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Exhibit No.:

Issue: Issue 6, 8(b), and 30

Witness: Pam Hankins

Sponsoring Party: CenturyTel of Missouri, LLC

Type of Exhibit: Rebuttal Testimony

Case No.: TO-2009-0037

Date Testimony Prepared: October 20, 2008

CENTURYTEL OF MISSOURI, LLC

REBUTTAL TESTIMONY

OF

PAM HANKINS

CASE NO. TO-2009-0037

Century Tel Exhibit No. <u>20</u> Case No(s). <u>70-2009-003</u> Date 10-28-08 Rptr <u>P</u>E



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1		REBUTTAL TESTIMONY
2		OF
4 5		PAM HANKINS
6 7		CASE NO. TO-2009-0037
8		CASE NO. 10-2009-0037
9 10	BAC	KGROUND INFORMATION
11	Q.	Please state your name and business address.
12	A.	My name is Pam Hankins. My business address is 100 CenturyTel Drive, Monroe,
13		Louisiana 71203.
14	Q.	On whose behalf are you submitting rebuttal testimony?
15	A.	CenturyTel of Missouri, LLC (hereinafter referred to as "CenturyTel").1
16	Q.	Did you file Direct Testimony in this proceeding?
17	A.	Yes. I filed Direct Testimony with the Missouri Public Service Commission
18		("Commission") on September 30, 2008.
19	Q.	What is the purpose of your rebuttal testimony?
20	A.	The purpose of my rebuttal testimony is to address specific issues raised by the direct
21		testimonies of Charter-Fiberlink Missouri, LLC ("Charter") filed by Peggy Giaminetti on
22		Issues 6 and 8(b) ("Giaminetti Direct") and issues raised by Amy Hankins regarding
23		Issue 30 ("A. Hankins Direct").
24	Q.	Have you reviewed the Giaminetti Direct and the A. Hankins Direct on the issues
25		you are addressing?

¹ The Parties have continued to negotiate since the filing of the Petition and the Revised Statement of Unresolved Issues. If there are any discrepancies between this rebuttal testimony and my direct testimony with the Revised Statement of Unresolved Issues filed on September 2, 2008, this rebuttal testimony and my prior direct testimony are intended to be controlling as they represents the most current state of CenturyTel's position thereunder. In an effort to assist the Panel with the status of the proceeding, CenturyTel retains the right to file an updated and current interconnection agreement and DPL prior to submission of this matter for decision.

1 A.	Yes.
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2	DISCI	ISSION	OF THE	ISSUES

3	Issue 6:	Under what conditions s	should CenturyTel be	permitted to require a deposit
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- 4 or assurance of payment from Charter?
- 5 Q. Based on your review of the Giaminetti Direct, does Charter disagree with
- 6 CenturyTel's right to seek a deposit or other assurance of payment?
- 7 A. No. Charter agrees that CenturyTel should be able to seek a deposit or other assurance of
- 8 payment. Nonetheless, Charter (through Ms. Giaminetti) believes that right should be
- 9 limited to specific situations and therefore opposes CenturyTel's proposed language.
- 10 Q. Is Charter's opposition to CenturyTel's revisions in Sections 6.1,1, 6.1.2, 6.2 and 6.3
- 11 reasonable?
- 12 A. No. As I will explain, Charter's concerns regarding the language being proposed by
- 13 CenturyTel, as expressed through the Giaminetti Direct, are unfounded.
- 14 Q. What has Ms. Giaminetti stated to be Charter's general concerns regarding
- 15 Century Tel's proposed language as to its ability to request a deposit under Issue 6?
- 16 A. According to the Giaminetti Direct on pages 15-18, Ms. Giaminetti states that Charter's
- general concerns with respect to CenturyTel's language are that: (1) the CenturyTel
- language does not specifically define the events that would trigger a deposit; and (2) the
- 19 language provides too much discretion to CenturyTel regarding what the deposit amount
- should be and for determining the need to modify or adjust the deposit amount.
- 21 Q. Do you agree that the CenturyTel language does not provide sufficient clarity with
- respect to the triggering events that would require the submission of a deposit?

No. As expressed on page 18 of the Giaminetti direct, Charter claims that CenturyTel's language allows CenturyTel to act with "undue discretion" and, at page 21, that the CenturyTel language "leaves open the possibility of abuse and arbitrary demands by CenturyTel." However, these claims are misguided and alarmist. Common sense and good business practices require that each Party to a contract act in good faith when exercising any right under that contract as well as when complying with an obligation under that contract. Issue 6 involves the establishment of criteria to be used to evaluate a company's credit worthiness, and there is no reason to believe or to suggest that the same "good faith" requirement does not also apply in this instance. Moreover, it would be foolhardy for CenturyTel under its proposal to engage in conduct that would not follow commonly used credit evaluation practices.

Α.

A.

Q. Could you explain the reason that it would be foolhardy for CenturyTel not to follow commonly used credit evaluation practices?

Yes. Ms. Giaminetti's concerns fail to acknowledge that the facts and circumstances surrounding a disputed deposit would be brought before the Commission for resolution. If CenturyTel was not using good faith measures to establish the credit worthiness of Charter in order to establish the need for a deposit, then CenturyTel would be subjecting itself to Commission condemnation when the Commission considers Charter's complaint to resolve the need for, the initial level of, or the revised level of, a deposit. At that time, CenturyTel would have to explain why its actions are reasonable to this Commission. As a result, it is irrational to expect that CenturyTel would adopt a position of attempting to justify a request that had no basis in standard commercial dealings between the Parties. That fact acts as a practical, if not an absolute, constraint on CenturyTel's conduct and

more than adequately addresses the apparent fears that Ms. Giaminetti suggests Charter may have with CenturyTel's language. As a result, the discretion that Ms. Giaminetti questions — which really is the concept of flexibility — is not without bounds since the Commission would pass on the actual actions and conduct of each Party should a dispute arise.

6 Q. Could you explain the need for the flexibility regarding the factors that CenturyTel 7 can review in reaching a determination of creditworthiness?

A.

Α.

As today's financial environment demonstrates, the creditworthiness of a company is a moving target. CenturyTel's language reflects that fact and provides flexibility as to what can be reviewed to determine Charter's creditworthiness. Moreover, the need for such flexibility is reasonable. If CenturyTel was locked into what Charter refers to as "specific criteria," and those "specific criteria" are insufficient to address what is happening with respect to Charter's ability to pay its invoices, then, as I explained in my direct testimony, CenturyTel and its customers will be left "holding the bag" on the bad debt.

16 Q. Do Charter's "specific criteria" alleviate CenturyTel's concerns?

No, they actually demonstrate the need for the flexibility. The language proposed by Charter in Article III, § 6.1.1 states that a request for a deposit or other assurance may only be made upon the occurrence of Charter's failure to timely pay, Charter's entry into voluntary or involuntary bankruptcy, Charter's insolvency, an assignment for the benefit of creditors, or other similar event or proceeding. Therefore, Ms. Giaminetti has confirmed what I explained in my direct testimony as to the reasons why Charter's proposed language is inappropriate and inadequate.

Q. Can you explain those reasons again?

A.

Yes. First, for example, under Charter's proposed language, CenturyTel would not be allowed to take action to prevent itself from incurring a bad debt until *after* Charter has proven it is unworthy of the extension of credit. A deposit or request for assurance is meant to provide *prospective* protection to CenturyTel from these types of events. Additionally, as Guy Miller (another CenturyTel witness) explained in his direct testimony submitted in this case at pages 30 and 49-51, timely payments are an issue in this proceeding due to past collection difficulties with Charter. Thus, Charter's past practices demonstrate CenturyTel's need for flexibility with regard to determining whether a deposit is needed.

Second, at pages 4 to 6 of my direct testimony, I explain that financial reports indicate that Charter is *admittedly* at risk for bankruptcy and that Charter's bond ratings are classified as "Poor Quality (may default)" and "Low Grade (speculative)." In any event, CenturyTel's terms for deposit or assurance of payment are based on typical standards in any commercial setting — a carrier's payment history and credit rankings. Use of criteria such as this would ensure that neither CenturyTel nor its end users are left footing the bill in the event that an interconnecting CLEC, including Charter, does not or cannot pay for the services it receives from Century Tel.

Third, in my direct testimony, I attached Schedule PH-4 ("Excerpts from Charter Fiberlink Missouri, LLC Local Exchange Tariff, P.S.C. Mo.-No. 1"). In Section 1.7.2 of that tariff, Charter has established for its benefit the right to check commercial credit services or past telephone account information for a telephone company in order to establish a credit risk assessment or in order to determine the need for a deposit. That

section also grants Charter the right to refuse service to an applicant who is found not to have paid for previously provided services until payment is made. Thus, given that Charter itself is enjoying the use of similar procedures in its tariff prior to any indebtedness or debtor's proceeding, Ms. Giaminetti (and thus Charter) cannot credibly argue that it is unreasonable for CenturyTel to have the same ability to use those same types of procedures with respect to CenturyTel's relationship with Charter.

Q. Does Ms. Giaminetti state that Charter has concerns with respect to each section of the Agreement in dispute that is being addressed in Issue 6?

A.

- A. Yes. While the underlying themes of those concerns mirror the unfounded general concerns that I have discussed above, it would be useful to go through each of those sections (Sections 6.1.1, 6.1.2, 6.2 and 6.3) to ensure that Charter does not suggest that some allegation, regardless of how unfounded, that is not addressed is somehow admitted to by CenturyTel. Additionally, it should be clear that any statement made by Ms. Giaminetti that could be construed as contrary to CenturyTel's position is disputed by CenturyTel, and such statements can and should be rejected by the Commission.
- Q. Do you agree with Charter's concerns regarding CenturyTel's proposed Section6.1.1?
 - No. Ms. Giaminetti improperly suggests at page 18 of the Giaminetti Direct that the reference to "other relevant information" is "ambiguous[] and open-ended." First, as I have explained above, CenturyTel would have to explain its actions to the Commission in the event of a dispute. As a result, there is a need for both Parties to act in good faith. These facts, combined with the need for flexibility to ensure proper deposit levels, amply demonstrate that Ms. Giaminetti's concerns are unfounded. Second, also on page 18, Ms.

Giaminetti states that we provide no additional information on what CenturyTel suggests could be "other relevant information." However, she fails to note that in CenturyTel's proposed language for Section 6.1.1, the sentence following the reference to "other relevant information" indicates that CenturyTel would be reviewing items such as documentation of bankruptcy, insolvency, payment history, and Charter's financial information, if available, in determining whether an additional security deposit is required.

- Q. Do you agree with Charter's contention that CenturyTel's proposed Section 6.1.2
 "effectively shifts" the burden of demonstrating the unreasonableness of
 CenturyTel's request?
 - A. No. While this sounds more like a legal argument, from a practical perspective, Ms. Giaminetti's statements are unfounded. CenturyTel's proposed language in Section 6.1.2 would simply require Charter to file a petition for resolution of the dispute with the Commission if the Parties are unable to agree on the need for or the amount of a deposit. In its filing, Charter would, presumably, assert its position that the CenturyTel request or other matter being raised was not reasonable. Once that filing was made, CenturyTel would respond and refute Charter's assertions. Thus, the issue would be before the Commission, and the Commission would decide which Party was correct. Therefore, from a practical perspective, the requirement that Charter file a dispute with the Commission is a procedural requirement to ensure that any unresolved issue regarding a deposit is resolved promptly by the Commission.
- Q. What is Charter's concern with respect to CenturyTel's proposed language in Section 6.1.2?

- 1 A. Ms. Giaminetti, at page 20 of the Giaminetti Direct, suggests that it is unreasonable
- 2 "leverage" to have included within this section the concept that CenturyTel may
- 3 terminate service.

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4 Q. Is Charter's concern justified?

- 5 A. No. Ms. Giaminetti once again fails to acknowledge that, if there is a dispute, Charter 6 has the ability to bring the dispute before the Commission for resolution. At that time, 7 Charter can address whatever it believes is necessary to avoid having CenturyTel 8 terminate service. Moreover, from a practical perspective, terminating service is not 9 something that, in my experience, is undertaken without sufficient notice and without 10 proper regulatory approvals. In fact, as referenced in my testimony, at least with respect 11 to the Commission's snap back regulations regarding resale, the Commission expects to 12 be noticed of any such action. Consistent with this policy reflected in those rules, I 13 would fully expect that the Commission would want notice of a potential termination of 14 service, and it is CenturyTel's practice to so inform the Commission when CenturyTel 15 anticipates that possibility. To that end, attached is Rebuttal Schedule PH-1, which is a 16 copy of a prior default notice from CenturyTel to Charter that was copied to the 17 Commission.
- 18 Q. Does Charter take issue with CenturyTel's proposed language in Section 6.2?
- 19 A. Yes. Ms. Giaminetti claims, at page 20 of the Giaminetti Direct, that CenturyTel's
 20 proposed Section 6.2 regarding the calculation of the deposit presents an "unnecessarily
 21 complicated formula."
 - Q. Do you agree with Ms. Giaminetti's claim in this regard?

No. As I explained in my direct testimony at page 12, CenturyTel's Section 6.2 provides the option of a flat deposit charge of \$5,000 or Charter's own estimated two-month forecast of charges to be incurred with CenturyTel. CenturyTel's proposed options are clear cut, easy to determine, and provide Charter flexibility in what it can do with respect to establishing the level of the deposit. In contrast, the deposit amount under Charter's proposal is based upon charges incurred in two (2) months out of the past six (6) without specifying which two (2) months of billings is to be chosen. This formula would clearly lead to disputes and, therefore, as applied, it is Charter's formula that would be complicated. For example, how are the two months picked under Charter's proposal? Which Party should pick the two months? Do the two chosen months fairly represent the anticipated charges to be incurred by Charter? Charter's proposed language is a recipe guaranteed to produce disputes. Accordingly, contrary to Ms. Giaminetti's statement at pages 20-21 of the Giaminetti Direct, Charter's proposed language does not "clearly establish []" the amount of the deposit that would be required and such language is not "simple," "easily administered," or representative of a "fair approximation of the potential quantity of service requests that Charter may submit to CenturyTel." At the same time, however, using Ms. Giaminetti's statements (and, thus, those of Charter), CenturyTel's proposed Section 6.2 language meets her objectives.

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19 Q. How does CenturyTel's proposed language in Section 6.2 meet Ms. Giaminetti's statements of Charter's objectives?

A. CenturyTel's proposal is simple and easily administered in that it sets a flat fee *or* allows

Charter to determine an appropriate amount based upon its forecast of future charges over

the next two months. Assuming that Charter would make its forecast in good faith, as it

would be obligated to do, CenturyTel's proposal presents a method of fairly approximating the potential quantity of services to be used by Charter in the immediate upcoming months. Indeed, if anything, CenturyTel's proposal errs on the side that benefits Charter. *Charter* has the option of determining which amount to pay; presumably, then, it would choose the lesser of \$5,000 or the amount it forecasts to use over the next two months.

O.

A.

Would Charter's proposed language provide, as Ms. Giaminetti contends, "a fair approximation of the potential quantity of service requests that Charter may submit to CenturyTel?"

No. As I explained above, CenturyTel's proposed Section 6.2 provides that the deposit level can be determined by Charter. Charter can either make a \$5,000 deposit or a deposit in the amount of what Charter forecasts the next two months of service charges to be. In contrast, Charter's proposal is backward looking of what had been the level of service. Charter's language states (my emphasis) that the "deposit will be calculated based on the total of two (2) months of CenturyTel's charges to Charter (including, but not limited to, both recurring and non-recurring charges), *from the previous* six (6) month period." Charter's proposed language appears to assume that the past is always representative of the future, which it is not. Nonetheless, using Ms. Giaminetti's statement on page 21 of the Giaminetti Direct that the level of a deposit should be set at what "Charter *may submit*," she agrees that a prospective view of the service level of Charter is required; that is what CenturyTel's language accomplishes and what Charter's language does not.

Q. Does Charter express concern with respect to CenturyTel's proposed Section 6.3?

- 1 A. Yes. Charter suggests at page 21 of the Giaminetti Direct that Section 6.3 "would give
- 2 CenturyTel the unilateral right to modify the amount of deposits that may be required."
- 3 Q. Is Ms. Giaminetti's concern valid?
- 4 A. No. As I explained earlier, any right CenturyTel has to modify the amount of required
- deposit is going to be tempered by CenturyTel's obligations to act in good faith and in
- 6 accordance with standard behaviors within a commercial setting. Moreover, should
- 7 Charter dispute the modification requested by CenturyTel, Charter may bring its concern
- before the Commission. Further, and with respect to her suggestion at page 21 of the
- 9 Giaminetti Direct that CenturyTel has not explained the "conditions" that could trigger
- the application of Section 6.3, Ms. Giaminetti fails to note that CenturyTel's language
- states that those "conditions" a re otherwise tied to the "actual billing history and/or the
- 12 credit rating of Charter."
- 13 Q. Has Charter provided any basis for not adopting CenturyTel's proposed revisions
- 14 to Section 6.1.1 through 6.3?
- 15 A. No.
- 16 Q. What does CenturyTel request that the Commission do to resolve Issue 6?
- 17 A. For all the reasons stated herein and those provided in my direct testimony, CenturyTel
- 18 requests that the Commission reject the changes that Charter proposes for Article III's
- Sections 6.1.1, 6.1.2 and 6.2, and adopt CenturyTel's proposed language for these
- 20 sections. In addition, CenturyTel requests that the Commission approve its proposed
- 21 language for Section 6.3.

1	Issue 8(b):	Should the billing Party be permitted to suspend or discontinue accepting
2		orders from the billed Party under certain conditions when the billed Party
3		fails or refuses to pay "undisputed" charges? 2

- 4 Q. Are you addressing all of Issue 8?
- 5 A. No. I am addressing only Issue 8(b). Issue 8(a) is being addressed by another
 6 CenturyTel witness, Steven E. Watkins.
- 7 Q. What are Charter's concerns with regard to CenturyTel's position on issue 8(b)?
- A. On pages 24 and 25 of the Giaminetti Direct, Charter *incorrectly* asserts that "CenturyTel believes that it should have the right to discontinue processing all service orders or other activities the moment Charter fails to pay an undisputed bill, no matter the amount of the bill or other circumstances between the parties."
- Q. Can you explain the basis for CenturyTel's position that this assertion by Ms.
 Giaminetti is incorrect?
- 14 A. Yes. CenturyTel would not discontinue processing orders "the moment Charter fails to
 15 pay." Rather, under Article III, § 9.5.1, CenturyTel would only take such step *after*16 sending Charter notice of its failure to pay an *undisputed* charge and Charter's refusal to
 17 cure the non-payment. Additionally, Charter suggests by this statement that the decision
 18 to suspend order processing should be somewhat dependent on "the amount" Charter
 19 refuses to pay. The bottom line is that Section 9.5.1 involves an undisputed charge. It is
 20 commercially reasonable and acceptable for CenturyTel to expect prompt payment for

² Charter's contends that Issue 8(b) should be framed as follows: "Should the bill dispute provisions ensure that neither Party can improperly terminate the Agreement in a manner that could impair service to the public?"

services rendered, particularly when the charge is *undisputed*. The amount should make no difference.

Q. Does Charter have any other concerns about CenturyTel's position on issue 8(b)?

A. Yes. According to the Giaminetti Direct at pages 27-28, Charter is concerned that CenturyTel's proposed language in Sections 9.5.1 and 9.5.2 would enable CenturyTel to unilaterally terminate the Agreement if Charter fails to pay an undisputed amount. In Charter's opinion, the Commission should be the final decision-maker as to whether an agreement ends, including in situations where a party does not pay an undisputed amount.

Q. Are Charter's concerns valid?

A.

No. First, and most importantly, as I noted in my direct testimony, the sections that are being addressed involve *undisputed* charges. Accordingly, the need for relief in these instances must be gauged in light of the fact that there is no reason why payment *should not* have been received. Again, these are *undisputed* charges that are being addressed.

Second, and with my first point in mind, Charter's contention that CenturyTel would be able to unilaterally take action against Charter without the Commission being involved is speculative. I have been involved in this process for the past five years. CenturyTel's practice is to inform the Commission when non-payments have reached the point where CenturyTel has concluded that sending a default notice under the terms of the contract is warranted. Specifically, my experience is that, consistent with the approach reflected in Rebuttal Schedule PH-1, CenturyTel copies the Commission on any such default notice that we send to a carrier related to an interconnection agreement such as that being discussed in this proceeding.

Third, assuming that Charter had any basis for not paying what are *undisputed* charges, Charter has the ability to petition the Commission for some relief.

A.

Finally, I note that under the language proposed by CenturyTel regarding Section 9.5.1, Charter is provided with notice of its non-payment and is given an ability to cure. CenturyTel only has the right to take additional actions such as discontinuing order processing, suspending the acceptance of new orders, and terminating service *if*, and only *if*, Charter still fails to pay these *undisputed* charges or provide details of charges they are disputing and not paying.

9 Q. Is Ms. Giaminetti correct when she asserts on pages 29-30 of the Giaminetti Direct that CenturyTel's proposed language is "inequitable and one-sided"?

No. These provisions give Charter the same rights as are provided to CenturyTel. If CenturyTel fails to pay an undisputed charge, then Charter would be able to take the same action against CenturyTel that CenturyTel could take if Charter fails to pay an undisputed charge. This is not a provision that places either Party in a position of weakness as compared to the other. The reciprocal nature of the provision also supports the conclusion that the sections proposed by CenturyTel are reasonable. Regardless, it is inequitable and one-sided to allow one party to receive services without paying for the same. Accordingly, Ms. Giaminetti's claim that the provisions are one-sided has no basis in fact.

Q. Has CenturyTel's language on this issue been utilized in other interconnection agreements?

Yes. As I reference in my direct testimony at pages 19 and 20, Charter previously agreed to similar language in an earlier agreement which was approved by the Commission.

1		Likewise, similar language was approved by the Texas Commission as I note on pages
2		20-21 of my direct testimony.
3	Q.	Is Charter's request that the Parties utilize Section 20 of the Agreement to resolve
4		issues relating to undisputed charges reasonable?
5	A.	No. By definition, Section 20 applies to disputes. The charges that are being addressed
6		in this section are undisputed. Therefore, her concerns on page 29 do not apply, even if
7		one assumes that there is a basis for them. No party should expect to receive free service
8		by forcing the billing party to decide whether an amount due is worth the cost of pursuing
9		dispute resolution under the Agreement, and no party should be required to expend
10		unnecessary resources to collect undisputed charges.
11	Q.	What does CenturyTel request the Commission do to resolve Issue 8(b)?
12	A.	For all of the reasons provided herein and in my direct testimony, CenturyTel requests
13		that the Commission reject Charter's proposed revision to Article III, § 9.5.1 and, in
14		doing so, adopt the proposed revisions from CenturyTel in its Section 9.5.1 and its
15		Section 9.5.2. In taking this action, CenturyTel also requests that the Commission

18 Issue 30 What information regarding Directory close dates is CenturyTel required to
19 provide Charter and in what manner?

reaffirm the common sense notion that where charges are not in dispute, such charges

- 20 Q. Who is the Charter witness that addresses this issue?
- 21 A. Amy Hankins.

should be paid.

16

17

22 Q. Does Ms. Hankins summarize Charter's position on this issue?

I	A.	Yes. At page 9 of the A. Hankins Direct, Ms. Hankins states that "CenturyTel should
2		assume some basic obligations surrounding the provision of information concerning
3		directory close dates." She then goes on to state that Charter wants three (3) specific
4		pieces of information: (1) the name of directory; (2) the close date; and (3) "both the
5		original close date and the new close date" where a close date has changed.
6	Q.	Can Ms. Hankins' concerns be reconciled with the CenturyTel processes that are
7		available to Charter to address directory information that Charter may need?
8	A.	No. As explained below, all of the information that Charter seeks is available to
9		Competitive Local Exchange Carriers ("CLECs") and/or can readily be derived by
10		Charter, assuming that Charter then retains past monthly alerts that CenturyTel provides.
11	Q.	Does CenturyTel publicly provide the name of the directory and the close date?
12	A.	Yes. As noted in my direct testimony at pages 22-28 and Schedules PH-5, 6, and 7,
13		CenturyTel has in place a free, internet-based subscription service that provides this
14		information and a program that allows anyone to subscribe to it. And, as noted in my
15		direct testimony at page 25, individuals from Charter likely subscribe to that service.
16	Q.	Does CenturyTel provide some notice regarding the original close date and new
17		close date?

- 17
- Yes. We provide the basic information that any CLEC can use to determine changes in 18 A. 19 close dates. Apparently, however, Charter wants CenturyTel to provide this changed 20 close date information in a format that is more convenient to Charter.
- 21 Q. Is Charter requesting that CenturyTel provide to Charter a special close date 22 schedule that is not even provided to CenturyTel?

- 1 A. Yes. CenturyTel does not receive a schedule from its directory publisher that shows the
- 2 old and new close dates. CenturyTel has no obligation to prepare and provide Charter
- information that is not even provided to CenturyTel.
- 4 Q. Does CenturyTel have arrangements with CLECs other than Charter that allow
- each CLEC the ability to have its respective directory listing information included
- 6 in the applicable CenturyTel directory?
- 7 A. Yes. It is my understanding that CenturyTel has those types of arrangements with a
- 8 number of other CLECs, including Charter.
- 9 Q. Has any other CLEC requested the type of additional information that Charter has
- requested with respect to the notification of changes in close dates?
- 11 A. Not to my knowledge.
- 12 Q. Based on your review of the A. Hankins Direct, does Charter's request regarding
- 13 this additional close date change information afford Charter special treatment as
- compared to other CLECs?
- 15 A. Yes.
- 16 Q. Would that treatment arise because of Charter's proposed language for Article XII,
- 17 **§ 2.1.2.3?**
- 18 A. Yes. Charter's proposed version of Article XII, § 2.1.2.3 would, as I have explained
- 19 above, require CenturyTel to use its resources to generate a report for Charter that
- 20 CenturyTel is not currently generating.
- 21 Q. Is it appropriate for Charter to attempt to force this obligation onto CenturyTel?
- 22 A. No. There is no need for CenturyTel to act as Charter's bookkeeper in this regard.
- 23 CenturyTel provides sufficient information in our monthly directory close schedules so

that Charter can track that information in any way it sees fit. Therefore, I do not see how Ms. Hankins can claim as she does at page 10 of the A. Hankins Direct that we only provide a "bare minimum of information related to directories" when we provide 2 of 3 items she indicates that Charter wants and the information we do provide (such as that reflected in my Schedules PH-5, 6, and 7) is significant. Regardless of her overstatement, however, CenturyTel does not identify the additional information that Charter seeks with respect to changes in close dates, and I do not believe that such information is necessary.

A.

Q. Could you explain the basis for suggesting that the information regarding changed directory close dates is not necessary?

Based on the information that CenturyTel provides publicly, a CLEC need only download the information from the web page and, when the monthly notifications are made, compare the new notice with the prior month's notice to see if there are any changes in the close dates for the communities within which the CLEC operates. Accordingly, Ms. Hankins' claim on page 10 of the A. Hankins Direct that "[i]n order to properly manage the process of including its subscribers in the published directories in each service area, Charter seeks specific information concerning the directory publication and close dates for each directory publisher" has no basis since the "specific information" is being provided. Charter must only track the information it needs for itself. Likewise, her testimony is borderline irrelevant when she indicates on the same page that "Charter must have the close date of the directory, and when the close has changed, both the original and new close date." That information is within the control of Charter to retain as I have explained above.

- Q. Are Charter's apparent concerns regarding tracking changes in the close dates
- 2 warranted?

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- 3 A. No. Based on Ms. Hankins' testimony, Charter apparently assumes that CenturyTel's
- 4 posting of changes to its directory close dates is a regular occurrence and that, as a result,
- 5 Charter could somehow be caught off-guard by one of those changes.
- 6 Q. Is a change in the close date a regular occurrence?
- 7 A. No. After reviewing Ms. Hankins' testimony, I investigated the close date process once
- 8 again.
- 9 Q. What did your additional investigation uncover?
- 10 A. I found that, normally, the information CenturyTel posts only reflects changes to close 11 dates just after the current directories have been published. The dates are changed to 12 reflect the next year's close and publish dates. The close dates are scheduled months in 13 advance of the directory publish date, and, based on my investigation, rarely change prior 14 to the publish date. In fact, I found that if there is a change before the publish date, it 15 would only be to extend the close date, not to shorten it. I suspect that the latter -16 shortening the deadline - is Charter's primary concern. More importantly, I found that 17 CenturyTel has not posted a change in a close date after it was set and published on the 18 CenturyTel web site in at least the last two years. As a result, Charter's concern about 19 requiring CenturyTel to track close date changes does not seem to be justified, 20 particularly since Charter has the information to do that tracking itself.
- Q. Is Ms. Hankins correct when she assumes that information comparing the old and new close dates is provided to CenturyTel by the CenturyTel directory publisher?

1	A.	No. Ms. Hankins' statement infers that a comparison of the old and new close date
2		information is provided by the CenturyTel directory publisher, but it is not. Rather, as I
3		have explained, CenturyTel posts the same schedule that it receives from its publisher on
4		the CenturyTel web site. As I stated in my direct testimony, CenturyTel does not track
5		on a real time basis the communities within which any given CLEC may provide service.
6		Moreover, CenturyTel would have no idea where any CLEC may plan to expand service.
7		At the same time, the CLEC would know this information, and the time involved for that
8		CLEC to make the simple comparison that I have described is greatly less than the time,
9		energy, and effort required for CenturyTel to develop, test, and implement a new tracking
10		system that would be required.
11	Q.	You mentioned above that Amy Hankins' references Article XII, § 2.1.2.3. Does she
12		quote Charter's proposed language for this section?
13	A.	Yes.
14	Q.	With regard to the implementation of that provision, is there a particular part of the
15		proposed language that concerns CenturyTel?
16	A.	Yes. In particular, Charter's proposed language, as provided at pages 9 and 10 of the A.
17		Hankins' Direct, states, in part: "Where Charter has not forwarded its flat file of listing
18		information for a Directory to Century Tel two weeks prior to the date that the listing
19		information is due to the publisher, Century Tel will notify Charter."

Can you summarize your concerns with respect to this language in your direct

Yes I did, at page 28 of my direct testimony.

21

22

23

A.

Q.

testimony?

My statements within my direct testimony regarding the "second" aspect of Issue 30 relate to an implementation issue addressing the provision of flat file directory listing information to CenturyTel. As I noted at page 28 of my direct testimony, the second aspect of Issue 30 was raised because of Charter's proposed language in Section 2.1.2.3, which suggests that Charter would only be responsible for sending its flat file of listings information to CenturyTel and not directly to the CenturyTel directory publisher.

Q. Are your concerns regarding the second aspect of Issue 30 still valid?

Yes. This is an implementation issue that should be addressed. As I noted in my direct testimony, Charter provides its flat-file of listing information directly to the CenturyTel directory publisher, and there is no reason to interject CenturyTel into this process or to expose CenturyTel to a claim by Charter that, somehow, CenturyTel's action or inaction regarding those Charter listings could give rise to a claim by Charter arising from "some error in the information or in the delivery of the information to the directory publisher. . . ." Accordingly, the need to address this second aspect arose specifically because of Charter's proposed language being discussed in Issue 30 regarding Section 2.1.2.3, and that provision is separate and apart from Issue 31. If Charter does not intend its language to suggest that CenturyTel is somehow involved in the flat file listings submission process to the CenturyTel directory publisher, then Charter should say so and remove the language I quoted above because it raises an issue that Charter does not intend to raise.

20 Q. Is Section 2.1.2.3 addressed in Issue 31?

A.

A.

No. Issue 31 addresses Section 7.1 through 7.3, and those sections relate to what I understand to be the legal standards for liability and the extent of damages should those standards be determined to apply.

1		
2	Q.	What action does CenturyTel request that the Commission take with respect to this

- A. For the reasons stated herein and in my direct testimony, CenturyTel requests that the
 Commission reject Charter's proposed language, adopt CenturyTel's proposed language
 for Article XII, § 2.1.2.3, and, in so doing, find that the CenturyTel method of providing
 notice with respect to its directory close dates and flat file information is entirely
 reasonable and appropriate.
- 9 Q. Does this conclude your testimony?
- 10 A. Yes, it does.

Issue 30?

3

CASE NO. TO-2009-0037

Rebuttal Testimony of Pam Hankins

Rebuttal Schedule PH-1

Letter dated July 11, 2007

Re: Notice from CenturyTel of Missouri, LLC ("CenturyTel") to Charter Fiberlink – Missouri, LLC ("Charter")

P.O. Box 4065 Monroe, LA 71211-4065 Tel 318 388 9000



July 11, 2007

VIA OVERNIGHT MAIL

Mr. Jerold C. Lambert Vice President & Senior Counsel 12405 Powerscourt Drive, Suite 400 St. Louis, Missouri 63131-3674

Re: Notice from CenturyTel of Missouri, LLC ("CenturyTel") to Charter Fiberlink - Missouri, LLC ("Charter")

To whom it may Concern:

In 2004, CenturyTel sent a demand letter to Charter for outstanding charges to its account. This demand letter resulted in CenturyTel and Charter entering dispute resolution concerning CenturyTel's billings to Charter for nonrecurring service order charges associated with local service requests (LSRs) for number ports and customer record searches. Charter ultimately remitted payment to CenturyTel for the balance due as shown in their account.

According to our billing records, Charter is currently in default on two accounts for similar charges – 301644892 and 405601334. Total past due on these accounts is \$112,152.02¹. Total amount due including current charges is \$115,295,37¹. Therefore, CenturyTel is pursuing its rights under the Agreement, including suspending service thereunder.

12. Default

If either Party ("Defaulting Party") fails to make a payment required by this Agreement (including, but not limited to, any payment required by Section 9.3 of undisputed amounts to the billing Party) or materially breaches any other material provision of this Agreement, and such failure or breach continues for thirty (30) days after written notice thereof from the other Party, the other Party may, by written notice to the Defaulting Party, (a) suspend the provision of any or all Services hereunder, or (b) cancel this Agreement and terminate the provision of all Services hereunder.

Accordingly, in accordance with the Agreement's terms binding Charter, and pursuant to Section 12 of said Agreement, if full payment of the outstanding amount of \$115,295.37 is not received by August 10, 2007, the Agreement between CenturyTel and Charter will be terminated, and CenturyTel will terminate the provision of all services to Charter.

Account 301644892 past due balance is \$83,919.93; total due is \$83,965.99. Account 405601334 past due balance is \$28,232.09; total due is \$31,329.38. Although Section 9.4 of the Agreement provides for late payment charges of 1 1/26/month, no late payment charges are included in the balance shown on Account 301644892.

Mr. Jerold C. Lambert July 11, 2007 Page 2

Pursuant to a prior request for courtesy notification of a termination of relationship with any competitive carrier for non-payment, a copy of this letter is being provided to the Missouri Public Service Commission.

We appreciate your attention to this matter. Please contact Pam Hankins at (318) 368-8654 or Susan Smith at (903) 792-3499 with questions.

Sincerely,

Pam Hankins

Manager, Carrier Relations Collections Department

cc: Missouri Public Service Commission

Ms. Susan Smith, Regional Carrier Relations Director

Mr. Arthur Martinez, Regional Government Relations Director

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Petition of Charter Fiberlink- Missouri, LLC for Arbitration of an Interconnection Agreement Between CenturyTel of Missouri, LLC And Charter Fiberlink-Missouri, LLC.
STATE OF LOUISIANA) ss.
PARISH OF OUACHITA)
AFFIDAVIT OF PAM HANKINS
COMES NOW Pam Hankins, of lawful age, sound of mind and being first duly sworn, deposes and states:
1. My name is Pam Hankins. I am Manager, Corporate Carrier Relations for CenturyTel Service Group, LLC.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony in the above-referenced case.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge, information and belief.
PAM HANKINS
SUBSCRIBED AND SWORN to before me, a Notary Public, this 20 day of October, 2008. Notary Public
My Commission Expires: perpetual