



S T O L L · K E E N O N · O G D E N  
P L L C

2000 PNC PLAZA  
500 WEST JEFFERSON STREET  
LOUISVILLE, KY 40202-2828  
MAIN: (502) 333-6000  
FAX: (502) 333-6099  
www.skofirm.com

**DOUGLAS F. BRENT**  
DIRECT DIAL: 502-568-5734  
douglas.brent@skofirm.com

March 30, 2009

RECEIVED

MAR 30 2009

PUBLIC SERVICE  
COMMISSION

Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
P.O. Box 615  
211 Sower Boulevard  
Frankfort, KY 40601

*RE: MCI Communications, Inc. et al v. Windstream Kentucky West, LLC et  
al Case No. 2007-00503*

Dear Mr. DeRouen:

Enclosed please find an original and ten copies of Verizon's First Requests for Information propounded to Windstream Kentucky West, LLC and Windstream Kentucky East, LLC (collectively, "Windstream").

Please indicate receipt of these filings by placing your file stamp on the extra copies and returning to me via our runner.

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

DFB:

Enclosures

cc: Service List

105138.116493/571328.1

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

In the matter of:

MCI Communications Services, Inc., )  
Bell Atlantic Communications, Inc., )  
NYNEX Long Distance Company, )  
TTI National, Inc., )  
Teleconnect Long Distance Service & Systems )  
and Verizon Select Services, Inc. )  
Complainants )  
vs. )  
Windstream Kentucky West, Inc., )  
Windstream Kentucky East, Inc. – Lexington, )  
and Windstream Kentucky East, Inc. – London )  
Defendants )

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MAR 30 2009

PUBLIC SERVICE  
COMMISSION

Case No. 2007-00503

**VERIZON'S FIRST REQUESTS FOR INFORMATION**

In accordance with the Commission's March 11, 2009 Order in this case, Verizon propounds the following information requests on Windstream Kentucky West, LLC, Windstream Kentucky East, LLC – Lexington, and Windstream Kentucky East, LLC. – London (collectively, "Windstream"). Under the March 11 Order, Windstream's responses to these requests are due by April 24, 2009.

**DEFINITIONS**

1. "Affiliate" means any company with a direct or indirect ownership interest in the company at issue, or any company that is partially or wholly owned (either directly or indirectly) by a company with a direct or indirect ownership interest in the company at issue. Windstream Communications, Inc. is a Windstream Affiliate.

2. "Document" means any medium that contains information, including without limitation, written, printed, typed or visually reproduced material of any kind, whether or not privileged, and further includes without limitation the original and all copies of any and all letters, reports, memoranda, files, communications, correspondence, agreements, bills, receipts, studies, analyses, telegrams, telexes, minutes, bulletins, instructions, literature, memoranda of conversations, notes, notebooks, diaries, data sheets, financial statements, work sheets, recordings, tapes, drawings, graphs, indexes, charts, telephone records, photographs, photographic records, computer files, whether or not such files are presently in a hard copy form, other data compilation, or any other written, recorded, transcribed, punched, taped, filed or other graphic matter including any draft of the foregoing items and any copy or reproduction of any of the foregoing items upon which any notation, work, figure, or form is recorded or has been made which does not appear on the original or as to whose existence, either past or present, the responding party has any knowledge or information.

3. "Windstream" or "you" means Windstream Kentucky West, LLC, Windstream Kentucky East, LLC – Lexington, and Windstream Kentucky East, LLC – London, their agents, servants, attorneys, investigators, employees, ex-employees, representatives (or those of their subsidiaries, affiliates or parent companies), predecessors-in-interest Kentucky ALLTEL and ALLTEL Kentucky, and others who are in possession of, or who may have obtained, information for or on behalf of any of the above mentioned persons or entities.

4. "Identify" means to describe in detail the information requested. For example, "identify," when used in reference to a person or other entity, shall mean to state the full name and present or last known address for such person or entity, as well as the position or line of business for such person or entity. "Identify," when used in reference to an action, event, or

occurrence, including a communication, meeting, or statement, shall mean to describe the action, event or occurrence by reference to, for example, its nature, subject matter, location and date and to state the participants in and witnesses to the action, event, or occurrence. “Identify,” when used in reference to a document, shall mean to state the date, author, signers and recipients of the document and to describe the type of document (*e.g.*, letter, memorandum, e-mail) and its custodian.

5. “MOUs” means “minutes of use.”

6. “Relate” or “relating” means containing, governing, showing, mentioning, referring, discussing or pertaining in any way, directly or indirectly, to the subject matter.

7. “Intrastate switched access rates” means the rates listed in Windstream’s intrastate switched access tariffs, including any usage-sensitive rates and the Non-Traffic Sensitive Revenue Requirement (“NTSRR”), whether it is billed on a per-minute, flat-rate, or other basis, and any other rate that Windstream contends is applicable to a carrier that originates or terminates intrastate, interexchange (including intraLATA) traffic from/to Windstream customers or from/to customers of a carrier reselling Windstream local service.

8. “Interstate switched access rates” means the usage-sensitive rates listed in Windstream’s interstate access tariff.

9. “Long-Distance offering” means any plan that includes intraLATA and/or interLATA calling, including “1+” calling and inbound “800” or similar “toll free” service, for any rate separate from Windstream’s rate for local service.

### **INSTRUCTIONS**

1. Unless otherwise indicated by the information request, Windstream’s responses shall include separate information for each Windstream entity in this case—that is, Windstream Kentucky West, LLC, Windstream Kentucky East, LLC – Lexington, and Windstream Kentucky

East, LLC – London (individually referred to in some instances as a “Windstream company” in these information requests).

2. Windstream shall fully respond to these requests in writing and produce all requested information in their possession, custody, or control.

3. In its responses, Windstream should repeat the discovery request and submit a complete response together with any and all documentation requested. All documents produced by Windstream shall be consecutively numbered.

4. These Requests for Information are continuing in nature so as to require Windstream to continually update its responses and promptly provide additional documents or information responsive to these requests when further information and documents are discovered or become known, directly or indirectly, to Windstream, its agents, or attorneys. Should Windstream not understand any particular request, please contact Verizon’s attorneys in this proceeding.

5. Windstream shall identify the name and telephone number of each person responsible for the content of each response, and the date upon which the response was prepared.

6. If any of the following data requests cannot be answered in full, Windstream shall answer or produce to the extent possible, specifying the reason for its inability to answer the remainder or to produce in full, and state whatever information or knowledge it has concerning the unanswered portion and produce such documents it has.

## INFORMATION REQUESTS

1. Please identify each long-distance offering Windstream or its affiliates provided, offered or marketed in Kentucky in 2007, 2008, and 2009, including, but not limited to, flat-rate calling plans that include(d) long-distance service and product bundles that include(d) long-distance service, and provide the prices associated with each such offering.
2. Please identify each local telephone service offering Windstream provided, offered or marketed in 2007, 2008, and 2009, including, but not limited to, any stand-alone local service offerings and any product bundles that include(d) local telephone service, and provide the prices associated with each such offering.
3. Please identify all Windstream local services, offerings, products, bundles, or promotions made available only to customers of Windstream's interexchange carrier affiliate(s) in Kentucky from 2006 to the present, and the prices for such services, offerings, products, or promotions.
4. Please identify, from 2006 to the present, all long-distance telephone services, offerings, products, bundles or promotions made available by Windstream Communications, Inc. or any other Windstream affiliate operating in Kentucky to only Windstream local exchange carrier customers, and provide the prices for such services, offerings, products, bundles, or promotions.
5. Please produce all documents relating to the use by Windstream, or by any of its affiliates, of any intrastate switched access revenue to fund any competitive offering, including, but not limited to, broadband service, long-distance service, or television service.
6. For the years ending December 31, 2006, 2007, and 2008, please identify every intrastate switched access rate element that you applied to any traffic and please produce documents sufficient to show, for each element:
  - a. Total MOUs by year for terminating traffic.
  - b. Total MOUs by year for originating traffic.
  - c. Total revenue by year for terminating traffic.
  - d. Total revenue by year for originating traffic.
7. For years ending December 31, 2006, 2007, 2008, please identify every interstate switched access rate element that you applied to any traffic and please produce documents sufficient to show, for each element:
  - a. Total MOUs by year for terminating traffic.
  - b. Total MOUs by year for originating traffic.

- c. Total revenue by year for terminating traffic.
  - d. Total revenue by year for originating traffic.
8. Please provide the following (Kentucky-specific) information for each Windstream company for 2006, 2007, and 2008:
- a. Total intrastate revenues.
  - b. Total intrastate switched access revenues.
  - c. The percentage of total intrastate switched access revenues derived from the non-traffic-sensitive revenue requirement (“NTSRR”) element.
  - d. The percentage of total intrastate revenues derived from intrastate switched access services.
  - e. Total revenues for local telephone service (including any EUCL or SLC revenues).
  - f. Total billed intrastate switched access minutes of use.
  - g. Average revenue per minute (“ARPM”) for intrastate switched access service provided by you to other carriers in Kentucky.
  - h. Average revenue per minute (“ARPM”) for interstate switched access service provided by you to other carriers in Kentucky.
  - i. Total billed intrastate originating switched access minutes of use.
  - j. Total billed intrastate terminating switched access minutes of use.
9. Do you contend that you use revenue from your intrastate switched access charges to recover costs related to basic local service for any customer group? If your answer is yes, for each Windstream company, please state the amount of switched access revenue (in dollars) that you claim was dedicated to that purpose for 2005, 2006, 2007, 2008, and 2009, when available, and please produce all documents and data you relied on to develop your answer.
10. Please state the total number of revenue-producing access lines in each Windstream company’s Kentucky service territory as of December 31 of 2006, 2007, and 2008. For each year, please break down the total number by (i) single-line residential, (ii) single-line business, (iii) multi-line residential, and (iv) multi-line business. If there is any other category of revenue-producing lines, please identify that category and state the number of lines for each of the years requested.
11. For each of the dates and categories of lines in Request number 10 above, please identify:

- a. The total revenue by year derived from all recurring and non-recurring charges, including monthly recurring charges, vertical features, operator services, directory assistance, and installation.
  - b. The total revenue by year derived from subscriber line charges.
  - c. Your average monthly revenue per line.
  - d. Your average monthly revenue per line for residential “Basic local exchange service” customers as that term is defined by KRS 278.541(1)-.
12. Please provide documents sufficient to show how each Windstream company’s NTSRR charge was calculated for 2005, 2006, 2007, 2008, and 2009.
  13. For each Windstream company, on what basis is the NTSRR billed (*e.g.*, per-line, per-minute, or other basis)?
  14. For each Windstream company, please provide the total revenue derived from the NTSRR in 2005, 2006, 2007, 2008 and year-to-date 2009.
  15. For each Windstream company that applies a residual interconnection charge (“RIC”), please provide the total revenue derived from the RIC in 2005, 2006, 2007, 2008, and 2009, when available.
  16. Does Windstream contend that it still needs to recover any investment or expense related to the implementation of intraLATA equal access? If so, please provide, for each Windstream company, documents sufficient to show the total investment and expense related to implementation of intraLATA equal access and the amounts remaining to be recovered.
  17. At pages 20-21 of its Motion to Dismiss, Answer, and Response to Motion for Full Intervention that Windstream filed in this docket January 17, 2008, Windstream states: “In essence, the NTSRR charge was developed from then existing revenue streams designed to recover NTS costs.” Please identify each of the “then existing revenue streams” referenced in this statement, the date as of which the amounts of those revenue streams was established, the NTS costs such revenue streams were designed to recover, and the amount of each such revenue stream.
  18. Have the revenues streams used to calculate the NTSRR been adjusted since the NTSRR element was first established? If so, please provide documents sufficient to show any such adjustments, the reason(s) for such adjustments, and the dates of such adjustments.
  19. Is the NTSRR in Windstream’s existing intrastate switched access rates associated with any costs of providing intrastate switched access service today? If so, please provide documents sufficient to show the cost support for the NTSRR.
  20. Please identify, for 2004, 2005, 2006, 2007, and 2008, and for each Windstream company, all revenue received from any federal universal service fund.



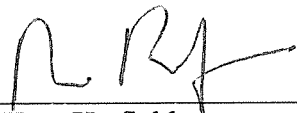
21. For 2006, 2007 and 2008, please state what your total revenue, by company, would have been from all intrastate switched access charges if your average revenue per minute (“ARPM”) had been at the BellSouth Telecommunications, Inc. (“BellSouth” or “AT&T Kentucky”) level as set forth in Confidential Exhibit 1 to Verizon’s Complaint that initiated this proceeding.
22. Please (a) provide the rate of return for each Windstream respondent for 2008 and (b) describe the effect on each Windstream company’s rate of return if its intrastate switched access revenues were reduced pursuant to the scenario described in request number 21, above, assuming no changes in demand for any rate element or service.
23. Please provide copies of each annual report filed with the Commission for years 2004, 2005, and 2006.
24. Please provide copies of each Report of Gross Operating Revenues Derived from Intra-Kentucky Business filed with the Commission for the years ending 2005, 2006, 2007, and 2008.
25. Does Windstream plan to file a cost study to try to justify its intrastate switched access rates in this proceeding?
26. Please produce any cost studies or drafts thereof performed or partially performed in the past six years that relate to (i) costs for basic local exchange service to end users in Kentucky, (ii) costs associated with performing end office switching, tandem switching, or transport functions, or (iii) any other costs that you contend are relevant to the subject matter of this proceeding.
27. Please provide financial statements, balance sheets, and income statements for the past five years for Windstream’s Kentucky operations.
28. Separately for each of the past five years and for each Windstream company, please state Windstream’s return on equity for its Kentucky operations.
29. Does Windstream agree that its intrastate switched access rates exceed its costs of providing intrastate switched access service? If your answer is anything but an unconditional yes, please provide support for your answer, including documents sufficient to show that your intrastate switched access rates do not exceed your intrastate switched access costs.
30. Please identify any docket or proceeding at the Federal Communications Commission since 2000 in which Windstream has advocated the use of a forward-looking economic cost study for setting access rates.
31. Please provide all documents, including but not limited to, cost studies, cost analyses, and cost methodologies, that relate to Windstream’s costs of providing switched access services which have not been produced in response to any other data requests from Verizon in this proceeding

32. Please provide all documents comparing Windstream's intrastate switched access rates to BellSouth's intrastate switched access rates in Kentucky.
33. Does Windstream provide interexchange services to customers in any location in Kentucky where Windstream is not an incumbent provider of local service?
34. Please provide each Automated Reporting Management Information System ("ARMIS") report filed with the Federal Communications Commission for the years 2007, 2007 and 2008.
35. For the years 2006, 2007, 2008 and 2009 (as available), provide each: (a) Form 499A and Form 499Q filed with the Federal Communications Commission; (b) any reports or surveys filed with the Kentucky Public Service Commission.
36. When were Windstream's existing intrastate access rates established?
37. Please provide a copy of any response to any discovery request that you provide to any other party in this proceeding.
38. Please identify each person Windstream expects to call as a witness in the hearing in this proceeding and summarize the expected testimony of each.
39. Please provide all documents relating to or constituting any exhibit Windstream intends to use for any purpose at the hearing in this proceeding.

\* \* \*

March 30, 2009

Respectfully submitted,

By: 

C. Kent Hatfield  
Douglas F. Brent  
STOLL KEENON OGDEN PLLC  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, Kentucky 40202  
Telephone: (502) 333-6000

Dulaney L. O'Roark III  
(admitted *pro hac vice*)  
Vice President and General Counsel  
– Southeast Region  
Verizon  
5055 North Point Parkway  
Alpharetta, Georgia 30022

Kimberly Caswell  
(admitted *pro hac vice*)  
Associate General Counsel  
Verizon  
Post Office Box 110, MC FLTC0007  
Tampa, Florida 33601-0110

Counsel for MCI Communications Services,  
Inc., Bell Atlantic Communications, Inc.,  
NYNEX Long Distance Company, TTI  
National, Inc., Teleconnect Long Distance  
Services & Systems Company and Verizon  
Select Services, Inc.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing has been served by First Class Mail on those persons whose names appear below this 30th day of March, 2009.


John N. Hughes  
Attorney at Law  
124 West Todd Street  
Frankfort, Kentucky 40601

Robert C. Moore  
Hazelrigg & Cox, LLP  
415 West Main Street, 1<sup>st</sup> Floor  
P.O. Box 676  
Frankfort, Kentucky 40602-0676

Kimberly K. Bennett  
Cesar Caballero  
Windstream  
4001 Rodney Parham Road  
Little Rock, Arkansas 72212-2442

Daniel Logsdon  
Vice President, State Government Affairs  
Windstream Kentucky West  
130 West New Circle Road  
Suite 170  
Lexington, Kentucky 40505

Mary K. Keyer  
General Counsel/ AT&T Kentucky  
601 West Chestnut Street, Room 407  
Louisville, Kentucky 40203



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Douglas F. Brent