

Exhibit No.:
Issues: Blocking of Traffic
Witness: Kevin L. Johnson
Type of Exhibit: Direct
Sponsoring Party:
Granby Telephone Company
Case No.: TC-2012-0331

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

Case No. TC-2012-0331

Direct Testimony of Kevin L. Johnson

On Behalf of Granby Telephone Company

June 4, 2012

HALO WIRELESS, INC.,)
)
Complainant,)
)
v.) Case No. TC-2012-0331
)
CRAW-KAN TELEPHONE)
COOPERATIVE, INC., et al.,)
)
Respondents.)

STATE OF MISSOURI)
COUNTY OF NEWTON) ss

Kevin L. Johnson, of lawful age, being duly sworn, deposes and states as follows:

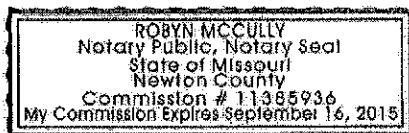
1. My name is Kevin L. Johnson. I am employed as Central Office Manager with Granby Telephone Company, and am authorized to testify on behalf of Granby Telephone Company in this proceeding.
2. Attached hereto and made a part hereof for all purposes is my direct testimony.
3. I hereby affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

Kevin L. Johnson

Subscribed and sworn to before me this 31st day of May, 2012.

John McCally Notary Public

My Commission expires: September 16th, 2015



**DIRECT TESTIMONY
OF
KEVIN L. JOHNSON**

Q. **State your name and business address.**

A. Kevin L. Johnson, 126 S. Beaver Avenue, Granby, Missouri 64844.

Q. **By whom are you employed and in what capacity?**

A. I am employed by Granby Telephone Company as Central Office Manager.

Q. **Please describe the nature of your duties and responsibilities as Central Office (CO) Manager of Granby Telephone Company (Company).**

A. As CO Manager, I operate, maintain, deploy, and engineer traditional systems used in the Company's network. These include but are not limited to TDM, ATM, SONET, transport and access networks. I maintain, operate, and deploy class 5 switching equipment including usage, trunking and call tracing/troubleshooting. In addition, I operate, maintain and deploy supporting equipment and 3rd party solutions integrated with network equipment previously mentioned.

Q. **Would please briefly describe your education and work experience?**

A. I received a Bachelor's Degree in Industrial Technology in 1984 from Missouri Southern State University in Joplin, Missouri. I was employed as a teacher at Neosho Junior High School from 1984 to 1990. My work for Granby Telephone Company began with part-time work beginning in 1977 assisting with installation and maintenance of outside plant. I began working full-time for Granby Telephone Company in 1990 as an outside plant technician, and in 1992 became a CO Technician. I have been the CO Manager since December 1995.

Q. **Are you authorized to testify on behalf of the Company in this matter?**

1 A. Yes.

2 Q. **Please describe your Company and the nature of its business.**

3 A. The Company is a Missouri corporation, with its office and principal place of business
4 located in Granby, Missouri. The Company is an incumbent local exchange carrier
5 providing local exchange and exchange access services to approximately 2,000 access
6 lines in and around the communities of Granby and Diamond, Missouri.

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

8 A. The purpose of my testimony is to explain and support the Company's request to AT&T
9 Missouri (AT&T) to block the traffic terminating from Halo Wireless Inc. (Halo) in
10 accordance with the Missouri Public Service Commission's (Commission) Enhanced
11 Record Exchange (ERE) Rules.

12 Q. **Is Halo delivering traffic to your Company for termination to your customers?**

13 A. Yes.

14 Q. **How do you know Halo is delivering traffic to your Company?**

15 A. Each month we receive records from AT&T Missouri that identify the amount of traffic
16 (i.e., Minutes of Use or MOU) that transits the AT&T tandem switch and is delivered to
17 our Company for termination to our customers.

18 Q. **How is Halo's traffic delivered to your Company?**

19 A. It is my understanding that Halo has a direct interconnection with AT&T at its tandem
20 switch in Springfield, Missouri. AT&T then sends that traffic, along with other wireless,
21 CLEC and intraLATA toll traffic, over common trunk groups to our Company. This
22 jointly owned network of common trunks that exists between our Company and the

1 AT&T tandem is sometimes referred to as the "LEC-to-LEC Network" or the "Feature
2 Group C Network".

3 Q. **Did Halo or AT&T notify your Company, in advance, that Halo would be delivering**
4 **wireless traffic to it?**

5 A. No. The only way that we knew we were receiving Halo traffic was after-the-fact when
6 we began receiving records of that traffic from AT&T.

7 Q. **Has Halo ever requested permission or an agreement with your Company to**
8 **terminate its traffic on your local exchange network?**

9 A. No.

10 Q. **Once you became aware of the fact that Halo was terminating traffic to your**
11 **Company, did you request to begin negotiations with Halo to establish an agreement**
12 **for the termination of this traffic?**

13 A. Yes. Our attorneys sent correspondence to Halo requesting to begin negotiations toward
14 a traffic termination agreement. Copies of the request are attached to my testimony as
15 Exhibit 1.

16 Q. **Did Halo agree to negotiate a traffic termination agreement with your Company?**

17 A. No. It is my understanding that Halo refused to negotiate primarily because our
18 Company did not specifically "request interconnection" with Halo.

19 Q. **What compensation does your Company receive when it terminates traffic from**
20 **other carriers?**

21 A. Our Company receives either access charges (intrastate or interstate) for terminating
22 interexchange traffic or reciprocal compensation rates for terminating local wireless
23 traffic.

1 **Q. How are your Company's access charges and reciprocal compensation rates set?**

2 A. Our access charges are contained in tariffs that are filed with and approved by the FCC
3 (for interstate traffic) and the Missouri Public Service Commission (for intrastate traffic).
4 Our reciprocal compensation rates are set forth in the traffic termination agreements we
5 have with wireless carriers and which are filed with and approved by the Missouri Public
6 Service Commission.

7 **Q. Have you invoiced Halo for the traffic it is terminating to you?**

8 A. Yes. While we do not agree that Halo's traffic is wireless, we have sent invoices to Halo
9 each month for the traffic it terminates to our Company based upon our reciprocal
10 compensation rates for "local" wireless traffic. Copies of those invoices are attached as
11 "PROPRIETARY" Exhibit 2.

12 **Q. Has Halo paid any of your invoices?**

13 A. No, Halo has not paid for any of the traffic it has delivered to our Company.

14 **Q. Are you receiving traffic from other wireless carriers via the LEC-to-LEC**
15 **Network?**

16 A. Yes, we receive wireless traffic from most, if not all, of the national wireless carriers such
17 as AT&T Mobility, Verizon Wireless, Sprint/Nextel, T-Mobile and US Cellular.

18 **Q. Do you have traffic termination agreements with those carriers for the termination**
19 **of their wireless traffic?**

20 A. Yes, we have traffic termination agreements with those carriers and those agreements
21 have been filed with and approved by the Commission. A Summary of those agreements
22 and the case numbers in which they were approved by the Commission is set forth on
23 Exhibit 3 attached hereto.

1 Q. **Did any of the other wireless carriers who terminate traffic to your Company refuse**
2 **to negotiate a traffic termination agreement?**

3 A. No.

4 Q. **Did any of the other wireless carriers insist on your Company requesting**
5 **interconnection before beginning negotiations?**

6 A. No.

7 Q. **Do those agreements with the other wireless carriers provide for your Company to**
8 **be paid for the traffic that is terminated to your Company?**

9 A. Yes. The agreements generally provide that local or intraMTA wireless traffic will be
10 billed at reciprocal compensation rates and that any non-local or interMTA traffic will be
11 billed at our Company's access rates.

12 Q. **How were the reciprocal compensation rates established for your Company?**

13 A. For most of the wireless carriers, our reciprocal compensation rates were established in
14 the context of an arbitration case between our Company and Cingular Wireless and T-
15 Mobile (MoPSC Cases No. TO-2006-0147 and TO-2006-0151). In one instance, the
16 reciprocal compensation rate was negotiated between our Company and the wireless
17 carrier.

18 Q. **Have the other wireless carriers paid your invoices?**

19 A. Yes.

20 Q. **Did you offer to make these reciprocal compensation rates available to Halo for the**
21 **local or intraMTA wireless traffic it terminated to you?**

22 A. Yes. It is our understanding our attorneys forwarded copies of a traffic termination
23 agreement with Cingular and T-Mobile to Halo and offered to use the rates, terms and

1 conditions contained in those Agreements as a starting point for purposes of negotiations.
2 Please see Exhibit 4 attached to this testimony.

3 Q. **You mentioned earlier that you don't agree that the traffic Halo is terminating to**
4 **you is wireless traffic. On what do you base that position?**

5 A. The amount of traffic Halo is terminating to our Company is fairly substantial relative to
6 the amount of wireless traffic we receive from other, national wireless carriers. Given the
7 fact that we have never heard of Halo Wireless, nor have we seen any advertisements or
8 marketing material offering Halo's wireless services in our area, I was skeptical that Halo
9 would be terminating that much wireless traffic to our Company. In addition, we learned
10 from industry meetings and discussions that other local exchange carriers were
11 questioning the nature of Halo's traffic.

12 Q. **Do you have any evidence that Halo's traffic is not wireless?**

13 A. Yes. We requested information from AT&T regarding any traffic studies it has
14 performed on Halo traffic terminating to our Company. Based upon the information we
15 received from AT&T, we learned that only 6-8% of the amount of Halo traffic
16 terminating to us was local or intraMTA wireless traffic (which was actually wireless
17 traffic that was originated by customers of other wireless carriers). The rest of Halo's
18 traffic was either interMTA wireless traffic or landline interexchange traffic. The
19 information AT&T has provided us is included in "PROPRIETARY" Exhibit 5 attached
20 to this testimony.

21 Q. **Are you able to tell whether Halo is providing your Company with originating**
22 **Caller Identification when it terminates traffic to your Company?**

1 A. No. Because Halo's traffic is comingled with other wireless traffic, CLEC traffic and
2 intraLATA toll traffic that comes to our Company over these common trunks, it is not
3 possible to identify a Halo call when it hits our local switch.

4 Q. **Do the AT&T records of Halo's terminating traffic provide originating Caller**
5 **Identification?**

6 A. No, the AT&T records simply provide a "billing number" which is assigned to Halo, but
7 it does not identify or reveal the telephone number of the party placing the call.

8 Q. **Given the fact that Halo has not been willing to pay for the traffic it terminates to**
9 **your Company and that AT&T's traffic studies reveal that a substantial portion of**
10 **this traffic is actually traffic subject to access charges, what did you do?**

11 A. We authorized our attorneys to pursue blocking of Halo's traffic coming over the LEC-
12 to-LEC network in accordance with the Commission's ERE Rules. Copies of the
13 correspondence that was sent to AT&T and Halo are attached as Exhibit 6.

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

15 A. Yes.