

STOLL·KEENON·OGDEN

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August 8, 2008

RECEIVED

Stephanie L. Stumbo
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40601

AUG 1 1 2008

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 Ms. Stumbo:

Enclosed is the Direct Testimony of Don Price on behalf of MCImetro Access Transmission Services LLC.

Please indicate receipt of these filings by placing your file stamp on the extra copy and returning to me via the enclosed, self-addressed, stamped envelope.

Very truly yours,

STOLL KEENON OGDEN PLLC

Douglas F. Brent

DFB:

Enclosures

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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AUG 1 1 2008

PUBLIC SERVICE COMMISSION

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

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

AUGUST 8, 2008

I. INTRODUCTION

2	Ο.	Please sta	ate your	name	and	business	address.
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- 3 A. My name is Don Price, and my business address is 701 Brazos, Suite 600,
- 4 Austin, Texas, 78701.

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6 Q. By whom are you employed and what is your position?

- 7 A. I am the Director State Regulatory Policy in the Verizon Business Regulatory
- 8 and Litigation Department. MCImetro Access Transmission Services LLC
- 9 ("MCI" or "Verizon") is part of Verizon Business and does business in
- 10 Kentucky as Verizon Access Transmission Services. I am testifying here on
- 11 behalf of MCI.

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Q. What is your professional experience and educational background?

- 14 A. I have nearly 30 years experience in telecommunications, the vast majority of
- which is in the public policy area. I worked for the former GTE Southwest in
- the early 1980s, and then moved to the Texas Public Utilities Commission in
- 17 1984. There, I acted as a Commission witness on rate-setting and policy issues.
- In 1986, I became Manager of Rates and Tariffs, and was responsible for Staff
- analyses of rate design and tariff policy issues in all telecommunications
- 20 proceedings before the Commission. I was hired by MCI in 1986, where I
- spent 19 years in jobs focused on public policy issues relating to competition in
- 22 telecommunications markets, including coordination of positions in
- 23 interconnection agreement negotiations.

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With the close of the Verizon/MCI merger in January 2006, I assumed my

current position as Director – State Regulatory Policy for Verizon Business. I work with various corporate departments, including those involved with product development and network engineering, to develop and coordinate policies permitting Verizon Business to offer enterprise and wholesale products to meet customer demands. Verizon Business is the business unit within Verizon that focuses on services to enterprise customers such as corporate customers and government entities, and is made up largely of the former MCI competitive local exchange carrier ("CLEC") and interexchange carrier ("IXC") operations.

During my career, I have testified before state regulators in at least 27 states on a wide range of issues in many types of proceedings, including interconnection agreement arbitrations with local exchange carriers. I earned Master's and Bachelor's degrees in sociology from the University of Texas at Arlington in 1978 and 1977, respectively.

Α.

Q. What is the purpose of your direct testimony?

I will explain MCImetro's positions on the issues involved in this proceeding. I will begin by discussing MCI's history of providing dial-up access service that allows end user customers to reach their Internet Service Provider ("ISP") through their local telephone service. In that context, I describe MCI's network presence in Elizabethtown and the interconnection between MCI and Windstream in Elizabethtown, and explain how the longstanding Extended Area Service arrangement between Windstream and Brandenburg affects the issues in dispute. Finally, I will explain that MCI has consistently been open to

a reasonable business arrangement that would allow it and Brandenburg to interconnect their respective networks, notwithstanding the fact that MCI does not offer local services in any Brandenburg exchanges.

Α.

Q. When did MCI begin providing dial-up capability to ISPs for end users in Elizabethtown, and how was that service provided?

UUnet, a former affiliate of MCI's predecessor, began offering dial-up service in Elizabethtown to ISPs around 1997. Initially, the service was provided using equipment and facilities leased from the local exchange carrier that was Windstream's predecessor. Under that arrangement, Elizabethtown telephone numbers were assigned to UUnet by the local exchange carrier, and UUnet provided those numbers to its ISP customers to enable their end use customers to reach them. Each ISP advised its end use customers of the access numbers they were to use to reach the ISP. When an end user customer in Elizabethtown (or Radcliff) used his or her computer to "dial" an ISP over one of those numbers, Windstream's network routed the call to equipment and facilities UUnet leased from Windstream. UUnet then connected the transmission to a centralized location within its network and then on to the appropriate ISP. It is important to note that because the purpose of the call is to establish a connection between the end use customer and the Internet, there is a two-way flow of information over the connection.

73 Q. Is that same service arrangement still in use?

A. No. In 2003, MCI replaced the earlier service arrangement with a different service architecture. The leased facilities and equipment were disconnected,

and MCI ported the associated telephone numbers to its own Class 5 switch serving Elizabethtown.

- Q. Please explain what you mean by your statement that the telephone numbers were "ported."
- A. By that, I mean that the telephone numbers Windstream had previously assigned to UUnet's leased equipment and facilities were, in effect, switched over to MCI as it began providing service using its own equipment. The notion of being able to "port" a number from one service provider to another has its genesis in the 1990s when competition for local telephone services began to emerge. At that time, the industry began to establish a mechanism that changed the way telephone numbers are treated. For the prior hundred years or so, a given telephone number had been inextricably linked to a particular service provider in a geographic area. The new porting mechanism established by the industry now disassociates a user's telephone number from a specific service provider. Recognizing the importance of that change, in 1996 Congress imposed an obligation on all local exchange carriers CLECs and incumbents to provide number portability. Thus, end users have the right and the ability to "port," or take, their numbers with them when they change service providers.

- Q. Were there other implications of the change of service over to MCI's network facilities?
- 98 A. Yes. MCI established itself in Elizabethtown as a CLEC, and negotiated an interconnection agreement with Windstream. As part of that process, the two

100		companies agreed on the technical parameters for interconnection, in particular:
101		the point at which the companies' facilities would meet, and how traffic
102		between the two companies' networks would be routed. MCI interconnects its
103		network with Windstream in Elizabethtown, as discussed in more detail below.
104		
105	Q.	Were all of these changes accomplished in a manner that was transparent
106		to end users in Elizabethtown?
107	Α.,	Yes. Because the telephone numbers used by end users to reach their ISPs were
108		ported to MCI's network, end users were unaffected by the transition. They
109		continued to dial the same telephone numbers in order to reach the same ISPs.
110		
111	Q.	Please explain how MCI's dial ISP service affected end users in
112		Brandenburg's Radcliff exchange.
113	A.	It is my understanding that an Extended Area Service arrangement has existed
114		for many years between Brandenburg's exchange(s) in Radcliff and
115		Windstream's Elizabethtown exchange. In response to discovery, Brandenburg
116		stated to MCI that, while this has been a longstanding arrangement, there are no
117		written documents memorializing the terms and conditions for the exchange of
118		traffic between those two exchanges. See Brandenburg's Response to PSC
119		Staff Data Request No. 3. Nevertheless, the toll-free nature of calls between
120		Radcliff and Elizabethtown is embodied in Brandenburg's local exchange
121		service tariff. See Brandenburg Telephone Company P.S.C. Ky. No. 2, Part III
122		Ninth Revision Sheet 11, section I.B.

Because MCI and its predecessor have provided service to ISPs in Elizabethtown since 1997, the existence of the Radcliff/Elizabethtown EAS arrangement has meant that Brandenburg's end users in the Radcliff exchange have been able to reach certain ISPs by use of local, Elizabethtown telephone numbers for more than ten years. As noted above, the change in service architecture by MCI in 2003 was transparent to end users in both Elizabethtown and Radcliff.

A.

Q. During that ten year period, what has been the trend in dial-up usage?

Dial-up traffic to ISPs nationwide saw considerable growth during the late nineties, as the Internet grew in popularity. However, as broadband alternatives have become increasingly available, many customers have migrated to DSL or cable-based broadband Internet services. The trend for traffic originating in Elizabethtown as well as between Radcliff and Elizabethtown is no exception; the amount of dial-up Internet traffic is declining.

 $\mathbf{A}_{\cdot \cdot}$

Q. Did the change in service architecture MCI implemented in 2003 affect the relationship between Brandenburg and Windstream?

That is a question for those two companies to answer. However, as an outside observer, various industry changes can be seen as potentially affecting the relationship between those companies as it relates to EAS traffic between Radcliff and Elizabethtown, and in particular, the implementation of number portability. When a LEC implements number portability in an exchange, other

LECs that send traffic to that exchange are notified of the implementation schedule. Thus, other LECs are put on notice and can no longer assume that all calls are terminating to customers of the original LEC. Using the Windstream Elizabethtown exchange as an example, implementation of number portability meant that a telephone number previously associated with Windstream can now be assigned to another carrier. So, it would be incorrect for another LEC such as Brandenburg to assume that all EAS calls originated by its customers in the Radcliff exchange will be terminated by Windstream to only Windstream end users.

The industry number portability guidelines are clear as to the carriers' responsibilities in an EAS scenario. Those responsibilities are described as follows: "On intraLATA calls to EAS codes, the originating carrier ... is responsible for the query on all calls to portable EAS codes." (See, Version 5.0 of the Local Number Portability Administration Working Group (LNPA WG) Interpretation of N-1 Carrier Architecture, dated January 17, 2005, at 11. In the case of a call from Radcliff to a telephone number in Elizabethtown, as the originating carrier, Brandenburg should query the number portability databases according to industry guidelines. If a telephone number has been ported to another LEC, the database query would alert Brandenburg to that fact. That information, in conjunction with other industry databases provides routing

The FCC's website contains the following description of the LNPA WG. "The Local Number Portability Administration Working Group (LNPA WG) was given the charter by the North American Numbering Council (NANC) for implementing Local Number Portability (LNP) on a national level. It is the body that makes recommendations that assist in the formation of the regulatory orders issued by the FCC pertaining to LNP. The LNPA WG is also responsible for the business functionality of the national LNP system and how Service Providers interoperate with it." (http://www.fcc.gov/wcb/cpd/Nanc/nanclnpa.html, viewed on August 8, 2008)

166		information that Brandenburg would utilize to route the call destined for a
167		ported Elizabethtown number to the correct LEC for termination.
168		
169	Q.	What other industry databases are used for such routing information?
170	A.	I am referring to the databases known as the Local Exchange Routing Guide
171		("LERG"). The LERG is a comprehensive database maintained by Telcordia®
172		for carriers' use to determine proper routing of traffic. Additional information
173		can be found at the following link:
174		http://www.telcordia.com/products_services/trainfo/catalog_details.html.
175		According to Telcordia's website, "[t]he LERG Routing Guide is primarily
176		designed to be used for routing of calls by service providers (wireless, wireline,
177		inter and intra exchange, etc." Contrary to Brandenburg's representation in
178		response to Staff's data request number 1, the LERG is not solely for use by
179		interexchange carriers.
180		
181	Q.	What routing information does the LERG contain for calls to
182		Elizabethtown telephone numbers that have been ported to MCI?
183	A.	The LERG contains what is referred to as a Local Routing Number ("LRN").
184		Every LEC must have an LRN in every LATA in which it ports in numbers;
185		that is, in every LATA within which it brings onto its network numbers
186		previously associated with another LEC. For purposes of this discussion,
187		Radcliff, Elizabethtown and Louisville are all located within the Louisville
188		LATA (also referred to as LATA 462). The LERG information for the MCI
189		LRN in the Louisville LATA shows the AT&T tandem in Louisville as an

industry standard default routing point for calls within the LATA to numbers ported to MCI. That is, unless some alternate routing arrangement has been established, either by tariff or by agreement of the affected carriers, calls to MCI are to be routed to AT&T's Louisville tandem. MCI interconnects with AT&T in Louisville.

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Q. Does your answer mean that Brandenburg is improperly routing traffic by handing it off to Windstream in Elizabethtown?

Windstream provides a tariffed transit service whereby Brandenburg No. Telephone may route traffic to MCImetro via Windstream, the transit provider. MCImetro can accept this transited traffic at its Point of Interconnection in Elizabethtown. The transit tariff has separate rates for transit depending on whether the originating carrier routes its traffic to an end office (as Brandenburg Telephone does today) or to a tandem office. Brandenburg Telephone has told the Commission it considers this to be a matter regarding transit traffic and MCImetro agrees. For purposes of determining the rates that apply under the tariff, the question then becomes whether traffic is handed off at the end office or the tandem in Elizabethtown (an issue on which MCImetro does not take a position) Moreover, while Brandenburg is not utilizing the default routing information in the LERG, I have seen correspondence as part of this proceeding between Brandenburg and Windstream indicating that Windstream has voluntarily agreed to accept traffic from end users in the Radcliff exchange that is destined for MCI. In this capacity, Windstream has apparently agreed to an alternative to the default routing arrangement specified

214		in the LERG, and is acting as a tandem provider for traffic originated by
215		Brandenburg.
216		
217	Q.	You previously stated that MCI interconnects with Windstream in
218		Elizabethtown. Please describe that interconnection in more detail.
219	A.	MCI is interconnected at Windstream's Elizabethtown tandem, and also has
220		established trunk groups to each of the five central offices in Elizabethtown.
221		For dial ISP traffic originating from Windstream's Elizabethtown end user
222		customers, those calls are handed off to MCI either at the Windstream
223		Elizabethtown central office switch where the call originates, or, in the case of
224		trunk congestion, at the Elizabethtown tandem.
225		
226	Q.	Is MCI directly interconnected with Windstream?
227	A.	Yes.
228		
229	Q.	Does MCI bear the expense for transporting the traffic beyond its point of
230		interconnection with Windstream?
231	Α.	Absolutely. Both the Commission staff and Brandenburg have asked where the
232		calls at issue terminate, and Brandenburg even asked where MCI's ISP
233		customers locate their servers. But in terms of the routing issues before the
234		Commission, those locations really should not matter. MCI is responsible for
235		all of the network and transport expenses from its point of interconnection to its
236		customer. And as discussed above, MCI has established multiple points of

interconnection within LATA 462. Radcliff, Elizabethtown and Louisville are all located within that LATA.

Α.

Q. Please explain your understanding of the dispute between Windstream and Brandenburg over the use of EAS trunks for dial ISP traffic destined for MCI's network.

As noted above, the EAS arrangement between Radcliff and Elizabethtown apparently has existed for decades, long before the advent of the Internet and MCI's provision of dial-up access capability in Elizabethtown. By virtue of that history, end user customers of Brandenburg in Radcliff may have availed themselves of that dial-up access capability for more than a decade. At some point after MCI ported those telephone numbers to its network in late 2003, Windstream apparently contacted Brandenburg to discuss the fact that a portion of the traffic carried over the EAS trunks between those exchanges was going to the MCI network and to discuss other arrangements for handling that traffic. I do not have personal knowledge of those discussions, and my understanding is limited to the correspondence and other documents I have reviewed that were produced in this proceeding.

Α.

Q. Has MCI refused to interconnect with Brandenburg, as it has alleged?

Absolutely not. MCI has negotiated in good faith with Brandenburg over terms and conditions for a direct interconnection between the two companies, but no agreement has yet been reached. To be clear, MCI does not hold itself out to offer local services in any Brandenburg exchange. For that reason, MCI does not believe it should be obligated to bear all of the costs associated with

262		establishing an interconnection with Brandenburg. Similarly, MCI believes that
263		Brandenburg bears, or should bear, certain obligations to complete calls placed
264		by its end user customers.
265		
266	Q.	Does MCImetro have a position regarding whether Windstream should act
267		as a tandem carrier to transit traffic from Brandenburg's end user
268		customers that is destined for MCI?
269	A.	No, MCI does not have a position on whether Windstream should accept traffic
270		at the tandem, as opposed to the end office. However, as noted above, certain
271		actions by Windstream suggest that it has voluntarily agreed to act in that role.
272		There is a dispute over compensation between Brandenburg and Windstream
273		relating to the Windstream transit tariff. MCI takes no position on that matter.
274		
275	Q.	Does that conclude your direct testimony?
276	A.	Yes.

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 8th day of August, 2008.

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