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August 26, 2002

FILED²

AUG 26 2002

Missouri Public
Service Commission

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

Re: Case No. TC-2002-1077
- **Direct Testimony of Bill Rohde**
- **Mark Twain Rural Telephone Company**

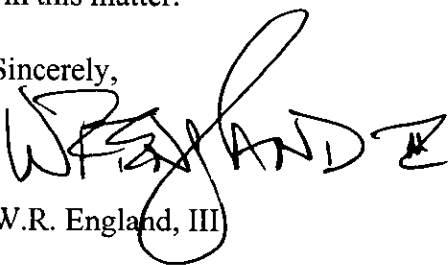
Dear Mr. Roberts:

Enclosed for filing please find an original and eight copies of the direct testimony of Bill Rohde on behalf of Mark Twain Rural 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.:
Issue: Terminating Wireless Traffic
Witness: Bill Rohde
Type of Exhibit: Direct Testimony
Sponsoring Party: Mark Twain Rural Telephone
Company
Case No.: TC-2002-1077
Date: August 26, 2002

FILED²

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**Missouri Public
Service Commission**

CASE NO. TC-2002-1077

DIRECT TESTIMONY

OF

BILL ROHDE

ON

BEHALF OF

MARK TWAIN RURAL TELEPHONE COMPANY

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 Knox)
State of Missouri)

AFFIDAVIT OF

Bill Rohde

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

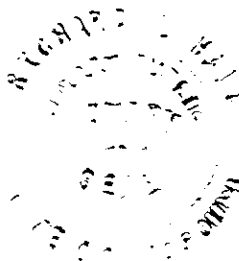
Bill Rohde

Subscribed and sworn to before me this 15th day of August, 2002.

Richard L. Hale
Notary Public

My Commission expires:

RICHARD L. HALE
NOTARY PUBLIC STATE OF MISSOURI
ADAIR COUNTY
MY COMMISSION EXP. MAY 31, 2004



DIRECT TESTIMONY

Q. Please state your name and business address.

A. My name is Bill Rohde and my business address is Mark Twain Rural Telephone Company, P.O. Box 68, Hurdland, Missouri 63547.

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

A. I am General Manager of Mark Twain Rural Telephone Company.

Q. Briefly describe the nature of your duties and responsibilities for Mark Twain Rural Telephone Company.

A. I manage all activities of the Cooperative, directly or through subordinate managers. These responsibilities include the day-to-day administration of all operations, including subsidiary companies.

Q. Are you authorized to testify on behalf of Mark Twain Rural Telephone Company?

A. Yes.

Q. Please briefly describe your education and work background.

A. I have over 32 years of telecommunications experience. From 1970 to 1974, I was employed by Iowa Telephone Company, subsequently a GTE/Verizon property. With Iowa Telephone Company, I performed services as Lineman, Combinationman and Central Office Installation and Repair. In 1974, I was employed as General Manager of River Valley Telephone Cooperative in Graettinger, Iowa. I served as General Manager of River Valley until February of 1984, when I began my current duties as General Manager of Mark Twain Rural Telephone Company. I have served on the Board of Directors of the Rural Iowa Independent Telephone Association and NTCA's Foundation for Rural Service. I am a past president and currently serve on the Board of the Missouri Telecommunications Industry Association.

1 Q. Please briefly describe Mark Twain Rural Telephone Company and the nature of its
2 business.

3 A. Mark Twain Rural Telephone Company (hereinafter sometimes referred to as the
4 "Company") is a Missouri corporation with its principal office and place of business
5 located at Hwy. 6 East, Hurdland, Missouri 63547. A certificate of corporate good
6 standing, issued by the Missouri Secretary of State, is attached to the Complaint filed in
7 Case No. TC-2002-1077. Mark Twain Rural Telephone Company provides telephone
8 service to approximately 4,844 subscribers that are located within the following fourteen
9 (14) Missouri exchanges of Baring, Bethel, Brashear, Durham, Greentop, Hurdland,
10 Knox City, Leonard, Newark, Novelty, Philadelphia, Steffenville, Williamstown, and
11 Wyaconda. The Company operates pursuant to a certificate of public convenience and
12 necessity issued by the Commission in its Case No. TA-88-59. Of particular relevance
13 to the instant complaint, Mark Twain Rural Telephone Company provides basic local
14 telecommunications services, exchange access services and wireless termination
15 services pursuant to tariffs on file with and approved by the Missouri Public Service
16 Commission (Commission) within its exchanges.

17 Q. What is the purpose of your testimony?

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

23 Q. Are there any pending actions or final unsatisfied judgments or decisions issued against
24 your Company from any state or federal agency or Court within three years of the date

1 of the filing of the instant Complaint which involved customer service or rates?

2 A. No.

3 Q. Are either your Company's annual report to the Commission or its assessment fee

4 overdue?

5 A. No.

6 Q. Please state your understanding of the nature of Respondents', VoiceStream and

7 Western, business.

8 A. It is my understanding that VoiceStream and Western are providers of commercial

9 mobile radio service (CMRS) (also known as wireless service) within the State of

10 Missouri. It is also my understanding that wireless customers of VoiceStream and

11 Western originate wireless calls which are ultimately terminated to wireline customers

12 which are located in exchanges which our Company serves.

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

14 A. It is my understanding that SWBT is a telecommunications company providing basic

15 local telecommunications services, basic interexchange telecommunications services

16 and exchange access services in various parts of the state of Missouri. In addition,

17 SWBT offers what it calls a "transit" service to CMRS providers, such as VoiceStream

18 and Western, which allow those CMRS providers to terminate wireless-originated traffic

19 to exchanges served by our Company without directly connecting to our Company's

20 local network. It is also my understanding that SWBT provides these transit services or

21 facilities pursuant to either its intrastate wireless interconnection tariff or an

22 interconnection agreement entered into between SWBT and CMRS providers such as

23 VoiceStream and Western.

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

1 A. The wireless originated traffic is terminated to our exchanges over common trunk
2 groups owned by SWBT which directly connect to the Company's facilities. SWBT
3 commingles this wireless originated traffic with other wireline interexchange (i.e., toll)
4 traffic also destined for termination to the Company's exchanges. Because all of this
5 traffic comes to us over a common trunk group, our Company was unable to distinguish
6 the wireless-originated traffic from other interexchange traffic that is terminated to us.
7 We are also unable to unilaterally prevent or block wireless-originated traffic from
8 terminating to our facilities even in those circumstances where wireless carriers refuse
9 or otherwise fail to pay for the terminating service which our Company provides.

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

11 A. After the traffic is delivered by SWBT to our facilities, it is transported over wire/cable
12 facilities which we own to our central office where the traffic is switched and directed to
13 the individual customers to whom the traffic is destined. In addition to the switches, we
14 own distribution facilities which carry the calls throughout our exchanges where it is
15 ultimately terminated over the cable pair or loop which serves each individual customer's
16 residence or place of business.

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

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

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

3 A. No.

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

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

9 Q. How do you know that VoiceStream and Western have terminated wireless-originated
10 traffic to your exchanges?

11 A. Each month we receive from SWBT a cellular transiting usage summary report
12 (CTUSR) which identifies, by carrier, the CMRS providers who have transited wireless
13 originated traffic over SWBT's facilities for termination to our exchanges. The CTUSRs
14 we have received from SWBT since February 19, 2001 (when our wireless service tariff
15 became effective) indicate that VoiceStream and Western have terminated traffic to our
16 Company. The specific amounts of traffic are shown on the copies of CTUSRs which
17 are attached to this testimony as Schedule No. 1. These CTUSRs are for the period of
18 time February 5, 2001 through June 4, 2002, which is the most recent period for which
19 SWBT has hard copies of this information.

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

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

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

3 A. Yes, VoiceStream/Western had paid all pre- and post-tariff amounts billed to them prior
4 to the November 2001 billing date that contained usage prior to July 5, 2001. Billings for
5 wireless traffic terminated after July 5, 2001 were billed on and after the November 1,
6 2001 bill date and remain outstanding and unpaid.

7 Q. Have you sent bills to VoiceStream and Western Wireless for this traffic?

8 A. Yes, we have sent bills to VoiceStream and Western Wireless for this traffic. For
9 purposes of those billings we have assumed that all traffic is intraMTA and applied our
10 wireless termination service tariff rate. If it can be determined that some of this traffic is
11 interMTA, we believe it would be appropriate to charge for this interMTA traffic based on
12 our intrastate access rates.

13 Q. What is the status of VoiceStream's and Western's payments with respect to your
14 Company?

15 A. As of the date of the filing of the Complaint, VoiceStream and Western still have
16 outstanding and unpaid amounts as shown on Exhibits 15(HC) and 16(HC) attached
17 thereto. These amounts remain outstanding and unpaid and will increase as wireless
18 traffic continues to be terminated to our Company.

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

20 A. Yes. Most, if not all, of the major wireless carriers that terminate traffic to us, as shown
21 by the CTUSRs, are paying for that traffic pursuant to our wireless termination service
22 tariff. VoiceStream and Western are the only major wireless carriers that I am aware of
23 that are not paying our wireless termination tariff rate for wireless traffic they terminate
24 to us.

1 Q. Prior to filing this complaint, did you attempt to resolve this dispute with Western?

2 A. Yes. Jim Lyon, our Customer Service Manager, had called Ms. Ira Summit with
3 VoiceStream and asked about the bills. Per Mr. Lyon, Ms. Ira Summit told him that their
4 attorney told VoiceStream not to pay any more bills. In addition, our counsel contacted
5 representatives for VoiceStream and Western on several occasions in an attempt to
6 resolve this matter short of filing a complaint case. However, those efforts were
7 unsuccessful and, as a result, we were forced to file this Complaint.

8 Q. Do any of the amounts due and owing from VoiceStream and Western Wireless include
9 any late payment or other charges?

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

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

18 A. SWBT is included in this Complaint because we believe they have some responsibility
19 for this traffic being terminated to us and, perhaps, for VoiceStream's and Western's
20 failure to pay. When the Commission approved SWBT's revision to its own wireless
21 interconnection tariff in Case No. TT-97-524, it did so with the specific condition that
22 SWBT would remain secondarily liable to third party LECs for traffic sent to them by
23 wireless carriers and for which they receive no payment. The specific language in the
24 Commission's order is as follows:

1
2 In the event a wireless carrier refuses to pay a third-party LEC for such
3 termination and the wireless carrier does not have a reciprocal
4 compensation agreement with the third-party LEC, SWBT will remain
5 secondarily liable to the third-party LEC for the termination of this traffic,
6 but will be entitled to indemnification from the wireless carrier upon
7 payment of the loss. *In the matter of SWBT's tariff filing to revise its*
8 *wireless carrier Interconnection Service Tariff*, PSC Mo. No. 40, Case No.
9 TT-97-524, Report & Order, December 23, 1997.

10
11 It is also our understanding that in SWBT's interconnection agreements with CMRS
12 providers, including the interconnection agreements with VoiceStream and Western,
13 there is a provision which requires CMRS providers to enter into their own agreements
14 with third party providers, such as our Company, for traffic which they send through
15 SWBT's facilities for termination to that third party provider. In the event, however, that
16 the CMRS provider sends traffic through SWBT's transiting network to a third party
17 provider with whom the CMRS carrier does not have a traffic interexchange agreement,
18 then the CMRS provider has agreed to indemnify SWBT for any termination charges
19 rendered by a third party provider for such traffic. Accordingly, in this case where
20 VoiceStream and Western have knowingly sent traffic to our Company and have failed
21 to establish an agreement or pay for traffic they terminate to our Company pursuant to
22 our approved tariffs, we believe that it is appropriate to hold SWBT responsible for
23 payment of such terminating charges since 1) SWBT is responsible for the traffic being
24 terminated to us in contravention of its tariff or interconnection agreement with
25 VoiceStream and Western and 2) SWBT has a right of indemnification from
26 VoiceStream and Western such that SWBT would be reimbursed for any charges it is
27 required to pay to us.

28 Q. Does that complete your direct testimony?

1 A. Yes, it does.

CASE NO. TC-2002-1077

Schedule No. 1

HIGHLY CONFIDENTIAL

Direct Testimony of Bill Rohde
on behalf of Mark Twain Rural Telephone Company

FILED UNDER SEAL