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August 26, 2002

Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Missouri 65102

Re: Case No. TC-2002-1077
- **Direct Testimony of Randy Boyd**
- **Kingdom Telephone Company**

FILED²
AUG 26 2002
Missouri Public
Service Commission

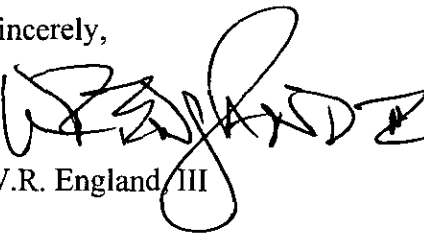
Dear Mr. Roberts:

Enclosed for filing please find an original and eight copies of the direct testimony of Randy Boyd on behalf of Kingdom Telephone Company.

Please note that Schedule No. 1 has been designated "highly confidential" because it contains information relating directly to specific customers and market specific information relating to services offered in competition with others. Accordingly, it is being provided in a separate envelope.

Please see that this filing is brought to the attention of the appropriate Commission personnel. If there are any questions regarding this filing, please give me a call. I thank you in advance for your attention to and cooperation in this matter.

Sincerely,


W.R. England, III

WRE/da
Enclosures
cc: Parties of Record

Exhibit No.:	Terminating Wireless Traffic
Issue:	Randall H. Boyd
Witness:	Direct Testimony
Type of Exhibit:	Kingdom Telephone Company
Sponsoring Party:	TC-2002-1077
Case No.:	August 26, 2002
Date:	

CASE NO. TC-2002-1077

DIRECT TESTIMONY

OF

RANDALL H. BOYD

ON

BEHALF OF

KINGDOM TELEPHONE COMPANY

FILED²
AUG 26 2002
Missouri Public
Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

BPS Telephone Company, et al.,

Petitioners,

v.

VoiceStream Wireless Corporation, et al.,

Respondents.

Case No. TC-2002-1077

County of Callaway)
State of Missouri)

AFFIDAVIT OF

Randall H. Boyd

Randall H. Boyd, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony entitled "Direct Testimony of Kingdom Telephone Company"; that said testimony and schedules attached thereto was prepared by him and/or under his direction and supervision; that if inquiries were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge, information and belief.

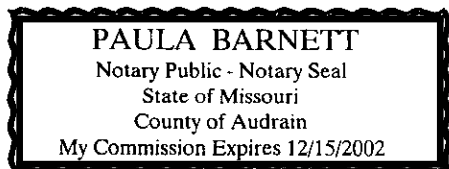
Randall H. Boyd

Subscribed and sworn to before me this 2nd day of August, 2002.

Paula Barnett
Notary Public

My Commission expires:

December 15, 2002



DIRECT TESTIMONY

1 Q. Please state your name and business address.

2 A. Randall H. Boyd, Kingdom Telephone Company, P.O. Box 97, Auxvasse, MO 65231.

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

4 A. Kingdom Telephone Company, Revenue Manager.

5 Q. Briefly describe the nature of your duties and responsibilities for Kingdom Telephone
6 Company.

7 A. I have responsibility for the supervision and oversight of staff and operations of the
8 Commercial Office, Data Processing, and Accounting departments.

9 Q. Are you authorized to testify on behalf of Kingdom Telephone Company?

10 A. Yes.

11 Q. Please briefly describe your education and work background.

12 A. I attended the University of Missouri in Columbia taking business and accounting
13 courses. After my employment with Kingdom Telephone Company, I took a utility
14 accounting course sponsored by the USDA and the REA. I have 31 years of service in
15 the telecommunications industry including 24 years with Kingdom Telephone Company,
16 6 years with the National Telephone Cooperative Association (NTCA), and a year with
17 Communications Engineers. During my tenure at Kingdom Telephone Company, I have
18 been responsible for the development and implementation of accounting, commercial
19 office, and data processing functions and policies of the Company. I have also
20 participated in negotiations and development of many of the telecommunication
21 industries' changes in Missouri over the last 15 years.

22 Q. Please briefly describe Kingdom Telephone Company and the nature of its business.

23 A. Kingdom Telephone Company (hereinafter sometimes referred to as the "Company") is a
24 Missouri corporation with its principal office and place of business located at 211 South
25 Main, Auxvasse, Missouri. A certificate of corporation good standing, issued by the

1 Missouri Secretary of State, is attached to the Complaint filed in Case No. TC-2002-
2 1077. Kingdom Telephone Company provides telephone service to approximately 4,400
3 subscribers that are located within the Missouri exchanges of Rhineland (573/236), Big
4 Spring (573/252), Williamsburg (573/254), Tebbetts (573/295), Auxvasse (573/386),
5 Hatton (573/387), and Mokane (573/676). The Company operates pursuant to a
6 certificate of public convenience and necessity issued by the Commission in its Case No.
7 TA-88-41. Of particular relevance to the instant complaint, Kingdom Telephone
8 Company provides basic local telecommunications services, exchange access services
9 and wireless termination services pursuant to tariffs on file with and approved by the
10 Missouri Public Service Commission (Commission) within its exchanges.

11 Q. What is the purpose of your testimony?

12 A. The purpose of my testimony is to support our Company's complaint against
13 VoiceStream Wireless Corporation (VoiceStream), Western Wireless Corporation
14 (Western) and Southwestern Bell Telephone Company (SWBT) for their failure to pay
15 terminating compensation on wireless originated traffic which they are responsible for
16 causing to terminate in the exchanges served by our Company.

17 Q. Are there any pending actions or final unsatisfied judgments or decisions issued against
18 your Company from any state or federal agency or Court within three years of the date of
19 the filing of the instant Complaint which involved customer service or rates?

20 A. No.

21 Q. Are either your Company's annual report to the Commission or its assessment fee
22 overdue?

23 A. No.

24 Q. Please state your understanding of the nature of Respondents', VoiceStream and Western,
25 business.

26 A. It is my understanding that VoiceStream and Western are providers of commercial
27 mobile radio service (CMRS) (also known as wireless service) within the State of

1 Missouri. It is also my understanding that wireless customers of VoiceStream and
2 Western originate wireless calls which are ultimately terminated to wireline customers
3 which are located in exchanges which our Company serves.

4 Q. What is your understanding of the nature of SWBT's business?

5 A. It is my understanding that SWBT is a telecommunications company providing basic
6 local telecommunications services, basic interexchange telecommunications services and
7 exchange access services in various parts of the state of Missouri. In addition, SWBT
8 offers what it calls a "transit" service to CMRS providers, such as VoiceStream and
9 Western, which allows those CMRS providers to terminate wireless-originated traffic to
10 exchanges served by our Company without directly connecting to our Company's local
11 network. It is also my understanding that SWBT provides these transit services or
12 facilities pursuant to either its intrastate wireless interconnection tariff or an
13 interconnection agreement entered into between SWBT and CMRS providers such as
14 VoiceStream and Western.

15 Q. How does wireless-originated traffic terminate to your Company's exchanges?

16 A. The wireless originated traffic is terminated to our exchanges over common trunk groups
17 owned by SWBT which directly connect to the Company's facilities. SWBT
18 commingles this wireless originated traffic with other wireline interexchange (i.e., toll)
19 traffic also destined for termination to the Company's exchanges. Because all of this
20 traffic comes to us over a common trunk group, our Company is unable to distinguish the
21 wireless-originated traffic from other interexchange traffic that is terminated to us. We
22 are also unable to unilaterally prevent or block wireless-originated traffic from
23 terminating to our facilities even in those circumstances where wireless carriers refuse or
24 otherwise fail to pay for the terminating service which our Company provides.

25 Q. Please describe the terminating services which your Company provides.

26 A. After the traffic is delivered by SWBT to our facilities, it is transported over wire/cable
27 facilities which we own to our central office where the traffic is switched and directed to

1 the individual customers to whom the traffic is destined. In addition to the switch, we
2 own distribution facilities which carry the calls throughout our exchanges where it is
3 ultimately terminated over the cable pair or loop which serves each individual customer's
4 residence or place of business.

5 Q. How are you compensated for wireless-originated traffic which terminates to your
6 exchanges?

7 A. On February 19, 2001, the Missouri Commission approved, in its Case No. TT-2001-139
8 et al., a "wireless termination service tariff" which contains rates, terms and conditions
9 for the termination of intraMTA wireless-originated traffic delivered to our Company via
10 the transit services or facilities of an intermediate LEC such as SWBT. That tariff is
11 currently on file with and approved by the Commission and applies in the absence of an
12 agreement negotiated pursuant to the Telecommunications Act of 1996.

13 Q. Does VoiceStream or Western have an agreement with your Company to terminate or
14 otherwise exchange intraMTA traffic?

15 A. No.

16 Q. Are there other tariffs which may apply to this wireless-originated traffic?

17 A. Yes. To the extent that VoiceStream and Western terminate interMTA wireless traffic to
18 our Company, our intrastate access tariff would apply. Again, the rates, terms and
19 conditions of our access service are contained in tariffs which are on file with and
20 approved by the Commission.

21 Q. How do you know that VoiceStream has terminated wireless-originated traffic to your
22 exchanges?

23 A. Each month we receive from SWBT a cellular transiting usage summary report (CTUSR)
24 which identifies, by carrier, the CMRS providers who have transited wireless originated
25 traffic over SWBT's facilities for termination to our exchanges. The CTUSRs we have
26 received from SWBT since February 19, 2001 (when our wireless service tariff became
27 effective) indicate that VoiceStream has terminated traffic to our Company. The specific

1 amounts of traffic are shown on the copies of CTUSRs which are attached to this
2 testimony as Schedule No. 1. These CTUSRs are for the period of time February 5, 2001
3 through June 4, 2002, which is the most recent period for which SWBT has hard copies
4 of this information.

5 Q. Do the CTUSRs you receive from SWBT distinguish between interMTA and intraMTA
6 wireless originated traffic?

7 A. No. The CTUSRs we receive from SWBT just tell us, in total, for each month, the
8 amount of traffic a particular CMRS provider has terminated to our exchanges. These
9 reports do not distinguish between inter- and intraMTA traffic.

10 Q. Have VoiceStream and Western paid you for any of the traffic terminated to your
11 Company's exchanges?

12 A. Western Wireless made a payment May 8, 2002 for all terminating traffic billed to them
13 through November 4, 2001. Prior to November 2001, I had been advised by John
14 Calhoun of Western Wireless that the proper entity for billing future minutes was
15 VoiceStream. Kingdom has never received any payment from VoiceStream.

16 Q. Have you sent bills to VoiceStream for this traffic?

17 A. Yes, we have sent bills to VoiceStream for this traffic. For purposes of those billings, we
18 have assumed that all traffic is intraMTA and applied our wireless termination service
19 tariff rate. If it can be determined that some of this traffic is interMTA, we believe it
20 would be appropriate to charge for this interMTA traffic based on our intrastate access
21 rates.

22 Q. What is the status of VoiceStream's payments with respect to your Company?

23 A. As of the date of the filing of the Complaint, VoiceStream has an outstanding and unpaid
24 amount as shown on Exhibit 15 (HC) attached thereto. This amount remains outstanding
25 and unpaid and will increase as wireless traffic continues to be terminated to our
26 Company.

27 Q. Are other wireless carriers paying you for traffic they terminate to your Company?

1 A. Yes. Most, if not all, of the major wireless carriers that terminate traffic to us, as shown
2 by the CTUSRs, are paying for that traffic pursuant to our wireless termination service
3 tariff. VoiceStream is the only major wireless carrier that I am aware of that is not
4 paying our wireless termination tariff rate for traffic they terminate to us.

5 Q. Prior to filing this complaint, did you attempt to resolve this dispute with VoiceStream?

6 A. Yes. In late October 2001, I received a call from John Calhoun of Western Wireless
7 indicating that future bills should be sent to VoiceStream. I wrote VoiceStream on
8 November 2, 2001 (Schedule 2 attached) and again on March 19, 2002 (Schedule 3
9 attached). In addition, our counsel contacted representatives for VoiceStream and
10 Western on several occasions in an attempt to resolve this matter short of filing a
11 complaint case. However, those efforts were unsuccessful and, as a result, we were
12 forced to file this Complaint.

13 Q. Do any of the amounts due and owing from VoiceStream include any late payment or
14 other charges?

15 A. No. Although our tariff permits the imposition of late fees, and the recovery of
16 reasonable attorneys fees in the event of nonpayment, I have not included those charges
17 in the amounts due and owing. As part of this Complaint, however, we are asking the
18 Commission to reaffirm the provisions of our tariff which would allow us to assess late
19 payment fees on these amounts as well as seek recovery of reasonable attorneys fees
20 which we have incurred in pursuing these unpaid amounts.

21 Q. You have also filed a complaint against SWBT. Why are you including SWBT in this
22 Complaint?

23 A. SWBT is included in this Complaint because we believe they have some responsibility
24 for this traffic being terminated to us and, perhaps, for VoiceStream's failure to pay.
25 When the Commission approved SWBT's revision to its own wireless interconnection
26 tariff in Case No. TT-97-524, it did so with the specific condition that SWBT would
27 remain secondarily liable to third party LECs for traffic sent to them by wireless carriers

1 and for which they receive no payment. The specific language in the Commission's
2 order is as follows:

3
4 In the event a wireless carrier refuses to pay a third-party LEC for such
5 termination and the wireless carrier does not have a reciprocal
6 compensation agreement with the third-party LEC, SWBT will remain
7 secondarily liable to the third-party LEC for the termination of this traffic,
8 but will be entitled to indemnification from the wireless carrier upon
9 payment of the loss. *In the matter of SWBT's tariff filing to revise its*
10 *wireless carrier Interconnection Service Tariff*, PSC Mo. No. 40, Case No.
11 TT-97-524, Report & Order, December 23, 1997.
12

13 It is also our understanding that in SWBT's interconnection agreements with CMRS
14 providers, including the interconnection agreements with VoiceStream and Western,
15 there is a provision which requires CMRS providers to enter into their own agreements
16 with third party providers, such as our Company, for traffic which they send through
17 SWBT's facilities for termination to that third party provider. In the event, however, that
18 the CMRS provider sends traffic through SWBT's transiting network to a third party
19 provider with whom the CMRS carrier does not have a traffic interexchange agreement,
20 then the CMRS provider has agreed to indemnify SWBT for any termination charges
21 rendered by a third party provider for such traffic. Accordingly, in this case where
22 VoiceStream has knowingly sent traffic to our Company and has failed to establish an
23 agreement or pay for traffic they terminate to our Company pursuant to our approved
24 tariffs, we believe that it is appropriate to hold SWBT responsible for payment of such
25 terminating charges since 1) SWBT is responsible for the traffic being terminated to us in
26 contravention of its tariff or interconnection agreement with VoiceStream and 2) SWBT
27 has a right of indemnification from VoiceStream such that SWBT would be reimbursed
28 for any charges it is required to pay to us.

29 Q. Does that complete your direct testimony?

30 A. Yes, it does.

CASE NO. TC-2002-1077

Schedule No. 1

HIGHLY CONFIDENTIAL

Direct Testimony of Randy Boyd
on behalf of Kingdom Telephone Company

FILED UNDER SEAL



BUILDING YOUR DIGITAL FUTURE

211 S. Main Street
P.O. Box 97
Auxvasse, Missouri 65231(573) 386-2241
(800) 487-4811
Fax (573) 386-5520

November 2, 2001

Chris Sikes
Voicestream Wireless
12920 S.E. 38th Street
Bellevue, WA 98006

Subject: Missouri Wireless Terminating Minutes

Dear Ms. Sikes:

I have recently been advised that wireless terminating minutes we had previously billed to Western Wireless are actually Voicestream Wireless minutes. In the CTUSR reports received from Southwestern Bell they indicated the minutes were Western Wireless' with an ACNA of WCG. John Calhoun, of Western Wireless, advised that the correct identity to bill is Voicestream, which has the ACNA of WCG.

Attached to this letter are copies of invoices now due from Voicestream Wireless. If you have any questions about these invoices please do not hesitate to call.

Sincerely,

Randy Boyd
Revenue Manager/CC: John Calhoun
Western Wireless
P.O. Box 53410
Bellevue, WA 98015-3410

Attachments

Local Phone Service — Long Distance — Internet Service

www.kingdomtelco.com www.kingdomlongdistance.com www.ktis.net



BUILDING YOUR DIGITAL FUTURE

211 S. Main Street
P.O. Box 97
Auxvasse, Missouri 65231(573) 386-2241
(800) 487-4811
Fax (573) 386-5520

March 19, 2002

Voicestream Wireless
Carrier Management Group
12920 S.E. 38th Street
Bellevue, WA 98006

Subject: Unpaid Wireless Terminating Invoices

Dear Sirs:

I have recently spoken to an individual in your vendor accounts payable department and he instructed me to send the attached unpaid invoices to your attention. These invoices represent tariffed charges for traffic terminated from Voicestream's wireless customers to Kingdom Telephone Company's customers via your interconnect agreement with Southwestern Bell.

Also attached is a copy of the tariff sheets that confirm that these invoices are due and payable by your company. At this time Kingdom has begun a complaint process against any wireless carrier that is not paying their terminating intra-MTA local bills. If we receive your payment prior to March 31, 2002 your company will be dropped from the complaint at the Missouri Public Service Commission. Frankly, I am hopeful that Voicestream will chose that course of action.

Thank you for your attention to this matter. Please call if you have any further questions at 573/386-2241.

Sincerely,

Randall H. Boyd
Revenue Manager

Enclosures

Local Phone Service — Long Distance — Internet Service

www.kingdomtelco.com www.kingdomlongdistance.com www.ktis.net