

# SouthEast Telephone

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December 29, 2008

Via UPS Overnight

Ms. Stephanie Stumbo  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602

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**PUBLIC SERVICE  
COMMISSION**

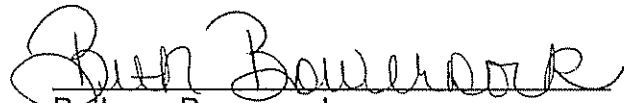
Re: SouthEast Telephone, Inc., Complainant v. BellSouthTelecommunications, Inc. d/b/a AT&T  
Kentucky, Defendant  
Case No. 2008-00279

Dear Ms. Stumbo:

Enclosed for filing in the above captioned case are the original and five (5) copies of SouthEast's Responses to the Public Service Commission's Request for Information.

Thank you for your attention to this matter.

Sincerely,



Bethany Bowersock  
In House Counsel  
SouthEast Telephone, Inc.

Cc: Parties of Record

Enclosures

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTHEAST TELEPHONE, INC.	)	
	)	
COMPLAINANT	)	
	)	
V.	)	CASE NO.
	)	2008-00279
BELLSOUTH TELECOMMUNICATIONS	)	
D/B/A AT&T KENTUCKY	)	
	)	
DEFENDANT	)	

SOUTHEAST TELEPHONE INC'S RESPONSES TO THE PUBLIC SERVICE  
COMMISSION'S REQUEST FOR INFORMATION

SouthEast Telephone Inc. ("SouthEast"), by counsel, hereby submits the following Responses to the Kentucky Public Service Commission's data requests, as provided in Appendix A, and in accord with the instructions attached to the original request:

1. As of the date of this Order, is SouthEast able to order Section 271 port (unbundled exchange port) and Section 251 loop (unbundled copper loop non-designed) elements from AT&T Kentucky on a commingled basis, as set forth in the complaint?

**Response:** To the extent that AT&T has agreed to modify its pricing to the correct level for commingled elements (something it obviously could have done all along) SouthEast can now place *new* installation orders for the Section 271 unbundled exchange port combined with the Section 251 unbundled copper loop non-designed. However, SouthEast's existing "wholesale local platform" ("WLP") lines have still not been converted to the commingled arrangement SouthEast has ordered. Currently we are working on converting the existing lines to the commingled product. AT&T believes we will begin receiving bill credits for the pricing difference on the existing converted lines on the January 2009 invoice.

2. If yes, what is the date that AT&T Kentucky began allowing SouthEast to make this order?

**Response:** On December 1, 2008, AT&T Kentucky began allowing SouthEast to place new orders in the same manner that SouthEast has placed orders for the WLP product, except that AT&T says it will provide SouthEast a credit for the pricing difference between the WLP product and the commingled elements SouthEast orders.

3. As of the date of this Order, what price is SouthEast currently charged for commingled Section 271 port (unbundled exchange port) and Section 251 loop (unbundled copper loop non-designed) elements from AT&T Kentucky?

**Response:** As of the date of the Commission's Order, and to date, SouthEast is being charged the following contract prices (for those commingled arrangements it is permitted to order) for the commingled Section 271 port and the Section 251

unbundled copper loop non-designed:

Port Prices:	Residential:	\$8.15
	Commercial:	\$11.15
Loop Price:	Zone 1	\$10.58
	Zone 2	\$11.51
	Zone 3	\$13.19

However, AT&T has recently informed SouthEast that it also will demand from SouthEast the following additional, non-recurring charges for *each* commingled arrangement SouthEast orders, despite the lack of any cost justification for such charges:

1) Mechanized Loop Make-Up Charge: \$0.67

AT&T is going to charge SouthEast \$.67 to review every order SouthEast submits to determine whether the line qualifies to be placed on the commingled product. SouthEast agrees that this charge is referenced in the parties Interconnection Agreement and will comply.

2) Mechanized ordering charge: \$3.50

AT&T is going to charge an ordering charge in the amount of \$3.50 per order. SouthEast agrees that this charge is referenced in the parties Interconnection Agreement and will comply.

3) Loop installation charges \$44.97  
Port installation charges \$34.95

AT&T believes that it is entitled to charge SouthEast \$79.92 in installation fees for every line that is to be converted to the commingled elements. However, *no physical installation* is required for the conversion of the lines, and no cost justification for these charges has been offered to SouthEast by AT&T. SouthEast contends that if any charges are to be placed on the conversion of SouthEast's existing lines, it should be a conversion charge, not an installation fee. SouthEast is charged a \$10.00 conversion fee when it converts lines from

resale to WLP and vice versa. SouthEast believes this is the appropriate fee for the conversion of these lines, as well.

4. Beginning on December 12, 2007 through the date provided in the answer to Question 2, provide the following information:

a. The total number of orders made by SouthEast to AT&T Kentucky for a wholesale loop port combination.

**Response:** From December 12, 2007 through December 1, 2008 SouthEast has placed 19,981 orders with AT&T for the Wholesale Loop Port Combination ("WLP").

b. The date on which each of those orders was made.

**Response:** SouthEast has fully provided the answer to this question in Exhibit A of this response to the Public Service Commission's Data Requests.

c. The individual prices charged by AT&T Kentucky to SouthEast for a wholesale loop port combination.

**Response:** AT&T currently charges SouthEast the following prices for the WLP platform:

Port:	Residential:	\$8.15
	Commercial:	\$11.15
Loop Prices:	Zone 1	\$9.64
	Zone 2	\$14.37
	Zone 3	\$30.59

Approximately eighty one percent (81%) of SouthEast's lines fall within Zone 3 territories, with another eighteen percent (18%) falling within Zone

2. Therefore, pursuant to the parties' "Commercial Agreement," and in the absence of access to commingled elements as ordered, SouthEast is paying ***\$38.74 per line for residential and \$41.74 per line for commercial lines in the majority of its territory.*** The pricing with the unbundled copper loop non-designed commingled with a stand alone port would be \$21.34 residential and \$24.34 commercial.

5. What is the dollar amount or the credit amount that SouthEast is seeking from AT&T Kentucky for the delay in implementation of ordering a Section 271 port (unbundled exchange port) and a Section 251 loop (unbundled copper loop non-designed) on a commingled basis? Provide supporting work papers with quantities and prices.

**Response:**

The total credit amount (the difference between the WLP price and the commingled price) is best demonstrated in Exhibit B to these responses. Exhibit B illustrates a credit in the amount of \$1,750,063 to which SouthEast would be entitled if AT&T had complied immediately with the Commission's Order, and it also demonstrates a credit in the amount of \$840,291, the amount SouthEast would have saved if AT&T had been cooperative following SouthEast's initial order for commingled elements on June 19, 2008.

6. On what date does SouthEast contend that AT&T Kentucky should have implemented a support system to facilitate SouthEast's ability to order a Section 271 port and a Section 251 loop on a commingled basis? Explain why this date

should be considered reasonable by the Commission.

**Response:** *Immediately* upon issuance of the *Change of Law Order*, AT&T had, without question, a clear legal obligation in Kentucky to establish a system whereby SouthEast could order a commingled Section 271 port and Section 251 loop. That Order was issued over one year ago. In actuality, SouthEast's right to obtain commingled Section 251 and Section 271 elements existed even before that, as the Federal Communications Commission's regulations establishing the right predate the Commission's Order. SouthEast believes that it is entirely reasonable for the Commission to require AT&T to comply *immediately* with a Commission Order – particularly since incumbent carriers (including BellSouth) had already developed network element ordering systems pursuant to FCC requirements put into place shortly after the 1996 Telecommunications Act was passed. Developing such a system is not a novel undertaking for AT&T.

Because it has been denied its federal right to obtain commingled Section 251 and Section 271 elements, SouthEast has overpaid AT&T at least since it first entered into the so-called “commercial agreement” and received the WLP rather than commingled elements. However, in this docket SouthEast has only requested bill credits dating from July 1, 2008 (over six months after the Commission's declaration of the law and almost two months after SouthEast signed, on May 9, the amendment that allegedly brought the parties' contract into compliance with that law), and believes that allowing AT&T over six months to come into compliance with the law (if not technically, at least as a matter of billing) is reasonable on its face. With respect, it is AT&T that

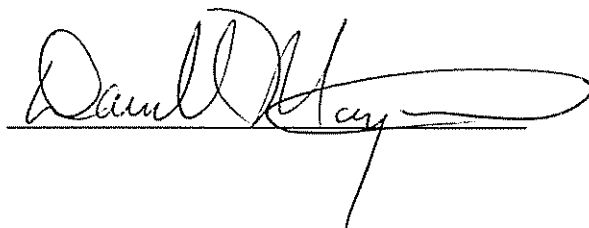
should bear the burden of establishing that its **failure** to comply with the Commission's Order within six months is "reasonable."

SouthEast reiterates that it suffers injury each and every day that it is denied access to the commingled elements it wishes to order. There is no reason SouthEast should pay the price for the months of delay tactics AT&T has imposed. AT&T could have offered SouthEast the same interim solution it finally provided on December 1, 2008, back on June 19, 2008 when SouthEast placed its first order for the commingled elements.




CERTIFICATION

The undersigned, Darrell Maynard, being first duly sworn, states that he is President of SouthEast Telephone, Inc., and certifies that he supervised the preparation of the foregoing responses to data requests and that the responses are true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry.



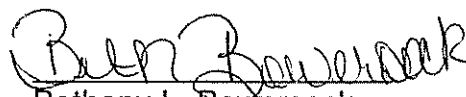
Subscribed and sworn to before me, this 29th day of December, 2008.



Notary Public

My Commission expires 4-21-12.

Respectfully submitted,



Bethany L. Bowersock  
SouthEast Telephone, Inc.  
106 Scott Avenue  
P.O. Box 1001  
Pikeville, KY 41501

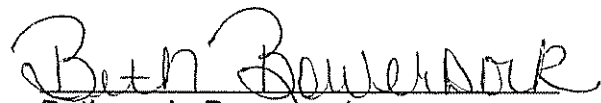
Deborah T Eversole  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W. Jefferson Street  
Louisville, KY 40202-2828  
*Counsel for SouthEast  
Telephone, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the following was served on this the 29<sup>th</sup> day of December, 2008, upon the following:

Honorable Douglas F. Brent  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W. Jefferson Street  
Louisville, KY 40202-2828

Honorable Mary K Keyer  
General Counsel/Kentucky  
AT&T Kentucky  
601 West Chestnut Street , Room 408  
Louisville, KY 40203



Bethany L. Bowersock  
SouthEast Telephone, Inc.  
106 Scott Avenue  
P.O Box 1001  
Pikeville, KY 41501

# Exhibit A

## Exhibit to SouthEast's Responses to the PSC's Request for Information

<b>Date</b>	<b>Total number of orders</b>
12/12/2007	1,413
12/13/2007	44
12/14/2007	2,912
12/15/2007	21
12/17/2007	3,255
12/18/2007	428
12/19/2007	1,034
12/20/2007	243
12/21/2007	93
12/22/2007	4
12/24/2007	21
12/26/2007	13
12/27/2007	190
12/28/2007	828
12/29/2007	10
12/31/2007	74
<b>Total Dec. 2007 Orders</b>	<b>10,583</b>
1/1/2008	2
1/2/2008	49
1/3/2008	55
1/4/2008	57
1/5/2008	22
1/7/2008	31
1/8/2008	65
1/9/2008	78
1/10/2008	64
1/11/2008	48
1/12/2008	11
1/14/2008	27
1/15/2008	53
1/16/2008	42
1/17/2008	43
1/18/2008	37
1/19/2008	14
1/21/2008	50
1/22/2008	61
1/23/2008	40
1/24/2008	32
1/25/2008	40
1/26/2008	5
1/28/2008	27
1/29/2008	61
1/30/2008	103
1/31/2008	40
<b>Total Jan. Orders</b>	<b>1,157</b>

2/1/2008	40
2/2/2008	20
2/4/2008	37
2/5/2008	48
2/6/2008	43
2/7/2008	50
2/8/2008	62
2/9/2008	17
2/11/2008	44
2/12/2008	42
2/13/2008	34
2/14/2008	36
2/15/2008	51
2/16/2008	18
2/18/2008	34
2/19/2008	61
2/20/2008	38
2/21/2008	41
2/22/2008	47
2/23/2008	16
2/25/2008	33
2/26/2008	38
2/27/2008	65
2/28/2008	116
2/29/2008	449

**Total Feb. Orders** **1,480**

3/1/2008	10
3/3/2008	30
3/4/2008	56
3/5/2008	52
3/6/2008	37
3/7/2008	51
3/8/2008	13
3/10/2008	39
3/11/2008	58
3/12/2008	31
3/13/2008	38
3/14/2008	33
3/15/2008	18
3/17/2008	26
3/18/2008	25
3/19/2008	1
3/20/2008	52
3/21/2008	1
3/24/2008	2
3/25/2008	28
3/26/2008	26
3/27/2008	25
3/28/2008	18

3/29/2008	12
3/31/2008	20
<b>Total March Orders</b>	<b>702</b>

4/1/2008	46
4/2/2008	45
4/3/2008	33
4/4/2008	43
4/5/2008	16
4/7/2008	20
4/8/2008	38
4/9/2008	39
4/10/2008	32
4/11/2008	37
4/12/2008	11
4/14/2008	25
4/15/2008	34
4/16/2008	33
4/17/2008	45
4/18/2008	24
4/19/2008	3
4/21/2008	22
4/22/2008	56
4/23/2008	22
4/24/2008	42
4/25/2008	27
4/26/2008	7
4/28/2008	21
4/29/2008	42
4/30/2008	28

<b>Total April Orders</b>	<b>791</b>
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5/1/2008	23
5/2/2008	23
5/3/2008	11
5/5/2008	25
5/6/2008	41
5/7/2008	37
5/8/2008	35
5/9/2008	36
5/10/2008	18
5/12/2008	23
5/13/2008	37
5/14/2008	43
5/15/2008	32
5/16/2008	35
5/17/2008	6
5/19/2008	48
5/20/2008	26
5/21/2008	41
5/22/2008	19

5/23/2008	31
5/24/2008	7
5/27/2008	25
5/28/2008	36
5/29/2008	39
5/30/2008	27
5/31/2008	11

**Total May Orders 735**

6/1/2008	2
6/2/2008	24
6/3/2008	43
6/4/2008	35
6/5/2008	35
6/6/2008	37
6/7/2008	10
6/9/2008	22
6/10/2008	37
6/11/2008	38
6/12/2008	28
6/13/2008	34
6/14/2008	30
6/16/2008	11
6/17/2008	42
6/18/2008	51
6/19/2008	26
6/20/2008	21
6/21/2008	12
6/23/2008	29
6/24/2008	28
6/25/2008	40
6/26/2008	28
6/27/2008	39
6/28/2008	13
6/30/2008	36

**Total June Orders 751**

7/1/2008	50
7/2/2008	44
7/3/2008	29
7/5/2008	12
7/7/2008	31
7/8/2008	44
7/9/2008	49
7/10/2008	32
7/11/2008	48
7/12/2008	10
7/14/2008	16
7/15/2008	29
7/16/2008	54
7/17/2008	30

7/18/2008	30
7/19/2008	6
7/21/2008	10
7/22/2008	39
7/23/2008	46
7/24/2008	30
7/25/2008	33
7/26/2008	10
7/28/2008	9
7/29/2008	48
7/30/2008	45
7/31/2008	28

**Total July Orders 812**

8/1/2008	33
8/2/2008	16
8/4/2008	14
8/5/2008	43
8/6/2008	39
8/7/2008	39
8/8/2008	20
8/9/2008	19
8/11/2008	27
8/12/2008	39
8/13/2008	41
8/14/2008	22
8/15/2008	28
8/16/2008	3
8/18/2008	29
8/19/2008	40
8/20/2008	32
8/21/2008	23
8/22/2008	18
8/23/2008	14
8/25/2008	13
8/26/2008	36
8/27/2008	31
8/28/2008	29
8/29/2008	42
8/30/2008	17

**Total Aug. Orders 707**

9/2/2008	18
9/3/2008	58
9/4/2008	46
9/5/2008	43
9/6/2008	44
9/8/2008	11
9/9/2008	52
9/10/2008	51
9/11/2008	28

9/12/2008	37
9/13/2008	25
9/15/2008	7
9/16/2008	25
9/17/2008	55
9/18/2008	37
9/19/2008	39
9/20/2008	20
9/22/2008	24
9/23/2008	32
9/24/2008	23
9/25/2008	35
9/26/2008	31
9/27/2008	24
9/29/2008	13
9/30/2008	44

**Total Sept. Orders 822**

10/1/2008	33
10/2/2008	27
10/3/2008	27
10/4/2008	21
10/6/2008	21
10/7/2008	32
10/8/2008	48
10/9/2008	38
10/10/2008	30
10/11/2008	20
10/13/2008	19
10/14/2008	28
10/15/2008	48
10/16/2008	51
10/17/2008	21
10/18/2008	10
10/20/2008	9
10/21/2008	33
10/22/2008	32
10/23/2008	36
10/24/2008	42
10/25/2008	12
10/27/2008	10
10/28/2008	36
10/29/2008	27
10/30/2008	28
10/31/2008	23

**Total Oct. Orders 762**

11/1/2008	24
11/3/2008	14
11/4/2008	29
11/5/2008	49



11/6/2008	62
11/7/2008	33
11/8/2008	15
11/10/2008	12
11/11/2008	22
11/12/2008	34
11/13/2008	41
11/14/2008	43
11/15/2008	18
11/17/2008	22
11/18/2008	62
11/19/2008	44
11/20/2008	39
11/21/2008	34
11/22/2008	7
11/24/2008	21
11/25/2008	25
11/26/2008	29

**Total Nov. Orders** 679

**Total Orders From** 19,981  
**12/12/07 - 12/1/08**

**Exhibit B**  
 Exhibit to SouthEast's Responses  
 AT&T Loop Credit Calculation

					Total	
		Zone 1	Zone 2	Zone 3	Lines	Dollars
Jan 08	Lines	291	4,552	20,650	25,493	
	Credit	\$0	\$7,590	\$143,365		\$150,955
Feb 08	Lines	285	4,452	20,596	25,333	
	Credit	\$0	\$7,423	\$142,990		\$150,413
March 08	Lines	281	4,451	21,036	25,768	
	Credit	\$0	\$7,422	\$146,045		\$153,466
April 08	Lines	284	4,429	21,036	25,749	
	Credit	\$0	\$7,385	\$146,045		\$153,429
May 08	Lines	277	4,350	20,776	25,403	
	Credit	\$0	\$7,253	\$144,239		\$151,493
June 08	Lines	276	4,277	20,581	25,134	
	Credit	\$0	\$7,131	\$142,886		\$150,017
July 08	Lines	275	4,257	20,698	25,230	
	Credit	\$0	\$7,098	\$143,698		\$150,796
August 08	Lines	272	4,128	20,402	24,802	
	Credit	\$0	\$6,883	\$141,643		\$148,526
Sept 08	Lines	278	4,051	20,397	24,726	
	Credit	\$0	\$6,755	\$141,608		\$148,363
Oct 08	Lines	286	3,960	18,067	22,313	
	Credit	\$0	\$6,603	\$125,432		\$132,035
Nov 08	Lines	284	3,933	17,885	22,102	
	Credit	\$0	\$6,558	\$124,168		\$130,726
Dec 08	Lines	284	3,871	17,773	21,928	
	Credit	\$0	\$6,454	\$123,391		\$129,845

Total Lines: 293,981  
 Total 2008 Credit: \$1,750,063  
 Total Credit for July through December 2008 \$840,291

**Assumptions:**

**New Loop Savings Per Line**

Zone 2	\$2 86
Zone 3	\$17 40

**\*Percent of SET LS Lines Serviced from a Central Office**

Zone 2	58 3%
Zone 3	39 9%

\*SouthEast Telephone was able to determine the percentage of local service lines currently being serviced from a central office for Zone 2 and Zone 3 customers by logging into the Local Exchange Navigation System (LENS) and manually performing a loop makeup for working loops on every line.

\*December lines have been estimated