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August 23, 2007

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket ARB 789

Enclosed for filing in the above-referenced docket is an original and 6 copies of Beaver Creek Cooperative Telephone Company's Direct Testimony and Exhibits. A copy of this filing has been served on all parties to this proceeding.

Very truly yours,

Sarah J. Adams

cc: Service List

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CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket ARB 789 on the following named person(s) on the date indicated below by email at his or her last-known address(es) indicated below.

Tom Linstrom
Beaver Creek Cooperative Telco
PO Box 69
Beaver Creek OR 97004
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Jennifer Niegel
Duncan Tiger & Niegel PC
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jennifer@staytonlaw.com

DATED: August 23, 2007.



Sarah J. Adams
Attorney for Beaver Creek Cooperative
Telephone Company

Docket: ARB 789
Exhibit: BCT/100
Witness: David Warner

BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON

BEAVER CREEK COOPERATIVE TELEPHONE COMPANY

Direct Testimony of David Warner

August 23, 2007

1 **Q. Please state your name and address for the record.**

2 A. My name is David Warner. My business address is 15223 S. Henrici Road,
3 Oregon City, Oregon 97045.

4 **Q. What is your position with Beaver Creek Cooperative Telephone Company?**

5 A. I am the Director of Engineering for Beaver Creek Cooperative Telephone
6 Company (BCT). I have served in this position since January 2006. Prior to
7 that, I was part of BCT's Engineering Department, beginning in 1979.

8 **Q. Please describe your responsibilities as BCT's Director of Engineering.**

9 A. As BCT's Director of Engineering, I supervise the Engineering Department. In
10 this position, and throughout my 28 years with BCT, I have been actively
11 involved with network design and maintenance, including analysis of traffic
12 volumes and flows.

13 **Q. Have you previously testified for BCT in a regulatory proceeding?**

14 A. Yes, I testified on behalf of BCT before the Oregon Public Utility Commission in
15 Dockets UCB 18 and UM 1140. I have also testified before the Clackamas
16 County Commission regarding BCT's franchise renewal.

17 **Introduction and Overview**

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

19 A. The Parties have reached agreement on most issues in this arbitration.
20 However, CCMT continues to urge the Commission to require BCT to invest
21 substantial money to establish a direct interconnection between the BCT and
22 CCMT networks, despite the low volume of calls at issue. In addition, CCMT
23 objects to "bill and keep" as the form of compensation and demands that BCT
24 establish separate trunking between the companies for the exchange of its ILEC
25 and CLEC traffic. In essence, CCMT is asking the Commission to impose

1 burdens that far outweigh the benefits of providing competitive services in the
2 limited context of this proposed ICA. To put these remaining issues in context,
3 my testimony describes the scope of the proposed ICA and provides clarification
4 regarding the types of traffic at issue and the routing of that traffic.

5 **Scope of the Proposed ICA**

6 **Q. What is the scope of the proposed ICA?**

7 A. The proposed ICA is limited in two significant ways. First, it involves no more
8 than 50 potential customers in a rural residential area. Therefore, the total
9 amount of traffic generated by virtue of BCT's CLEC operations in the Redland
10 exchange will be quite small. Moreover, the volume of traffic exchanged
11 between the Parties under this ICA is even more negligible—with BCT's traffic
12 volume study showing less than 34 minutes of traffic between these customers
13 between June 2006 and May 2007.

14 **Q. Why do you say the proposed ICA involves no more than 50 potential**
15 **customers?**

16 A. Under the proposed ICA, BCT seeks to provide services to residents in Leisure
17 Woods Development—a residential housing development that straddles the BCT
18 and CCMT ILEC territories—and residents of five additional lots on South
19 Fellows Road, which is the access road leading to the Leisure Woods
20 Development. There are only 38 lots on the CCMT side of the Leisure Woods
21 Development. Thus, the number of CLEC customers that BCT proposes to
22 serve in the Redland exchange under the terms of this ICA is necessary limited
23 to approximately 43 customers (assuming 1 customer per lot), and, in no event
24 would it exceed 50 customers. A list of the lots in the Leisure Woods
25 Development that are presently serviceable by BCT is attached hereto as

1 Exhibit 101. Please note that this list does not include the 5 lots on South
2 Fellows Road.

3 **Q. BCT has statewide CLEC authority in Oregon and therefore has authority**
4 **to serve customers throughout the Redland exchange. Would BCT be**
5 **willing to add a provision to the ICA voluntarily agreeing not to offer**
6 **service to customers beyond the residents of Leisure Woods and South**
7 **Fellows Road?**

8 A. Yes.

9 **Q. Please explain the significance of the low volume of calls between**
10 **customers in the BCT and CCMT exchange territories?**

11 A. Right now BCT does not interconnect directly with CCMT's network and all traffic
12 between the customers of the two companies is transited through Qwest. CCMT
13 states that it is concerned about receiving BCT's "commingled" traffic and is
14 asking the Commission to order BCT to interconnect directly with its network and
15 to establish separate trunking to CCMT for its ILEC and CLEC traffic. However,
16 BCT's traffic studies show that the volume of traffic that will be exchanged under
17 this agreement will be quite small. In fact, as the traffic study attached hereto at
18 pages 3-4 of Exhibit 102 shows, the volume of traffic exchanged between CCMT
19 customers and the 4 customers BCT served in CCMT territory at the time the
20 study was performed from June 2006 through May 2007 *amounted to less than*
21 *34 minutes over the entire 11-month period of the study.* Thus, CCMT is asking
22 the Commission to make BCT's ability to offer competitive services in the
23 Redland exchange contingent on BCT establishing multiple direct trunks in order
24 to exchange a negligible amount of traffic. BCT previously provided a copy of
25 this traffic study to CCMT in response to CCMT Data Request 1.1.

1 **BCT's CLEC Traffic**

2 **Q. In what parts of the state does BCT operate as a CLEC?**

3 A. BCT has CLEC customers in the Portland EAS region only—in the Redland
4 exchange and Clackamas/Oregon City exchange.

5 **Q. Does BCT plan to provide service to any customers outside the Portland
6 EAS region?**

7 A. No, we do not.

8 **Q. How many customers does BCT have in the Redland exchange?**

9 A. At this point in time, we are serving 4 customers in the Redland exchange, all of
10 which are in the Leisure Woods development or on the access road to the
11 development, South Fellows Road. We would like to provide service to more
12 customers in Leisure Woods and along South Fellows Road, and will seek to do
13 so if we can obtain an ICA that allows us to do so economically.

14 **Traffic Flows**

15 **Q. What types of traffic do BCT and CCMT exchange?**

16 A. The Parties exchange the following three types of traffic:

17 First, the Parties exchange ILEC to ILEC Local/EAS traffic. This traffic
18 originates from BCT's or CCMT's ILEC customers and is sent to the other
19 company for termination to one of that company's ILEC customers—*i.e.*, calls
20 from a BCT customer in the BCT exchange to a CCMT customer in the Redland
21 exchange and calls from a CCMT customer in the Redland exchange to a BCT
22 customer in the BCT exchange. The handling of these calls is not at issue in this
23 case and will not be governed by the ICA.

24 Second, the Parties exchange CLEC to ILEC local traffic. In other words,
25 the Parties exchange traffic between BCT customers located in the Redland

1 exchange (BCT CLEC customers) and CCMT customers located in the Redland
2 exchange (CCMT ILEC customers).

3 **Q. Do the Parties exchange traffic when a BCT customer in the Redland**
4 **exchange calls another BCT customer in the Redland exchange?**

5 A. No. Because BCT serves all of its own customers in the Redland exchange
6 entirely over its own facilities, calls between a BCT customer in the Redland
7 exchange and any customer other than a CCMT customer will never touch the
8 CCMT network and therefore will not raise commingling or compensation
9 concerns.

10 **Q. Please describe how ILEC to ILEC local traffic is currently routed between**
11 **the Parties.**

12 A. Because the Parties are not directly connected, they exchange ILEC to ILEC
13 local traffic by transiting the traffic to Qwest's Portland Local tandem via the EAS
14 trunks maintained between each party and Qwest. To illustrate, a CCMT ILEC to
15 BCT ILEC call travels from the CCMT ILEC customer to CCMT's switch, over
16 CCMT's EAS trunks to Qwest's Portland Local tandem, over BCT's EAS trunks
17 to BCT's switch, and terminates to the BCT ILEC customer via BCT's loop
18 facilities. As I will explain in more detail later, CCMT's commingling concern
19 relates to BCT traffic carried on CCMT's EAS trunks between CCMT's switch
20 and Qwest's Portland Local tandem only.

21 **Q. Please describe how BCT CLEC traffic is currently routed between the**
22 **Parties.**

23 A. Calls between BCT CLEC customers located in the Redland exchange and BCT
24 ILEC customers are completed entirely on BCT facilities. They travel first by
25 BCT loop facilities to BCT's switch and are then completed via BCT loop facilities

1 to either the BCT exchange or the Redland exchange, depending on the
2 direction of the call. Likewise, calls between BCT CLEC customers located in
3 the Redland exchange and other BCT CLEC customers located in the Redland
4 exchange, to the extent any occur, also are completed entirely on BCT facilities
5 in the same manner as BCT CLEC to BCT ILEC calls. None of these calls ever
6 touch CCMT's network.

7 Calls between BCT CLEC customers located in the Redland exchange
8 and CCMT ILEC customers are the only calls affected by this ICA that touch
9 CCMT's network. These calls are routed via Qwest, BCT's third-party transit
10 provider. A call from a BCT customer located in the Redland exchange to a
11 CCMT customer located in the Redland exchange is routed as follows: (1) the
12 call is carried over BCT's loop facilities to the BCT switch, (2) travels over BCT's
13 LIS trunks to Qwest's Portland Local tandem, (3) is delivered by Qwest over
14 CCMT's EAS trunks to CCMT's switch, and (4) is terminated by CCMT over
15 CCMT's loop facilities. Likewise, a call from a CCMT customer located in the
16 Redland exchange to a BCT customer located in the Redland exchange is
17 routed as follows: (1) the call is carried over CCMT's loop facilities to the CCMT
18 switch, (2) travels over CCMT's EAS trunks to Qwest's Portland Local tandem,
19 (3) is directed by Qwest over BCT's LIS trunks to BCT's switch, and (4) is
20 terminated by BCT over BCT's loop facilities. This is the only traffic that raises
21 CCMT's "commingling concern," and the volume of this traffic so small as to be
22 negligible.

23 **Q. You mentioned that BCT also has CLEC customers within the Portland**
24 **EAS region but outside the Redland exchange. How would a call from one**
25 **of these customers to a CCMT customer be routed?**

1 A. That call would be routed from the BCT CLEC customer to Qwest. As with the
2 call from the BCT CLEC customer within the CCMT exchange, the call would
3 then be routed to CCMT from Qwest over the EAS trunks between Qwest and
4 CCMT.

5 **Q. How does Qwest handle traffic from CLECs other than BCT that it transits**
6 **to CCMT?**

7 A. In precisely the same fashion as Qwest is currently transiting BCT CLEC traffic.
8 That is, when an Integra or XO customer from within the Portland EAS region
9 calls a CCMT customer, Qwest delivers that call to CCMT over the EAS trunks
10 established between Qwest and CCMT. CCMT acknowledges this fact in its
11 revised response to BCT's Data Requests 2.1 and 2.2, which are attached
12 hereto at pages 3 and 15 of Exhibit 103 (stating Qwest transits traffic to
13 customers in the CCMT designated exchange for CLECs operating outside the
14 exchange and this traffic "is indistinguishable from any other traffic delivered by
15 Qwest" and that "when a CLEC from outside the Redland exchange sends a call
16 to CCMT that is delivered by Qwest, Qwest charges the CLEC to terminate the
17 call and to transit it [and] CCMT charges its own customer for EAS, but does
18 not get involved in the billing between the CLEC and Qwest.").

19 **Potential for Commingling**

20 **Q. Please explain what your routing discussion means for CCMT's**
21 **commingling concerns.**

22 A. Because BCT serves all of its CLEC customers in the Redland exchange over its
23 own facilities, the only calls that will be exchanged between CCMT and BCT
24 under this agreement are calls between BCT's CLEC customers in the Redland
25 exchange and CCMT's customers in the Redland exchange. Thus, these are the

1 only calls that implicate CCMT's commingling concerns. Currently, with BCT
2 serving approximately 4 customers in the Redland exchange, this traffic is
3 exchanged at the rate of approximately 3 minutes per month. Even if BCT were
4 successful in expanding its Redland customer base to the maximum of 50
5 potential customers, the traffic study attached at pages 3-4 of Exhibit 102
6 suggests that the traffic would not exceed 40 minutes per month.

7 **Q. Do you have any other reason to believe call volumes between BCT CLEC**
8 **customers in the Redland exchange and CCMT customers will always**
9 **remain negligible?**

10 A. Yes. I have lived in rural Oregon my whole life and have served rural Oregon
11 telephone customers for more than 25 years. In my experience, rural
12 Oregonians do not typically call their neighbors. Instead, they walk to the fence
13 line or down the street and talk face to face. From my experience, I do not
14 believe the call volume between BCT CLEC customers in the Redland exchange
15 and CCMT customers will ever reach even 40 minutes per month.

16 **Q. What would BCT do if separate trunks were required to separate this**
17 **traffic?**

18 A. BCT could not offer service in the Redland exchange if it were required to build
19 separate trunks from CCMT's switch to Qwest's Portland Local tandem. This is
20 because it does not make economic sense to require the establishment of
21 separate trunking to avoid something between 3 and 40 minutes per month of
22 commingled traffic. To illustrate, 40 minutes per month of traffic results in less
23 than 3 cents per month of revenue (calculated at .0007 dollars per minute of
24 use). In contrast, establishing separate trunks would cost approximately \$4,000
25 to \$8,000 for equipment, labor and coordination with CCMT. Consequently, in

1 light of the incredibly small traffic volumes at issue, a separate trunking
2 requirement is not only unnecessary, it would be a complete barrier to
3 competition in the Redland exchange.

4 **Q. CCMT claims that without the separate trunking it demands, it will be**
5 **unable to correctly rate and bill the traffic between BCT's CLEC customers**
6 **and CCMT's customers. What is your response?**

7 A. First, I do not understand why it is that CCMT cannot rate and bill this traffic,
8 which is routed by Qwest to CCMT over trunks with SS7 coding. CCMT
9 acknowledges this fact in its response to BCT's Data Request 2.3, which is
10 attached hereto at page 5 of Exhibit 103 (stating that all trunking between Qwest
11 and CCMT is on an SS7 basis).

12 However, if it were true that CCMT is unable to correctly rate and bill this
13 traffic, then the Commission should order the Parties to exchange the traffic on a
14 bill and keep basis. This is especially appropriate, where, as here, the traffic at
15 issue concerns only a small volume of calls between customers residing in a
16 small residential neighborhood. It simply makes no sense to force BCT to
17 accept an arrangement that renders competition in the Redland exchange
18 uneconomical to avoid the potential for between 3 and 40 minutes per month of
19 commingled traffic.

20 **Q. Does this conclude your direct testimony?**

21 A. Yes.

Docket ARB 789
Exhibit BCT/101
Witness: David Warner

BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON

BEAVER CREEK COOPERATIVE TELEPHONE COMPANY

Exhibit Accompanying Direct Testimony of David Warner
LIST OF SERVICABLE ADDRESSES AND LOCATIONS

August 23, 2007

Exhibit-A: List of Serviceable Addresses and Locations

Site Address	Phone Svc	ADSL Svc	CATV Svc
23792 S Fellows Rd	Yes	Yes	Yes
23841 S Fellows Rd	None	None	None
23840 S Fellows Rd	No	No	Inactive
23881 S Fellows Rd	No	No	Yes
23888 S Fellows Rd	No	No	Yes
Tax Lot 33E35D 00800	None	None	None
23902 S Fellows Rd	No	No	Yes
23962 S Fellows Rd	None	None	None
22495 S Forest Park Rd	No	No	Yes
22500 S Forest Park Rd	No	No	Yes
22560 S Forest Park Rd	None	None	None
22610 S Forest Park Rd	No	No	Yes
22645 S Forest Park Rd	No	No	Yes
22705 S Forest Park Rd	Yes	No	No
22720 S Forest Park Rd	No	No	Yes
23036 S Hillsview Ln	No	No	Inactive
23115 S Hillsview Ln	None	None	None
23186 S Hillsview Ln	No	No	Yes
23216 S Hillsview Ln	No	No	Yes
Tax Lot 33E35D 02200	None	None	None
23630 S Leisure Ln	Yes	Yes	Yes
23640 S Leisure Ln	No	No	Yes
23661 S Leisure Ln	No	No	Yes
23666 S Leisure Ln	None	None	None
23711 S Leisure Ln	None	None	None
23721 S Leisure Ln	Yes	No	Yes
23732 S Leisure Ln	Yes	Yes	No
23751 S Leisure Ln	No	No	Yes
23781 S Leisure Ln	None	None	None
23821 S Leisure Ln	No	No	Yes
23834 S Leisure Ln	No	No	Yes
23524 S Woodview Ln	No	No	Yes
23533 S Woodview Ln	No	No	Yes
23544 S Woodview Ln	No	No	Inactive
23574 S Woodview Ln	No	No	Yes
23583 S Woodview Ln	None	None	None
23598 S Woodview Ln	No	No	Yes
23606 S Woodview Ln	No	No	Yes

Docket ARB 789
Exhibit BCT/102
Witness: David Warner

BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON

BEAVER CREEK COOPERATIVE TELEPHONE COMPANY

Exhibit Accompanying Direct Testimony of David Warner

BCT'S RESPONSE TO CCMT'S DATA REQUEST NO. 1

August 23, 2007

McDowell & Rackner PC



BCT/102
Warner/1

LISA F. RACKNER
Direct (503) 595-3925
lisa@mcd-law.com

May 14, 2007

VIA EMAIL AND U.S. MAIL

Jennifer Niegel
Duncan, Tiger & Niegel, PC
PO Box 248
Stayton, OR 97383-0248

**Re: Docket ARB 789
Beaver Creek Cooperative Telephone Company's Responses to First Set of
Discovery Requests from Clear Creek Mutual Telephone Company**

Dear Ms. Niegel:

Attached please find Beaver Creek Cooperative Telephone Company's Responses to Clear Creek Mutual Telephone Company's Data Request No. 1.

Very truly yours,

A handwritten signature in black ink, appearing to read "Lisa Rackner", with a long, sweeping horizontal line extending to the right.

Lisa F. Rackner

LFR:knp
Attachment

CCMT REQUEST 1.1

Please provide all documents suggesting that the traffic between the parties originating and terminating in the Redland exchange is in balance. Please identify the person(s) or entity that performed a study, if any. Please see the attached documentation that provides the calling patterns between BCT and Clear Creek Mutual Telephone Co. (CCMTC).

RESPONSE

Please see Attachment 1.1. The person who performed these studies for BCT is Nathan Halderman. Mr. Halderman is in charge of BCT's Software Development Department, which handles BCT's monthly billing and switch records processing. Mr. Halderman has been in the telephone industry handling software and billing issues including traffic studies since November 1985.



From: Nathan Halderman
Sent: Friday, May 04, 2007 2:18 PM
To: Tom Linstrom
Subject: Traffic Counts between 503-898 and 503-631

Billing Dates: 6/1/2006 to 5/1/2007
 NpaNxx: 503-898 calls to NpaNxx: 503-631

calling_number	dialed_number	call_date	minutes	seconds	trunk
5038981100	005036312375	2007-04-13 10:51:00	0	11.3	
5038981100	005036312375	2007-04-21 11:28:47	0	4.4	
5038981234	005036313472	2007-04-07 20:36:34	24	22.7	
5038981234	005036313757	2007-04-08 13:05:48	0	51.6	
5038981234	005036313023	2007-04-21 19:51:06	1	38.2	
5038981234	005036313472	2007-04-22 20:24:27	0	35.7	
5038981818	005036312686	2007-03-06 12:58:45	1	59.1	

(7 row(s) affected)

Billing Dates: 6/1/2006 to 5/1/2007
 NpaNxx: 503-898 calls from NpaNxx: 503-631

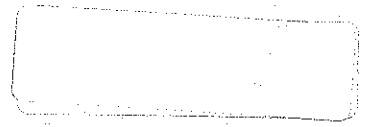
calling_number	dialed_number	call_date	minutes	seconds	trunk
5036312102 0334	5038981234	2007-04-03 13:36:12	0	10.9	Y
5036312103 0334	5038981234	2007-04-03 14:46:44	0	41.1	Y
5036312104 0334	5038981234	2007-04-03 08:38:27	0	38.7	Y
5036312285 0334	5038981234	2006-12-15 12:16:38	0	.0	N
5036312285 0334	5038981234	2006-12-24 08:30:49	0	.0	N
5036312285 0334	5038981234	2007-01-02 09:43:13	0	.0	N
5036312285 0334	5038981234	2007-01-02 15:37:03	0	.0	N
5036312345 0334	5038981234	2007-01-03 15:28:54	0	.0	N
5036312686 0334	5038981818	2007-01-03 09:34:17	0	28.0	Y
5036312686 0334	5038981818	2007-03-15 13:45:46	0	14.8	Y
5036313225 0334	5038985471	2007-03-08 14:51:56	0	.0	N
5036313757 0334	5038981234	2007-04-09 18:55:12	1	17.8	Y
5036313808 0334	5038986281	2007-01-31 20:24:55	0	.0	N



5036314128 0334	5038983234	2007-04-14 15:17:19	0	.0	N
5036314233 0334	5038988788	2007-01-11 08:30:16	0	.0	N
5036314433 0334	5038981234	2007-01-07 13:43:59	0	27.2	Y
5036317222 0334	5038981234	2007-04-22 10:00:41	1	12.6	Y
5036317451 0334	5038985060	2006-12-22 10:08:14	0	.0	N
5036317513 0334	5038984409	2007-03-03 17:52:25	0	.0	N
5036318750 0334	5038982134	2007-01-28 16:15:54	0	.0	N

(20 row(s) affected)

Nathan Halderman
503-632-6304 Desk
971-563-1838 Cell

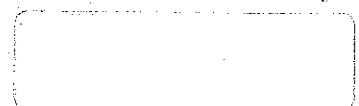


CCMT REQUEST 1.2

Please provide the technical, economic and/or other justification(s) for BCT's proposal to combine different types of traffic onto one trunk group.

RESPONSE

BCT has a legal right to, and is in fact opting to, interconnect indirectly through a third party transit service. As a result, there is no need to establish direct trunking of any kind. Additionally, BCT's competitive local exchange carrier (CLEC) operation is very small. The amount of traffic flowing from BCT's CLEC operation into CCMT's service territory is likewise very small and is not sufficient to justify the costs of establishing direct trunks, much less separate trunk groups. Moreover, as a full-facilities based carrier, the only calls that will touch CCMT's network are calls between CCMT and BCT customers and BCT does not have any customers outside the local/Extended Area Service boundary. Consequently, the only traffic at issue is non-toll traffic and there is no justification for incurring the costs to establish separate trunking for various types of non-toll traffic, especially when the volume of that non-toll traffic is as small as it is here. Indeed, separate trunking in these circumstances would be so cost prohibitive as to be an absolute barrier to competition.



CCMT REQUEST 1.3

Please provide the technical, economic and/or other justification(s) for BCT's proposal to send local traffic over EAS trunks.

RESPONSE

Please see the response to CCMT REQUEST 1. 2.



CCMT REQUEST 1.4

Please provide the technical, economic and/or other justification(s) for BCT's proposal to establish indirect interconnection with CCMT.

RESPONSE

BCT objects to this request on the grounds that it seeks information that is not relevant and is not reasonably calculated to lead to the discovery of admissible evidence. BCT has a legal right to interconnect indirectly with CCMT's network that is not dependent on any factual showing. Accordingly, technical, economic and other facts are not relevant to whether BCT may elect indirect interconnection. Nevertheless, without waiving its objection, BCT responds as follows. Indirect interconnection is both standard in the industry and the most cost effective way of doing business where, as here, the CLEC will be serving only a small number of customers in the ILEC's service territory. Indirect interconnection in such a circumstance keeps costs low for the end user. For these reasons, it also a recommended option of the FCC.



Docket ARB 789
Exhibit BCT/103
Witness: David Warner

BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON

BEAVER CREEK COOPERATIVE TELEPHONE COMPANY

Exhibit Accompanying Direct Testimony of David Warner
CCMT'S RESPONSE TO BCT'S SECOND SET OF DISCOVERY REQUESTS

August 23, 2007

Sarah Adams

From: Jennifer Niegel [jennifer@staytonlaw.com]
Sent: Thursday, May 31, 2007 4:33 PM
To: 'Sarah Adams'
Subject: ARB 789



Response to 2nd
Discovery Requ...

Enclosed please find our revised response.

Jennifer Niegel
Duncan, Tiger & Niegel, P.C.
582 E. Washington Street
PO Box 248
Stayton, OR 97383
Telephone: (503) 769-7741
Fax: (503) 769-2461
Email: jennifer@staytonlaw.com



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4 **BEFORE THE PUBLIC UTILITY COMMISSION**
5 **OF OREGON**

6 In the Matter of the Petition of CLEAR)
CREEK MUTUAL TELEPHONE) CLEAR CREEK'S RESPONSE TO BEAVER
7 COMPANY for Arbitration of an) CREEK'S SECOND SET OF DISCOVERY
Interconnection Agreement with BEAVER) REQUESTS
8 CREEK COOPERATIVE TELEPHONE)
COMPANY, Pursuant to the 47 U.S.C. §§ 251)
9 and 252)

10 Clear Creek Mutual Telephone Company (CCMT), by and through its attorney, Jennifer
11 L. Niegel, hereby submits its response to the Second Set of Discovery Requests from Beaver
12 Creek Cooperative Telephone Company (BCT) served on May 15, 2007:

13 **2.1(a) – (d)**

14 **Request**

15 Please state whether Qwest operates a transit carrier by delivering traffic to CCMT on
16 behalf of third-party CLECs? If yes, please separately identify each type of traffic that Qwest
17 delivers to CCMT from third-party CLEC customers-*e.g.*, local, EAS, E911, operator services,
18 toll, ported calls. For each type of traffic, please identify the following:

19 a. The reciprocal compensation rate, if any, CCMT charges any third party CLEC
20 for delivery of the traffic to customers in CCMT's ILEC territory;

21 b. The type(s) of trunks the traffic is delivered on;

1 c. Any types of traffic that are delivered on trunks commingled with any other types
2 of traffic; and,

3 d. The method by which the different types of traffic are separately identified, if at
4 all, for billing purposes.

5 **Answer**

6 No, Qwest does not deliver any traffic to CCMT on behalf of third-party CLECs
7 operating within CCMT's designated exchange area. BCT is the first CLEC to begin operation
8 within CCMT's designated exchange area. Qwest does transit traffic for CLECs operating from
9 outside the Redland exchange. That traffic is indistinguishable from any other traffic delivered
10 by Qwest. Depending on whether the CLEC is operating within a third party ILEC exchange or
11 within a Qwest exchange, compensation, trunking, commingling and identification is the same as
12 provided in Answers 2.3 and 2.5 below.

13 **2.2**

14 **Request**

15 Please provide recent representative copies of billing records for completing calls
16 delivered by Qwest on behalf of third party CLECs. BCT agrees to accept redacted copies of
17 billing records.

18 **Answer**

19 As Qwest does not deliver any such traffic on behalf of third party CLECs to CCMT,
20 CCMT has no such records.

21 **2.3(a) – (d)**

22 **Request**

1 Please state whether Qwest operates a transit carrier by delivering traffic to CCMT on
2 behalf of third-party ILECs? If yes, please separately identify each type of traffic that Qwest
3 delivers to CCMT from third-party CLEC customers-e.g., local, EAS, E911, operator services,
4 toll, ported calls. For each type of traffic, please identify the following:

- 5 a. The reciprocal compensation rate, if any, CCMT charges any third party CLEC
6 for delivery of the traffic to customers in CCMT's ILEC territory;
- 7 b. The type(s) of trunks the traffic is delivered on;
- 8 c. Any types of traffic that are delivered on trunks commingled with any other types
9 of traffic; and,
- 10 d. The method by which the different types of traffic are separately identified, if at
11 all, for billing purposes.

12 **Answer**

13 The question is vague and unclear as the first part refers to ILECs and the second part
14 refers to CLECs. However, we assume a typographical error was made in the question posed
15 and that all parts of the question were intended to refer to traffic delivered on behalf of third-
16 party ILECs.

17 Local. Qwest does not transit local traffic to CCMT on behalf of third-party ILECs.
18 Therefore, the questions are not applicable. Local traffic would be by definition in ILEC to
19 ILEC terms 503-631 to 503-631 traffic. This traffic does not leave CCMT's switching
20 equipment. Local traffic would be by definition in ILEC to CLEC terms 503-631 to a prefix
21 registered by a CLEC in the NANP for use within the Redland exchange. As of this date, only
22 BCT and entities controlled by BCT have filed for prefixes within the 503-631 exchange. Under

1 the terms of UM-1142 (Order 04-412), BCT conditionally provides service within the Redland
2 exchange to two customers. They provide service to a third in violation of the terms of PUC
3 Order 04-412. Apparently, this traffic is being dumped on the EAS trunks of BCT's ILEC
4 operation and transited to CCMT via Qwest. CCMT considers this method of delivery a
5 violation of both the above order and the terms of BCT's Interconnection Agreement with
6 Qwest. CCMT cannot allow the traffic to continue to be delivered in this manner.

7 EAS.

8 a. Reciprocal Compensation. Qwest transits EAS traffic to CCMT from third-party
9 ILECs within the Portland Metro EAS area as defined by various OPUC orders. Compensation
10 for this traffic was calculated through a detailed process designed by the OPUC whereby
11 foregone toll revenue is identified and shifted into each affected ILEC's local rates on either a
12 flat or measured basis. Each ILEC's customer is assessed the additional charge.

13 b. Trunking. All traffic for the Portland Metro EAS area is separated onto unique
14 trunk groups. All trunking between Qwest and CCMT is on an SS7 basis.

15 c. Commingling. Other types of traffic are not commingled with EAS traffic.

16 d. Identification. EAS traffic is physically separated onto a unique trunk group and
17 can be identified by Trunk Group Number.

18 E911. Qwest does not switch E911 traffic. Therefore, Qwest does not transit E911
19 traffic on behalf of third party ILECs to CCMT. CCMT maintains special access trunks directly
20 to the County PSAP. Compensation is received via State special access tariffs. Other types of
21 traffic are not commingled with E911 traffic.

1 Operator Services. Qwest does not provide operator services to CCMT. Such 0+ traffic
2 is indistinguishable from InterLATA toll. Trunking and compensation are as described for toll
3 traffic.

4 Toll.

5 a. Reciprocal Compensation. Qwest is identified as the designated toll carrier
6 (DXC) for intraLATA message toll in its exchanges and many other exchanges in Oregon
7 including CCMT's Redland exchange. As such Qwest operates the LATA Tandem switching
8 center for the Portland LATA and transits toll traffic to CCMT on behalf of third-party ILECs.
9 Verizon is the DXC for intraLATA message toll in its exchanges and Sprint (United) is the DXC
10 for intraLATA message toll in its exchanges. Neither Verizon nor Sprint transits traffic to
11 CCMT. Depending on whether the traffic terminates within the State of Oregon or outside the
12 state, the access tariff of the Oregon Exchange Carrier Association (OECA) or the National
13 Exchange Carrier Association (NECA) applies.

14 b. Trunking. Toll traffic is transported either on joint use trunks to Qwest for transit
15 to the appropriate toll carrier (IXC). Certain separated trunks carry toll traffic directly on a
16 switched access basis directly to the ordering IXC or through a combination of special and
17 switched access trunks. All trunking between Qwest and CCMT is on an SS7 basis.

18 c. Commingling. Other types of traffic are not commingled with toll traffic.

19 d. Identification. Toll traffic is physically separated onto a unique trunk group and
20 can be identified by Trunk Group Number.

21 Ported Calls. Traffic of all types previously identified as being transited by Qwest could
22 contain calls routed with ported numbers. Ported calls are not treated uniquely for transport

1 purposes. There is no unique compensation arrangement for ported calls. Ported calls are not
2 separately trunked or separately identified for billing purposes.

3 2.4

4 **Request**

5 Please provide recent representative copies of billing records for completing calls
6 delivered by Qwest on behalf of third party ILECs. BCT agrees to accept redacted copies of
7 billing records.

8 **Answer**

9 Qwest delivers calls on behalf of third-party ILECs and CCMT is compensated access
10 billing. Intrastate IntraLATA billing is representative of this exchange. See attached Exhibit A.

11 2.5(a) – (d)

12 **Request**

13 Please state whether Qwest currently delivers traffic to CCMT on its own behalf (*i.e.*,
14 from Qwest customers)? If yes, please separately identify each type of traffic that Qwest delivers
15 to CCMT on its own behalf-*e.g.*, local, EAS, E911, operator services, toll, ported calls. For each
16 type of traffic, please identify the following:

- 17 a. The reciprocal compensation rate, if any, CCMT charges Qwest for delivery of
18 the traffic to customers in CCMT's ILEC territory;
- 19 b. The type(s) of trunks the traffic is delivered on;
- 20 c. Any types of traffic that are delivered on trunks commingled with any other types
21 of traffic; and,
22

1 d. The method by which the different types of traffic are separately identified, if at
2 all, for billing purposes.

3 **Answer**

4 Local. Qwest does not deliver local traffic to CCMT on behalf of Qwest. Therefore, the
5 questions are not applicable.

6 EAS

7 a. Reciprocal Compensation. Qwest delivers EAS traffic to CCMT from Qwest
8 exchanges within the Portland Metro EAS area as defined by various OPUC orders.
9 Compensation for this traffic was calculated through a detailed process designed by the OPUC
10 whereby foregone toll revenue is identified and shifted into each affected ILEC's local rates on
11 either a flat or measured basis. Each ILEC's customer is assessed the additional charge.

12 b. Trunking. All traffic for the Portland Metro EAS area is separated onto unique
13 trunk groups.

14 c. Commingling. Other types of traffic are not commingled with EAS traffic.

15 d. Identification. EAS traffic is physically separated onto a unique trunk group and
16 can be identified by Trunk Group Number.

17 E911. Qwest does not deliver E911 traffic on behalf of Qwest to CCMT. CCMT
18 maintains special access trunks directly to the County PSAP. Compensation is received via State
19 special access tariffs. Other types of traffic are not commingled with E911 traffic.

20 Operator Services. Qwest does not deliver operator services CCMT. Such 0+ traffic is
21 indistinguishable from InterLATA toll. Trunking and compensation are as described for toll
22 traffic.

1 Toll.

2 a. Reciprocal Compensation. IntraLATA toll traffic is carried either by Qwest or by
3 the InterLATA toll carrier (IXC). Depending on whether the traffic terminates within the State
4 of Oregon or outside the State, the access tariff of the Oregon Exchange Carrier Association
5 (OECA) or the National Exchange Carrier Association (NECA) applies.

6 b. Trunking. Toll traffic is carried on joint use trunks to Qwest for transit to the
7 appropriate toll carrier (IXC).

8 c. Commingling. Other types of traffic are not commingled with toll traffic.

9 d. Identification. Toll traffic is physically separated onto a unique trunk group and
10 can be identified by Trunk Group Number.

11 Ported Calls. Traffic of all types previously identified as being transited by Qwest could
12 contain calls routed with ported numbers. Ported calls are not treated uniquely for transport
13 purposes. There is no unique compensation arrangement for ported calls. Ported calls are not
14 separately trunked or separately identified for billing purposes.

15 2.6

16 **Request**

17 Please provide recent representative copies of billing records for completing calls
18 delivered by Qwest on its own behalf. BCT agrees to accept redacted copies of billing records.

19 **Answer**

20 Qwest delivers calls on behalf of Qwest ILEC and CCMT is compensated access billing.
21 Intrastate IntraLATA billing is representative of this exchange. It is not possible to distinguish
22



1 calls delivered on behalf of third-party ILECs from those delivered on behalf of Qwest. See
2 attached Exhibit B.

3 2.7

4 **Request**

5 Please state whether the \$15 non-recurring charge (NRC) shown on CCMT's revised
6 Attachment 4 (Pricing) is for porting and transfers or if CCMT intends the agreement to provide
7 a \$15 NRC for porting and another \$15 NRC for transferring. In other words, if a customer
8 transfers her service from CCMT to BCT and ports her telephone number, is it CCMT's proposal
9 that BCT pay a total NRC of \$15 or \$30 for transfer and porting of that account?

10 **Answer**

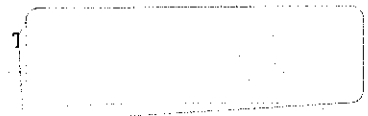
11 The \$15 non-recurring charge is for porting only. CCMT would not assess any charge to
12 transfer a CCMT account to a BCT account where number porting was not involved. If number
13 porting were involved, a nonrecurring charge of \$15.00 would be charged to BCT for porting the
14 number.

15 In addition, in the rare cases where a dispute regarding end user authorization arises,
16 CCMT would assess charges pursuant to Attachment 4 and a service order charge of \$27.00 from
17 its tariff.

18 2.8(a)

19 **Request**

20 Please provide copies of records or other documentation showing what costs CCMT
21 incurs when it performs the following . . . Transfer of (i) a CCMT customer's account to another
22 carrier and (ii) another carrier's customer's account to CCMT;



1 **Answer**

2 CCMT does not charge for this type of activity. Therefore, additional documentation is
3 unnecessary.

4 **2.8(b)**

5 **Request**

6 Please provide copies of records or other documentation showing what costs CCMT
7 incurs when it performs the following . . . Porting of (i) a CCMT customer's telephone number to
8 another carrier and (ii) another carrier's customer's telephone number to CCMT;

9 **Answer**

10 CCMT utilizes the services of a third-party vendor to process orders of this type. See
11 attached Exhibit B.

12 **2.8(c)**

13 **Request**

14 Please provide copies of records or other documentation showing what costs CCMT
15 incurs when it performs the following . . . Cancellation of a pending order LSR for transfer of (i)
16 a CCMT customer's account to another carrier and (ii) another carrier's customer's account to
17 CCMT;

18 **Answer**

19 CCMT does not charge for this type of activity. Therefore, additional documentation is
20 unnecessary.

21 **2.8(d)**

22 **Request**

1 Please provide copies of records or other documentation showing what costs CCMT
2 incurs when it performs the following . . . Cancellation of a pending order LSR for porting of (i)
3 a CCMT customer's telephone number to another carrier and (ii) another carrier's customer's
4 telephone number to CCMT;

5 **Answer**

6 Cancellation of an LSR after it has been issued represents the creation of a new LSR
7 invoking the cancellation. New charges are assessed to CCMT by its vendor as defined in
8 Exhibit B.

9 **2.8(e)**

10 **Request**

11 Please provide copies of records or other documentation showing what costs CCMT
12 incurs when it performs the following . . . Change of the desired due date on a pending order
13 LSR;

14 **Answer**

15 A change in the desired due date once an LSR has been issued represents the creation of a
16 replacement LSR. New charges are assessed to CCMT by its vendor as defined in Exhibit B.

17 **2.8(f)**

18 **Request**

19 Please provide copies of records or other documentation showing what costs CCMT
20 incurs when it performs the following . . . Any other change to a pending order LSR;

21 **Answer**

22



1 Any change to an LSR once it has been issued represents the creation of a replacement
2 LSR. New charges are assessed to CCMT by its vendor as defined in Exhibit B.

3 2.8(g)

4 **Request**

5 Please provide copies of records or other documentation showing what costs CCMT
6 incurs when it performs the following . . . Expedited work (i.e., work performed before the next
7 available due date or before the standard interval of 24 hours for LNP service);

8 **Answer**

9 By definition a request to expedite an order prior to the next available due date would
10 require CCMT to keep technicians after hours to perform the work. If an earlier time were
11 available during business hours it would be scheduled without additional charges. CCMT must
12 pay its employees according to its pay polices as defined in its Employee Handbook. See
13 attached Exhibit C.

14 2.8(h)

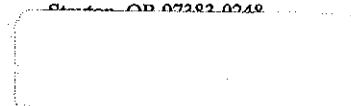
15 **Request**

16 Please provide copies of records or other documentation showing what costs CCMT
17 incurs when it performs the following . . . Work performed outside the standard hours of M-F
18 8:00am to 5:00pm or on holidays and weekends;

19 **Answer**

20 CCMT must pay its employees according to its pay polices as defined in its Employee
21 Handbook. See attached Exhibit C.

22 2.8(i)



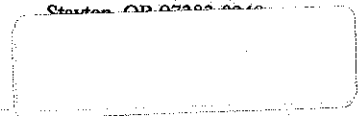
1 **Request**

2 Please provide copies of records or other documentation showing what costs CCMT
3 incurs when it performs the following . . . Manual concurrence of a telephone number (because
4 the CLEC has not created the subscription version(s) in the NPAC prior to the 18-hour window);

5 **Answer**

6 A manual concurrence requires a new LSR to be issued. New charges are assessed to
7 CCMT by its vendor as defined in Exhibit B.

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BCT/103
Warner/15**Sarah Adams**

From: Jennifer Niegel [jennifer@staytonlaw.com]
Sent: Thursday, August 23, 2007 12:22 PM
To: 'Sarah Adams'
Subject: RE: Follow-up re discovery response

Sarah,

To clarify, when a CLEC from outside the Redland exchange sends a call to CCMT that is delivered by Qwest, Qwest charges the CLEC to terminate the call and to transit it. CCMT charges its own customer for EAS, but does not get involved in the billing between the CLEC and Qwest. Accordingly, while there is traffic that transits from CLECs outside the Redland exchange through Qwest, CCMT does not have any billing records for such calls.

Jennifer Niegel
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-----Original Message-----

From: Sarah Adams [mailto:sarah@mcd-law.com]
Sent: Tuesday, August 21, 2007 12:19 PM
To: jennifer@staytonlaw.com
Subject: Follow-up re discovery response

Hi Jennifer,

I was just taking another look at CCMT's revised responses to BCT set 2 (sent by email on May 31) and the response to DR 2.2 appears to be erroneous. I think this is because it inadvertently refers to the initial (not revised) response to DR 2.1. Initially, CCMT had responded to DR 2.1 by stating that "Qwest does not deliver any traffic to CCMT on behalf of third-party CLECs operating within CCMT's designated exchange." In a revised response, CCMT provided a response that was not limited to third-party CLECs operating within CCMT's designated exchange, stating that "Qwest does transit traffic for CLECs operating from outside the Redland exchange." But, in response to DR 2.2 (which asked for "recent representative copies of billing records for completing calls delivered by Qwest on behalf of third party CLECs"), CCMT responded "As Qwest does not deliver any such traffic on behalf of third party CLECs to CCMT, CCMT has no such records."

Can CCMT provide a revised response to DR 2.2 that is consistent with the revised response to DR 2.1, which acknowledges that Qwest does transit traffic for third-party CLECs to CCMT. Also, in light of the testimony filing deadline, can CCMT provide the revised response by Thursday morning?

Please feel free to give me a call if you have any questions about this.

Thanks,

Sarah

Sarah J. Adams
 McDowell & Rackner PC
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 Portland, OR 97204

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 fax 503-595-3928
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8/23/2007