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## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF UTAH

In the Matter of the Petition of QWEST CORPORATION for Arbitration of an Interconnection Agreement with UNION TELEPHONE COMPANY d/b/a UNION CELLULAR under Section 252 of the Federal Telecommunications Act of 1996

Docket No. 04-049-145 **REBUTTAL TESTIMONY OF JAMES H. WOODY** 

October 24, 2005

- 1 Q. Please state name and address for the Commission.
- A. My name is James H. Woody. I am the Director of Research and

  Development for Union Telephone Company as well as a member of the

  Management Committee. The business address of Union Telephone Company is

850 North State Highway 414, Mountain View, Wyoming.

6 Q. Why are you providing testimony here today?

- A. I am providing rebuttal testimony on behalf of Union addressing the testimony of Robert H. Weinstein and Ann Marie Cederberg who previously provided testimony in the above captioned proceeding on behalf of Qwest.
  - Q. What are your concerns with the testimony of Mr. Weinstein and Ms. Cederberg?
    - A. I have a number of comments with respect to the testimony but generally I am concerned because the witnesses do not fully understand the process the parties went through in attempting to negotiate an interconnection agreement. Neither of the witnesses participated in any of the discussions that were held between Union and Qwest in reaching the many areas of compromise that were achieved.

If these witnesses had been involved in the proceedings, they would know that when Qwest first requested arbitration from the Commission, Union opposed the request as it was a wireless or CMRS (commercial mobile radio service) provider. Initially it was Union's position that Qwest, an ILEC, could not force interconnection on a wireless carrier as it was the ILEC's duty to interconnect. Furthermore, it was Union's position that its tariffs were applicable to the interconnection arrangement between the parties as they had been utilized in the past. Unless specifically revoked, existing agreements were to continue under the

Telecommunications Act of 1996 (the "Act"). Later, Union agreed to negotiate an interconnection agreement and participated on almost a weekly basis for many months in negotiating those terms and conditions upon which the parties agreed. Either the Qwest witnesses are unfamiliar with Union's position or they are very disingenuous in suggesting a Union position which is simply not accurate. For instance, Ms. Cederberg suggests that Union is advocating the use of access charges to control the interconnection between Qwest and Union. Although it is an appropriate position, it has been abandoned consistent with the FCC's decision in T-Mobile.1

Additionally, Union objects to much of Mr. Weinstein's testimony. It is not testimony but simply argument. Mr. Weinstein, an attorney, does not address the specific interconnection to be established in this proceeding, but argues Qwest's general legal position on the different issues. Although this may be appropriate for post-hearing briefs, it brings little factual support to aid the Administrative Law Judge in his decision. It should be stricken.

Q. What issues will you address in the testimony?

- A. In this testimony, I will respond to the five issues raised by the Qwest witnesses.

  These include: 1) whether Union is advocating the use of access tariffs, 2)

  whether Union's access tandem should be recognized, 3) the appropriate point of interconnection, 4) whether Qwest should properly identify transit traffic, and 5) the appropriate treatment of non-local traffic.
  - Q. Ms. Cederberg in her testimony asks whether the access tariffs that exist between

<sup>1</sup> In the Matter of Developing a Unified Intercarrier Compensation Scheme. T-Mobile, cc Docket No. 01-92,

Qwest and Union should govern the relationship. What is your position	n?
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The question posed by Ms. Cederberg is a red herring; the answer is rhetorical and an attempt to confuse an important issue. Union believes in mutual compensation and that it should be treated equally; that reciprocal compensation and mutuality in treatment should be a fundamental guideline in establishing an appropriate interconnection agreement. Qwest does not agree and perceives that it can denigrate Union's positions on issues and win by default. Hopefully the Commission will not allow such a result.

For instance, as to the "straw man" of access charges raised by Ms.

Cederberg, Union is not advocating the use of access charges in this proceeding except as ordered by the FCC (interMTA traffic). While Union initially advocated this position, it has abandoned this position in light of the T-Mobile decision. Nevertheless, I would like to give the Administrative Law Judge a sense of how difficult it is to negotiate with Qwest in any proceeding of this nature.

Ms. Cederberg, in her testimony, quotes in part from an FCC decision addressing the present negotiation of interconnection agreements. While this is fine as an abstract concept, it is very difficult to accomplish at the negotiating table. While most companies begin negotiations with a proposed agreement that they anticipate will be changed over the course of negotiations, Qwest does not. It initiates the proceedings by proposing a long complicated document which is essentially its SGAT agreement. While other companies will negotiate a private agreement addressing the specific peculiarities of the companies'

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interrelationships, Qwest will not. Qwest cannot focus on a particular interconnection agreement because it is too concerned with the implications of that agreement on the myriad of other agreements that it must negotiate.

While I appreciate the courtesy that was extended to Union by the Qwest negotiating team, the difficulty is that the negotiating team cannot address Union's particular and peculiar situation because Qwest is driven by what it considers to be a normal interconnection agreement.

Qwest's language in a number of areas even though Union offered more concise language. For instance, Union agreed to Qwest's language relating to indemnification and the dispute resolution process. Qwest's language is long and complicated. There are many models in a number of interconnection agreements which are much simpler and more understandable. Qwest refuses to consider other language because it is not sure of the implications on other agreements.

Union believes that the good faith negotiation of private agreements means that the provisions of any proposed agreement are open for negotiation. That does not mean that a company is simply given an agreement and forced to adopt it without any reference to the specific individual characteristics that mark the relationship between the parties.

The FCC guidelines provided by Ms. Cederberg in her testimony require that LECs such as Qwest enter into reciprocal compensation arrangements with CMRS providers such as Union and that they do so by negotiating in good faith.

Owest did not do this. Owest's version of negotiation is to hand over a one-sided

document and demand that it be signed. In this proceeding, Union is requesting that the Commission establish a reciprocal agreement that recognizes the parties' unique issues.

Q. Ms. Cederberg in her testimony asks whether Qwest should be able to directly connect to Union Cellular. How do you respond?

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As stated above, Owest refuses to acknowledge the concept of a reciprocal agreement and asks that the Commission impose an agreement that favors Qwest particularly as it relates to compensation. There is no magic in the use of a term to describe a particular interconnection, but there are implications that Qwest is attempting to force on Union. The FCC, in establishing the good faith negotiation of private interconnection agreements, requires negotiating parties to reflect in any resulting agreement the peculiarities of their particular networks; otherwise, Owest's "one size fits all" system of negotiation is appropriate. In the instant case, Union, like Owest, interconnects through its tandem switch. Owest refuses to recognize Union's tandem switch. If Ms. Cederberg had been a party to the negotiation, she would know that Union's interconnection arrangement was compared during the negotiation to Qwest's interconnection with Verizon which has both a wireline and wireless side. Those participating in the negotiations understood that the interconnection at issue is not typical. Rather than interconnecting directly with a wireless switch, Qwest is interconnecting with Union's tandem which is more like the Verizon example. In her testimony, the witness refuses to recognize this issue.

Ms. Cederberg wants wireless providers such as Union to interconnect

with Qwest by establishing a point of interface, generally at a Qwest tandem, allowing them to send calls to any end user that is supplied dial tone via any end office subtending that tandem. This position is an attempt to foist Qwest's network architecture on Union, it does not comport with the network architecture in this case. Union does not want to interconnect at the Qwest tandem; it has its own tandem. If the interconnection agreement is to be reciprocal, Union's architecture needs to be recognized. Qwest wants to have Union's switch subtend to the Qwest tandem as this is the more typical architecture with which it is familiar. As Union has its own tandem, it does not want to home to the Qwest tandem nor is it requesting that all of Qwest's numbers home to the Union tandem. The reciprocal agreement recognizes the network architecture of the different companies.

To better illustrate Union's position, I would direct your attention to the exhibits that are provided as part of my rebuttal testimony. Exhibit 5(A) shows a wireless to wireline connection as initiated by a third party mobile customer (such as Verizon) and terminating to a Union wireline customer. In this example, the call goes from the mobile customer, to a tower, to the mobile switching office and then to the Qwest tandem switch. The call is connected through a Type 2 connection. From Qwest's tandem, the call is routed over infrastructure trunks to an interconnection with Union and from there to Union's tandem switch. The call is then connected through interoffice trunking to Union's Class 5 end office and then to the wireline customer. This is important because if you refer to Exhibit 5(B), you will see that the Union mobile customer connects to a wireline customer

of Qwest in essentially the reverse manner. The Union mobile customer connects to the Union tandem through the mobile switching office and then across trunks to the Qwest tandem after which it goes through Qwest's end office to the wireline customer. The routing of the call is essentially the same on either exhibit. In the same fashion, if you refer to Exhibits 5(C) and 5(D), you will see a connection from a third party wireless caller to a mobile Union caller and the reverse. Again, you can see that the transmission path is essentially the same whether the call is going from Qwest or to Qwest. In both examples, the calls are routed from or to Union's tandem in the same manner as they flow through Qwest's system and its tandem. Union's tandem is an integral part of the transmission path in all of these situations. In the same sense, if you were to review Exhibit 5(E), this shows an illustration of Qwest's position. In this example, Qwest ignores Union's tandem and requires Union to connect to Qwest's tandem and greatly expand its expense by forcing Union to utilize needless trunking. As Union, the CMRS provider, should be able to interconnect in any technically feasible manner, it should be able to utilize the interconnection arrangement which best suits its needs. Qwest's proposal is inappropriate.

- Q. What are the financial implications relating to this issue?
- 155 A. Obviously, in Union's opinion, Qwest is attempting to establish an asymmetrical interconnection agreement in order to "game" the system and in return, make more money.
- Q. What do you mean?

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A. Presently, Union has one tandem. It is at Mountain View, Wyoming. Qwest, for

its part, has at least four tandems located at Fort Collins, Denver, Colorado

Springs and Grand Junction, Colorado. While Qwest does not need this many
tandems, it is proliferating the use of tandems to accelerate its receipts. In
demanding that this Commission ignore Union's tandem, Qwest is requiring
Union to establish a direct connection with all of Qwest's tandems for both its
wireline and wireless traffic. While Union's traffic might justify a direct trunk for
both wireless and wireline traffic to the Grand Junction tandem, there is not
sufficient traffic to justify a trunk to Fort Collins or Colorado Springs.

In its testimony, Qwest justified its demand by indicating that such is needed to identify and bill for the calls, yet the calls are identified by Union.

There is no need for separate trunking.

Not only does Qwest's proposal accelerate Union's costs, it is also internally inconsistent. In another area, when Qwest discussed transiting traffic, it insists that it be able to direct traffic to Union without cost. It insists that it has a right to "dump" unidentified traffic on to Union's system. Union's position, on the other hand, is consistent. It recognizes that it must provide appropriately identifiable traffic to Qwest if utilizing a common trunk (both wireless and wireline). It also requests that Qwest's transiting traffic be identified in order that all traffic is identified to allow rating and billing of the traffic.

- Q. Does Union's proposal result in the charging of inappropriate compensation?
- A. No, Union charges appropriate rates, the overwhelming percentage of Union's customers are engaged in interstate traffic and that affects the compensation scheme. Moreover, the designation does not affect whether a call is intra or inter

MTA. Certainly, Ms. Cederberg's representation that Union charges access tariff rates for intraMTA traffic is simply false. Again, as stated earlier, Union has utilized tariff rates in the past for the termination of wireless traffic and believes that such was appropriate under then existing FCC rules. Presently, while Union may charge access rates (as does Qwest) for interMTA traffic, it does not do so for intraMTA traffic.

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- Q. Qwest rejects Union's proposed definition of an "access tandem switch". Please explain.
  - In Qwest's company-centered view of the world, it is the only company that has a tandem switch. It is incorrect. Unfortunately, Qwest is not simply dissatisfied with the proposal but attempts to mislead the Commission with testimony that is not accurate. Ms. Cederberg in her testimony states "the Commission should reject Union Cellular's continued attempt to charge access charges for wireless traffic by broadening the definition of the term "access tandem"." As noted earlier, this is simply an incorrect statement. Union is not attempting to charge access charges for wireless traffic other than that allowed by the FCC (as is Qwest). As Union has an access tandem that lies between the point of interconnection and end users (as does Qwest), it should be recognized in any definition.

Qwest's definition of access tandem is taken directly from the SGAT. It is asymmetric and not consistent with the architecture of the two companies. Union suggested in negotiations that instead of using Qwest's definition, that a more generic definition used in the industry would be appropriate. For instance, the

definition used by independent companies in some tariffs states: "Access Tandem. A telephone company switching system that offers an interexchange carrier originating and terminating access to several end offices within a LATA."

Alternatively, access tandem has been defined by others as "a telephone company or a centralized equal access provider switching system that provides a concentration and distribution function for originating or terminating traffic between end offices and a customer designated premises."

Qwest rejected the more common industry definition in favor of the SGAT asymmetric definition which Union rejects. Union's attempt to address Qwest's intransigence was to have language which would at least make the definition reciprocal. Union's proposed amendment is entirely accurate and consistent with the companies' network architecture.

Qwest should not, by some company fiat, be able to declare Union's architecture irrelevant and non-existent. The fact is Union has a tandem switch which lies in the transmission path of communications. It is used by Union as part of its network architecture and should not be ignored any more than Union would expect this Commission to ignore Qwest's tandem. At the same time, it is inappropriate to expect that Union traffic will home to Qwest's tandem when it has a tandem of its own.

Union's position is appropriate. Either use a more generic industry definition or make Qwest's definition reciprocal. It should not be asymmetrical.

In addition, Qwest argues that the Commission should ignore Union's tandem because "the interconnection between Qwest and Union Cellular does not

229		include the wireline portion of Union Telephone Company." Again the statement
230		is misleading and inaccurate. Qwest designates its tandem even though it can
231		transmit wireless or wireline traffic. In the same sense, Union's switch performs
232		the exact same function as Qwest's tandem switch. If a Union wireless customer
233		initiates a call, the call might flow to the tandem for switching to an interexchange
234		carrier or Qwest. The tandem will switch the traffic whether it originates or is
235		destined for a wireless or wireline carrier. It is an integral part of Union's network
236		architecture as is Qwest's tandem. The Commission cannot simply ignore the
237		tandem. Again I would refer you to my illustrations in Exhibit 5.
238	Q.	In a related issue, Qwest objects to Union's definition of a point of
239		interconnection ("POI") which allows for a more flexible designation. Please
240		explain.
241	A.	The Telecommunications Act of 1996, 47 U.S.C. § 251(a)(1) indicates that it is
242		the general duty of every telecommunications carrier to interconnect directly or
243		indirectly with the facilities and equipment of other telecommunications carriers.
244		Furthermore, 47 U.S.C. § 251(c)(2) providing that it is the duty of an (Incumbent
245		Local Exchange Carrier]:
246 247		"to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network
248 249 250 251 252 253 254 255		<ul> <li>(A) for the transmission and routing of telephone exchange service and exchange access;</li> <li>(B) at any technically feasible point within the carrier's network;</li> <li>(C) that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection; and</li> <li>(D) on rates, terms, and conditions that are just, reasonable, and non-discriminatory, in accordance with the terms and conditions of the agreement</li> </ul>

256 and the requirements of this section and Section 252." 257 Although Union attempted to accommodate Qwest's position that an 258 interconnection point needed to be within Qwest's certificated territory, such is 259 not required. 260 While network is not defined in the Act, 47 C.F.R. § 51.5 defines network 261 element as "any facility or equipment used in the provision of telecommunications 262 service". Hence the use of the word "network" by the drafters of the Act was to 263 recognize that the interconnection point can be anywhere on the local exchange 264 carrier's network. Furthermore, 47 C.F.R. § 51.321 indicates that an incumbent 265 shall provide interconnection at technically feasible points, including "meet 266 points". The provision states: 267 "47 C.F.R. § 51.321. Methods of obtaining interconnection and access to unbundled elements under Sections 251 of the Act. 268 269 (A) Except as provided in paragraph (e) of this section, an incumbent LEC shall 270 provide, on terms and conditions that are just, reasonable and nondiscriminatory in accordance with the requirements of this part, any 271 272 technically feasible method of obtaining interconnection or access to 273 unbundled network elements at a particular point on the request by a 274 telecommunications carrier. (B) Technically feasible methods of obtaining interconnection or access to 275 unbundled network elements include, but are not limited to: 276 277 (1) physical collocation and virtual collocation of the premises of an 278 incumbent LEC; and 279 (2) meet point interconnection arrangements. 280 (C) A previously successful method of obtaining interconnection or access to unbundled elements at a particular premises or point on any incumbent LECs 281 282 network is substantial evidence that such method is technically feasible in the 283 case of substantially similar network premises or points. ..." 284 In negotiations and in this proceeding, Qwest misrepresents the governing 285 law. Qwest, through its witness, represents that the interconnection point or meet

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point, must be within Qwest's local serving territory which apparently it interprets

to be its state certificated territory. This is incorrect. An appropriate reading of the governing law indicates that Qwest is to interconnect at any technically feasible point within its network. In other words, if Qwest has facilities that pass through another company's serving territory, Union can expect that it will be able to interconnect with Qwest at a technically feasible point on Qwest's network, though in another company's area.

While Union has been willing to recognize Qwest's wireline serving area, such is not the provision contemplated by the law. Union can expect that interconnection will be on any point within Qwest's network. Accordingly, the applicable language of the interconnection agreement shall so provide. Clearly the language should provide as follows:

"4.68 "Point of Interface" "Point of Interconnection" or "POI" is a physical demarcation between the networks of two LECs (including a LEC and Union). The POI is that point where the exchange of traffic takes place. This point establishes the technical interface, the test points, and the points for operational division of responsibility. The POI must be established at any technically feasible location selected by Union in Qwest's network."

Accordingly, Section 6.1.1, 6.1.2.1 and 6.3.1.4.1 and 6.3.1.4.2 should reflect Union's language allowing for interconnection at any point on Qwest's network.

- Q. Qwest also argues against having any responsibility for transiting traffic. Do you agree?
- A. No. What Union is attempting to accomplish with its amendment to Section
   6.2.4.3.1 is to ensure that the cost causer is responsible for payment of any costs incurred. While Qwest is concerned that its customers not be responsible for

payment of the charge created by another carrier, Union has the same concern.

Union does not want its customers to be responsible for the payment of termination fees over which they have no control or for which Union has no control. Union is merely asking that the Commission require that Qwest be responsible for traffic for which it benefits.

In the case of transiting traffic, Qwest delivers traffic from an originating carrier to Union. Qwest is compensated for carrying the transiting traffic and therefore, encourages that traffic to its benefit. That is acceptable as long as it is not allowed to ignore unidentified traffic. Qwest argues that it should not have to take responsibility for transit traffic and yet this is simply semantics. Qwest should not be in the position of benefiting from illegal traffic and then claim that it has no responsibility. As it is benefiting from the traffic, it needs to have some responsibility over the illicit traffic or it will continue.

Qwest chooses the trunking that it utilizes in delivering traffic to Union.

Qwest utilizes a common C group. Unfortunately, Qwest utilizes this particular trunking mechanism because it is allowed to deliver traffic without identifying the traffic. This is inappropriate. As Qwest has provided traffic for which it can identify sufficient to bill carriers, this information must be provided to the terminating carrier or Union. While Qwest claims that it doesn't "strip" the identifying information, the representation is counterintuitive. If Qwest can bill a customer for the transiting traffic, it can provide the same information to Union.

Union's request is very simple, do not transit the call without the identifying carrier information. Other states have recognized Union's position. In

some states, for instance, residual billing requires that Qwest pay for calls that it does not identify. In other states, such as South Dakota and Montana, the state legislatures have required that Qwest provide identifying information.

In Section 69-3-815 of the Montana Statutes, the Montana legislature provided:

- "(1) An originating carrier of local telecommunications service shall transmit with the originating carrier's telecommunications traffic information necessary to enable the terminating carrier to identify, measure, and appropriately charge the originating carrier for the termination of the local telecommunications service.
- (2) The provider of intralocal access transport area toll services or any other carrier that provides non-local telecommunications services in Montana shall transmit with its telecommunications traffic information necessary to enable the terminating carrier to identify, measure, and appropriately charge for the termination of the telecommunications traffic.
- (3) A transmitting carrier shall deliver telecommunications traffic to terminating carriers by means of facilities that enable the terminating carrier to receive from the originating carrier any and all information that the originating carrier transits with its telecommunications traffic that enables the terminating carrier to identify, measure and appropriately charge the originating carrier for the interlocal access transport area carrier or intralocal access transport area toll provider of non-local telecommunications traffic for the termination of its telecommunications traffic. . . . ."

The intent of the Montana legislature - as well as Union in suggesting its language, is to prevent Qwest from benefiting from a misdeed. Qwest argues in its testimony that Union's proposal would give originating carriers the financial incentive to omit information; the opposite is true. They already have such a financial incentive. Presently, because Qwest passes their traffic without identifying information, third party carriers find it in their benefit to transit the traffic through Qwest without identifying information. Union's proposal stops this "gaming" of the system. Union's proposal requires Qwest to provide Union notice of the carriers and to block the traffic of carriers which refuse to comply.

366		This is the only possible result that is workable and one that has been adopted by
367		other states.
368	Q.	Should Qwest be required to provide this information without cost?
369	A.	Yes, when Qwest receives identifying information from third party carriers, it can
370		provide this information to Union without additional cost to the company. Indeed
371		Qwest's present capacity to transmit sonet information is contained within the
372		telecommunications stream. It does not cost Qwest anything to transmit this
373		information and it should be required to do so. Alternatively, if Qwest strips the
374		information and does not provide it to Union, it should provide Union the
375		Category 11 records without cost. This is only fair.
376	Q.	Qwest objects to Union's request for the billing of non-local or interMTA traffic.
377		Is Union's request appropriate?
378	A.	Yes. Union is simply attempting to make the agreement reciprocal. Qwest, in its
379		language, is demanding, as allowed by the FCC, to bill for non-local or interMTA
380		traffic at its switched access tariffed rates. Union is simply requesting the same.
381	Q.	Does that conclude your testimony?
382	A.	Yes.

## CERTIFICATE OF SERVICE

I hereby certify that on the 24th day of October, 2005, I caused to me emailed and/or mailed postage prepaid, true and correct copies of the foregoing Rebuttal Testimony of James H. Woody in Docket No. 04-049-145 to the following:

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