


COMMONWEALTH OF KENTUCKY
KENTUCKY PUBLIC SERVICE COMMISSION

COUNTY OF CONTRA COSTA

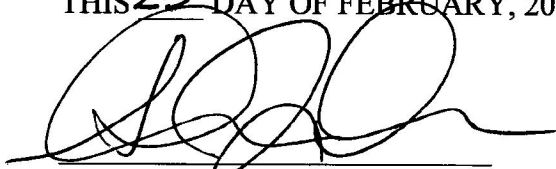
STATE OF CALIFORNIA

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared J. Scott McPhee, who being by me first duly sworn and deposed, and said that he is appearing as a witness on behalf of BellSouth Telecommunications, LLC d/b/a AT&T Kentucky before the Kentucky Public Service Commission in Docket Number 2015-00227, *In the Matter of: Application of BellSouth Telecommunications, LLC for Declaratory Ruling Regarding Interconnection with Central Kentucky Network for 911/E911 Services to Public Safety Answering Points*, and if present before the Commission and duly sworn, his statements would be set forth in the annexed direct testimony consisting of 11 pages and 3 attachments.



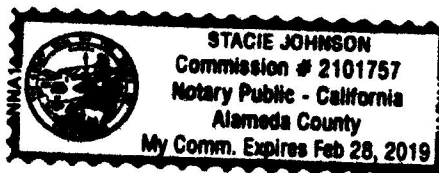
J. Scott McPhee

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 25 DAY OF FEBRUARY, 2016.



Notary Public

My Commission Expires: 2/28/2019



**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

**APPLICATION OF BELLSOUTH)
TELECOMMUNICATIONS, LLC FOR)
DECLARATORY RULING REGARDING) Case No. 2015-00227
INTERCONNECTION WITH CENTRAL)
KENTUCKY NETWORK FOR 911/E911)
SERVICES TO PUBLIC SAFETY)
ANSWERING POINTS)**

**DIRECT TESTIMONY OF J. SCOTT MCPHEE
ON BEHALF OF AT&T KENTUCKY**

FEBRUARY 26, 2016

1 **I. INTRODUCTION AND PURPOSE**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is J. Scott McPhee. My business address is 5001 Executive Parkway,
4 San Ramon, California 94583.

5 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?**

6 A. I am an Associate Director – Wholesale Regulatory Support. I am employed by
7 AT&T Services, Inc., and work on behalf of the AT&T incumbent local exchange
8 carriers (“ILECs”) throughout AT&T’s 21-state ILEC territory. I am responsible for
9 providing regulatory and witness support relative to various wholesale products
10 and pricing, supporting negotiations of local interconnection agreements (“ICAs”)
11 with competitive local exchange carriers (“CLECs”) and Commercial Mobile
12 Radio Service (“CMRS”) providers, participating in regulatory and judicial
13 proceedings, and guiding compliance with the Federal Telecommunications Act
14 of 1996 (“Act”) and its implementing rules.

15 **Q. PLEASE OUTLINE YOUR WORK EXPERIENCE.**

16 A. I began employment with SBC¹ in 2000 in the Wholesale Marketing – Industry
17 Markets organization as Product Manager for Reciprocal Compensation
18 throughout SBC’s 13-state region. My responsibilities included identifying policy
19 and product issues to assist negotiations and witnesses addressing SBC’s
20 reciprocal compensation and interconnection arrangements, as well as SBC’s
21 transit traffic offering. In June of 2003, I moved into my current role as an

¹ In 2005, SBC purchased AT&T Corp., adopted the name AT&T Inc. for the merged entity, and began operating under the AT&T brand.

1 Associate Director in the Wholesale Marketing Product Regulatory organization.

2 In this position, my responsibilities include helping define AT&T's positions on
3 certain issues for Wholesale Marketing and ensuring that those positions are
4 consistently articulated in proceedings before state commissions.

5 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

6 A. I received my Bachelor of Arts degree with a double major in Economics and
7 Political Science from the University of California at Davis.

8 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE REGULATORY**
9 **COMMISSIONS?**

10 A. Yes, I have testified before several different state public utility commissions on
11 telecommunications issues. I have previously testified before the Kentucky
12 Public Service Commission ("Commission") five times –
13

- 14 • Case No. 2006-00546, *In the Matter of: BellSouth*
15 *Telecommunications, Inc. v. Brandenburg Telephone Company;*
- 16 • Case No. 2009-00438, *Petition of Communications Venture*
17 *Corporation, d/b/a INdigital Telecom for Arbitration of Certain*
18 *Terms and Conditions with BellSouth Telecommunications, Inc.*
19 *d/b/a AT&T Kentucky, Pursuant to the Communications Act of*
20 *1934, as Amended by the Telecommunications Act of 1996;*
- 21 • Case No. 2010-00061, *Petition for Arbitration of Interconnection*
22 *Agreement Between BellSouth Telecommunications, Inc. d/b/a*
23 *AT&T Kentucky and Sprint Spectrum L.P., Nextel West Corp., and*
24 *NPCR, Inc. d/b/a Nextel Partners;*
- 25 • Case Number 2010-00062, *Petition for Arbitration of*
26 *Interconnection Agreement Between BellSouth*
27 *Telecommunications, Inc. d/b/a AT&T Kentucky and Sprint*
28 *Communications Company, L.P.; and*
- 29 • Case No. 2011-00283, *BellSouth Telecommunications, Inc. d/b/a*
30 *AT&T Kentucky v. Halo Wireless, Inc.*

1 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

2 A. My testimony is provided in support of AT&T Kentucky’s Petition for Declaratory
3 Order. AT&T Kentucky seeks an Order from this Commission requiring Central
4 Kentucky 911 Network (“CKN”) become a certificated utility under Kentucky Law,
5 and enter into an interconnection agreement (“ICA”) with AT&T Kentucky
6 pursuant to Sections 251 and 252 of the Act prior to AT&T Kentucky sending 911
7 calls to CKN for termination at a Public Safety Answering Point (“PSAP”). To be
8 clear, AT&T Kentucky does not oppose exchanging 911 traffic with CKN. Rather,
9 AT&T Kentucky seeks this ruling in order to be consistent with a prior
10 Commission Order, as well as to ensure the reliability and safety of 911 service
11 for AT&T Kentucky’s end user customers and to protect itself by having a
12 document that defines its and CKN’s relative rights and responsibilities in
13 handling 911 traffic.

14 **II. BACKGROUND**

15 **Q. WHAT IS CKN?**

16 A. It is my understanding that CKN, or Central Kentucky 911 Network, has 25
17 participating members, each a local government entity, that share 911
18 infrastructure and related costs for providing 911 host/remote Customer Premise
19 Equipment (“CPE”) services as authorized by the Commonwealth’s CMRS
20 Board. Partners are approved by the Lexington-Fayette Urban County
21 Government (“LFUCG”) 911 Board, payments are submitted to LFUCG and
22 resources are obtained and/or deployed through agreements with each agency,

1 selected vendors and appropriate 911 service providers.”² CKN is administered
2 by the LFUCG Division of Enhanced 911, and managed by AK Associates. CKN
3 thus seeks to provide the conduit to its members’ PSAPs through which
4 telecommunications carriers such as AT&T Kentucky must connect in order to
5 send emergency traffic for those areas.

6 **Q. WHAT PROMPTED AT&T KENTUCKY TO FILE ITS PETITION FOR**
7 **DECLARATORY ORDER?**

8
9 A. Beginning in 2014, AT&T Kentucky started receiving requests from various
10 Kentucky counties to have AT&T Kentucky deliver 911 traffic to CKN instead of
11 directly to the counties’ respective PSAPs. Some of the counties that have
12 submitted these requests include Laurel County, Larue County and
13 Lincoln/Garrard County. Each request is similarly worded, and I have attached
14 one as Att. 1 hereto. Tony Taylor, AT&T Kentucky’s Executive Director of
15 External & Legislative Affairs, responded and advised that AT&T Kentucky is
16 unable to fulfill these requests because AT&T Kentucky has no direct connection
17 to CKN, and no agreement with CKN regarding the terms and conditions for
18 exchanging 911 traffic. The response to the example letter is also included in
19 Att. 1. In addition, Mr. Taylor reached out to representatives of the LFUCG
20 Division of Enhanced 911 in an effort to better understand the operation of CKN
21 and how it would like to exchange 911 traffic with AT&T Kentucky. Mr. Taylor
22 followed up his inquiry with a September 16, 2014, letter to Robert Stack of the
23 LFUCG Division of Enhanced 911 advising Mr. Stack that it is the view of AT&T

² CKN Fund Cover Memo, 11/8/13
<http://lexington.legistar.com/LegislationDetail.aspx?ID=1519257&GUID=DCFA72DD-C869-4A8F-A5FD-2829FB5AAC0F&Options=&Search=>

1 Kentucky that CKN must be certificated by the Commission, and that once
2 certificated CKN can request an interconnection agreement with AT&T Kentucky.
3 Att. 2 hereto.

4 To my knowledge, the Commission has not certificated CKN, nor has CKN
5 requested to enter into any sort of agreement with AT&T Kentucky for the
6 exchange of 911 traffic.³ Because CKN and the counties it serves continue to
7 seek to have AT&T Kentucky pass its 911 traffic in certain counties to CKN, even
8 though CKN and AT&T Kentucky have no agreement or arrangement in place,
9 AT&T Kentucky seeks a Commission Order instructing CKN to become a
10 certificated carrier and to enter into an ICA with AT&T Kentucky.

11 **Q. HOW DOES AT&T KENTUCKY DELIVER 911 TRAFFIC TO PSAPS TODAY?**

12
13 A. Generally, AT&T Kentucky delivers 911 traffic over direct connections from its
14 911 selective routers (switches) to the PSAPs it serves pursuant to AT&T
15 Kentucky's tariff. In areas where a PSAP's jurisdiction serves more than one
16 incumbent local exchange carrier (e.g., AT&T Kentucky and Windstream both
17 have exchanges in the PSAP's service area), AT&T Kentucky maintains a direct
18 connection from its selective router to the PSAP, which is used to carry AT&T
19 Kentucky end user 911 traffic to the PSAP.

³ Though AT&T Kentucky cannot enter into an ICA with a non-certificated entity, nor can AT&T Kentucky request interconnection with another carrier, AT&T Kentucky has advised CKN of its willingness to begin the process of negotiating terms for an ICA if the Commission rules one is necessary. By getting a head start on negotiations, AT&T Kentucky and CKN can minimize possible delays when the Commission renders its decision in this matter. Att. 3 hereto.

1 **Q. HOW WOULD THINGS CHANGE IF AT&T KENTUCKY ROUTED 911**
2 **TRAFFIC TO CKN AS SOME COUNTIES HAVE REQUESTED?**

3
4 A. I note that the purpose of this docket is not to establish the terms of a specific
5 contract between AT&T Kentucky and CKN, which can be worked out through
6 negotiation. As a general matter, however, AT&T Kentucky expects that prior to
7 sending 911 traffic to CKN, it would first need to understand the capabilities and
8 requirements of CKN. For example, would AT&T Kentucky continue to use its
9 selective router and Automatic Location Identification (“ALI”) (or 911) database,
10 or would CKN provide those functions in the areas it serves? Second, AT&T
11 Kentucky and CKN would need to establish a protocol for AT&T Kentucky to
12 send its 911 traffic to CKN, including where and how to interconnect their
13 respective networks. Third, if, as CKN asserts, “most or all of the services
14 provided by [CKN] are internet-based,”⁴ where and how would AT&T Kentucky’s
15 TDM (non-internet) 911 traffic be converted to Internet Protocol (“IP”) format?
16 These are some of the issues that the parties need to address, via an
17 agreement, prior to any exchange of 911 traffic.

18 **III. DISCUSSION**

19 **Q. WHAT IS THE PURPOSE OF AT&T KENTUCKY’S PETITION?**

20 A. To be clear, AT&T Kentucky does not object to connecting to CKN for the
21 exchange of 911 traffic. The purpose of the Petition is to ensure that the proper
22 framework and requirements are in place before AT&T Kentucky begins routing
23 911 traffic to CKN. The typical industry practice is to have an agreement in place
24 that clearly defines the responsibilities of each party to the traffic exchange.

⁴ Lexington-Fayette Urban County Government’s Response to Verified Petition for Declaratory Order, ¶ 10.

1 AT&T Kentucky and CLECs and CMRS providers rely upon ICAs in Kentucky to
2 provide clear terms and conditions to govern the exchange of traffic.

3 In this instance, however, there are no such agreements in place.

4 Although Counties in Kentucky have instructed AT&T Kentucky to send their 911
5 traffic to CKN for delivery to specific PSAPs, there is no written understanding
6 between the parties as to how AT&T Kentucky should exchange this traffic with
7 CKN. At the very least, there must be formal defined terms and conditions
8 between AT&T Kentucky and CKN so each party knows its respective roles and
9 responsibilities. In particular, it is important for AT&T Kentucky to have a direct
10 connection to CKN and to have a contractual limitation of liability regarding the
11 911 traffic it would pass to CKN.

12 As AT&T Kentucky sees it, there are various routes the Commission might
13 take:

- 14 • Require entities like CKN that are involved in the transport or termination
15 of 911 calls to PSAPs to become certificated as public utilities and enter
16 into interconnection agreements in order to receive 911 traffic from
17 carriers;
- 18 • Forbid carriers from sending 911 traffic to non-certificated entities for
19 delivery to PSAPs; or
- 20 • Find that carriers are allowed (but not required) to send 911 traffic to non-
21 certificated entities for delivery to PSAPs on mutually agreeable
22 terms.

1 **Q. WHY DOES AT&T KENTUCKY ADVOCATE THE PARTIES HAVE AN ICA**
2 **PURSUANT TO SECTIONS 251 AND 252 OF THE FEDERAL**
3 **TELECOMMUNICATIONS ACT?**
4

5 A. AT&T Kentucky is simply trying to abide by Commission precedent. In Case No.
6 2009-00438, the Commission found that 911 service provisioned by a
7 competitive carrier to PSAPs qualifies for interconnection under
8 47 U.S.C. § 251(c)(2), and the terms, rates and conditions of such
9 interconnection must be within an agreement established pursuant to
10 47 U.S.C. § 252.⁵ In that case INdigital sought a Section 251/252
11 interconnection agreement with AT&T Kentucky in order to interconnect with
12 AT&T Kentucky and provide service to PSAPs. AT&T Kentucky opposed that
13 request and argued that no ICA was necessary, but the Commission disagreed.⁶
14 The Commission, however, found that “AT&T Kentucky is obligated to allow
15 INdigital to interconnect with AT&T Kentucky’s services and facilities under both
16 Section 251(c)(2) and Section 251(c)(3) and that INdigital’s request for
17 interconnection must be placed within the confines of a written agreement
18 developed pursuant to Section 252(b).”⁷ AT&T Kentucky believes that the
19 INdigital decision similarly requires it to establish an ICA with CKN because CKN
20 is seeking to interconnect with AT&T Kentucky’s network for the purpose of

⁵ *Petition of Communications Venture Corporation d/b/a INdigital Telecom for Arbitration of Certain Terms and Conditions of Proposed Interconnection Agreement with BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky Pursuant to the Communications Act of 1934, as Amended by the Telecommunications Act of 1996, Case No. 2009-00438, Order (2010)*

⁶ It should be noted that AT&T Kentucky argued in the INdigital proceeding that a commercial agreement, and not an ICA under Sections 251 and 252 of the federal Act, was the appropriate vehicle for the parties to enter into.

⁷ *INdigital Order, Case No. 2009-00438, at 5-6.*

1 serving PSAPs, though even if an ICA were not required AT&T Kentucky still
2 believes certification and a written agreement are necessary.

3 **Q. WHY SHOULD CKN AND AT&T KENTUCKY ENTER INTO A FORMAL**
4 **AGREEMENT PRIOR TO THE EXCHANGE OF 911 TRAFFIC?**

5
6 A. A formal agreement would define terms and conditions under which AT&T
7 Kentucky and CKN would interconnect their networks for the exchange of 911
8 traffic. It would also ensure a safe and reliable method of connection, in a
9 manner that is similar to how other carriers interconnect with AT&T Kentucky.
10 AT&T Kentucky has standard terms it proposes that comply with state and
11 federal regulations, and they can be adopted as a complete ICA. Alternatively,
12 CKN has the option to negotiate terms that best suit its needs, either starting
13 from the generic template AT&T Kentucky provides or starting from another
14 agreement currently in effect between AT&T Kentucky and another CLEC or 911
15 service provider.⁸ A third alternative available to CKN would be to adopt an
16 eligible ICA in its entirety under a Section 252(i) MFN adoption (47 U.S.C. §
17 252(i)).

18 Another benefit for having an ICA is that it would define the terms for a
19 direct connection to the CKN network, as opposed to AT&T Kentucky routing its
20 911 traffic through an additional carrier before reaching CKN. AT&T Kentucky is
21 concerned that if it were to voluntarily agree to indirectly route 911 traffic to
22 PSAPs through an uncertificated entity like CKN (rather than via the direct
23 connections that AT&T Kentucky has with PSAPs today) without any direction or

⁸ Subject to the current ICA still being ripe for negotiation or Most Favored Nation (“MFN”) adoption under Section 252(i).

1 review from the Commission, it could be exposed to significant and unwarranted
2 liability.

3 The ICA would provide those terms for direct connection, along with other
4 relevant network provisioning and compensation terms that are necessary when
5 two carriers exchange traffic. The contract would also appropriately limit AT&T
6 Kentucky's liability in those instances where AT&T Kentucky end users' 911 calls
7 route through CKN because AT&T Kentucky cannot ensure or warrant the
8 reliability of CKN's network and call routing in completing the 911 call to the
9 PSAP. Such limitations of liability are appropriate and necessary when a carrier
10 handles 911 traffic.

11 Finally, certification of CKN as a telecommunications carrier would allow
12 for Commission oversight as needed with respect to ensuring the reliability and
13 efficacy of Kentucky's 911 services throughout the Commonwealth.

14 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

15 **A.** Yes.