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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Joint Application of Qwest Communications International, Inc. and CenturyTel, Inc. for Approval of Indirect Transfer of Control of Qwest Corporation, Qwest Communications Company, LLC, and Qwest LD Corporation

Docket No. 10-049-16

REBUTTAL TESTIMONY OF DOUGLAS D. MEREDITH FILED ON BEHALF OF THE UTAH RURAL TELECOM ASSOCIATION

September 30, 2010

1	Q:	PLEASE STATE YOUR NAME, PLACE OF BUSINESS AND POSITION.
2	A:	My full name is Douglas Duncan Meredith. I am employed by John Staurulakis, Inc.
3		("JSI") as Director – Economics and Policy. JSI is a telecommunications consulting
4		firm headquartered in Greenbelt Maryland. My office is located at 547 Oakview
5		Lane, Bountiful, Utah 84010. JSI has provided telecommunications consulting
6		services to rural local exchange carriers since 1963.
7		
8	Q:	PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE AND
9		EDUCATIONAL BACKGROUND.
10	A:	As the Director of Economics and Policy at JSI, I assist clients with the development
11		of policy pertaining to economics, pricing and regulatory affairs. I have been
12		employed by JSI since 1995. Prior to my work at JSI, I was an independent research
13		economist in the District of Columbia and a graduate student at the University of
14		Maryland – College Park.
15		
16		In my employment at JSI, I have participated in numerous proceedings for rural and
17		non-rural telephone companies and have assisted them in developing policies,
18		positions and testimony. In addition to assisting telecommunications carrier clients,
19		I have served as the economic advisor for the Telecommunications Regulatory
20		Board of Puerto Rico since 1997. In this capacity, I provide economic and policy
21		advice to the Board Commissioners on all telecommunications issues that have
22		either a financial or economic impact. I have also participated in numerous national

23		incumbent local exchange carrier and telecommunications groups, including those
24		headed by NTCA, OPASTCO, USTA, and the Rural Policy Research Institute.
25		
26		I have testified or filed pre-filed regulatory in various states including Utah, South
27		Carolina, New Hampshire, New York, Michigan, Wisconsin, North Dakota, South
28		Dakota, Vermont, Texas, Kentucky, Maine and Tennessee. I have also participated
29		in regulatory proceedings in many other states that did not require formal testimony,
30		including Florida, Louisiana, Mississippi, North Carolina, Puerto Rico and Virginia.
31		In addition to participation in state regulatory proceedings, I have participated in
32		federal regulatory proceedings through filing of formal comments in various
33		proceedings and submission of economic reports in an enforcement proceeding.
34		
35		I have a Bachelor of Arts degree in economics from the University of Utah, and a
36		Masters degree in economics from the University of Maryland – College Park.
37		While attending the University of Maryland – College Park, I was also a Ph.D.
38		candidate in Economics. This means that I completed all coursework,
39		comprehensive and field examinations for a Doctorate of Economics without
40		completing my dissertation.
41		
42	Q:	ON WHOSE BEHALF ARE YOU TESTIFYING?
43	A:	I am testifying in this docket on behalf of the Utah Rural Telecom Association
44		("URTA").

45

46	A:	The purpose of my testimony is to respond to the direct testimony of the Division of
17		Public Utilities filed in this proceeding.
18		
19	Q:	WHAT ASPECT OF THE DIVISION'S TESTIMONY IS OF INTEREST TO
50		YOU?
51	A:	In its fourth merger condition in the Wholesale Services category in DPU 1.1, the
52		Division recommends that "[n]o Qwest wholesale intrastate service offered to
53		competitive carriers as of the Merger Filing Date will be discontinued for two years after
54		closing of the transaction except as approved by the Commission."
55		
56	Q:	DOES URTA OPPOSE THIS CONDITION?
57	A:	No. In fact it does not affect URTA members. However, URTA members exchange
58		interexchange traffic with Qwest and will continue to do so with CenturyLink if the
59		Commission approves the merger. As a result, similar to the Division's fourth whole
50		services merger condition, URTA urges the Commission to require CenturyLink to
51		maintain all of its meet point routes for the exchange of interexchange traffic with URTA
52		members for at least two years as a condition of the merger.
53		
54	Q:	COULD THERE BE ANY EXCEPTIONS TO THIS CONDITION?
55	A:	The only exception to this condition would be if a URTA member agreed to accept a
56		different route in a shorter time period or if there has been a change agreed to in routes,
57		meet points, or billing percentages before the merger is approved. Otherwise, the
58		duration of the condition should be at least two years.

69 Q: WHY IS THIS CONDITION IMPORTANT TO URTA?

ORTA needs predictability, particularly during the merger transition. The time following the merger will be busy for the merged Company. Rearranging transport routes with URTA members will disrupt these existing wholesale arrangements and could negatively affect service to their end-use customers. In addition, changes could increase costs to URTA members. URTA believes a two year moratorium on changes in transport routes is necessary for the Commission to determine the merger is in the public interest.

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77 Q: DOES THIS CONCLUDE YOUR TESTIMONY?

78 A: Yes.

Certificate of Service

I hereby certify that on September 30, 2010 I served a true and correct copy of the foregoing Rebuttal Testimony of Douglas D. Meredith by electronic mail to the following:

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