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December 3, 2004

Ms. Beth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

**RECEIVED**

DEC 03 2004

PUBLIC SERVICE  
COMMISSION

RE: Inquiry into the Development of Deaveraged Rates for Unbundled  
Network Elements; Administrative Case No. 382

Dear Ms. O'Donnell:

Enclosed for filing, please find an original and eleven (11) copies of Kentucky ALLTEL's Responses to Nuvox's Further Data Requests. Please file-stamp the extra copy and return it to me in the self-addressed, pre-stamped envelope I have enclosed for your convenience.

The exhibits to the Responses are considered highly proprietary and confidential in their entirety and are subject to confidential protection pursuant to the Petitions for Confidential Protection filed previously in this matter. Accordingly, copies of the exhibits are being provided only to the Commission and two parties of record who have executed the necessary confidentiality agreement with Kentucky ALLTEL.

Given the confidential nature of this filing, copies are not being mailed to the remaining parties on the service list. Rather, these parties are being notified of this filing by copy of this letter.

Thank you for your cooperation in this matter. Please do not hesitate to contact me with any questions you may have.

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Ms. Beth O'Donnell  
December 3, 2004  
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Sincerely,

WYATT, TARRANT & COMBS, LLP

A handwritten signature in black ink that reads "Noelle M. Holladay". The signature is written in a cursive, flowing style.

Noelle M. Holladay

Enclosures

cc: Douglas F. Brent  
John Balke  
Kimberly Bennett  
James H. Newberry, Jr.

30343667.0

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 03 2004

In the Matter of:

AN INQUIRY INTO THE DEVELOPMENT )  
OF DEAVERAGED RATES FOR )  
UNBUNDLED NETWORK ELEMENTS )

PUBLIC SERVICE  
ADM. CASE NO. 0382N

KENTUCKY ALLTEL'S RESPONSES TO  
NUVOX'S FURTHER DATA REQUESTS

On November 10, 2004, Nuvox Communications, Inc. ("Nuvox") filed with the Commission further data requests in this matter. Kentucky ALLTEL, Inc. ("Kentucky ALLTEL") has continued to respond to informal data requests submitted directly to Kentucky ALLTEL by Nuvox and also files these responses to Nuvox's third set of formally filed data requests. Kentucky ALLTEL reiterates that its filings in this proceeding with respect to costs and rates for unbundled local switching and high capacity loops are provided under protest and without waiving Kentucky ALLTEL's lawful rights and objections:

QUESTION NO. 38: With reference to ALLTEL's response to NuVox data request 19, which states "there are no underlying calculations behind any of these numbers," please provide the calculations and a narrative description of the equipment and processes that were used to generate the values that ALLTEL describes as "direct inputs" in cells B70 through B78.

RESPONSE: Cells B70 and B71 use catalog pricing for repeater equipment required for conditioning. Cells B72 through B78 reflect costs for electronic equipment used to terminate local loops. As previously explained by Kentucky ALLTEL, no underlying calculations for the numbers were available; however,

**Kentucky ALLTEL has performed the necessary calculations as requested by Nuvox to develop the values for these cells. The calculations are included in file KYA\_Q38 Response.xls which is attached hereto. The resulting impacts of the calculations requested by Nuvox include (a) a 15% increase in the average DS1 rate from \$168.48 to \$195.15 and (b) a 0.5% decrease in the statewide average two-wire rate from \$30.91 to \$30.76.**

**QUESTION NO. 39:** With reference to ALLTEL's response to NuVox data request 35 (b) which generally described the process of converting existing network facility data into the information that became the "Budline Report", which was provided in response to NuVox data request 20(b), the underlying calculations and source material used to develop these values have not been provided as requested in NuVox data request 20(b). The process described in response to NuVox data request 35 (b) appears to be a summary of the process described in slightly more detail in sections D.2 – D.5 of the supporting documentation file "ALLTEL Telric Procedures.doc. Please provide the spreadsheets and any other process information or program or data used in the conversion of ALLTEL's existing network facility data into the information finally used in ALLTEL's study, which are described in D.2 – D.5 of the "ALLTEL Telric Procedures.doc" documentation.

**RESPONSE: As previously explained, the processes and programs Kentucky ALLTEL used to develop the forward-looking network material cost information involve the interaction of numerous ALLTEL systems and servers, including Microsoft Access databases, database queries, custom-built programs, and input**

forms. As the process is dynamic, information flows through a spreadsheet or process, and only the results are captured for the next step. Although not required to do so by these requests, Kentucky ALLTEL has extracted the systems and is providing a condensed version of the processes in the attached files, KYA\_Q39 Response.xls and KYA\_TelricFeeder.xls. These files document the transition from the existing network design to the forward-looking network design and material costs used in Kentucky ALLTEL's TELRIC study. The "Overview" worksheet in the first file contains a brief narrative for each of the worksheets in the file, explaining modifications to the data at each stage of the process. Documentation reflects the entire process for one exchange. Kentucky ALLTEL is also providing the raw data for all exchanges; Nuvox can process the raw data through the attached files to produce the forward-looking material costs for each exchange.

**QUESTION NO. 40:** With reference to ALLTEL's response to NuVox's request for follow-up to data request 21 which stated "The values shown on Tab AJ, "Electronic Data", and in the file provided September 20, 2004 are the correct amounts for Loop Fiber Facilities", please provide a full explanation for the difference in the values in the data provided in response to data request 21 and the values in column J, "Loop Fiber Equipment" of the worksheet "Import Data" in ALLTEL's cost study.

**RESPONSE:** The difference between the values in the data provided in response to Data Request No. 21 and the values in Column J, "Loop Fiber Equipment," of the worksheet "Import Data" in Kentucky ALLTEL's TELRIC study is the result of human error. Results from a preliminary study run were retained and not properly

replaced with the totals shown on the TELRIC study backup documents under Tab AJ, “Electronic Data.” The error had been identified, and Kentucky ALLTEL is reflecting the corrected result in the final study to be filed with its testimony in this proceeding.

**QUESTION NO. 41:** With reference to ALLTEL’s response to NuVox’s data request 21(b) which requested “all underlying calculations and source material used to develop the values of the data listed in the Woms Electronic Data Report”, the information provided by ALLTEL is not a sufficiently complete response. The calculations provided by ALLTEL are based on values for “Loop Electronic Prices” that are inputs in the “Electronic Prices” tab of “KY ALLTEL\_Fiber Equipment Data.xls”. Please provide all underlying calculations and source material used to derive these “input” values, such as details on the components and prices used, and any loadings that have been applied.

**RESPONSE:** The source documentation is contained in file KYA\_IX Model Inputs.xls, which shows the individual equipment items making up each termination configuration, along with the catalog prices, quantities, and underlying calculations developing the extended cost amount.

**QUESTION NO. 42:** With reference to ALLTEL’s response to NuVox data request 23(a) please provide the labor study referenced in the response.. Please provide all documents generated as a result of “discussions with ALLTEL engineering subject matter experts” and all underlying workpapers. Please identify the subject matter experts.

**RESPONSE:** The labor study refers to labor rates which were previously provided in file “Telric Labor Input\_2003.xls” (the “labor file”) in response to Nuvox Data Request No. 17. Kentucky ALLTEL does not have additional written documentation.

Dated: December 3<sup>rd</sup>, 2004.

Respectfully submitted,

**KENTUCKY ALLTEL, INC.**

By: Noelle M. Holladay  
James H. Newberry, Jr.  
Noelle M. Holladay  
Attorney for Kentucky ALLTEL, Inc.  
Wyatt, Tarrant & Combs, LLP  
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the cover letter providing notice of this filing has been sent this 3<sup>rd</sup> day of December, 2004 by first class mail, postage prepaid to the following parties of record in this matter:

William Adkinson  
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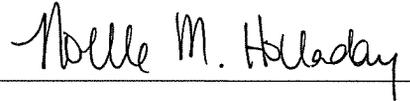
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and further certify that copies of the foregoing Responses with the confidential attachments were sent the 2<sup>nd</sup> day of December, 2004 by overnight delivery to the following parties subject to the parties' confidentiality agreements:

Nuvox Communications, Inc.  
c/o John Balke, QSI Consulting  
930 Wild Rose Court  
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Douglas F. Brent  
Stoll, Keenon & Park, LLP  
Counsel for AT&T Communications  
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