#### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMISSION

In	the	Matter	of:
	1110	vianci	()

REVIEW OF FEDERAL COMMUNICATIONS	)	
COMMISSION'S TRIENNIAL REVIEW ORDER	)	CASE NO.
REGARDING UNBUNDLING REQUIREMENTS	)	2003-00379
FOR INDIVIDUAL NETWORK ELEMENTS	)	

# CINERGY COMMUNICATIONS COMPANY'S OBJECTIONS AND RESPONSES TO BELLSOUTH TELECOMMUNICATIONS, INC.'S FIRST SET OF INTERROGATORIES

Pursuant to the Commission's November 4, 2003, Order in this case Cinergy

Communications Company ("CCC") hereby submits its Objections and Responses to

BellSouth Telecommunication Inc's ("BellSouth") First Set of Interrogatories to Cinergy

Communications Company which are incorporated by reference as interrogatory 28 in

BellSouth's Second Set of Interrogatories.

CCC submits its responses pursuant to the objections filed contemporaneously herewith. CCC reserves the right to supplement these objections. Should additional grounds for objections develop as the Commission identifies the issues to be addressed in this proceeding, CCC reserves the right to supplement these objections.

# **GENERAL OBJECTIONS**

CCC makes the following general objections to the First Set of Interrogatories:

1. CCC objects to the "Definitions" section, the "General Instructions," and the individual items of BellSouth's First Set of Interrogatories to CCC to the extent that they are overly broad, unduly burdensome, and/or oppressive. CCC will attempt to

identify specific requests to which this objection applies within the specific objections that follow.

- 2. CCC objects to the "Definitions," the "General Instructions," and the individual interrogatories to the extent they seek information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. By way of illustration and not limitation, CCC objects to interrogatories that seek information that is unrelated to or inconsistent with the methodology and parameters of the analysis of impairment prescribed by the FCC in its Triennial Review Order. CCC will attempt to identify individual items to which this general objection is applicable within the specific objections that follow.
- 3. CCC objects to the "Definitions," the "General Instructions," and the individual interrogatories to the extent they are vague, ambiguous, imprecise, or utilize terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these Requests.
- 4. CCC objects to the "General Instructions" and the items of BellSouth's First Set of Interrogatories to CCC to the extent that they purport to impose discovery obligations on CCC that exceed the scope of discovery allowed by the applicable Kentucky Rules of Civil Procedure.
- 5. CCC objects to BellSouth's First Set of Interrogatories to CCC to the extent that the interrogatories seek discovery of materials and/or information protected by the attorney/client privilege, the work product doctrine, the accountant/client privilege, or any other applicable privilege.

- 6. CCC objects to BellSouth's First Set of Interrogatories to the extent that the requests would require disclosure of information that constitutes trade secrets and/or confidential, proprietary business information, which either should not be disclosed at all or should be disclosed (provided the information is otherwise discoverable) only pursuant to the terms of a mutually acceptable confidentiality agreement and use of the Commission's rules and procedures relating to confidential and proprietary information.
- 7. CCC objects to all interrogatories which would require CCC to provide information which is already in BellSouth's possession (as a consequence, for instance, of the billing information BellSouth uses to submit bills to CCC) or is in the public record before the Authority. To duplicate information that BellSouth already has or is readily available to BellSouth would be unduly burdensome and oppressive.
- 8. CCC objects to BellSouth's First Set of Interrogatories to the extent BellSouth seeks to impose an obligation on CCC to respond on behalf of subsidiaries, affiliates and/or former officers, employees, agents, and directors on the grounds that such requests for production are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.
- 10. CCC objects to the use of the terms "qualifying service" and "nonqualifying service" on the grounds the terms are subject to differing interpretations.

#### **INTERROGATORIES**

1. Identify each switch owned by Company that Company uses to provide a qualifying service anywhere in Kentucky, irrespective of whether the switch itself is

located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch).

# <u>Response:</u> CCC provides facilities-based services in Kentucky via its Class 5 'soft' switch located in Evansville, Indiana.

- 2. For each switch identified in response to Interrogatory No. 1, please:
  - (a) provide the Common Language Location Identifier ("CLLI") code of the switch;
  - (b) provide the street address, including the city and state in which the switch is located;
  - identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
  - (d) state the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch's existing configuration and component parts;
  - (e) state the number of voice-grade equivalent lines the switch is currently serving based on the switch's existing configuration and component parts; and
  - (f) provide information relating to the switch as contained in Telcordia's Local Exchange Routing Guide ("LERG"); or, state if the switch is not identified in the LERG.

# **CONFIDENTIAL Response:**

a.	EVVLINLWDS1- Evansville, IN
b.	
c.	The switch is a
d.	The switch's total capacity as configured is DS0 equivalents. However, the capacity towards KY customers is only

- e. There are currently DS0 equivalents from this switch that are operational in KY.
- f. The switch is identified in the LERG and can be found in LERG Table 6 with the above CLLI code.
- 3. Identify any other switch not previously identified in Interrogatory No. 1 that Company uses to provide a qualifying service anywhere in Kentucky, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch). In answering this Interrogatory, do not include ILEC switches used by Company either on an unbundled or resale basis.

#### Response: None

- 4. For each switch identified in response to Interrogatory No. 3, please:
  - (g) identify the person that owns the switch;
  - (h) provide the Common Language Location Identifier ("CLLI") code of the switch;

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(i) provide the street address, including the city and state in which the

switch is located;

identify the type of switch by manufacturer and model (e.g., Nortel (j)

DMS100);

(k) describe in detail the arrangement by which you are making use of

the switch, including stating whether you are leasing the switch or

switching capacity on the switch;

(1) identify all documents referring or relating to the rates, terms, and

conditions of Company's use of the switch; and

provide information relating to the switch as contained in (m)

Telcordia's Local Exchange Routing Guide ("LERG"); or, state if

the switch is not identified in the LERG.

Response: N/A

5. Identify by name, address, and CLLI code, each ILEC wire center area, e.g., (Louisville, 526 Armory Place, LSVLKYAP), in which you provide qualifying service to any end user customers in Kentucky utilizing any of the switches identified in response to Interrogatory No. 1. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

#### **Response:**

SWITCH	WIRE CENTER

6. For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory 1.

#### **Response:**

WIRE CENTER	COUNT

- 7. With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 6, separate the lines by end user and end user location in the following manner:
  - (n) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
  - (o) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
  - (p) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
  - (q) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;

- (r) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (s) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (t) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (u) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (v) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (w) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (x) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (y) The number of end user customers to whom you provide twelve(12) voice-grade equivalent lines; and
- (z) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

#### **Response:**

WIRE CENTER	CENTRAL CY	MACEO	EDDYVILLE	ISLAND	MAYFIELD	MURRAY
<b>SWITCH</b>	CNCYKYMADS0	MACEKYMADS0	EDVLKYMADS0	ISLDKYMADS0	MYFDKYMADS0	MRRYKYMADS0
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WIRE CENTER	BENTON	BARDSTOWN	DIXON	HOPKINSVL	LOUISVILLE	BEAVER DAM
<b>SWITCH</b>	BNTNKYMADS0	LSVLKY27DS3	DIXNKYMADS0	HPVLKYMADS0	LSVLKYANDS0	BVDMKYMADS0
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WIRE CENTER	PADUCAH	OWENSBORO	HENDERSON	BOWLNGGREN
<b>SWITCH</b>	PDCHKYMADS0	OWBOKYMADS1	HNSNKYMADS0	BWLGKYMADS0
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8. Identify by name, address, and CLLI code, each ILEC wire center area, e.g., (Louisville, 526 Armory Place, LSVLKYAP), in which you provide qualifying service to

any end user customers in Kentucky utilizing any of the switches identified in response to Interrogatory No. 3. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user is located.

#### Response: N/A

9. For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory No. 3

#### Response: N/A

- 10. With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 9, separate the lines by end user and end user location in the following manner:
  - (aa) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
  - (bb) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
  - (cc) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
  - (dd) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;

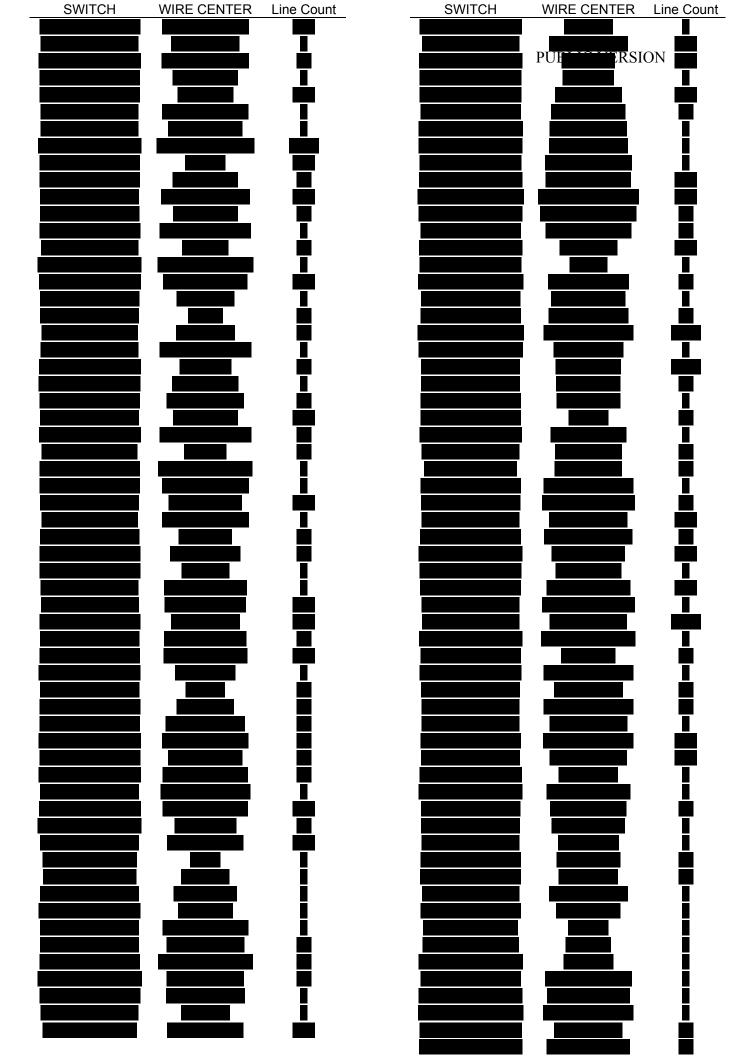
- (ee) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (ff) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (gg) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (hh) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (ii) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (jj) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (kk) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (ll) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (mm) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

#### Response: N/A

11. Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory served by the wire center, in which you provide qualifying service to any end user customers in Kentucky using an ILEC's switch either on an unbundled or resale basis. If you assert that you cannot identify or do not know how to ascertain the

boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

<u>Response:</u> CCC objects to this interrogatory on the basis that it requests information that is already in BellSouth's possession. Without waiving objection, CCC states as follows:



12. For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area using an ILEC's switch either on an unbundled or resale basis.

# **Response:** See response to 11 above.

- 13. With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 12, separate the lines by end user and end user location in the following manner:
  - (nn) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
  - (oo) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
  - (pp) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
  - (qq) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
  - (rr) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
  - (ss) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
  - (tt) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;

- (uu) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (vv) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (ww) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (xx) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (yy) The number of end user customers to whom you provide twelve(12) voice-grade equivalent lines; and
- (zz) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

Response: CCC objects to this interrogatory on the basis that information sought with respect to BellSouth's switches is known to BellSouth. CCC further objects on the basis that it is onerous, unduly burdensome, and requires CCC to compile information not ordinarily kept in the regular course of business.

- 14. Do you offer to provide or do you provide switching capacity to another local exchange carrier for its use in providing qualifying service anywhere in the nine states in the BellSouth region. If the answer to this Interrogatory is in the affirmative, for each switch that you use to offer or provide such switching capacity, please:
  - (aaa) Provide the Common Language Location Identifier ("CLLI") code of the switch;
  - (bbb) Provide the street address, including the city and state in which the switch is located;

- (ccc) Identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (ddd) State the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch's existing configuration and component parts;
- (eee) State the number of voice-grade equivalent lines the switch is currently serving based on the switch's existing configuration and component parts; and
- (fff) Identify all documents referring or relating to the rates, terms, and conditions of Company's provision of switching capability.

#### Response: No

15. Identify every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service using: (1) the Unbundled Network Element Platform (UNE-P), (2) self-provisioned switching, (3) switching obtained from a third party provider other than an ILEC, or (4) any combination of these items.

#### **Response:**

CCC objects to this interrogatory on the grounds it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence, inasmuch as the FCC has determined that the state commissions' analysis of impairment is not to be based on individual carriers' business cases. CCC also objects on the grounds that the interrogatory seeks the disclosure of commercially sensitive, confidential and proprietary business information. CCC also objects because as defined within the interrogatories the term "business case" is overbroad. CCC also

objects because, particularly in view of the fact the information is irrelevant, requiring CCC to disclose its internal analyses would be oppressive and unduly burdensome.

16. Identify any documents that you have provided to any of your employees or agents, or to any financial analyst, bank or other financial institution, shareholder or any other person that describes, presents, evaluates or otherwise discusses in whole or part, how you intend to offer or provide local exchange service, including but not limited to such things as the markets in which you either do participate or intend to participate, the costs of providing such service, the market share you anticipate obtaining in each market, the time horizon over which you anticipate obtaining such market share, and the average revenues you expect per customer.

#### **Response:**

CCC objects to this interrogatory on the grounds that, inasmuch as the FCC has determined the state commissions' impairment analyses is not to be based on individual carriers' business models, it seeks information that is irrelevant to the impairment analysis to be conducted by the Commission and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects on the grounds the interrogatory is overbroad, oppressive, and unduly burdensome. CCC objects on the grounds the interrogatory requests proprietary and confidential business information.

17. If not identified in response to a prior Interrogatory, identify every document in your possession, custody, or control referring or relating to the financial viability of self-provisioning switching in your providing qualifying services to end user customers.

Response: CCC objects on the grounds the interrogatory seeks information that is unrelated to and inconsistent with the impairment analysis prescribed by the FCC. It is therefore irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. CCC objects to this interrogatory on the grounds that the request to identify "every" document is unduly burdensome and oppressive. Network also objects on

the grounds the interrogatory seeks the disclosure of confidential and proprietary business information.

18. Do you have switches that are technically capable of providing, but are not presently being used to provide, a qualifying service in Kentucky?

Responses: CCC objects to this interrogatory on the grounds that the term "technically capable" is undefined. Theoretically, every switch in the United States is technically capable of providing service in Kentucky. To the extent BellSouth is seeking to know every switch owned by CCC, it should ask that question. To the extent this question requests some other information it must be clarified.

19. Identify each MSA in Kentucky where you are currently offering a qualifying service using your own facilities, UNE-P, resale, or in some other fashion.

<u>Response</u>: CCC objects to this interrogatory on the grounds that BellSouth already has in its possession the information pertaining to the areas in BellSouth's service area in which CCC provides qualifying services through UNE-P, and resale. See response to 5 above.

20. If you offer a qualifying service outside of the MSAs identified in response to Interrogatory 19, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

Response: CCC objects to this interrogatory on the grounds that BellSouth already has in its possession the information pertaining to the areas in BellSouth's service area in which CCC provides qualifying services through UNE-P and resale. See response to 5 above.

21. Describe with particularity the qualifying service that you offer in the geographic areas described in response to Interrogatories 19 and 20, including the rates, terms, and conditions under which such services are offered. If the qualifying services

you offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic are in which you provide such service, or the rates, terms, and conditions upon which service is provided.

Response: CCC objects to this interrogatory on the grounds that, inasmuch as the FCC has determined the state commissions' impairment analyses is not to be based on individual carriers' business modules, it seeks information that is irrelevant to the impairment analysis to be conducted by the Commission and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects on the grounds the interrogatory is overbroad, oppressive, and unduly burdensome. CCC objects on the grounds the interrogatory requests proprietary and confidential business information. Without waiving the foregoing objection, CCC states that the requested information may be found at:

ftp://ftp.psc.state.ky.us/tariffs/Telecommunications/Cinergy%20Communications%20Company/

22. Identify each MSA in Kentucky where you are currently offering a non-qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

<u>Response:</u> CCC objects to the use of the term non-qualifying as that term is vague, ambiguous and open to interpretation. CCC cannot respond because it does not know which of its products would be included.

23. If you offer a non-qualifying service outside of the MSAs identified in response to Interrogatory 22, identify those geographic areas either by describing those

areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

# **Response:** See response to 22 above.

Describe with particularity the non-qualifying services that you offer in the geographic areas described in response to Interrogatories 22 and 23, including the rates, terms, and conditions under which such services are offered. If the non-qualifying services you offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be a sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic area in which you provide such service, or the rates, terms and conditions upon which service is provided.

<u>Response:</u> See response to 22 above. Further, CCC objects on the basis that this request is irrelevant and not calculated to lead to the discovery of admissible evidence.

25. Please state the total number of end users customers in the State of Kentucky to whom you only provide qualifying service.

Response: CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, CCC interprets this interrogatory to request aggregate information. If BellSouth intended to request average monthly revenues for each

individual end use customer, then CCC objects on the grounds that the interrogatory is unduly burdensome and oppressive.

26. For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

Response: CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, CCC interprets this interrogatory to request aggregate information. If BellSouth intended to request average monthly revenues for each individual end use customer, then CCC objects on the grounds that the interrogatory is unduly burdensome and oppressive.

27. For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average number of lines that you provide each such end user customer.

Response: CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, CCC interprets this interrogatory to request aggregate information that is not kept in the ordinary course of business.

28. Please state the total number of end users customers in the State of Kentucky to whom you only provide non-qualifying service.

**Response:** See objection to 22 above.

29. For those end user customers to whom you only provide non-qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

Objection: See objection to 22 above. CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, CCC interprets this interrogatory to request aggregate information that is not kept in the ordinary course of business.

30. Please state the total number of end users customers in the State of Kentucky to whom you provide both qualifying and non-qualifying service.

Objection: See objection to 22 above. CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, CCC interprets this interrogatory to request aggregate information that is not kept in the ordinary course of business.

31. For those end user customers to whom you provide qualifying and non-qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

Objection: See objection to 22 above. CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, CCC interprets this interrogatory to request aggregate information that is not kept in the ordinary course of business. Subject to the foregoing, see CONFIDENTIAL EXHIBIT A.

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32. For those end user customers to whom you provide qualifying and non-

qualifying service in the State of Kentucky, please state the average number of lines that

you provide each such end user customer.

Objection: See objection to 22 above. CCC objects on the grounds the interrogatory asks for information that is irrelevant to the impairment

analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects

to this interrogatory on the grounds it seeks confidential and proprietary

business information. Further, CCC interprets this interrogatory to request aggregate information that is not kept in the ordinary course of business.

Please provide a breakdown of the total number of end user customers

served by Company in Kentucky by class or type of end user customers (e.g., residential

customers, small business customers, mass market customers, enterprise customers, or

whatever type of classification that you use to classify your customers. For each such

classification, and/or if you provide another type of classification, define and describe

with specificity the classification so that it can be determined what kinds of customers

you have in each classification).

**Response:** 

**Business:** 

**Residential:** 

Business means business customers. This includes single line business customers and may include some residential services associated with the business. For example, a hotel owner wants service at his home and wants to include the residential line on the hotel's account.

Residential means residential customers.

The calculation of number of customers is for customers receiving CCC local service. It does not include internet-only, long distance-only, or customers receiving other services such as web hosting, etc. unless they also receive local exchange service from CCC.

34. For each class or type of end user customer referenced in Interrogatory No. 33, please state the average acquisition cost for each such end user class or type. Please provide this information for each month from January 2000 to the present.

Response: CCC objects to this interrogatory on the grounds it seeks information that is unrelated to and inconsistent with the impairment analysis prescribed in the Triennial Review Order, is therefore irrelevant to the issues in the case and the analysis to be conducted by the Commission, and is not reasonably designed to lead to the discovery of admissible evidence. Network Telephone also objects on the grounds the interrogatory seeks the disclosure of commercially sensitive, confidential and proprietary business information. CCC objects to the request for information on a monthly basis since January 2000 as onerous, oppressive, unduly burdensome and beyond any legitimate discovery need. Without waiving the foregoing objections, CCC states that it does not currently calculate customer acquisition cost.

35. For each class or type of end user customer referenced in Interrogatory No. 33, please state the typical churn rate for each such end user class or type. Please provide this information for each month from January 2000 to the present.

Response: CCC objects to this interrogatory on the grounds it seeks information that, inasmuch as it is unrelated to and inconsistent with the impairment analysis prescribed in the Triennial Review Order, is irrelevant to the issues in this case and the analysis that the Commission is to conduct, and is not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects on the grounds the interrogatory seeks the disclosure of commercially sensitive, confidential and proprietary information. CCC also objects on the grounds that the request for monthly information beginning with January 2000 is unduly burdensome. Without waiving the foregoing objection, see attached CONFIDENTIAL EXHIBITS B AND C.

36. For each class or type of end user customer referenced in Interrogatory No. 33, please state the share of the local exchange market you have obtained. Please provide this information for each month from January 2000 to the present.

# **Response:** Unknown

37. Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to your cumulative market share of the local exchange market in Kentucky.

#### **Response:** None

38. Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to any projections that you have made regarding your cumulative market share growth in the local exchange market in Kentucky.

# **Response:** None

39. Describe how the marketing organization that is responsible for marketing qualifying service in Kentucky is organized, including the organization's structure, size in terms of full time or equivalent employees including contract and temporary employees, and the physical work locations for such employees. In answering this Interrogatory, please state whether you utilize authorized sales representatives in your marketing efforts in Florida, and, if so, describe with particularity the nature, extent, and rates, terms, and conditions of such use.

Response: CCC objects to this interrogatory on the grounds that, because it relates to CCC's individual business model, it is inconsistent with the analysis prescribed in the Triennial Review order, is unrelated to the analysis the Commission is to make, irrelevant to the issues in the docket and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects on the basis that the interrogatory seeks the disclosure of confidential and proprietary business information. CCC also objects on the grounds the interrogatory as framed is overbroad and unduly burdensome.

40. How do you determine whether you will serve an individual customer's location with multiple DSOs or whether you are going to use a DS1 or larger transmission system? Provide a detailed description of the analysis you would undertake to resolve this issue, and identify the factors that you would consider in making this type of a decision.

<u>Response:</u> CCC objects to this interrogatory on the grounds it seeks confidential and proprietary information. Without waiving the foregoing objection, see responses to 41 and 83 below.

Is there a typical or average number of DSOs at which you would chose to serve a particular customer with a DS1 or larger transmission system, all other things being equal? If so, please provide that typical or average number and explain how this number was derived.

**Response:** CCC objects to this interrogatory on the grounds it seeks confidential and proprietary information.

Without waiving the foregoing objection, CCC states that there is no typical or average number of DS0s at which CCC would choose to serve a particular customer with a DS1. See response to 83 below and CONFIDENTIAL EXHIBIT D.

What additional equipment, if any, would be required (on the customer's side of the demarcation point rather than on network side of the demarcation point) to provide service to a customer with a DS1 rather than multiple DS0s? For instance, if a customer had 10 DS0s, and you want to provide the customer with the same functionality using a DS1, would a D-4 channel bank, a digital PBX, or a digital Key System, be required in order to provide equivalent service to the end user that has 10 DS0s? If so, please provide the average cost of the equipment that would be required to provide that functional equivalency (that is, the channel bank, the PBX, or the Key System, or

whatever would typically be required should you decide to serve the customer with a DS1 rather than multiple DS0s.)

<u>Response:</u> In order to provide service utilizing a DS1, the end user requires the use of one of the following: D-4 channel bank, digital PBX, or digital key system.

CCC objects the term "average cost of the equipment." The price of this equipment varies by manufacturer, buying power, and other market conditions. Therefore, the request is vague, ambiguous and irrelevant. BellSouth has access to market data which make this request and the requirement to arrive at an "average cost" unduly burdensome.

What cost of capital do you use in evaluating whether to offer a qualifying service in a particular geographic market and how is that cost of capital determined?

Response: CCC objects to the interrogatory on the grounds it seeks information that, given the determination in the Triennial Review Order that the impairment analysis is not to be based on individual carriers' business models, is irrelevant to the issues in the case and unrelated to the analysis the Commission is to conduct, and is not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects on the grounds the interrogatory seeks the disclosure of confidential and proprietary business information.

With regard to the cost of capital you use in evaluating whether to provide a qualifying service in a particular geographic market, what are the individual components of that cost of capital, such as the debt-equity ratio, the cost of debt and the cost of equity?

Response: CCC objects to this interrogatory on the grounds it seeks information that is inconsistent with the parameters of the Triennial Review Order, unrelated to the analysis the Commission is to conduct, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. CCC also objects on the grounds the interrogatory seeks the disclosure of confidential and proprietary business information.

**PUBLIC VERSION** 

45. In determining whether to offer a qualifying service in a particular

geographic market, what time period do you typically use to evaluate that offer? That is,

do you use one year, five years, ten years or some other time horizon over which you

evaluate the project?

**Response:** 36 Months

46. Provide your definition of sales expense as that term is used in your

business.

Response: See Response 47.

47. Based on the definition of sales expense in the foregoing Interrogatory,

please state how you estimate sales expense when evaluating whether to offer a

qualifying service in a particular geographic market?

**Response:** CCC does not currently calculate sales expense.

48. Provide your definition of general and administrative (G&A) costs as you use

those terms in your business.

Response: See Response 49.

49. Based on the definition of G&A costs in the foregoing Interrogatory,

please state how you estimate G&A expenses when evaluating whether to offer a

qualifying service in a particular geographic market?

Response: CCC does not currently calculate G&A expense.

50. For each day since January 1, 2000, identify the number of individual hot cuts that BellSouth has performed for Company in each state in BellSouth's region.

<u>Response:</u> CCC only utilizes its own switch only for customers provisioned over DS1's due to economic and operation impairment. Therefore, CCC has no experience with hot cuts for mass market customers as that term is defined in the Triennial Review Order.

51-78. See response to 50 above.

79. What are the appropriate product market(s) that you contend the Kentucky Public Service Commission should use in implementing FCC Rule 51.319(d)(2)(i)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

# **Response:** CCC expresses no independent position.

What are the appropriate geographic market(s) that you contend the Kentucky Public Service Commission should use in implementing FCC Rule 51.319(d)(2)(i)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: CCC expresses no independent position. However, CCC is opposed to BellSouth's proposal as presented at the informal conference because it is too confusing, relies upon boundaries that extend beyond the Commonwealth of Kentucky, and does not take into consideration the "competitors' ability to target and serve specific markets profitably and efficiently using currently available technologies" as required by 51.319(d)(2)(i).

B1. Do you contend that there are operational barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(2) that would support a finding that requesting telecommunications carriers are impaired without access to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such operational barrier, and state all facts and identify all documents supporting your contention.

<u>Response:</u> Yes. CCC is unable at this time to list each and every operational barrier that is responsive to this request. CCC incorporates by reference the position of CompSouth.

82. Do you contend that there are economic barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(3) that would support a finding that requesting telecommunications carriers are impaired without access to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such economic barrier, and state all facts and identify all documents supporting your contention.

<u>Response:</u> Yes. CCC is unable at this time to list each and every economic barrier that is responsive to this request. CCC incorporates by reference the position of CompSouth.

What is the maximum number of DS0 loops for each geographic market that you contend requesting telecommunications carriers can serve through unbundled switching when serving multiline end users at a single location that the Kentucky Public Service Commission should consider in establishing a "cutoff" consistent with FCC Rule 51.319(d)(2)(iii)(B)(4)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

Response: CCC objects to this question as it mischaracterizes FCC Rule 51.319(d)(2)(iii)(B)(4). The state commission must set the maximum number of DS0s that that CLECs can serve via UNE-P at a single location (paraphrasing); however, the inquiry is the point at which the increased revenue opportunity at a single location is sufficient to overcome impairment and the point at which multiline end users could be served in an economic fashion by higher capacity loops and a carrier's own switching.



Assuming voice only, our model produces the following result:



Respectfully submitted,

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#### CERTIFICATE OF SERVICE

I hereby certify that the electronic version of this filing made with the Commission this 18<sup>th</sup> day of December is a true and accurate copy of the documents attached hereto in paper form. This version was transmitted to the Commission for forwarding to those persons receiving electronic notices from the Commission in this case. A copy of the filing was also served by U.S. mail on December 18<sup>th</sup> to those persons whose postal addresses appear on the service list below.

/s/
Douglas F. Brent

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