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PLLC

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March 2, 2010

RECEIVED

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

MAR 0 2 2010

PUBLIC SERVICE COMMISSION

RE: An Investigation Into The Traffic Dispute Between Windstream Kentucky East, LLC, Brandenburg Telephone Company And MCImetro Access Transmission Services, LLC d/b/a Verizon Access Case No. 2008-00203

Dear Mr. DeRouen:

Enclosed are an original and ten copies of the Direct Testimony of Don Price on behalf of MCImetro Access Transmission Services LLC, d/b/a Verizon Access Transmission Services.

Please indicate receipt of this filing by placing your file stamp on the extra copy and returning to me via our runner.

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

DFB:

Enclosures

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

)

In the Matter of:

INVESTIGATION INTO TRAFFIC DISPUTE BETWEEN BRANDENBURG TELEPHONE COMPANY, WINDSTREAM KENTUCKY EAST AND VERIZON ACCESS

Case No. 2008-00203

DIRECT TESTIMONY OF DON PRICE ON BEHALF OF MCIMETRO ACCESS TRANSMISSION SERVICES LLC, d/b/a VERIZON ACCESS TRANSMISSION SERVICES

MARCH 2, 2010

1 I. INTRODUCTION

2	Q.	Please state your name and business address.
3	A.	My name is Don Price, and my business address is 701 Brazos, Suite 600, Austin,
4		Texas, 78701.
5		
6	Q.	By whom are you employed and what is your position?
7	A.	I am the Director – State Public Policy for Verizon. MCImetro Access
8		Transmission Services LLC, ("MCImetro") is part of Verizon. I am testifying
9		here on behalf of MCImetro.
10		
11	Q.	What is your professional experience and educational background?
12	A.	I have more than 30 years experience in telecommunications, the vast majority of
13		which is in the public policy area. I worked for the former GTE Southwest in the
14		early 1980s, and then moved to the Texas Public Utilities Commission in 1984.
15		There, I acted as a Commission witness on rate-setting and policy issues. In
16		1986, I became Manager of Rates and Tariffs, and was responsible for Staff
17		analyses of rate design and tariff policy issues in all telecommunications
18		proceedings before the Commission. I was hired by MCI in 1986, where I spent
19		19 years in jobs focused on public policy issues relating to competition in
20		telecommunications markets, including coordination of positions in
21		interconnection agreement negotiations.
22		
23		With the close of the Verizon/MCI merger in January 2006, I assumed the
24		position of Director State Regulatory Policy for Verizon Business. As a result
25		of internal reorganization, I assumed my current position in January 2010. I work

1		with various corporate departments, including those involved with product
2		development and network engineering, to develop and coordinate policies
3		permitting Verizon to offer products to meet customer demands in the enterprise
4		and wholesale markets. That part of Verizon focuses on products to enterprise
5		customers – corporate customers and government entities – and is made up
6		largely of the former MCI competitive local exchange carrier and interexchange
7		carrier operations, which I will refer to collectively as "MCI."
8		
9		During my career, I have testified before state regulators in at least 27 states on a
10		wide range of issues in many types of proceedings, including interconnection
11		agreement arbitrations with local exchange carriers. I earned Master's and
12		Bachelor's degrees in sociology from the University of Texas at Arlington in
13		1978 and 1977, respectively.
14		
14 15	Q.	What is the purpose of your direct testimony?
	Q. A.	What is the purpose of your direct testimony? The purpose of my testimony is to explain why neither Windstream Kentucky
15		
15 16		The purpose of my testimony is to explain why neither Windstream Kentucky
15 16 17		The purpose of my testimony is to explain why neither Windstream Kentucky East, LLC ("Windstream") nor Brandenburg Telephone Company
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15 16 17 18 19 20	A.	The purpose of my testimony is to explain why neither Windstream Kentucky East, LLC ("Windstream") nor Brandenburg Telephone Company ("Brandenburg") is entitled to recover anything from MCImetro with respect to the traffic in dispute in this case.
15 16 17 18 19 20 21	А. Q.	The purpose of my testimony is to explain why neither Windstream Kentucky East, LLC ("Windstream") nor Brandenburg Telephone Company ("Brandenburg") is entitled to recover anything from MCImetro with respect to the traffic in dispute in this case. What traffic is in dispute?
15 16 17 18 19 20 21 22	А. Q.	The purpose of my testimony is to explain why neither Windstream Kentucky East, LLC ("Windstream") nor Brandenburg Telephone Company ("Brandenburg") is entitled to recover anything from MCImetro with respect to the traffic in dispute in this case. What traffic is in dispute? The disputed traffic involves calls from Brandenburg's end user customers in
15 16 17 18 19 20 21 22 23	А. Q.	The purpose of my testimony is to explain why neither Windstream Kentucky East, LLC ("Windstream") nor Brandenburg Telephone Company ("Brandenburg") is entitled to recover anything from MCImetro with respect to the traffic in dispute in this case. What traffic is in dispute? The disputed traffic involves calls from Brandenburg's end user customers in Radcliff that are destined for Internet Service Providers, or ISPs, that are

1		Windstream's Elizabethtown network for completion to MCImetro at MCImetro's
2		Point of Interconnection with Windstream in Elizabethtown. The traffic in
3		dispute does not include calls placed by Windstream's Elizabethtown end user
4		customers, and it excludes calls from Brandenburg's end user customers in
5		Radcliff to Windstream's end user customers in Elizabethtown.
6		
7	Q.	On what basis does Windstream claim compensation from MCImetro?
8	A.	The basis for Windstream's claim against MCImetro is not clear. In
9		Windstream's August 26, 2009 filing in this docket, it claimed that it was entitled
10		to \$1,565,623 based on usage charges, local number portability ("LNP") services
11		and interest. Windstream stated that the amounts due for usage were based on a
12		rate of \$.0045 per minute of use from August 2005 to September 24, 2009.
13		Although Windstream did not state the source of that rate, it corresponds to the
14		end office rate in its tariff for transit services. Windstream does not state how the
15		amount claimed for LNP queries was calculated or the legal basis for recovering
16		that amount. Nor does Windstream state the basis for its claims for interest.
17		
18	Q.	Who did Windstream say should pay these amounts?
19	A.	Windstream stated that it considered Brandenburg to be the principal party
20		responsible for payment, but also claimed that MCImetro shared responsibility
21		solely because it benefitted from the routing of this traffic by Brandenburg.
22		Windstream did not elaborate on this theory of liability.
23		
24	Q.	Is Windstream correct that MCImetro must pay because it received the

disputed traffic?

2

No. Windstream does not point to any tariff under which it might have provided 3 A. service to MCImetro or to any contract provision that would require MCImetro to 4 5 compensate it, and to my knowledge there is no such provision. To the contrary, 6 pursuant to the terms of Windstream's transit tariff, it is the originating party (in 7 this case, Brandenburg) that compensates a transit provider for transporting 8 traffic, not the terminating provider. Likewise, if a downstream carrier like 9 Windstream makes LNP queries that should have been made by an upstream 10 carrier (in this case, Brandenburg), the downstream carrier may charge the 11 upstream carrier for doing so, not the terminating carrier (in this case, MCImetro).

12

13 Q. What is the basis for Brandenburg's claim against MCImetro?

A. As I understand Brandenburg's position based on its August 26, 2009 filing in this
 docket, Brandenburg claims that MCImetro had a duty to interconnect with
 Brandenburg and because it did not do so it should be responsible for any
 payments Brandenburg is required to make to Windstream.

18

19 Q. Is Brandenburg correct that MCImetro had a duty to interconnect with it?

A. No. MCImetro has no customers in Brandenburg's service territory and therefore
has had no duty to interconnect with Brandenburg.

22

Q. Has MCImetro attempted to work out interconnection arrangements with Brandenburg?

1	A.	Yes. MCImetro has engaged in extensive negotiations with Brandenburg and has
2		proposed three alternative interconnection arrangements. First, MCImetro has
3		offered to establish a point of interconnection on Brandenburg's network,
4		provided that Brandenburg agrees to compensate MCImetro for traffic that is
5		originated on Brandenburg's network and terminated on MCI's network. Second,
6		MCImetro has proposed to establish an interconnection point outside of
7		Brandenburg's incumbent network in exchange for other terms and conditions,
8		which Brandenburg also has been unwilling to accept. Third, Verizon has
9		proposed that traffic be handed off at a meet point and handled on a bill-and-keep
10		basis. Verizon remains willing to negotiate a commercially reasonable
11		interconnection arrangement with Brandenburg.
10		
12		
12	Q.	Is MCImetro required to compensate Brandenburg for charges associated
	Q.	Is MCImetro required to compensate Brandenburg for charges associated with the disputed traffic?
13	Q. A.	
13 14	-	with the disputed traffic?
13 14 15	-	with the disputed traffic? No. Like Windstream, Brandenburg fails to cite any contract or tariff provision
13 14 15 16	-	with the disputed traffic?No. Like Windstream, Brandenburg fails to cite any contract or tariff provision that would entitle it to payment from MCImetro. Rather, Brandenburg appears to
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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served on the following by first-class United State mail, sufficient postage prepaid, this 2nd day of March, 2010.

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