

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-1

Please provide all documentation, memorandums, or studies created by AT&T Corp. for determining whether CLEC intrastate access charges in Massachusetts are reasonable.

RESPONSE:

This request calls for material protected by the attorney work product privilege. It is also overbroad in that it potentially brings within its scope a vast amount of material AT&T has developed in connection with its efforts to seek reform of the intercarrier compensation system, much of which already is available to the CLECs from the files of the FCC's intercarrier compensation reform proceeding.

In any event, the basis for AT&T's position that CLEC intrastate access charges in excess of the ILEC's switched access rates are not reasonable is set forth in its August 20th testimony and the responses to information requests in this docket.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-2 Please provide the proprietary Average Revenue Per Minute (ARPM) amount that Verizon calculated for AT&T (including all AT&T affiliates) in this docket.

RESPONSE: <BEGIN PROPRIETARY>
TCG:
AT&T:
<END PROPRIETARY>

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-3

Has AT&T performed any studies to determine AT&T's (including all AT&T affiliates) cost of providing intrastate switched access in Massachusetts? If the answer is anything other than an unequivocal "no," please provide all such studies including supporting documentation and work papers.

RESPONSE:

No. However, the Department has determined the forwarding looking costs of providing local switching service as part of its arbitrations and the results are reflected in reciprocal compensation rates adopted by the Department. Those rates are well below Verizon's current switched access rates.

Further, the CLECs in this case provide interstate switched access in Massachusetts for well less than a penny per minute – presumably if they had a confiscatory argument they would have taken the matter to the FCC or the courts. It is our understanding that none of them have done so.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
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DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-4 Has AT&T performed or reviewed any studies to determine any CLEC's cost of providing intrastate switched access in Massachusetts? If the answer is anything other than an unequivocal "no," please provide all such studies including supporting documentation and work papers as well as any analyses, discussion or commentary on such studies.

RESPONSE: No. CLECs have sponsored and submitted Massachusetts-specific cost studies in this case. QSI indicates it is experienced with cost studies, but did not submit one. *See* response to CLEC-ATT 1-3.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-5

Has AT&T performed or reviewed any studies pertaining to Verizon's cost of providing intrastate switched access in Massachusetts? If the answer is anything other than an unequivocal "no," please provide and/or identify all such studies including supporting documentation and work papers as well as any analyses, discussion or commentary on such studies.

RESPONSE:

See response to CLEC-ATT 1-3. Moreover, Verizon's intrastate rate equals its interstate rate, and Verizon's cost to provide a minute of access does not materially vary for intrastate or interstate. Verizon's interstate rates were set based on a cost study and then rebalanced in the FCC's CALLS order, and today's rates reflect that.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
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DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-6

At pages 3-4 of the Oyefusi/Nurse Testimony, it states: "Among other things, I am responsible for presenting AT&T's perspectives on a broad range of state legislative and regulatory matters, including legislative and regulatory initiatives to reform of inter-carrier compensation, commonly called access charges." Please admit or deny that the terms "inter-carrier compensation" and "access charges" are *not* synonymous. If your answer is anything other than an unequivocal "admit," please explain.

RESPONSE:

Intercarrier compensation refers to the various arrangements by which (voice) carriers interconnect to exchange traffic and compensate each other. Depending on the type of traffic and the jurisdiction of the traffic, the arrangements vary considerably from bill-and-keep arrangements for certain local interconnection, i.e. \$0.0007 a typical interconnection reciprocal compensation rate, roughly a half penny for interstate access charge – the same rate for intrastate access in progressive states like Massachusetts, and a nickel or more for intrastate access in unreformed states, or typically for smaller independents. The terms substantially overlap, and are often interchanged. The terms certainly refer to the same basic functionality.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
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DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-7

Please identify which questions in the Oyefusi/Nurse testimony were answered by Dr. Oyefusi and which questions were answered by Mr. Nurse. If the questions were answered by both Dr. Oyefusi and Mr. Nurse, please so state.

RESPONSE:

The questions were answered by both Dr. Oyefusi and Mr. Nurse.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-8

Please refer to page 4, lines 20-21 of the Oyefusi/Nurse testimony.
Please provide the "listings of the various proceedings in which I have
participated" referred to (including docket number and jurisdiction), and
admit or deny that the "I" refers to Mr. Nurse.

RESPONSE:

Admit. *See* attached Exhibit A to CLEC-ATT 1-8.

D.T.C. 07-9
CLEC-ATT 1-8 Exhibit A
September 11, 2008

**E. CHRISTOPHER NURSE
LIST OF TESTIMONIES**

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
PA	C-20027195	Access Complaint - AT&T Communications of Pennsylvania, LLC v Verizon North Inc. and Verizon Pennsylvania Inc	Direct Testimony with Oyefusi	06/08/2005
PA	C-20027195	Access Complaint - AT&T Communications of Pennsylvania, LLC v Verizon North Inc. and Verizon Pennsylvania Inc	Rebuttal Testimony with Oyefusi	06/29/2005
PA	C-20027195	Access Complaint - AT&T Communications of Pennsylvania, LLC v Verizon North Inc. and Verizon Pennsylvania Inc	Surrebuttal Testimony with Oyefusi	07/11/2005
PA	I-00030096	Generic Investigation in re: Impact On Local Carrier Compensation if A Competitive Local Exchange Carrier Defines Local Calling Areas Differently Than the Incumbent Local Exchange Carrier's Local Calling Areas but Consistent With Established Commission Precedent	Direct Testimony	04/14/2004
PA	I-00030099	Development of an Efficient Loop Migration Process	Direct with Kirchberger	01/09/2004
PA	R-00049524	Pennsylvania Public Utility Commission v. Verizon Pennsylvania Inc. Tariff No. 216 Revisions regarding Four Line Carve-Out	Rebuttal with Kirchberger	10/06/2004
PA	P-00021973	Petition of Verizon Pennsylvania Inc. for a Determination that its Provision of Business Telecommunications Services to Customers Generating Less Than \$10,000 in Annual Total Billed Revenue is a Competitive Service Under Chapter 30 of the Public Utility Code	Direct Testimony	09/09/2002
PA	P-00021973	Petition of Verizon Pennsylvania Inc. for a Determination that its Provision of Business Telecommunications Services	Rebuttal Testimony	10/18/2002

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		to Customers Generating Less Than \$10,000 in Annual Total Billed Revenue is a Competitive Service Under Chapter 30 of the Public Utility Code		
PA	P-00021973	Petition of Verizon Pennsylvania Inc. for a Determination that its Provision of Business Telecommunications Services to Customers Generating Less Than \$10,000 in Annual Total Billed Revenue is a Competitive Service Under Chapter 30 of the Public Utility Code	Surrebuttal Testimony	10/25/2002
PA	P-00981423	Petition of ALLTEL Pennsylvania, Inc. for Approval of an Alternative Form of Regulation and Network Modernization Plan	Direct Testimony	12/17/1998
PA	P-00981423	Petition of ALLTEL Pennsylvania, Inc. for Approval of an Alternative Form of Regulation and Network Modernization Plan	Surrebuttal Testimony	01/26/1999
PA	P-00981425	Biennial NMP Implementation Update Reports for all PA Rural Telecommunications Carriers and Verizon North Inc.	Surrebuttal Testimony	01/29/1999
PA	P-00991643	Joint Petition of NEXTLINK Pennsylvania, Inc., RCN Telecommunications Services of Pennsylvania, Inc., Hyperion Telecommunications, Inc., ATX Telecommunications, Focal Communications Corporation of Pennsylvania, Inc., CTSI, Inc., MCI Worldcom, e.Spire Communications, and AT&T Communications of Pennsylvania, Inc., for an Order Establishing a Formal Investigation of Performance Standards, Remedies, and Operations Support Systems Testing for Bell Atlantic-Pennsylvania, Inc.	Direct Testimony	06/08/1999

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
PA	P-00981449	Petition For Alternative Regulation and Network Modernization Plan of GTE North Incorporated	Direct Testimony	02/26/1999
PA	P-00981449	Petition For Alternative Regulation and Network Modernization Plan of GTE North Incorporated	Surrebuttal Testimony	04/07/1999
PA	P-00981410	Petition of the United Telephone of Pennsylvania for approval under Chapter 30 of the Public Utility Code of an Alternative Regulation and Network Modernization Plan	Direct Testimony	01/19/1999
PA	P-00991648	Joint Petition of Nextlink Pennsylvania, Inc., et al., for Adoption of Partial Settlement Resolving Pending Telecommunications Issues	Direct Testimony	04/22/1999
PA	P-00991649	Joint Petition of Bell Atlantic-Pennsylvania, Inc., et al., for Resolution of Global Telecommunications Proceedings	Direct Testimony	04/22/1999
PA	A-310200F0002	Joint Application of Bell Atlantic Corporation and GTE Corporation For Approval of Agreement and Plan of Merger	Direct Testimony	03/03/1999
PA	A-310200F0002	Joint Application of Bell Atlantic Corporation and GTE Corporation For Approval of Agreement and Plan of Merger	Surrebuttal Testimony	05/19/1999
PA	R-00994697	Verizon Pennsylvania, Inc. Revision to Tariff – Telephone Pa. P.U.C. No. 218 CLEC Collocated Interconnection Service	Rebuttal Testimony	12/21/1999
PA	P-00981423	Petition of ALLTEL Pennsylvania, Inc. for Approval of An Alternative Regulation and Network Modernization Plan	Direct Testimony	12/17/1998
PA	I-00960066	Generic Investigation of Intrastate Access Reform	Rebuttal Testimony	07/29/1997
NJ	TO06120841	In the Matter of the Board Investigation Regarding the Reclassification of Competitive Local Exchange Carrier (CLEC) Services as	Direct Testimony	01/09/2007

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		Competitive		
NJ	TO06120841	In the Matter of the Board Investigation Regarding the Reclassification of Competitive Local Exchange Carrier (CLEC) Services as Competitive	Rebuttal Testimony	02/20/2007
NJ	TX06030230	In the Matter of the Proposed Readoption and Expansion of the Board of Public Utilities' Rules Governing Telecommunications Services and Carriers, N.J.A.C. Chapter 14	Declaration	10//20/2006
NJ	TO99120934	In the Matter of the Application of Bell Atlantic-New Jersey, Inc. for Approval of a Modified Plan for an Alternative Form of Regulation and to Reclassify All Rate Regulated Services as Competitive Services	Testimony	08/09/2000
NJ	TO0309705	In the Matter of the Implementation of the Federal Communication Commission's Triennial Review Order	Direct Testimony with Kirchberger	02/02/2004
NJ	TO0309705	In the Matter of the Implementation of the Federal Communication Commission's Triennial Review Order	Testimony on Metrics	02/08/2004
NJ	TO0309705	In the Matter of the Implementation of the Federal Communication Commission's Triennial Review Order	Surrebuttal with Kirchberger	02/26/2004
NJ	TO01020095	In the Matter of the Application of Verizon New Jersey, Inc. for Approval of an Extension of its Plan for an Alternative Form of Regulation	Direct Supplemental Joint Testimony with Oyefusi	01/10/2004
NJ	TO01020095	In the Matter of the Application of Verizon New Jersey, Inc. for Approval of an Extension of its Plan for an Alternative Form of Regulation	Reply Testimony	05/15/2004
NJ	TO01090541	In the Matter of the Consultative Report on the Application of Verizon New Jersey Inc for FCC Authorization to Provide In-Region IntraLATA Service in New Jersey	Declaration with Fawzi and Kirchberger	10/19/2001
NJ	TO01090541	In the Matter of the Consultative Report on the Application of Verizon New Jersey Inc for FCC Authorization to Provide In-Region IntraLATA	Declaration	10/19/2001

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		Service in New Jersey		
NJ	TO00110893	AT&T-Verizon 2001 Arbitration of Interconnection	Direct Panel with Kirchberger, Talbott & Schell	02/25/2003
NJ	TO00110893	AT&T-Verizon 2001 Arbitration of Interconnection	Rebuttal Panel with Kirchberger, Talbott & Schell	03/18/2003
NJ	TO00060356	In the Matter of the Board's Review of Unbundled Network Element Rates Terms and Conditions of Bell-Atlantic New Jersey, Inc.	Testimony	07/18/2000
NJ	TO00060356	In the Matter of the Board's Review of Unbundled Network Element Rates Terms and Conditions of Bell-Atlantic New Jersey, Inc.	Rebuttal Testimony	10/12/2000
MD	8882	In the Matter of the Petition of AT&T Communications of Maryland, Inc. for Arbitration Pursuant to 47 U.S.C. §252 (b) Concerning Interconnection Rates, Terms and Conditions	Panel Direct with Kirchberger, Schell & Talbott	03/03/2003
MD	8882	In the Matter of the Petition of AT&T Communications of Maryland, Inc. for Arbitration Pursuant to 47 U.S.C. §252 (b) Concerning Interconnection Rates, Terms and Conditions	Panel Rebuttal with Kirchberger, Schell & Talbott	05/16/2003
MD	8918	In the Matter of the Review of Verizon Maryland Inc.'s Price Cap Regulatory Plan	Direct with Kirchberger	08/02/2002
MD	8918	In the Matter of the Review of Verizon Maryland Inc.'s Price Cap Regulatory Plan	Rebuttal with Kirchberger	10/13/2002
MD	8918	In the Matter of the Review of Verizon Maryland Inc.'s Price Cap Regulatory Plan	Surrebuttal with Kirchberger	10/25/2002
MD	8921	In the Matter of the Review by the Commission Into Verizon Maryland Inc.'s Compliance with the Conditions of 47 U.S.C. §271	Declaration with Kirchberger	07/15/2002
MD	8921	In the Matter of the Review by the Commission Into Verizon Maryland Inc.'s Compliance with the Conditions of 47 U.S.C. §271	Phase B Declaration with Kirchberger	10/10/2002
MD	8983	In the Matter of the Implementation of the Federal Communication	Direct with Kirchberger	01/26/2004

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		Commisison's Triennial Review Order		
MD	8983	In the Matter of the Implementation of the Federal Communication Commisison's Triennial Review Order	Rebuttal with Kirchberger	03/05/2004
MD	8988	In the Matter of the Approval of a Batch Cut Migration Process for Verizon Maryland Inc. Pursuant to the Federal Communication Commission's Triennial Review Order	Testimony	02/11/ 2004
MD	8988	In the Matter of the Approval of a Batch Cut Migration Process for Verizon Maryland Inc. Pursuant to the Federal Communication Commission's Triennial Review Order	Panel Testimony with Kahn, Walsh & Kirchberger	02/11/2004
MD	8988	In the Matter of the Approval of a Batch Cut Migration Process for Verizon Maryland Inc. Pursuant to the Federal Communication Commission's Triennial Review Order	Testimony with Kirchberger	02/11/2004
DC	962	In the Matter of the Implementation of the District of Columbia's Telecommunications Act of 1996 and Implementation of The Telecommunications Act of 1996	Direct Panel with Oyefusi & Kirchberger	10/09/2001
DC	962	In the Matter of the Implementation of the District of Columbia's Telecommunications Act of 1996 and Implementation of The Telecommunications Act of 1996	Surrebuttal Panel with Oyefusi & Kirchberger	04/22/2002
DC	1011	In the Matter of Verizon Washington, DC Inc.'s Compliance with the Conditions Established in Section 271 of The Federal Telecommunications Act of 1996	Declaration with Kirchberger	09/30/2002
DC	1011	In the Matter of Verizon Washington, DC Inc.'s Compliance with the Conditions Established in Section 271 of The Federal Telecommunications Act of 1996	Declaration (OSS) with Kirchberger	09/30/2002
DC	1024	In the Matter of the Implementation of the Triennial Review Order in the District of Columbia	Direct Testimony with Kirchberger	01/12/2004
DE	02-001	In the Matter of the Inquiry Into Verizon Delaware Inc.'s Compliance	Declaration	04/08/2002

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		With the Conditions Set Forth in 47 U.S.C. Section 271		
DE	02-001	In the Matter of the Inquiry Into Verizon Delaware Inc.'s Compliance With the Conditions Set Forth in 47 U.S.C. Section 271	Supplemental Declaration	04/11/2002
DE	99-251	In the Matter of the Application of Bell Atlantic-Delaware, Inc. for Approval of CLEC Collocation Interconnection Services	Direct Testimony	01/14/2000
DE	99-251	In the Matter of the Application of Bell Atlantic-Delaware, Inc. for Approval of CLEC Collocation Interconnection Services	Surrebuttal Testimony	03/31/2000
DE	03-446	In the Matter of The Consideration of the Triennial Review Order of the Federal Communications Commission Related to Access to Unbundled Network Elements	Direct Testimony with Kirchberger	02/11/2004
VA	PUC-2002-00046	In the Matter of Verizon Virginia Inc's compliance with the conditions set forth in 47 U.S.C. §271 (c)	Declaration with Kamal & Kirchberger	05/03/2002
VA	PUC-2002-00088	Petition of Cavalier Telephone, LLC For Injunction Against Verizon Virginia Inc. for Violations of Interconnection Agreement and for Expedited Relief to Order Verizon to Provision Unbundled Network Elements in Accordance With the Telecommunications Act of 1996	Direct Testimony with Kirchberger	04/25/2003
VA	PUC-2002-00088	Petition of Cavalier Telephone, LLC For Injunction Against Verizon Virginia Inc. for Violations of Interconnection Agreement and for Expedited Relief to Order Verizon to Provision Unbundled Network Elements in Accordance With the Telecommunications Act of 1996	Rebuttal Testimony with Kirchbereger & Oyefusi	06/02/2003
WV	02-0809-T-P	Verizon West Virginia Inc. Petition in the matter of Verizon west Virginia Inc.'s Compliance with conditions set forth in 47 U.S.C. §271 (c)	Declaration with Kirchberger	10/28/2002
WV	02-0809-T-P	Verizon West Virginia Inc. Petition in	Declaration (OSS) with	10/28/2002

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		the matter of Verizon west Virginia Inc.'s Compliance with conditions set forth in 47 U.S.C. §271 (c)	Kirchberger	
WV	02-0809-T-P	Verizon West Virginia Inc. Petition in the matter of Verizon west Virginia Inc.'s Compliance with conditions set forth in 47 U.S.C. §271 (c)	Declaration (UNEs) with Kirchberger	10/28/2002
FCC	00-251	Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc	Direct Testimony	07/31/2001
FCC	00-251	Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc	Rebuttal Testimony	08/17/2001
FCC	00-251	Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc	Direct Testimony with Kalb	11/09/2001
FCC	00-251	Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc	Rebuttal Testimony with Kalb	11/20/2001
NY	02-C-1425	Proceeding on Motion of the Commission to Examine the Process and Related Costs of Performing Loop Migrations on a More Streamlined Basis	Direct Testimony	02/27/2002
MA	98-57	Investigation by the Department on its own motion as to the propriety of the rates and charges set forth in the following tariffs: M.D.T.E. Nos. 14	Direct Testimony	11/01/2000

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
		and 17, filed with the Department on December 11, 1998, to become effective January 10, 1999, by New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts		
MA	02-8	Investigation by the Department of Telecommunications and Energy On Its Own Motion, Pursuant to G.L. c. 159 §§12 and 16 Into The Collocation Security Policies of Verizon New England, Inc. d/b/a Verizon Massachusetts	Rebuttal Testimony	05/15/2002
CT	03-02-17	Application of the Southern New England Telephone Company to Approval to Reclassify Certain Private Line Services from the Non-Competitive to Competitive Category	Direct Testimony	05/09/2003
FL	040156-TP	Petition for arbitration of amendment to interconnection agreements with certain competitive local exchange carriers and commercial mobile radio service providers in Florida by Verizon Florida Inc.	Direct Testimony	02/25/2005
FL	040156-TP	Petition for arbitration of amendment to interconnection agreements with certain competitive local exchange carriers and commercial mobile radio service providers in Florida by Verizon Florida Inc.	Rebuttal Testimony	03/25/2005
GA	19393-U	In re: Generic Proceeding to Examine Local Exchange Carriers' Policies Pertaining to Digital Subscriber Line Service	Direct Testimony	11/19/ 2004
GA	19393-U	In re: Generic Proceeding to Examine Local Exchange Carriers' Policies Pertaining to Digital Subscriber Line Service	Rebuttal Testimony	01/10/2005
OK	PUD 200400493	Petition for Arbitration to determine the terms for Interconnection Agreement between SBC Oklahoma and AT&T Communications of the Southwest, Inc. and TC Systems, Inc.	Direct Testimony	02/18/2005
KS	05-AT&T-366-	In the Matter of the Application of	Direct Testimony	02/24/2005

Testimony of E. Christopher Nurse

ST	Docket No.	Docket Name	Testimony	Date
	ARB	AT&T Communications of Southwest, Inc. and TCG Kansas City Inc. for Compulsory Arbitration of Unresolved Issues with SBC Kansas Pursuant to Section 252(b) of the Telecommunications Act of 1996		
NH	DR 94-305		Hearing Testimony	02/14/1995
VT	7316	Investigation into Regulation of Voice over Internet Protocol ("VOIP") services	Pre-filed Testimony	04/07/08

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Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-9

Please provide a listing of all proceedings in which Dr. Oyefusi has testified, including docket number and jurisdiction.

RESPONSE:

See attached Exhibit A to CLEC-ATT 1-9.

D.T.C. 07-9
CLEC-ATT 1-9 Exhibit A
September 11, 2008

DR. OLA OYEFUSI
LIST OF TESTIMONIES

Exhibit to CLEC-ATT 1-9
List of Testimonies for Dr. Ola Oyefusi

State	Docket No.	Subject	Date
Virginia	Case No. PUC-2007-00108	Petition of Sprint Nextel for reductions in the intrastate carrier access rates of Central Telephone Company of Virginia and United Telephone-Southeast, Inc.	August 1, 2008
New Hampshire	DT 06-067	Bayring Petition into investigation of Verizon New Hampshire's practice of imposing access charges, including carrier common line, on calls which originate from Bayring's network and terminate on wireless carriers' networks.	March 9, 2007 & April 20, 2007
New Jersey	TT 04060442	Application of Verizon New Jersey, Inc. for a Revision of Tariff B.P.U.- N.J. No. 2, providing for a Revenue Neutral Rate Restructure Including a Restructure of Residence and Business Basic Exchange Service and Elimination of \$.65 Monthly Credit	January 18, 2005 (Rebuttal)
New Jersey	TO 01020095	Application of Verizon New Jersey for approval (i) of a new alternative regulation plan, (ii) to reclassify multi-line regulated business as competitive services.	January 9, 2005 (Direct) & February 4, 2005 (Rebuttal)
Pennsylvania	C-20027195	Remand of Verizon access reduction proceeding	June 29, 2005
Pennsylvania	R-00049812	Verizon Pennsylvania Inc.'s Petition for Expedited Adoption of an Interim Rate Pending Determination of Final Rates for Time and Material	November 15, 2004 (Direct) & December 7, 2004 (Rebuttal)
Pennsylvania	C-20027195	Investigation into VZ access rates	July 18, 2003
Virginia	PUC-2002-00088	Petition of Cavalier Telephone LLC for injunction against Verizon Virginia Inc. for Violations of interconnection agreement and for expedited relief to order Verizon to provision Unbundled Network Elements in accordance with the Telecommunications Act of 1996	June 2, 2003
Delaware	96-324, Phase II	In the matter of the application of Verizon Delaware Inc. for approval of its Statement of Terms and Conditions under section 252(f) of the Telecommunications Act of 1996 and code of conduct	September 14, 2001

District of Columbia	Formal Case No. 962	In the Matter of the Implementation of the District of Columbia Telecommunications Act of 1996 and Implementation of the Telecommunications Act of 1996	October 9, 2001
DC	Formal Case No. 814, Phase IV	rate design for telecommunications services, development of productivity measurements under a price cap plan, use of incremental cost as a price floor for competitive telecommunications services, criteria for determining competitive telecommunications services, critique of the alternative incentive regulation adopted in Phase III, and classification of telecommunications services	July 1, 1995
DC	Formal Case No. 920	telecommunications needs of residents, business community and government entities in the District of Columbia, introduction of new telecommunications services in the District of Columbia, and mechanisms for reviewing and monitoring Bell Atlantic's construction plans and budget	March 18, 1994
DC	Formal Case No. 926	rate design and determination of total factor productivity	July 30, 1993
DC	Formal Case No. 814, Phase III	market structure, determination of market share, pricing flexibility, and significance of economies of scale and economies of scope	October 13, 1992
DC	Formal Case No. 912	rate structure, pricing information and energy conservation	April 3, 1992

I testified on AT&T's behalf in a 2007 New Hampshire proceeding involving Verizon's inappropriate assessment of CCL charges for traffic terminating to wireless carriers, Docket No. DT 06-067. I was an AT&T witness in a 2005 proceeding before the New Jersey Board of Public Utilities addressing a Verizon rate restructuring proposal, Docket No. TT04060442. I submitted joint testimony in the New Jersey Board's investigation of Verizon's request to reclassify two- to four-line small business services, Docket No. TO 01020095. In Pennsylvania, in 2005 I filed testimony in an access proceeding (Docket No. C-20027195 Remand), in 2004 I testified regarding Verizon Pennsylvania Inc.'s Petition seeking rates for time and Material services, and in 2003 was an AT&T witness addressing Verizon's intrastate access rates. Also in 2003, I provided written and oral testimony to this Commission concerning Verizon's policies regarding high capacity loops. I filed direct testimony on recurring cost issues in a 2001 UNE costing proceeding before the Delaware Public Service Commission. I also submitted testimony in a UNE costing proceeding pending before the District of Columbia Public Service Commission.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
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DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-10

Please refer to page 6, lines 3-10 of the Oyefusi/Nurse Testimony where AT&T explains that AT&T will reduce and restructure its CLEC access rates in Massachusetts if the Department adopts Verizon's proposal. Please admit or deny that AT&T will *not* reduce its CLEC access charges in Massachusetts if the Department does *not* adopt Verizon's proposal in this proceeding. If the answer is anything other than an unequivocal "admit," please explain.

RESPONSE:

AT&T will comply with any requirements adopted by the DTC in this docket. Since those requirements are not presently known, AT&T cannot admit or deny.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
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PROPOUNDED: September 3, 2008

CLEC-ATT 1-11

Please refer to Exhibit A to the Oyefusi/Nurse Testimony which is described by AT&T as a list of those states that have capped CLEC switched access prices (Oyefusi/Nurse Testimony, p. 19, lines 18-21). Please admit or deny that AT&T (including its affiliates) has *not* flowed through any savings it has achieved due to reduced CLEC access charges in these states to the end user customers of AT&T's IXC affiliate(s). If the answer is anything other than an unequivocal "admit," please provide full details of such flow through, including the state in which the flow through occurred, the tariff rate elements adjusted, and any relevant tariff pages both before and subsequent to the flow through adjustments.

RESPONSE: Denied. *See* response to DTC-ATT 1-3.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-12 Please provide AT&T's (including all affiliates) intrastate access revenues in Massachusetts by month for the previous five year period.

RESPONSE: AT&T is currently compiling the necessary information to respond to this request and will provide as soon as possible.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-13 Has AT&T performed any studies to forecast the impact on AT&T's (including affiliates) intrastate switched access revenues from Verizon's proposed rate cap in Massachusetts? If so, please provide all such studies, including supporting workpapers and assumptions.

RESPONSE: Yes, *see* Exhibit A to CLEC-ATT 1-13 and response to DTC-ATT 1-7.

D.T.C. 07-9
CLEC-ATT 1-13 Exhibit A
September 11, 2008

**FORECASTED IMPACT ON AT&T/TCG INTRASTATE SWITCHED
ACCESS REVENUES FROM VERIZON'S PROPOSED RATE CAP**

***** PROPRIETARY INFORMATION *****

**THE INFORMATION CONTAINED HEREIN IS SUBJECT TO
NON-DISCLOSURE AGREEMENTS AND A PENDING MOTION FOR
PROTECTIVE ORDER FILED UNDER SEPARATE COVER**

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-14

Please refer to page 8, lines 14-15 of the Oyefusi/Nurse Testimony that states: "In most cases, however, CLECs have unilaterally established their rates for switched access services simply by filing a tariff."

- a. Please explain what is meant by "In most cases..." For instance, please identify examples, if any, in which a CLEC has established rates for switched access services in Massachusetts without filing a tariff.
- b. Please define the term "unilaterally" as it is used in the above quoted testimony.

RESPONSE:

- a. The term "in most cases" is intended to allow for the possibility that a rate could be established by the Department and not unilaterally by the CLEC, if the rate were challenged.
- b. The term "unilaterally" is intended to mean that no other party has a role in determining the rate.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-15

Please refer to page 8, lines 17-18 of the Oyefusi/Nurse Testimony which states: "These CLEC access rates have been unconstrained by either competitive retail market conditions or regulation."

- a. Please provide all support for this statement. A complete response will include all quantitative and qualitative analyses reviewed or performed by Dr. Oyefusi or Mr. Nurse to support this statement.
- b. Please define the term "unconstrained" as it is used on page 8.
- c. Please identify the "competitive retail market conditions" that, according to the above quote, are lacking with regard to CLEC access rates and that, if present, would constrain CLEC access rates.
- d. Is this testimony meant to suggest that CLECs do not face competition in the telecommunications retail markets in which they operate? Please explain. A complete response will identify all retail markets in which CLECs operate and in which they do not, in AT&T's estimation, face competition.
- e. If the answer to subpart (d) above is yes, please identify all barriers that exist that prevents AT&T from providing competition to the CLECs in retail markets.
- f. Please admit or deny the following statement: "No regulation whatsoever applies to CLEC intrastate switched access rates in Massachusetts." Unless the answer is anything other than unequivocal "admit," please identify the regulation(s) that do(es) apply to CLEC intrastate switched access rates in Massachusetts.
- g. Please admit or deny whether or not CLEC access rates must be filed with the Department in an approved tariff.
- h. Please admit or deny whether or not any CLEC access tariff filing has been rejected by the Department within the last two (2) years. If any has been rejected, please provide full details.
- i. Please admit or deny that CLECs are classified as non-dominant carriers in Massachusetts. If the answer is anything other than an unequivocal "admit," please explain.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

CLEC-ATT 1-15
(Cont'd)

RESPONSE:

- a. *See* Exhibit A to CLEC-ATT 1-15(a). *See also* response to DTC-ATT 1-1, 1-2.
- b. The context within which the word “unconstrained” is used is explained at Page 8, lines 13-18. *See also* Page 9 – Page 12 for our explanation why market forces cannot constrain CLEC rates.
- c. *See* (b) above
- d. This statement is not meant to suggest that retail markets are not competitive. On the contrary, it states that the competitive conditions that discipline rates in retail markets do not exist for switched access and, thus, do not constrain rates charged by Massachusetts CLECs in the switched access market.
- e. N/A. *See* (d) above.
- f. In the referenced statement, we emphasize that CLECs in Massachusetts have regulatory flexibility. The Department has presumed that the market will discipline CLEC retail prices sufficiently to meet the statutory requirement of “reasonableness” without further regulation. Because this presumption does not apply to the switched access market, CLECs are able to set their intrastate access rates at any level they choose.
- g. Where switched access service is offered on a common carriage basis it must be tariffed.
- h. The information requested is a matter of public record and AT&T has no obligation to conduct research of the public record for other parties in this case.
- i. This request calls for a legal opinion. The nature and extent of the Department’s classifications, as well as any exceptions thereto are a matter of law to be briefed, not a matter of fact to be admitted or denied.

D.T.C. 07-9
CLEC-ATT 1-15(a) Exhibit A
September 11, 2008

**COMPARISON OF SWITCHED ACCESS RATES
CHARGED BY LECs IN MASSACHUSETTS**

Exhibit to CLEC-AT&T 1-15(a)														
Comparison of Switched Access Rates Charged by LECs in Massachusetts														
Massachusetts CLEC	O-CCL per mou	T-CCL per mou	Common Muxing	tandem switching per mou	Common Trunk Port	Local transport facility per mou per min	Local transport termination per mou	Interconnection charge per mou	Orig. Local switching per mou	Term. Local switching per mou	Information per mou	AMOU		
												Originating	Terminating	Blended AMOU
Matrix Telecom dba Trinsic Communications									\$ 0.026870	\$ 0.026870		\$ 0.026870	\$ 0.026870	\$ 0.026870
Broadwing Communications									\$ 0.013436	\$ 0.041676		\$ 0.013436	\$ 0.041676	\$ 0.027556
Prattco Communications (Direct Access)					\$ 0.003364	\$ 0.000044	\$ 0.000219		\$ 0.025280	\$ 0.025280		\$ 0.025304	\$ 0.025304	\$ 0.025304
Prattco Communications (Indirect)							\$ 0.000219		\$ 0.025280	\$ 0.025280		\$ 0.027556	\$ 0.027556	\$ 0.027556
Consistent Communications									\$ 0.055900	\$ 0.055900		\$ 0.055900	\$ 0.055900	\$ 0.055900
Choice One (peak)	\$0.000246					\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.002757	\$ 0.003314		\$ 0.005989	\$ 0.003406	\$ 0.055000
Choice One (off peak)	\$0.000246					\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.002757	\$ 0.003314		\$ 0.005989	\$ 0.003406	\$ 0.055000
Metropolitan Telecommunications of MA		\$ 0.028243				\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.002757	\$ 0.003314		\$ 0.005989	\$ 0.003406	\$ 0.055000
CTC Communications (Peak)						\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.002757	\$ 0.003314		\$ 0.005989	\$ 0.003406	\$ 0.055000
CTC Communications (Off Peak)		\$ 0.028243				\$ -	\$ 0.006443	\$ -	\$ 0.002797	\$ 0.003329		\$ 0.005989	\$ 0.003421	\$ 0.020155
XO of MA						\$ -	\$ -	\$ -	\$ 0.00314	\$ 0.003096		\$ 0.00314	\$ 0.003096	\$ 0.00314
Bullseye Telecom, Inc.						\$ -	\$ -	\$ -	\$ 0.00314	\$ 0.003096		\$ 0.00314	\$ 0.003096	\$ 0.00314
Lightship Telecom						\$ 0.000189	\$ 0.000933	\$ 0.012332	\$ 0.001000	\$ 0.041000		\$ 0.004066	\$ 0.032618	\$ 0.018352
Comcast Phone	\$ 0.010000	\$ 0.011400				\$ 0.000189	\$ 0.000933	\$ 0.012332	\$ 0.001000	\$ 0.041000		\$ 0.004066	\$ 0.032618	\$ 0.018352
McI Metro	\$ -	\$ -			\$ 0.001598	\$ 0.000030	\$ -	\$ -	\$ 0.002124	\$ 0.002124		\$ 0.0049223	\$ 0.05623	\$ 0.049823
Richmond Communications						\$ 0.000189	\$ 0.000933	\$ 0.012515	\$ 0.0016061	\$ 0.044234		\$ 0.016061	\$ 0.044234	\$ 0.044234
Spirit Communications	\$0.003507	\$ 0.013300				\$ 0.000189	\$ 0.000933	\$ 0.012515	\$ 0.0016061	\$ 0.044234		\$ 0.016061	\$ 0.044234	\$ 0.044234
Freedom Ring Communications						\$ 0.000030	\$ -	\$ -	\$ 0.0032531	\$ 0.023531		\$ 0.047473	\$ 0.050773	\$ 0.047473
DSCT Corporation	\$ -	\$ -			\$ 0.001068	\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.0034200	\$ 0.034200		\$ 0.034200	\$ 0.034200	\$ 0.034200
Charter Fiberlink	\$ -	\$ -			\$ 0.000246	\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.0034200	\$ 0.034200		\$ 0.034200	\$ 0.034200	\$ 0.034200
Level 3	\$ -	\$ -			\$ -	\$ 0.001598	\$ -	\$ -	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
Ymax Communications	\$ -	\$ -			\$ -	\$ 0.001598	\$ -	\$ -	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
Cleartel Telecommunications, Inc.						\$ 0.000030	\$ -	\$ -	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
First Communications						\$ 0.000030	\$ -	\$ -	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
TCG (Peak)						\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
TCG (Off Peak)						\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
AT&T (CLEC)						\$ 0.000094	\$ 0.003310	\$ 0.002193	\$ 0.003396	\$ 0.003396		\$ 0.003396	\$ 0.003396	\$ 0.003396
CLEC Average						\$ 0.000099	\$ 0.003147	\$ 0.004982	\$ 0.004982	\$ 0.033630		\$ 0.004982	\$ 0.033630	\$ 0.004982
Verizon	\$0.01068	\$ 0.011598			\$ 0.000030	\$ -	\$ -	\$ 0.002124	\$ 0.002124	\$ 0.002124		\$ 0.003996	\$ 0.003996	\$ 0.003996

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-16

Please refer to page 9, lines 18-20 where it states: "That is, the CLEC actually has an incentive to exploit its control over the connection to the called end-user and instead *increase* its terminating access rates to the highest levels it can."

- a. Please define the upper limit on CLEC terminating access rates above which a Massachusetts CLEC cannot increase its terminating intrastate switched access rates.
- b. Is this testimony meant to suggest that every CLEC in Massachusetts has increased "its terminating access rates to the highest levels it can." If the answer is anything other than an unequivocal "yes," please explain.
- c. Have the AT&T CLEC affiliates done this in Massachusetts? If the answer is anything other than an unequivocal "yes", please explain.
- d. Given the statement at page 9, lines 18-20, if there is no constraint for CLEC rates, why are CLEC tariff access rates not well in excess of current rates if such rates are unconstrained? For example, why have CLECs in Massachusetts not raised their intrastate access rates to the level that Richmond Telephone charges (see, page 6 of Mr. Dullaghan's testimony which states that Richmond Telephone's composite access rate in Massachusetts is \$0.07275 per minute of use)?

RESPONSE:

- a. In a competitive market, the upper limit for CLEC rates should be at the level the CLEC's customer (i.e. IXCs) would want to choose an alternative. Unfortunately, the IXCs cannot choose to reject the CLECs because of the reasons we explained on Page 9 – Page 12. As a result, there is presently no effective upper limit. It is this condition that gave rise to this case.
- b. In our testimony, we explained that the current pricing system and inability of market pressures to constrain rates create the incentive described.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

CLEC-ATT 1-16
(Cont'd)

- c. AT&T CLEC affiliates, like other CLECs, currently charge access rates that exceed Verizon rates because the current pricing system allows that practice. However, AT&T affiliates agree that all CLEC rates should be capped at the benchmark proposed and will comply to reduce their rates along with other CLECs.
- d. AT&T does not participate in other CLECs pricing decisions. However, note that some CLECs access rates are currently more than 1000% higher than Verizon access rate, while others charge the same rates as or lower than Verizon. On average, CLECs switched access rates in Massachusetts are more than 400% higher than Verizon intrastate switched access rate. It is unreasonable and unjustifiable to maintain that kind of disparity for the same service. *See Exhibit A to CLEC-ATT 1-15(a).*

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-17

Please provide the document/publication cited at footnote 7 on page 12 of the Oyefusi/Nurse Testimony (Douglas F. Greer, Industrial Organization and Public Policy, New York: Macmillan Publishing Company, 1980). A complete response will include, at a minimum, copies of the table of contents and the chapter from which the cite was taken.

RESPONSE: *See Exhibit A to CLEC-ATT 1-17.*

D.T.C. 07-9
CLEC-ATT 1-17 Exhibit A
September 11, 2008

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FOOTNOTE 7 ON PAGE 12 OF THE OYEFUSI/NURSE TESTIMONY**

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&

PUBLIC POLICY



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Introduction to Structure

Power tends to corrupt...

LORD ACTON

In the perfectly competitive market system of Chapter 2, decisions concerning what and how to produce were made by nobody in particular. They were made collectively by the balanced interaction of many faceless sellers and buyers. With decision making thus decentralized, power was also decentralized because "power" in this context is the ability to make and affect decisions. Once we depart from the world of perfect competition, all the key issues concerning market structure relate to power:

1. What is market power?
2. How can market power be measured?
3. What are the sources and causes of market power?
4. How can these sources and causes of power be measured?
5. What policies can be devised to control the distribution of power?

The purpose of this chapter is to provide introductory answers to the first three questions. It serves to preface the more detailed answers to all questions that follow in the next six chapters.

What is Market Power?

Market power is the ability to influence market price perceptibly. The key word here is "ability." A buyer or seller may have the ability to influence price but may not actually use that ability. Still, power would be present, just as a boxer's power

STRUCTURE

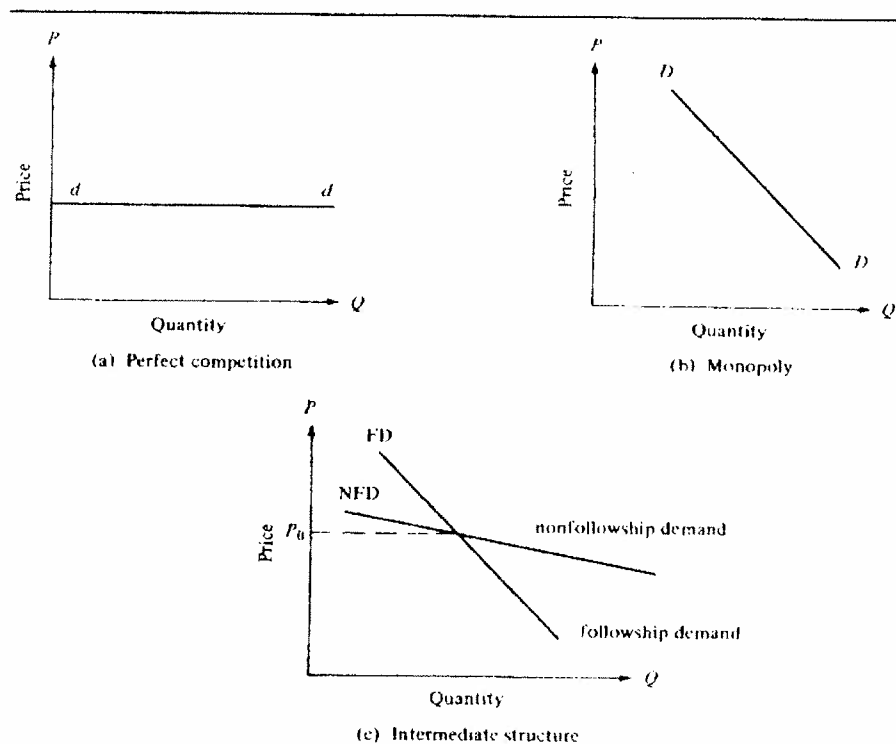


Figure 3-1. Firm demand conditions in alternative market structures

is always present, outside as well as inside the ring. Stress on ability is important because pricing behavior is not, in and of itself, a feature of market structure. Structure does, however, determine ability.

As already indicated in Chapter 2, variations in the features of market structure cause variations in the ways individual sellers view their demand and individual buyers view their supply. Assuming, as before, that a large number of buyers exists on the demand side, Figure 3-1 summarizes individual seller views of demand according to variations in market structure. Figure 3-1(a) depicts the horizontal demand curve of a perfectly competitive seller who has no power to influence price. At the other extreme, 3-1(b) shows a monopolist's demand curve, which is labeled DD because, by definition, this is the market-wide demand curve as well. The monopolist's power is reflected in the wide range of price-options offered by this demand curve.

Between these two extreme cases is an intermediate situation of "rivalry" among a limited number of sellers. Here the firm confronts two demand curves with downward slope, neither of which is the market-wide demand curve. The firm might perceive either one or both (or portions of both) of these

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
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DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-18

Please refer to page 12, lines 8-11 of the Oyefusi/Nurse Testimony where they testify that CLECs can sustain access rates that exceed “what a well functioning market will allow.” Please admit or deny that AT&T uses the term “well functioning market” synonymously with the term “competitive market.” If the answer is anything other than an unequivocal “admit,” please explain.

RESPONSE:

In our testimony, we intend the phrase “well-functioning market” to mean one where the factors inhibiting rate discipline we discuss in our testimony do not exist. *See* Page 9 – Page 12.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-19 Please refer to page 12, lines 3-12 of the Oyefusi/Nurse Testimony. Is it AT&T's position that the intrastate switched access rates of Verizon in Massachusetts are the product of competitive forces? Please explain why or why not.

RESPONSE: Verizon's current switched access rates were not established by market forces. They were approved by the Department. The central purpose of this case is to have the Department impose the same discipline on CLEC access rates, given that market conditions cannot do so.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-20

Please refer to page 13, lines 6-8 of the Oyefusi/Nurse Testimony where it states that “when a CLEC increases its originating access rates in Massachusetts, it pressures IXC’s like AT&T to raise toll rates in Massachusetts for *all* of its long distance customers to recover the additional costs.”

- a. Please provide a list of all intrastate toll rate increases that AT&T has implemented in Massachusetts for the past five year time period.
- b. Please identify the CLEC rate increases in Massachusetts, if any, that resulted in AT&T raising its toll rates in Massachusetts.
- c. Please provide a list of all intrastate toll rate increases of other IXC’s that have raised their intrastate toll rates in Massachusetts in the past five year time period. Please identify the CLEC rate increases, if any, that caused such IXC rate increases.
- d. Please provide by month and year AT&T’s toll revenues for Massachusetts for the previous five year time period.

RESPONSE:

- a. The quoted sentence was intended to mean that AT&T’s current toll rates for all its long distance customers are logically higher than what they otherwise would have been if its access rates were lower. As a result, whether there were in fact actual toll rate increases is irrelevant. Moreover, in a competitive market, price increases and decreases are not always or even often evidenced by increases or decreases in tariffed rates. In fact, in a highly competitive market, such as the interexchange market, carriers offer a variety of different plans and bundles. Carriers are just as, if not more, likely to effectuate price increases or decreases through the offering of new plans or packages, or to modify their marketing practices for existing plans and packages, as they are through the simple increase or decrease of a single tariffed rate. If, for example, a carrier provides an incentive for a customer to switch to a lower priced plan, the carrier’s average revenue per minute will decline, even though the carrier has not changed any of

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

its tariffed prices for its services. Any tariffed rate increases implemented by AT&T are a matter of public record and can be obtained from the Department.

- b. *See* response to DTC-ATT 1-3.
- c. This request seeks information (such as tariffed rate increases of third party carriers) that is equally available to the CLECs as to AT&T. To the extent that it seeks information regarding effective price increases caused by different plans or bundles, AT&T does not know. AT&T also does not have any information regarding which CLEC rates increases may have caused which IXC rate increases.
- d. AT&T is currently compiling the necessary information to respond to this request and will provide as soon as possible.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-21

Please refer to page 14, lines 2-4 of the Oyefusi/Nurse Testimony which states: "Today IXC's compete against wireless carriers, e-mail, VoIP providers and other new technologies that do rarely or never incur access charges. When CLECs implement unfettered increases in their access rates, it makes traditional IXC's less competitive, and causes them to lose minutes to these alternative technologies."

- a. Please provide by month and year, AT&T's and its affiliates' toll minutes of use for Massachusetts for the previous five year time period.
- b. Please admit or deny that Verizon's proposal in this proceeding would *not* impact whether or not access charges are applied to wireless carriers, e-mail, or VoIP providers. If the response is anything other than an unequivocal "admit," please explain.

RESPONSE:

- a. AT&T is currently compiling the necessary information to respond to this request and will provide as soon as possible.
- b. Admitted that Verizon's proposal would not impact whether or not access charges are applied to wireless carriers, e-mail, or VoIP providers. Verizon's proposal does, however, have a significant impact on the competitiveness of wireline IXC's vis a vis wireless carriers, e-mail, and VoIP providers.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-22

Please refer to page 15, lines 15-17 of the Oyefusi/Nurse Testimony where it states: "In either event, when the price of switched access goes up, the price of long distance will inevitably go up as well, whether customers pay by the month or by the minute."

- a. Does the same hold true for when the price of switched access goes down? In other words, when the price of switched access goes down, will the price of long distance inevitably go down as well? Please explain why or why not.
- b. For AT&T's IXC operations in Massachusetts, please provide the following: (i) the average CLEC intrastate switched access rate that AT&T's IXC affiliate(s) pay in Massachusetts, (ii) the average price paid by end user customers of AT&T's IXC affiliate(s) in Massachusetts paying by the month, and (iii) the average per minute price paid by end user customers of AT&T's IXC affiliate(s) in Massachusetts paying by the minute. A complete response will include all assumptions, inputs, calculations and work papers used to derive the average access rate paid by AT&T and the average per minute and monthly long distance prices paid by the end user customers of AT&T's IXC affiliate(s) in Massachusetts. A complete response will also indicate whether the average CLEC intrastate switched access rate AT&T pays in Massachusetts includes negotiated access rates (i.e., rates different than CLEC tariffed access charges).
- c. For each state other than Massachusetts in which AT&T operates as an IXC, please provide: (i) the average CLEC intrastate switched access rate that AT&T's IXC affiliates pay, (ii) the average price paid by end user customers of AT&T's IXC affiliates paying by the month, and (iii) the average per minute price paid by end user customers of AT&T's IXC affiliates paying by the minute. A complete response will include all assumptions, inputs, calculations and work papers used to derive the average access rate paid by AT&T's IXC affiliates and the average per minute and monthly long distance prices paid by end user customers of AT&T's IXC affiliates.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

CLEC-ATT 1-22
(Cont'd)

RESPONSE:

- a. The idea expressed in the referenced paragraph is guided by economic principles. Switched access is an input for IXC's to offer long distance service, and long distance or toll prices tend to be higher than they otherwise would have been when switched access rates are high. *See also* response to DTC-ATT 1-3 and CLEC-ATT 1-20.
- b. (i) Average CLEC Switched Access Rate: \$.0157 (per access minute of use). For backup, *see* Exhibit A to CLEC-ATT 1-22b(i).
(ii) AT&T does not have the requested information in reasonably accessible form. Responding to the request would require a burdensome special study.
(iii) AT&T is currently compiling the necessary information to respond to this request and will provide as soon as possible.
- c. (i) – (iii) Responding to this request would require a burdensome special study.

D.T.C. 07-9
CLEC-ATT 1-22 b (i)
Exhibit A
September 11, 2008

AT&T IXC CLEC RATES
INTRASTATE SWITCHED ACCESS PER MINUTE OF USE PAID BY AT&T

MA D.T.C. 07-9
CLEC-ATT 1-22 b (i) Exhibit A
b (i)

AT&T IXC

CLEC Rates

Intrastate Switched Access Per Minute of Use Paid by AT&T

CLEC Name	State	OCN	Orig	Term	CLEC Name	State	OCN	Orig	Term
1	MA	XXXX	\$0.0180	\$0.0180	35	MA	XXXX	\$0.0037	\$0.0037
2	MA	XXXX	\$0.0048	\$0.0048	36	MA	XXXX	\$0.0037	\$0.0037
3	MA	XXXX	\$0.0080	\$0.0080	37	MA	XXXX	\$0.0442	\$0.0442
4	MA	XXXX	\$0.0130	\$0.0130	38	MA	XXXX	\$0.0125	\$0.0125
5	MA	XXXX	\$0.0230	\$0.0230	39	MA	XXXX	\$0.0161	\$0.0352
6	MA	XXXX	\$0.0038	\$0.0038	40	MA	XXXX	\$0.0060	\$0.0060
7	MA	XXXX	\$0.0048	\$0.0048	41	MA	XXXX	\$0.0048	\$0.0048
8	MA	XXXX	\$0.0038	\$0.0038	42	MA	XXXX	\$0.0044	\$0.0044
9	MA	XXXX	\$0.0048	\$0.0048	43	MA	XXXX	\$0.0048	\$0.0048
10	MA	XXXX	\$0.0022	\$0.0022	44	MA	XXXX	\$0.0161	\$0.0442
11	MA	XXXX	\$0.0061	\$0.0061	45	MA	XXXX	\$0.0367	\$0.0376
12	MA	XXXX	\$0.0134	\$0.0417	46	MA	XXXX	\$0.0064	\$0.0064
13	MA	XXXX	\$0.0069	\$0.0069	47	MA	XXXX	\$0.0269	\$0.0269
14	MA	XXXX	\$0.0090	\$0.0090	48	MA	XXXX	\$0.0022	\$0.0022
15	MA	XXXX	\$0.0200	\$0.0200	49	MA	XXXX	\$0.0048	\$0.0048
16	MA	XXXX	\$0.0045	\$0.0045	50	MA	XXXX	\$0.0038	\$0.0038
17	MA	XXXX	\$0.0110	\$0.0110	51	MA	XXXX	\$0.0180	\$0.0180
18	MA	XXXX	\$0.0110	\$0.0110	52	MA	XXXX	\$0.0253	\$0.0253
19	MA	XXXX	\$0.0051	\$0.0051	53	MA	XXXX	\$0.0253	\$0.0253
20	MA	XXXX	\$0.0222	\$0.0222	54	MA	XXXX	\$0.0140	\$0.0140
21	MA	XXXX	\$0.0225	\$0.0225	55	MA	XXXX	\$0.0037	\$0.0037
22	MA	XXXX	\$0.0038	\$0.0038	56	MA	XXXX	\$0.0250	\$0.0250
23	MA	XXXX	\$0.0038	\$0.0038	57	MA	XXXX	\$0.0369	\$0.0369
24	MA	XXXX	\$0.0072	\$0.0072	58	MA	XXXX	\$0.0024	\$0.0024
25	MA	XXXX	\$0.0072	\$0.0072	59	MA	XXXX	\$0.0049	\$0.0049
26	MA	XXXX	\$0.0037	\$0.0037	60	MA	XXXX	\$0.0342	\$0.0342
27	MA	XXXX	\$0.0121	\$0.0121	61	MA	XXXX	\$0.0048	\$0.0048
28	MA	XXXX	\$0.0048	\$0.0048	62	MA	XXXX	\$0.0021	\$0.0021
29	MA	XXXX	\$0.0038	\$0.0038	63	MA	XXXX	\$0.0269	\$0.0269
30	MA	XXXX	\$0.0048	\$0.0048	64	MA	XXXX	\$0.0048	\$0.0048
31	MA	XXXX	\$0.0061	\$0.0061	65	MA	XXXX	\$0.0048	\$0.0048
32	MA	XXXX	\$0.0021	\$0.0021	66	MA	XXXX	\$0.0038	\$0.0038
33	MA	XXXX	\$0.0021	\$0.0021	67	MA	XXXX	\$0.0381	\$0.0381
34	MA	XXXX	\$0.0038	\$0.0038	68	MA	XXXX	\$0.0381	\$0.0381

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-23

Is it AT&T's position that the interstate switched access rates assessed by its incumbent LEC operations reflect an efficient price for its intrastate switched access rates for its incumbent LEC operations. In answering this question, please assume there would be no other cost recovery, such that the change in switched access rates would be revenue neutral.

RESPONSE:

This question is vague and unclear, but in an effort to be responsive, AT&T states as follows:

AT&T is a national leader and champion of lowering switched access rates, rebalancing local rates, and addressing consumer affordability through explicit universal service funding where necessary. AT&T's policy is that ILECs should lower their intrastate access rates to parity with their interstate access where they have the *opportunity* to increase retail rates in an offsetting amount. AT&T has done so in several states, and in others AT&T is working to reform access rates through a number of means, including federal regulation, state legislation and state regulation. Just as CLEC interstate rates are capped at the ILEC's interstate rates, so too should those same CLECs' in-state switched access rates be capped at the ILEC's in-state rates.

ONE COMMUNICATIONS, PAETEC COMMUNICATIONS, INC, AND
XO COMMUNICATIONS SERVICES, INC.
DATA REQUESTS TO AT&T CORP.

Witness Responsible: Ola Oyefusi and Christopher Nurse

DATE

PROPOUNDED: September 3, 2008

CLEC-ATT 1-24

Assume CLEC intrastate switched access rates are identical for both originating and terminating access. Would this have any impact on the CLEC incentives described in the AT&T testimony (see, e.g., page 9, lines 18-20)? Please explain why or why not. A complete response will include an explanation of what difference between originating and terminating access rates would be necessary in order for a CLEC to possess the incentive to maximize terminating access traffic on its network.

RESPONSE:

No, equalizing originating and terminating CLEC access rates would not make a difference if the equalized rate remains high. The incentive described in the referenced paragraph is not due to the differences between originating and terminating CLEC access rates, rather it is due to the fact that the end user selecting the CLEC does not pay the high access charge of the selected CLEC. Even if originating and terminating CLEC access rates were equalized, as long as they remain higher than the lowest rate available for the same access service offered by other carriers, our conclusion remains the same: that market forces are obviously not constraining CLEC access rates. We also explain on Page 10 – Page 12 how, due to section 254(g) prohibition against de-averaging and other practical factors, the originating end user who has selected a high access CLEC will not feel the full effect of the high access rate because the impact has been diluted as a result of the IXC's being forced to charge blended toll charges for all long distance customers, including those end users that select a lower access CLEC or ILEC.