

AT&T-OneComm- 1-49

For the One Communications "switches currently utilized by the company as those switches [that] will be utilized by the company on a going forward-basis" (NUCA Trunk-to-Trunk Switching Module, Introduction-User Guide worksheet), please provide the following for each switch: a) capacity in minutes of use; b) capacity in line ports; c) capacity in trunks, or alternatively, the forward-looking line-to-trunk engineering ratio of each.

AT&T-OneComm- 1-50

What are the average annual minutes of use (MOU) One Communications experiences and/or expects on a DSO trunk-in-service basis?

AT&T-OneComm- 1-51

What are the Busy Hour traffic engineering guidelines of One Communications for the commonwealth of Massachusetts? Please provide any documentation that contains the engineering guidelines.

AT&T-OneComm- 1-52

Within the worksheet provided in Response 1-3 within the Responses of One Communications to Verizon's First Set of Information Requests, the column labeled "Type" includes indicators of both "SWITCH" and "SuperPOP". Please differentiate between the two with respect to: a) technology definition, b) cost treatment within NUCA, and c) capacity. As part of your response, please explain how a "SuperPOP" may or may not differ from a "POP" (Point of Presence).

AT&T-OneComm- 1-53

AT&T-OneComm- 1-54

At page 14 of his testimony, Mr. Fischer describes the One Communications' use of Verizon's approved weighted average cost of capital (as opposed to its own, higher weighted average cost of capital) on a proxy basis in the NUCA model as "a significant concession". Please provide a list of, or best attempt at describing, all other such concessions, significant or otherwise, "demonstrate[ing] the reasonableness of" the assumptions, inputs, and/or calculations used in the NUCA study.

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AT&T-OneComm- 1-55

Mr. Fischer's testimony at page 13 states the weighted average cost of capital approved for Verizon Massachusetts resulting from Verizon's 2001 UNE case. Please provide any and all subsequent weighted average cost of capital analyses conducted by Mr. Fischer in the intervening nine years pertaining to Verizon Massachusetts.

AT&T-OneComm- 1-56

Please provide the Highly Sensitive Proprietary Attachment One Communications provided in response to Verizon First Set of Information Requests 1-39.

AT&T-OneComm- 1-57

Please provide the precedent, necessary accounting reports, documents, or worksheets contributing to, or calculating, the ultimate, aggregate values displayed for One Communications' USOA accounts 6001 and 6611.

AT&T-OneComm- 1-58

Reference Dr. Ankum direct testimony, p. 1, please list all the "government agencies" for which QSI has provided consulting services.

AT&T-OneComm- 1-59

AT&T-OneComm- 1-60

Reference Dr. Ankum direct testimony, p. 10, regarding the purported cost advantages of the large companies cited, list all cost advantages OneComm enjoys. List all cost sources which QSI studied to determine whether OneComm enjoys any cost advantages.

AT&T-OneComm- 1-61

Reference Dr. Ankum direct testimony, p. 12, if CLEC (Competitive LECs) costs are higher than ILEC costs, how could such CLECs lower prices for consumers since their costs are higher?

AT&T-OneComm- 1-62

Reference Dr. Ankum direct testimony, p. 12, absent captive customers, can firms with materially higher costs, providing a commodity service, survive in a competitive market over the long term? If yes, explain how, and cite all know empirical examples.

AT&T-OneComm- 1-63

Reference Dr. Ankum direct testimony, p. 7, Dr Ankum describes his recommendation that the DTC approve an access rate for OneComm that is roughly six times higher than the rate being levied by VZ and all other CLECs in MA. Please fully describe how OneComm's provision of access to an IXC is six times more valuable to the IXC than the LEC's access service which was previously provided to IXCs for the same customer premise.

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AT&T-OneComm- 1-64

Reference Dr. Ankum direct testimony, p. 21, regarding the cite from the DTC Order on Motion for Reconsideration and Clarification, provide Dr. Ankum's understanding of the final term cited: "...and whether the results warrant an exemption."? Is it Dr. Ankum's understanding of this order cited in his testimony that even if the DTC found OneComm's costs to be prudent, justified industry standard and satisfy all criteria except "the results did not warrant an exemption" can the DTC deny the OneComm waiver?

AT&T-OneComm- 1-65

What is Dr Ankum's understanding of how OneComm recovers its higher access costs in each state where OneComm's rate is capped at the ILEC's rate?