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May 5, 2009

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PUBLIC SERVICE
COMMISSION

via Hand Delivery

Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Blvd
P.O. Box 615
Frankfort, KY 40602-0615

**Re: *In the Matter of: Brandenburg Telephone Company, et al. v. Windstream
Kentucky East, Inc., Case No. 2007-00004***

Dear Mr. Derouen:

Enclosed for filing in the above-referenced case, please find one original and eleven (11) copies of the Supplemental Data Requests to Windstream Kentucky East, LLC filed on behalf of the Rural Local Exchange Carriers ("RLECs") who are the complainants in the above-referenced case. Please file-stamp one copy, and return it to our courier.

Thank you, and if you have any questions, please call me.

Very truly yours,

DINSMORE & SHOHL LLP


John E. Selent

cc: All Parties of Record

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36967-1

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

In the Matter of:

Brandenburg Telephone Company;)
Duo County Telephone Cooperative)
Corporation, Inc.; Highland Telephone)
Cooperative, Inc.; Mountain Rural)
Telephone Cooperative Corporation,)
Inc.; North Central Telephone)
Cooperative Corporation; South)
Central Rural Telephone Cooperative)
Corporation, Inc.; and West Kentucky)
Rural Telephone Cooperative)
Corporation, Inc.)
)
Complainants)
)
v.)
)
Windstream Kentucky East, Inc.)
)
Defendant.)
)

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COMMISSION

Case No. 2007-00004

**COMPLAINANTS' SUPPLEMENTAL DATA REQUESTS TO
WINDSTREAM KENTUCKY EAST, LLC**

Brandenburg Telephone Company ("Brandenburg"), Duo County Telephone Cooperative Corporation, Inc. ("Duo County"), Highland Telephone Cooperative, Inc. ("Highland"), Mountain Rural Telephone Cooperative Corporation, Inc. ("Mountain Rural"), North Central Telephone Cooperative Corporation ("North Central"), South Central Rural Telephone Cooperative Corporation, Inc. ("South Central"), and West Kentucky Rural Telephone Cooperative Corporation, Inc. ("West Kentucky") (collectively, the "RLECs"), by counsel, and pursuant to the April 23, 2009 procedural order entered by the Public Service Commission of the Commonwealth of Kentucky (the

"Commission") in this matter, hereby propounds the following supplemental data requests upon Windstream Kentucky East, LLC ("Windstream").

REQUEST NO. 1: Does Windstream allege or affirm that the previously-provided Excel workbook entitled "KY East_Transit Study_Final.XLS" (hereinafter "Windstream Model") is the "TELRIC-based" model referenced by Kerry Smith in his direct testimony (page 5, line 16)? If not, provide an electronic copy of the model Mr. Smith referenced.

RESPONSE:

REQUEST NO. 2: Does Windstream affirm or otherwise claim that the Windstream Model complies with all "forward-looking economic cost" (hereinafter "FLEC") regulations promulgated by the Federal Communications Commission in its regulations—Subparts F and H of 47 CFR 51? If not, please identify the regulations with which the Windstream Model does not comply.

RESPONSE:

REQUEST NO. 3: Please explain in narrative form the methodology underlying how Windstream developed the end office transit rate of \$0.0045 per minute of use. A simple reference to the Windstream Model is an insufficient response.

RESPONSE:

REQUEST NO. 4: Is the “deterrent” mentioned by Kerry Smith in his direct testimony (Page 5, line 8) developed using the FCC’s regulations? If yes, please identify the regulation or other rationale that permits use of a mark-up to serve as a “deterrent” in the marketplace.

RESPONSE:

REQUEST NO. 5: Does Windstream allege or affirm that the PDF version of the Windstream Model properly documents the formulas used in the Windstream Model to allow a reader to follow the computation of its proposed rates? If yes, please explain how the Windstream Model allows this.

RESPONSE:

REQUEST NO. 6: Does Windstream allege or affirm that the PDF version of the Windstream Model properly documents the data sources used in the Windstream Model? If yes, please explain how the Windstream Model does so.

RESPONSE:

REQUEST NO. 7: At the time of filing its tariff, did Windstream provide a copy (PDF or native Excel Workbook format) of its Windstream Model to any person or office operating on behalf of the Kentucky Public Service Commission?

RESPONSE:

REQUEST NO. 8: On the worksheet entitled “Embedded Costs,” under the column identified as “Variables,” it appears that the entries are coded to reference variables used in

Windstream's "Quarter Cost Studies." Please provide a description and source for each variable name used in this worksheet.

RESPONSE:

REQUEST NO. 9: On the worksheet entitled "Embedded Costs," there are columns labeled as 1QTR05KG-4QTR05KG and 1QTR05KC-4QTR05KC. Please identify and describe each column label used in this worksheet, and explain the relationship, if any, between 1QTR05KG-4QTR05KG and 1QTR05KC-4QTR05KC.

RESPONSE:

REQUEST NO. 10: Please provide all studies (in both paper and electronic form, if available) and workpapers that evidence, relate to, refer to, or were used to develop the values used in the worksheet entitled "Embedded Costs."

RESPONSE:

REQUEST NO. 11: Please explain the use of the "Transport Factors" calculated on Excel lines 238-245 of the worksheet entitled "Embedded Costs." Specifically, please explain how Windstream uses these embedded cost factors in other worksheets in the Windstream Model.

RESPONSE:

REQUEST NO. 12: Please identify and describe the adjustments Windstream has made to its embedded costs and / or its embedded cost factors developed in the worksheet entitled "Embedded Costs" to make these costs conform to Subpart F of 47 CFR 51.

RESPONSE:

REQUEST NO. 13: Please provide all workpapers and documents that evidence, refer to, relate to, or were used to calculate the "Composite," "Intrastate," "Debt Ratio," "Interest Rate" and "Cost of Capital" rate of return values that are hard-coded in the worksheet entitled "Factors."

RESPONSE:

REQUEST NO. 14: Please explain why an interstate rate of return factor is used to develop an intrastate transit traffic rate.

RESPONSE:

REQUEST NO. 15: Please indicate whether the "Book Depreciation Life" factors are used to develop Windstream's transit traffic rate. If no, please explain why "Book Depreciation Life" values are displayed in the Windstream Model.

RESPONSE:

REQUEST NO. 16: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish the "Economic Depreciation Life" factors that are hard-coded in the worksheet entitled "Factors."

RESPONSE:

REQUEST NO. 17: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish each item listed under “Tax Rates” which are hard-coded in the worksheet entitled “Factors.”

RESPONSE:

REQUEST NO. 18: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish each item listed under “Maintenance Expense” which are hard-coded in the worksheet entitled “Factors.” If the basis for "Maintenance Expense" factors includes embedded costs, please identify and describe the adjustments Windstream has made to its embedded costs and / or its embedded maintenance cost factors to make these costs conform to Subpart F of 47 CFR 51.

RESPONSE:

REQUEST NO. 19: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish each item listed under “Joint and Common Expenses” which are hard-coded in the worksheet entitled “Factors.” If the basis for these expense factors includes embedded costs, please identify and describe the adjustments Windstream has made to its embedded costs and / or its joint and common expense factors to make these costs conform to Subpart F of 47 CFR 51.

RESPONSE:

REQUEST NO. 20: Please explain how the customer service expense factor was used to develop a transit traffic rate.

RESPONSE:

REQUEST NO. 21: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish each item listed under “P&C Factor” which are hard-coded in the worksheet entitled “Factors.”

RESPONSE:

REQUEST NO. 22: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish each item listed under “Common” which are hard-coded in the worksheet entitled “Factors.”

RESPONSE:

REQUEST NO. 23: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish the regulated account balances listed on the worksheet entitled “Accounts.”

RESPONSE:

REQUEST NO. 24: Please provide worksheets containing regulated account balances for accounting years 2006, 2007 and 2008 in the format in which the 2005 account balances were provided.

RESPONSE:

REQUEST NO. 25: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish the values listed on the worksheet entitled “Import Data.”

RESPONSE:

REQUEST NO. 26: Please describe the origin and use of Windstream’s “TELRIC Database.”

RESPONSE:

REQUEST NO. 27: Please describe in detail how the TELRIC database was developed, including, but not limited to, the engineering assumptions; the economic assumptions; the modeling techniques used; the types of equipment; and the methods used to make sure the "TELRIC Database" reports values conform to Subpart F of 47 CFR 51.

RESPONSE:

REQUEST NO. 28: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish the positive values listed on the worksheet entitled “Material Factors” that are hard-coded and that have not otherwise been requested.

RESPONSE:

REQUEST NO. 29: Please provide all workpapers and source documents that evidence, refer to, relate to, or were used to establish the values listed on the worksheet entitled “Demand.” Please explain how Windstream determined the demand levels for various IX Fiber Ports used in the Windstream Model.

RESPONSE:

REQUEST NO. 30: Please explain how Windstream determined the cost zone used in the Windstream Model.

RESPONSE:

REQUEST NO. 31: Please explain how “IX miles” used in the Windstream Model (identified in the Demand worksheet and used in the Rate Sheet worksheet) reflects transit miles for two third-party carriers who interconnect at a Windstream tandem switch location.

RESPONSE:

REQUEST NO. 32: Identify the type of equipment used to develop the tandem switching and transport investment categories of the study. Explain how Windstream determined that the equipment modeled met Federal Communication Commission rules for a cost basis reflective of TELRIC expectations.

RESPONSE:

REQUEST NO. 33: In identifying the investment in the tandem and transport, did Windstream rely on any embedded investment in the network? If yes, please explain how Windstream did so.

RESPONSE:

REQUEST NO. 34: What is the source of all direct investments for transport and tandem switching that is reflected in the TELRIC study?

RESPONSE:

REQUEST NO. 35: Identify all engineers at Windstream who provided input into the development of a TELRIC compliant network cost used to develop the underlying investment in the network.

RESPONSE:

REQUEST NO. 36: Does Windstream charge CLECs who interconnect with Windstream for purposes of utilizing Windstream's transit service for facilities used to establish such interconnection? If yes, please explain why Windstream does so.

RESPONSE:

REQUEST NO. 37: On what basis (tariff, contract, or both) does Windstream charge CLECs for these interconnection facilities?

RESPONSE:

REQUEST NO. 38: Do Windstream's charges to CLECs include a component of transport termination and facility billed to the CLECs for the transit facility regardless of the volume of traffic? If yes, please explain why Windstream includes this charge.

RESPONSE:

REQUEST NO. 39: Is Windstream proposing to replace its facility interconnection fees that are assessed on a flat rate basis for a rate based solely on minutes of use as a result of its cost study? If yes, please explain why Windstream proposes to do so.

RESPONSE:

REQUEST NO. 40: What portion of Windstream's proposed tandem transit rate includes an element for the transport to, and termination in, a Windstream tandem?

RESPONSE:

REQUEST NO. 41: For each of the RLECs, what percentage of these RLEC's transport minutes is transited to other RLECs over facilities that are provided and paid for by CLECs and CMRS carriers pursuant to interconnection agreements? Please respond to this request individually with respect to each of the RLECs.

RESPONSE:

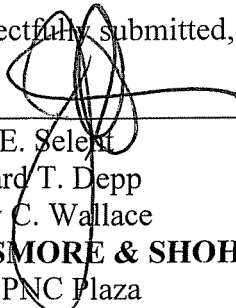
REQUEST NO. 42: On what basis was the demand for services determined?

RESPONSE:

REQUEST NO. 43: What is the average IX miles deployed by Windstream for the traffic originated at a meet point of an RLEC and delivered to Windstream's tandem?

RESPONSE:

Respectfully submitted,



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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 States mail, sufficient postage prepaid, this 5th day of May, 2009.

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