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

IN THE MATTER OF THE COMPLAINT)
OF UNION TELEPHONE COMPANY,)
A WYOMING CORPORATION, AGAINST)
QWEST CORPORATION, FKA US WEST) Docket No. 05-054-01
COMMUNICATIONS, INC., A COLORADO)
CORPORATION)

SECOND AMENDED COMPLAINT

Union Telephone Company, by and through its undersigned counsel, Associated Legal Group, LLC, provides its Second Amended Complaint against Qwest Corporation, stating and alleging as follows:

Introduction

1. Union Telephone Company (“Union”) is an independent incumbent local exchange carrier (“ILEC”) providing local exchange and interexchange wireline and wireless services within its service territory. As part of the provision of these services, Union provides access services to Qwest Corporation (“Qwest”), which enables the company to complete telephone calls to the intended end-use customer. Pursuant to federal and state law, Qwest is to compensate Union for terminating such Qwest

telecommunications traffic; which, in part, has not been accomplished. This Complaint seeks compensation for the provision of such access services and a declaration that such compensation is due.

The Parties

2. Union Telephone Company is a Wyoming corporation organized pursuant to and existing by virtue of the laws of the State of Wyoming, having its principal place of business in Mountain View, Wyoming and is duly authorized to transact business in the State of Utah as well as in the adjoining states of Wyoming and in Colorado. Union provides wireline and wireless services pursuant to its approved regulatory authority.

3. Qwest Corporation is a Colorado corporation organized pursuant to and existing by virtue of the laws of the State of Colorado, having its principal place of business in Denver, Colorado and is duly authorized to do business as a foreign corporation in the State of Utah as well as in a fourteen state region in the Inter-Mountain West.

Background

4. Throughout most of the twentieth century, communications in the United States were provided in large part by one company, American Telephone and Telegraph Company (“AT & T”). The system created and constructed by AT & T became known as the Bell System and provided the predominant share of communications in the country. Communication services that were provided by companies other than the “Bell” system were provided by companies identified as independent companies or “Independents”. These companies, such as Union, while providing communication services to a significant segment of the population, particularly in more rural areas, nevertheless were dwarfed by the Bell System in the aggregate.

5. Following the breakup and divestiture of the Bell System in 1984, Qwest's predecessor, U S West Communications, Inc., became one of seven Regional Bell Operating Companies ("RBOC") serving throughout the United States. These companies assumed the majority of the telecommunications services previously provided by AT & T including the provision of local exchange services to their customers. In addition, RBOCs, including U S West, were authorized to provide more localized long distance service or that long distance service confined to the same Local Access and Transport Area ("LATA").

6. While AT & T could provide interstate and intrastate long distance services nationwide, the Bell Operating Companies, including U S West, were initially restricted to providing long distance service within geographical areas identified as LATAs. U S West, for instance, could provide long distance service within the State of Wyoming (the Wyoming LATA) but could not transport long distance service between Wyoming and Utah. The carriage of communications between Wyoming and Colorado or Wyoming and Utah were both interstate in character and also involved an interLATA transmission for which U S West (and now Qwest) was prohibited from accomplishing.

7. Today, in the State of Utah and throughout Qwest's fourteen state area, Qwest provides local exchange service and intraLATA long distance service for its customers. Although Qwest has the predominant number of customers within this region, there are areas in primarily rural segments of the region that are served by Independents, such as Union.

8. Union, as an Independent, provides local exchange services, including wireless local exchange services, to its customers. It also provides intrastate, interstate and international long distance services, directory assistance and other services to its customers. Union, as an Independent non-Bell company, is not prohibited from providing interstate

long distance services, but it competes with Qwest in providing intrastate long distance or toll services.

9. The Independent telephone companies, as well as the Regional Bell Operating Companies, provide local and long distance services to their customers through an interconnected telecommunications system frequently referred to as the public switched network (“PSN”). The purpose of this network is to seamlessly transfer and interconnect telephone calls and data transmissions between customers of different companies, regions and countries.

10. In order for the PSN to seamlessly function in completing the uninterrupted transmission of telecommunication services, there must be an explicit system of compensation to ensure that all carriers involved in the origination and completion of a message are compensated. Whether a long distance call is placed between states, or between LATAs, or within a state and within a LATA, if the communication involves more than one carrier there must be a workable system of intercompany compensation to ensure that all companies involved in transmitting and completing a particular telephone call or transmission are appropriately compensated.

11. One traditional method of compensation requires the originating party to be responsible for a call. It requires connecting carriers to be compensated pursuant to publicly filed tariffs or schedules. The costs for initiating or terminating a call (which are known as “originating access charges” and “terminating access charges”) are to be paid by the designated long distance carrier or inter-exchange carrier (“IXC”) as it carries traffic between the LEC networks. Qwest, for instance, as an IXC, must pay terminating access charges for calls that originate from its customers and which it transmits for completion to an Independent exchange.

12. Although in the time period prior to divestiture, an Independent, such as Union, would have completed long distance services for primarily one company, since divestiture, there are a number of competitors providing both long distance and local (including wireless) services. Nevertheless, in principle, the compensatory scheme is designed to ensure that compensation is paid to companies providing services. In order for the public switched network to seamlessly function, every carrier providing telecommunication services is to be compensated for the services that it provides. Stated simply, a company such as Qwest that is utilizing the services of another carrier to complete a particular communication, must ensure that it pays for the services and facilities it uses to complete the message transmissions.

13. Pursuant to federal and state law, including the Telecommunications Act of 1934 and amending legislation, interconnecting carriers are to be compensated for their costs incurred in providing telecommunication services. Whether an intrastate or interstate basis, these services are typically provided pursuant to tariffs, schedules or price lists on file with federal or state commissions pursuant to federal or state law, respectively. A carrier providing services to another, whether by tariff or otherwise, is to be compensated for the services it provides. While the Telecommunications Act of 1996 recognized other compensatory schemes, such as reciprocal compensation or bill and keep, it did not negate the use of access charges. Specifically, it recognized the need for compensation in exchanging traffic between carriers.

14. Pursuant to federal and state law, Qwest utilizes tariffs. Pursuant to tariff, Qwest utilizes a Feature Group C trunk to interconnect with Union in terminating calls to Union customers located within the confines of Union's service area. Traffic directed to

Union is both wireline and wireless; calls which originate in areas outside of Union's area are transported by Qwest and terminated in Union's area.

15. As required by Utah law, Union has filed tariffs with the Commission for the provision of telecommunication services. In addition to tariffs governing local exchange services and toll services, Union has filed tariffs that provide for access services. See Union P.S.C. Utah No. 3, Part V. Included in the Access Charge Tariff are provisions requiring the payment for access. See Part V ¶ 6.9, *et al.*

16. Pursuant to tariff, Union has billed Qwest for Union's costs in terminating Qwest Feature Group C traffic – a specific part of Union's tariffs. This is for inter-exchange toll traffic as defined in the tariff. Union has billed Qwest for calls that are transferred for termination to both wireline and wireless customers. As a unitary company, Union utilizes the same tariff for the termination of both services. Initially, and over the course of many years, Qwest paid Union for terminating Qwest's traffic. Now, although Qwest pays terminating access for selected wireline traffic, it refuses to compensate Union for other traffic that terminates to wireless customers. Qwest takes this position though it connects directly to Union's Tandem in the same fashion for both types of traffic.

17. Union, pursuant to tariff, has billed Qwest for terminating toll traffic. Union has billed Qwest in accordance with Union's tariffs that are on file with the Commission. Although Union experienced a billing problem at one time, Union has provided invoices to Qwest for access services provided from December 1996 to the present. These invoices, as relating to certain traffic, have not been paid. As the invoices incorporate traffic from Qwest's FGC trunk, they include charges for "transiting" traffic as well as traffic originated by a Qwest customer. Although some of the traffic is ultimately terminated to wireless

customers, all traffic is exchanged in the same manner as Union Telephone Company, one corporate entity, bills for the traffic – whether wireline or wireless, in the same manner.

18. If Union does not complete the Qwest traffic, the messages cannot be transmitted and completed. As Union terminates these calls for the benefit of Qwest, Qwest must compensate Union for the services provided in completing these calls. Accordingly, as telephone and communications traffic carried by Qwest is transferred to Union for completion in Union’s service area, pursuant to federal and state law, Union is to be compensated for such services.

19. Union has not been fully compensated for terminating access charges for many years. Union has provided invoices to Qwest or its predecessor for terminating access service in the State of Utah since at least 1997. While Qwest has paid for Qwest originated traffic terminated to Union’s wireline customers, it refuses to compensate Union for traffic terminated to wireless customers.¹ The total amount of compensation due and owing to Union as of December 2004 is approximately \$522,264.89 (to be updated and proven in hearing) exclusive of interest in the amount of \$119,941.76 for a total of \$642,206.65

20. Union has billed Qwest for providing access services associated with its costs in completing Qwest’s toll traffic. Pursuant to federal and state law, Qwest is to compensate Union for the completion of such traffic. Notwithstanding repeated efforts made by Union to obtain payment for such access and interconnection services, Union has not been fully compensated for the services rendered. This is particularly egregious for

¹ In specifically addressing the Order Granting Motion for a More Definite Statement of July 6, 2005, Union is seeking compensation for all traffic terminated to wireless customers, including Qwest originated or transitting traffic. The traffic includes calls originated by wireline or wireless parties. It includes toll calls but not wireline local exchange traffic. It may include “local”, *i.e.* intra-MTA (Major Trading Area) traffic.

Qwest traffic as Qwest has benefited from the services and has been compensated by its customers for the traffic.

WHEREFORE, Union Telephone Company respectfully requests that the Commission enter a decision in its favor and against Qwest Corporation, for the following relief:

1. A declaration that Union is entitled to compensation for the services it provides and damages for the services provided, including but not limited to, past and future revenue; and
2. Such other and further relief as this Commission deems just and proper in the premises.

DATED this 21st day of July, 2005.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that he provided a copy of the foregoing Second Amended Complaint to the following named parties by electronic mail on the 21st day of July, 2005, and addressed as follows:

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