

Exhibit No.:  
Issues: Blocking of Traffic  
Witness: Craig R. Wilbert  
Type of Exhibit: Direct  
Sponsoring Party: Craw-Kan  
Telephone Cooperative, Inc.  
Case No.: TC-2012-0331

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

**Case No. TC-2012-0331**

**Direct Testimony of Craig R. Wilbert**

**On Behalf of Craw-Kan Telephone Cooperative, Inc.**

**June 4, 2012**

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

[illegible]

Craig R. Wilbert, of lawful age, being duly sworn, deposes and states as follows:

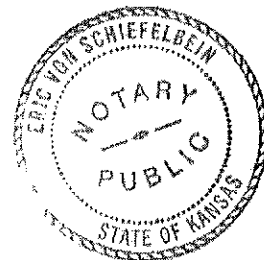
1. My name is Craig R. Wilbert. I am employed as General Manager with Craw-Kan Telephone Cooperative, Inc., and am authorized to testify on behalf of Craw-Kan Telephone Cooperative, Inc. in this proceeding.
2. Attached hereto and made a part hereof for all purposes is my direct testimony.
3. I hereby 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.

Cy R. Wick

Subscribed and sworn to before me this 1st day of June, 2012.

Erin Von Schuyler Notary Public

My Commission expires: August 12, 2014



**DIRECT TESTIMONY  
OF  
CRAIG R. WILBERT**

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

A. My name is Craig R. Wilbert. My business address is 200 North Ozark Street, Girard, Kansas 66743.

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

A. I am employed by Craw-Kan Telephone Cooperative, Inc. (Company) as General Manager.

Q. **Please describe the nature of your duties and responsibilities as General Manager of Craw-Kan Telephone Cooperative, Inc.**

A. As General Manager, I am responsible for managing all aspects of the Company's operations. Working under the supervision of a nine (9) member board, I am responsible for carrying out their policy directives. I also design and plan corporate strategy and present such plans to the Board for their review and approval. Additional major job responsibilities include: review of financial statements and sales reports, manage and direct the work of the various department heads, determine staffing requirements including interviewing and hiring, and coordinating operations to maximize customer service and efficiency.

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

A. I received a Bachelors of Business Administration degree from Pittsburg State University, Pittsburg, Kansas in 1986. In 1996, I received a Masters of Business Administration from Indiana Western University, Marian, Indiana. From 1986 to 1996, prior to my employment with the Company, I worked as a bank internal auditor, as a

1 Staff Accountant in a Public Accounting Firm, and as an Accounting Supervisor for a  
2 Natural Gas Utility. I began my employment with the Company in 1996 as the  
3 Accounting Supervisor. I have also held the positions of Controller and Assistant  
4 General Manager before being promoted to General Manager in April, 2010.

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

6 A. Yes.

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

8 A. The Company is a Kansas corporation, with its office and principal place of business  
9 located in Girard, Kansas. The Company is an incumbent local exchange carrier  
10 providing local exchange and exchange access services to approximately 2100 access  
11 lines in and around the communities of Amoret, Amsterdam, East Arcadia, Asbury,  
12 Foster, Hume, East Mulberry, East Pleasanton and Purcell, Missouri.

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

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

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

19 A. Yes.

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

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

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

2    A.     It is my understanding that Halo has direct interconnections with AT&T at its tandem  
3           switches in Springfield, Missouri and Kansas City, Missouri. AT&T then sends that  
4           traffic, along with other wireless, CLEC and intraLATA toll traffic, over common trunk  
5           groups to our Company. For example, traffic destined to our Asbury, East Arcadia, East  
6           Mulberry and Purcell exchanges in Missouri is sent through the AT&T tandem switch in  
7           Springfield, Missouri. For traffic destined to our Amoret, Amsterdam, Foster and Hume  
8           exchanges in Missouri is sent through the AT&T tandem in Kansas City, Missouri. This  
9           jointly owned network of common trunks that exist between our Company and the AT&T  
10          tandems is sometimes referred to as the "LEC-to-LEC" Network or the "Feature Group C  
11          Network".

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

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

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

18   A.     No.

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

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

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

5 A. No. It is my understanding that Halo refused to negotiate primarily because our  
6 Company did not specifically “request interconnection” with Halo.

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

9 A. Our Company receives either access charges (intrastate or interstate) for terminating  
10 interexchange traffic or reciprocal compensation rates for terminating local wireless  
11 traffic.

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

13 A. Our access charges are contained in tariffs that are filed with and approved by the FCC  
14 (for interstate traffic) and the Missouri Public Service Commission (for intrastate traffic).  
15 Our reciprocal compensation rates are set forth in the traffic termination agreements we  
16 have with wireless carriers and which are filed with and approved by the Missouri Public  
17 Service Commission.

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

19 A. Yes. While we do not agree that Halo’s traffic is wireless, we have sent invoices to Halo  
20 each month for the traffic it terminates to our Company based upon our reciprocal  
21 compensation rates for “local” wireless traffic. Copies of those invoices are attached as  
22 “PROPRIETARY” Exhibit 2.

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

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

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

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

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

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

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

14 A. No.

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

17 A. No.

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

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

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

1 A. For most of the wireless carriers, our reciprocal compensation rates were established in  
2 the context of an arbitration case between our Company and Cingular Wireless and T-  
3 Mobile (MoPSC Cases No. TO-2006-0147 and TO-2006-0151). In a couple of instances,  
4 the reciprocal compensation rate was negotiated between our Company and the wireless  
5 carrier.

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

7 A. Yes.

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

10 A. Yes. Our attorneys forwarded copies of a traffic termination agreement with Cingular  
11 and T-Mobile to Halo and offered to use the rates, terms and conditions contained in  
12 those Agreements as a starting point for purposes of negotiations. Please see Exhibit 4  
13 attached to this testimony.

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

16 A. The amount of traffic Halo is terminating to our Company is greater than the amount of  
17 wireless traffic we receive from other, national wireless carriers. Given the fact that we  
18 have never heard of Halo Wireless, nor have we seen any advertisements or marketing  
19 material offering Halo's wireless services in our area, I was skeptical that Halo would be  
20 terminating that much wireless traffic to our Company. In addition, we learned from  
21 industry meetings and discussions that other local exchange carriers were questioning the  
22 nature of Halo's traffic.

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



1 A. Yes. We requested information from AT&T regarding any traffic studies it has  
2 performed on Halo traffic terminating to our Company. Based upon the information we  
3 received from AT&T, we learned that only 25% to 55% of the amount of Halo traffic  
4 terminating to us was local or intraMTA wireless traffic (and I understand that this was  
5 actually wireless traffic that was originated by customers of other wireless carriers). The  
6 rest of Halo's traffic was either interMTA wireless traffic or landline interexchange  
7 traffic. The information AT&T has provided us is included in "PROPRIETARY"  
8 Exhibit 5 attached to this testimony.

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

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

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

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

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

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

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

2 A. Yes.