

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of: )  
Petition Of BellSouth Telecommunications, Inc. )  
To Establish Generic Docket To Consider ) Docket No. 2004-00427  
Amendments To Interconnection Agreements )  
Resulting From Changes Of Law )

**REBUTTAL TESTIMONY OF DARRELL MAYNARD**

**ON BEHALF OF SOUTHEAST TELEPHONE**

**September 8, 2005**

**SOUTHEAST TELEPHONE, INC.**

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**BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION**

**DOCKET NO. 2004-00427**

**SEPTEMBER 8, 2005**

**Q. Please state your name, your position and your business address.**

A. My name is Darrell Maynard. I am the President and CEO of SouthEast Telephone, Inc. My business mailing address is P.O. Box 1001, Pikeville, Kentucky, 41502.

**Q. On whose behalf are you testifying?**

A. I am testifying on behalf of SouthEast Telephone, Inc., a rural competitive local exchange carrier based in Pikeville, Kentucky. SouthEast has been serving rural Kentucky's residents and businesses since 1996.

**Q. What is the purpose of your testimony?**

A. The purpose of my testimony is to respond to the direct testimony filed by BellSouth Telecommunications, Inc., in this case. Specifically, I will provide rebuttal testimony to the direct testimony of Eric Fogle concerning Issues 17 and 26, and rebuttal to the direct testimony of Pamela A. Tipton concerning Issue 2.

1 ***Issue 17: Is BellSouth obligated pursuant to the Telecommunications Act of 1996 and***  
2 ***FCC Orders to provide line sharing to new CLEC customers after October 1, 2004?***

3 **Q. Does SouthEast Telephone agree with the characterization by Eric Fogle of**  
4 **the necessity of line sharing as it relates to broadband deployment in**  
5 **Kentucky?**

6 No. In BellSouth's filing, Mr. Fogle was asked whether line sharing is a  
7 necessary component for CLECs to continue to offer broadband service, for which he  
8 answered, "no." SouthEast Telephone agrees with this negative response. However, the  
9 goal of SouthEast Telephone is to be an integral part of the removal of the digital divide  
10 within the state of Kentucky by providing broadband to every household. Therefore, the  
11 above question should be posed as follows: "Is line sharing a necessary component to  
12 deliver broadband to every household in the state of Kentucky," the answer to which  
13 would be "yes."

14 A marketing and technical point of view supports this answer. SouthEast's current  
15 deployment strategy is to build out the twenty percent of households that currently do  
16 not have access to broadband, thus helping close the digital divide in Eastern Kentucky.  
17 However, if line sharing is not available from BellSouth, SouthEast will be required to  
18 overbuild the entire county instead of the twenty percent, unserved areas. For example,  
19 SouthEast maintains a construction budget, with which they can fill in 20% of five  
20 counties, or overbuild one county. This marketing nightmare comes into play because  
21 SouthEast must be able to offer broadband to the whole market, instead of overbuilding

1 one county. Therefore, if BellSouth is allowed to refuse to offer line sharing or line  
2 splitting with a Whole Loop Port (WLP) and UNE loop, they are single-handedly  
3 keeping Kentucky from becoming an IT Powerhouse.

4 ***Issue 26: What is the appropriate ICA language to implement BellSouth's obligation to***  
5 ***provide routine network modifications?***

6 **Q. Do you agree with Eric Fogle's testimony regarding BellSouth's obligation to**  
7 **provide routine network modifications?**

8 A. SouthEast agrees with BellSouth that it is operating according to the FCC's ruling  
9 in the *TRO* on the issues of "line conditioning" and "routine network modifications."

10 However, SouthEast also agrees with the following statement by the FCC in paragraph  
11 634 of the *TRO*: "Due to the continually evolving and dynamic nature of  
12 telecommunications networks, however, we reject the argument that our rule should list  
13 the precise electronics that the incumbent LEC must add to the loop in order to transform  
14 a DS0 voice-grade loop to an unbundled DS1 loop. Rather, our operating principle is that  
15 incumbent LECs must perform all loop modification activities that it performs for its own  
16 customers. By way of illustration, we find that loop modification functions that the  
17 incumbent LECs routinely perform for their own customers, and therefore must perform  
18 for competitors, include, but are not limited to, rearrangement or splicing of cable;  
19 adding a doubler or repeater; adding an equipment case; adding a smart jack; installing a  
20 repeater shelf; adding a line card; and deploying a new multiplexer or reconfiguring an  
21 existing multiplexer." SouthEast asserts that the issue of "routine network

1 modifications” should be decided by the States; in this case, the Kentucky Public Service  
2 Commission.

3 For example, BellSouth stated they have only had two load coil removal requests  
4 on loops over 18,000 feet from CLECs in 2004 and received only 55 requests from  
5 CLECs for removal of bridged taps of any length in 2004. However, next generation  
6 equipment available today can reach of 18,000 feet for both voice and data. It is clear that  
7 if the Kentucky PSC defined conditioning on loops over 18,000 feet as routine, it should  
8 not be a burden to BellSouth, and it would ensure that customers who live further than  
9 18,000 ft would receive the same service as others. SouthEast asserts that this would  
10 promote the effort of eliminating the Digital Divide in Kentucky.

11 In fact, due to the evolution caused by the TRO, the Kentucky Public Service  
12 Commission should initiate a new Rate Case to take a new look at the pricing and  
13 technical parameters of all UNE-Ls that still exist.

14 *Issue 2, TRRO Final Rules: What is the appropriate language to implement the FCC’s*  
15 *transition plan for (1) switching, (2) high capacity loops and (3) dedicated transport as*  
16 *detailed in the FCC’s Triennial Review Remand Order (“TRRO”), issued February 4,*  
17 *2005?*

18 **Q. Do you agree with Pamela Tipton’s testimony regarding appropriate**  
19 **language to implement the FCC’s transition plan set forth in Issue 2?**

20 **A.** Ms. Tipton was asked what procedure BellSouth proposes in order to ensure that

1 an orderly transition is completed by March 10, 2006. BellSouth would like CLECs to  
2 submit conversion requests by October 1, 2005. SouthEast agrees that an orderly  
3 transition is important and that notice of conversion intentions should be provided to  
4 BellSouth as soon as practicable. However, it is equally important that new pricing  
5 schedules be applied in an equal manner to all CLECs. Therefore, SouthEast proposes  
6 that order/spreadsheet submission be completed by all CLECs in a timely manner;  
7 however, new pricing schedules should not begin for anyone until March 10, 2006. This  
8 will ensure that the necessary tasks be completed for an orderly transition, while also  
9 requiring new prices begin for everyone at the same time.

10 **Q. Does this conclude your testimony?**

11 **A. Yes.**