

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

STATE CORPORATION COMMISSION

MAY 18 2009

IN THE MATTER OF THE)
AMENDED APPLICATION OF BIG)
RIVER TELEPHONE COMPANY,)
LLC FOR A CERTIFICATE OF)
CONVENIENCE AND AUTHORITY)
TO PROVIDE LOCAL EXCHANGE)
AND EXCHANGE ACCESS)
SERVICES IN CERTAIN RURAL)
AREAS WITHIN THE STATE OF)
KANSAS AND TO BE DESIGNATED)
AS AN ELIGIBLE)
TELECOMMUNICATIONS)
CARRIER.)

Susan K. Duffy Docket
Room

Docket No. 09-BGRT-213-ETC

Filed
January 16, 2013
Data Center
Missouri Public
Service Commission

**Direct Testimony of Gerard J. Howe on
behalf of Big River Telephone Company, LLC**

PUBLIC VERSION
Confidential Exhibits Have Been Redacted

May 18, 2009

AT&T Exhibit No. 24
Date 1-08-13 Reporter KF
File No. 1C-2010-0284

**PRE-FILED DIRECT TESTIMONY
OF
GERARD J. HOWE**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A.**My name is Gerard J. Howe. My business address is 24 So. Minnesota Ave., Cape
3 Girardeau, Missouri, 63703.

4 **Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?**

5 **A.**I am the CEO of Big River Telephone Company and have been employed in that
6 capacity since December 21, 2001.

7 **Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE.**

8 **A.**I've worked in the telecommunications industry for over 31 years, the majority of
9 which have been in senior positions of telecommunications firms. My bio was filed
10 with Big River's application in this case.

11 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12 **A.**The purpose of my testimony is to support the Application of Big River to expand its
13 service territory to include provision of basic local exchange telecommunications
14 services in the service territory of Golden Belt Telephone Association, Inc., Home
15 Telephone Company, Inc., Rural Telephone Service Company, Inc., Tri-County
16 Telephone Association, Inc., and Twin Valley Telephone Inc. ("Golden Belt et al."),
17 and to be designated as an Eligible Telecommunications Carrier in the areas within
18 which Big River operates in the state of Kansas.

1 **Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF BIG RIVER.**

2 **A.** Big River is a limited liability company duly organized and existing under and by
3 virtue of the laws of the State of Delaware. It is a privately-owned entity with no other
4 affiliate companies. Big River has been duly authorized to conduct business in the
5 State of Kansas.

6 **Q. PLEASE DESCRIBE BIG RIVER'S OPERATIONAL HISTORY.**

7 **A.** Big River began operations upon the completion of an acquisition of LDD, Inc. on
8 December 21, 2001 and has been successfully running the business for the past seven
9 years. Prior to the acquisition by Big River, LDD, Inc. had been a long distance
10 provider since 1983 and had initiated local telephone service in 1999. LDD and its
11 employees, essentially all of which Big River retained, had a significant amount of
12 operational experience and infrastructure to provide reliable local and long distance
13 telephone services. Big River augmented the existing LDD work force with the
14 introduction of key management personnel that brought additional telecommunications
15 management experience to Big River's operations. Big River currently has sixty five
16 employees.

17 **Q. DOES BIG RIVER HAVE THE TECHNICAL AND MANAGEMENT**
18 **CAPABILITY TO OPERATE IN THE EXPANDED TERRITORY?**

19 **A.** Yes, Big River remains managerially and technically qualified to provide basic local
20 telecommunications services in the State of Kansas. Since it commenced operations in
21 2001, it has been successfully providing basic local and advanced telephone services

1 and now does so in 12 states. The biographies of the key management personnel of Big
2 River were filed with Big River's application in this case.

3 Since beginning operations in Kansas in 2007, Big River serves 1,383 access lines to
4 1,325 customers in the state. During that time, our customers have not experienced any
5 significant operational issues, service outages or any other type of service problems.
6 This is due to Big River's experience and expertise in providing telecommunication
7 services and effectively managing a telecommunications network.

8 **Q. WHAT IS THE CURRENT SCOPE OF BIG RIVER'S LOCAL SERVICE**
9 **AUTHORITY IN THE STATE OF KANSAS?**

10 **A.** In July 2006, the Commission granted Big River's initial authority to provide basic
11 local exchange telecommunications service in the service territory of AT&T (formerly
12 Southwestern Bell Telephone) and Embarq (formerly United Telephone) as well as
13 interexchange and non-switched local exchange service throughout the State in Case
14 No. 06-BGRT-1221-COC.

15 **Q. IS BIG RIVER SEEKING TO CHANGE ITS EXISTING CLASSIFICATION AS**
16 **A CLEC OR THE MANNER IN WHICH IT IS REGULATED?**

17 **A.** No. Big River has operated as a CLEC and this request anticipates that it will continue
18 to operate as a CLEC. It is and will remain a competitive company offering competitive
19 services, as previously determined by the Commission.

20 **Q. WHERE DOES BIG RIVER OPERATE IN THE STATE OF KANSAS?**

1 A. Big River is currently providing Voice Over Internet Protocol (VOIP or Voice Over IP)
2 service to customers in many of AT&T exchanges as well as to customers in Russell
3 and Wakeeney, where Rural Telephone is the incumbent.

4 **Q. DOES BIG RIVER OPERATE OUTSIDE OF THE STATE OF KANSAS?**

5 A. Yes. In addition to local and long distance services provided across a number of
6 communities in Kansas, Big River currently provides local and long distance telephone
7 service in Arkansas, Illinois, Kentucky, Minnesota, Mississippi, Missouri, New Mexico
8 Pennsylvania, and Tennessee. Big River will soon begin offering local and long
9 distance services in Colorado, Louisiana, New Jersey, Oklahoma and Texas, as well.
10 Big River has been authorized to provide local and long distance services in each of the
11 aforementioned states.

12 **Q. DOES BIG RIVER OPERATE IN THE TERRITORY OF SMALL**
13 **INCUMBENT TELEPHONE COMPANIES IN THE OTHER STATES IN**
14 **WHICH IT OPERATES?**

15 A. Yes, it does. In Illinois, Kentucky, Minnesota, Mississippi, Missouri and Tennessee,
16 Big River has been operating in service territories of a variety of small independent
17 local telephone companies under the same rules, using the same technology as it does
18 with larger incumbents in those states. We have been able to successfully co-exist,
19 compete and interconnect with each of the independent telephone companies in whose
20 territories we operate in those states.

21 **Q. GENERALLY, WHAT ARE THE SIZES OF THESE SMALL INDEPENDENT**
22 **TELEPHONE COMPANIES WHERE YOU OPERATE?**

1 A. The size of the independent telephone companies varies. In addition to operating in
2 some of the smaller exchanges served by Embarq and CenturyTel, Big River also is a
3 CLEC in areas served by small independent telephone companies. In Illinois, for
4 example, we are authorized to operate in the service territory of, and have an
5 interconnection agreement with Crossville Telephone Company. Crossville operates in
6 one exchange and provides service to about 580 customers. Similarly, in Mississippi,
7 we are authorized to operate and have negotiated an interconnection agreement with
8 Bruce Telephone Company. Bruce Telephone also operates in a single exchange and
9 has approximately 2,990 customers. I have provided a list of all of the smaller
10 independent telephone companies with whom Big River has an interconnection
11 agreement as Exhibit A.

12 **Q. DID BIG RIVER OR THE RESPECTIVE INDEPENDENT TELEPHONE**
13 **COMPANY ENCOUNTER ANY TECHNICAL ISSUES INTERCONNECTING**
14 **WITH THE TELEPHONE COMPANIES LISTED ON EXHIBIT A?**

15 A. No. Since we use standard T-1 interfaces using SS7 signaling, we were able to use that
16 type of interface with all of these companies. Big River has a considerable amount of
17 experience with various telecommunications technologies and has established these
18 interconnection facilities with no problems.

19 **Q. DID THE RESPECTIVE INDEPENDENT TELEPHONE COMPANY**
20 **ENCOUNTER ANY SIGNIFICANT ECONOMIC BURDEN AS A RESULT OF**
21 **BIG RIVER'S ENTRY INTO THESE MARKETS AND INTERCONNECTION?**

1 A. No. The cost of the physical interconnection was insignificant. Again, using standard
2 T-1 interface, the cost is relatively minor. In all cases where Big River interconnected
3 directly to the independent, Big River connected in the service territory of the
4 independent, making the connection as economical as providing basic T-1 service to a
5 local customer. Further, none of the independent telephone companies suffered any
6 significant loss of revenue as a result of Big River's entry into their respective markets.

7 **Q. WHAT AREA SPECIFICALLY WILL BIG RIVER SERVE IF IT RECEIVES**
8 **AUTHORIZATION IN THIS DOCKET?**

9 A. Big River will provide service throughout the entire service area of the exchanges
10 served by Golden Belt Telephone Association, Inc., Home Telephone Company, Inc.,
11 Rural Telephone Service Company, Inc., Tri-County Telephone Association, Inc., and
12 Twin Valley Telephone Inc. Big River's local exchange areas will follow the
13 boundaries of respective exchanges of Golden Belt, et al., and will not be smaller than
14 those exchanges.

15 **Q. HOW DOES BIG RIVER INTEND TO PROVIDE SERVICE THROUGHOUT**
16 **THE EXPANDED SERVICE TERRITORY?**

17 A. Big River currently partners with Eagle Communications and provides packet-based
18 telephone service over Eagle's hybrid fiber coax network. Big River already has a
19 network access agreement with Eagle and Eagle either has cable franchises issued by
20 the local municipalities to serve as a video service provider in portions of the areas
21 where Big River has requested expanded certification. To the extent that some areas of
22 the exchanges do not have access to the network of Eagle, Big River intends to enter an

1 Interconnection Agreement with the respective ILEC that will allow us to resell local
2 services from their network. Beyond that, Big River will investigate the existence of
3 any other potential networks in these areas for use to access customers.

4 Using the access to the customer via the network of our Cable TV partner, Big River
5 will provide all basic switching, as well as all basic and advanced telephone features
6 and ancillary telephone services from Big River's switching center in Cape Girardeau,
7 Missouri.

8 **Q. WHAT TYPES OF SERVICES AND FEATURES WILL BE PROVIDED WITH**
9 **BIG RIVER'S SERVICE IN THE EXPANDED TERRITORY?**

10 **A.** Big River provides basic local service that consists of a two-way switched voice single
11 residential line with touch tone dialing and access to all advanced and CLASS features.
12 Our local calling scope will match the calling scope included in ILEC's local exchange
13 tariff, including mandatory extended local call areas. We will offer service throughout
14 all of the exchange areas of each all telecommunications services which the
15 Commission has determined are essential for purposes of qualifying for state universal
16 service fund support.

17 Specifically, our customers will have access to 911 services via connectivity to the 911
18 Selective Routers that serve these communities, access to basic local operator services,
19 basic local directory assistance, equal access (presubscribed '1+' dialing) to the long
20 distance provider of their choice (including a full variety of long distance services from
21 Big River), and standard intercept service. Our customers will be provided a standard
22 white pages directory listing for inclusion in the white page directory covering the

1 community in which they live. Also, any customer will be able to elect to block
2 outbound toll calls from their phone line, as well as other toll restriction services such
3 as International and '900' call blocking.

4 **Q. DOES BIG RIVER HAVE THE FINANCIAL CAPABILITY TO MANAGE THE**
5 **EXPANSION INTO THIS ADDITIONAL TERRITORY AND OPERATE IT**
6 **EFFECTIVELY?**

7 **A.** Big River has substantial experience in expanding into new service territories. We are
8 well aware of the financial and operational costs associated with the expansion into the
9 requested territory and will be able to handle such costs with existing operating cash
10 flow and existing cash balances. I have attached, as Exhibit B, an Income Statement
11 and Balance Sheet for the consolidated operations of Big River for the 12 month period
12 ending December, 2008 for the Commission's review. Big River has requested that
13 this information be considered Confidential Information pursuant to Paragraph 4 of the
14 Protective Order issued in this case because it contains private financial and business
15 information.

16 **Q. HOW DOES BIG RIVER INTEND TO MARKET ITS SERVICES IN THESE**
17 **NEW AREAS?**

18 **A.** Big River advertises its services through media of general distribution. Big River will
19 advertise our services on television, radio and in local print media. We will also
20 communicate the availability of our services, service features, and outline packages and
21 pricing via direct mail. The details of our offers will also be available on our website.

1 Big River will also leverage our working relationship with Eagle Communications, Inc.
2 in this new service territory. We plan to advertise our services through their video
3 programming advertising as well as using billing inserts with their video service bills to
4 advertise the availability of our telecommunications services.

5 **Q. HOW WILL THE PUBLIC INTEREST BE SERVED BY ALLOWING BIG**
6 **RIVER TO OPERATE IN THE EXPANDED SERVICE TERRITORY?**

7 **A.** The Commission established a rebuttable presumption that it is in the public interest to
8 designate additional ETCs in the areas served by rural telephone companies in Order
9 No. 10 in Docket No. 99-GCCZ-156-ETC. Also, in its Virginia Cellular Order, the
10 FCC states that in determining whether the designation of an additional ETC in areas
11 served by rural companies the following should be considered: the benefits of
12 increased competition; the impact of multiple designations on the universal service
13 fund (USF); the unique advantages and disadvantages of the applicant's service
14 offering; any commitments made regarding quality of service; and the applicant's
15 ability to provide the supported services throughout the designated service area within a
16 reasonable amount of time. Accordingly, Big River will bring new services as well as
17 existing services at lower prices than what are currently available. While the existing
18 incumbent telephone companies provide a wide range of basic and advanced telephone
19 services, Big River will leverage the capabilities of its Voice Over IP switching
20 infrastructure to bring integrated voice and data offerings to residential and business
21 customers. Further, Big River offers packages and pricing of its services differently
22 than the existing telephone companies. For instance, one of Big River's most popular
23 packages is for local telephone service, including touch-tone capability, caller-ID,

1 three-way calling, call forwarding, call waiting, voice mail and unlimited domestic long
2 distance services.

3 We also offer a limited long distance package with all of the telephone features
4 mentioned in the package above, but with 60 minutes of domestic US long distance
5 calling per month.

6 Bottom line, telephone customers will benefit from a wider availability of services and
7 packages from which to select. They will benefit from the fact that Big River will be
8 leveraging Eagle's hybrid fiber coaxial infrastructure which is already capable of
9 supporting telephone services, coupled with Big River's switching and service
10 platform.

11 The Commission granted Big River its current certificates of service authority, based in
12 part, upon finding that such action was in the public interest. By granting this
13 Application, the Commission has the opportunity to promote the public interest by
14 increasing access for Kansans to affordable telecommunications services. Big River's
15 proposed services will create and enhance competition and expand customer service
16 options consistent with the legislative goals set forth in the Federal
17 Telecommunications Act of 1996 and the Kansas Telecommunications Act. In
18 particular, the public will benefit directly through the use of the competitive basic local
19 exchange service to be offered by Big River. The public will also benefit indirectly
20 because the competitive presence of Big River will increase the incentives for the
21 incumbent and others to operate more efficiently, offer more innovative services,
22 reduce prices, and improve the quality and coverage of services.

1 Granting this Application will promote the availability of quality services and increased
2 consumer choice. Big River's expertise in telecommunications will allow it to provide
3 economic and efficient services in the new service area, thereby affording more
4 customers with an optimal combination of price, quality, and customer service. Big
5 River anticipates that expansion of its basic local service territory will increase
6 consumer choice for innovative, diversified, and reliable service offerings and the
7 competition and benefits it provides will further the public interest.

8 **Q. DOES BIG RIVER INTEND TO PROVIDE ITS RETAIL SERVICES UNDER**
9 **TARIFFS FILED WITH THE COMMISSION?**

10 **A.** No. As a provider of interconnected Voice Over IP, Big River will continue to offer
11 retail services via individual service agreements. Big River will meet all the
12 obligations of interconnected Voice Over IP providers such as: providing 911 service,
13 providing Telecommunications Relay Service, and collecting and remitting USF fees.

14 **Q. CAN YOU DESCRIBE BIG RIVER'S PLANNED UNIVERSAL SERVICE**
15 **OFFERINGS IN THESE NEW AREAS AND HOW THEY MIGHT DIFFER**
16 **FROM THAT OF THE INCUMBENT TELEPHONE COMPANY'S**
17 **OFFERING?**

18 **A.** Yes, Big River provides a basic local exchange service that allows for unlimited local
19 calling across a geographic call scope that is the same as the incumbent local telephone
20 company. However, for a small additional fee, Big River customers can obtain a
21 package including 60 minutes of calling each month to anywhere in the domestic
22 United States. Additionally, Big River customers can expand their unlimited call scope

1 for a fixed monthly fee by also subscribing to Big River's unlimited long distance call
2 package. In essence, the expanded call scope enlarges the customer's unlimited calling
3 area to be the entire domestic U.S. These additional services are an effort to expand the
4 call scope for Big River customers while keeping the cost to the consumer as low as
5 possible. All of the aforementioned services are also packaged with Caller ID, Call
6 Waiting, Call Forwarding, Call Return, Three Way Calling and Voicemail, which
7 provides for a differentiated and valuable offering to the consumer.

8 **Q. WILL DESIGNATION OF BIG RIVER AS AN ETC PROVIDE BENEFITS TO**
9 **THE PUBLIC?**

10 **A.** Yes, designating Big River will provide several public benefits. First, designation as an
11 ETC, and the receipt of high-cost support from the federal Universal Service Fund
12 ("USF"), will enable Big River to enhance existing facilities, build additional facilities
13 and provide additional services. By constructing additional facilities, and expanding
14 coverage, Big River will increase the number of areas in which it can offer service to
15 customers. In addition, the increased expenditures will enable Big River to improve
16 service in currently covered areas.

17 **Q. WILL CUSTOMERS HAVE INCREASED CARRIER CHOICE?**

18 **A.** Yes. Customers will have expanded carrier choice, enabling them to obtain service
19 from a company with whom they want to do business. The basis for the consumer's
20 decision to change carriers may vary from simply one based on price, to decisions
21 based on packages, features provided, customer service support, billing, or any number

1 of other considerations. Bottom line, the consumer will have increased options for
2 available service providers.

3 **Q. WILL CUSTOMERS SEE BROADER SERVICE OPTIONS?**

4 **A.** Yes. Customers will have the choice of an expanded local calling area plan and
5 unlimited long distance calling plans. Moreover, to the extent the incumbent telephone
6 companies respond to Big River's service offerings, we will be encouraged and will
7 most likely modify our offerings and possibly create other new packages and services.

8 Customers will have the choice of other Big River vertical features, including: caller
9 ID, call forwarding, conference calling, call waiting, voice mail, call ID block, call
10 return, do not disturb, last number redial, speed dial, sequential ring, simultaneous ring
11 and three way calling.

12 **Q. WOULD ETC DESIGNATION FOR BIG RIVER OFFER CUSTOMERS MORE**
13 **COMPETITIVE CHOICES IN KANSAS?**

14 **A.** Yes. Designation of Big River as an ETC will bring competition to many rural areas in
15 Kansas for the first time. To my knowledge, very few carriers, aside from wireless
16 carriers, have successfully entered the local exchange market to compete with the
17 incumbent ILECs in Big River's proposed ETC service area. The primary hindrance to
18 competitive entry is the high cost subsidies the ILECs receive which allow lower retail
19 rates. By designating Big River as eligible for high-cost support, the KCC will help to
20 level the playing field and give Big River a fair opportunity to compete. Competition is
21 good for the consumer and our competitive entry will provide a greater choice of
22 services, better service quality, and ultimately lower prices.

1 **Q. HOW WILL COMPETITION BENEFIT THE CONSUMER?**

2 **A.** All carriers --including the incumbent ILECs -- will have an increased incentive to
3 improve their system and customer service; conceive of and offer new, higher value
4 rate plans; and invest in advanced technologies to provide new and innovative services.
5 As Big River has competed with other carriers in other areas, competition has resulted
6 in lower prices and led to new and improved services offered by all of the carriers.

7 **Q. HOW WILL A GRANT OF ETC STATUS TO BIG RIVER ADVANCE**
8 **UNIVERSAL SERVICE?**

9 **A.** Big River's request to operate in the request service areas is completely consistent and
10 advances the universal service principles outlined in 47 U.S.C. Section 254.
11 Specifically, Big River is bringing to these rural service territories, an alternative for
12 quality telecommunications services at affordable rates *[47 U.S.C. 254(b)(1)]*. Big
13 River's service offerings made in conjunction with Eagle Communications are
14 advanced information and telecommunications alternatives to those services provided
15 by the incumbent *[47 U.S.C. 254(b)(2)]* and are offered over an alternative network
16 with advanced capabilities and a significant amount of bandwidth to support high speed
17 data services. Unlike the market position staked out by the majority of complete
18 local exchange companies, Big River focuses on bring services to rural high cost areas
19 *[47 U.S.C. 254(b)(3)]*. As mentioned earlier, Big River makes similar contributions in
20 support of the federal and Kansas universal service funds *[47 U.S.C. 254(b)(4)]*,
21 supporting and advancing universal access to advanced communications. Also, as
22 mentioned previously, Big River's designation as an ETC and inclusion in the federal
23 and Kansas USFs has a neutral impact on those support mechanisms such that they are

1 sustainable [47 U.S.C. 254(b)(2)]. Both Eagle and Big River have extensive experience
2 and close working relationships with schools, libraries and health care organizations to
3 bring advanced telecommunications services to them and their constituents [47 U.S.C.
4 254(b)(2)].

5 **Q. DOES BIG RIVER'S PRESENCE IN THESE MARKETS NEGATIVELY**
6 **AFFECT THE CONTINUED EXISTENCE OF A VIABLE CARRIER OF LAST**
7 **RESORT?**

8 **A.** No. Since the passage of the 1996 Telecom Act, these incumbent telephone companies
9 have benefited from state and federal USF subsidies that have been created. They have
10 further benefited from revenue from high speed DSL service that rides the same local
11 distribution network as the local telephone service, providing additional financial
12 contribution that was not foreseen or taken into account when their local and access
13 rates were set. These subsidies will be further enhanced to the extent these incumbent
14 telephone companies deploy video services (which many appear inclined to do) that
15 will again ride the same local distribution network, leverage the existing operational
16 infrastructure, and generate additional revenue to support that network and the
17 company's underlying operations.

18 Second, the impact of the additional revenue streams attained by the ILECs far exceeds
19 the impact that the presence of another telephone provider will have. As Big River's
20 experience shows, it is anticipated that its telephone service offerings will gain no more
21 than 20% market share, having a minor impact on the RLECs top line while its

1 competitive presence stimulates other revenue sources from new services while also
2 forcing the ILEC to become more attentive to its cost structure.

3 Finally, Big River's presence offering landline-based service is hardly the threat to the
4 viability of these companies. In fact with technology today, the viability of these
5 telephone companies is more likely threatened by a wireless carrier deploying 3G and
6 4G networks. The presence of Big River in these markets will actually enhance the
7 viability of these carriers as it prepares them for a more competitive environment in a
8 much less disruptive manner.

9 **Q. DOES BIG RIVER PROVIDE VOICE-GRADE ACCESS TO THE PUBLIC**
10 **SWITCHED TELEPHONE NETWORK?**

11 **A.** Yes. Through Big River's interconnection arrangements with local exchange telephone
12 companies, Big River provides all customers with the ability to make and receive phone
13 calls, not only locally, but across the world.

14 **Q. DOES BIG RIVER PROVIDE LOCAL USAGE?**

15 **A.** Yes. As mentioned above, Big River provides, and will provide in the expanded areas,
16 local service with unlimited calling within the local calling scope.

17 **Q. DOES BIG RIVER PROVIDE DUAL TONE MULTI-FREQUENCY SERVICE?**

18 **A.** Yes. Big River provides this basic capability on each line that it provides to customers.

19 **Q. DOES BIG RIVER PROVIDE SINGLE PARTY SERVICE?**

20 **A.** Yes.

1 **Q. DOES BIG RIVER PROVIDE ACCESS TO EMERGENCY SERVICES?**

2 **A.** Yes. As mentioned above, we connect our network to that of the 911 Selective Routers
3 and provide updates to the 911 data bases to ensure the proper routing of 911 calls.

4 **Q. DOES BIG RIVER PROVIDE ACCESS TO OPERATOR SERVICES?**

5 **A.** Yes. Operator services may be access by dialing 0.

6 **Q. DOES BIG RIVER PROVIDE ACCESS TO INTEREXCHANGE SERVICE?**

7 **A.** Yes. Customers may make and receive interexchange or toll calls through
8 interconnection arrangements that Big River has with interexchange carriers ("IXC").

9 **Q. DOES BIG RIVER PROVIDE ACCESS TO DIRECTORY ASSISTANCE?**

10 **A.** Yes. Customers may access directory assistance by dialing 411 or (NPA) 555-1212.

11 **Q. DOES BIG RIVER PROVIDE TOLL LIMITATION FOR QUALIFYING LOW-**
12 **INCOME CONSUMERS?**

13 **A.** Once designated an ETC, Big River will offer Lifeline as required and will provide toll
14 blocking capability. Today, Big River provides toll-blocking services for 900 numbers.
15 Accordingly, Big River currently has the technology to provide toll blocking and will
16 use this technology to provide the service to its Lifeline customers, at no additional
17 charge.

18 **Q. DOES BIG RIVER'S NETWORK OPERATE RELIABLY?**

1 **A.** Big River has a technical staff including experienced engineering and a technical
2 support team that provides on-call emergency support 24 hours a day, seven days a
3 week.

4 Big River's network and that of Eagle, which Big River uses to access customers, is
5 supported by battery backup as well as strategically placed backup generators, which
6 are capable of running indefinitely in the event of a major electrical outage.

7 Additionally, the network is monitored remotely at Big River's network operations
8 center to detect any potential network malfunction.

9 The company's customer service representatives may be reached toll free, 24 hours a
10 day, seven days a week. Customer service representatives may be contacted through a
11 number of ways.

12 **Q. WHAT LEVEL OF SERVICE QUALITY DO BIG RIVER CUSTOMERS**
13 **RECEIVE?**

14 **A.** Big River customers enjoy a very high level of service quality. Our high level of
15 service to our customers is driven by our commitment to build and maintain the finest
16 network possible and by the reality of a competitive marketplace. If our network is
17 unreliable, we will lose customers because we operate in a competitive marketplace in
18 all of the communities we serve. We fully know that all of our customers have the
19 option to leave us. I believe that the addition of high-cost support in these remote areas
20 will enable us to further expand our network and enable additional services and
21 features. Big River has requested that this information be considered Confidential

1 Information pursuant to Paragraph 4 of the Protective Order issued in this case because
2 it contains private financial and business information.

3 **Q. DOES BIG RIVER HAVE A PLAN ON HOW IT WILL USE THE PROCEEDS**
4 **FROM THE FEDERAL AND THE KANSAS UNIVERSAL SERVICE FUND IF**
5 **IT IS DESIGNATED AN ETC?**

6 **A.** Yes. I have attached as Exhibit C, Big River's projected proceeds it expects to receive
7 if designated an ETC and the areas in which Big River intends to use those proceeds.

8 **Q. ARE YOU AWARE OF THE KCC STAFF PROPOSED BILLING PRACTICE**
9 **STANDARDS PROPOSED IN DOCKET 06-GPMT-187-GIT AND CAN BIG**
10 **RIVER COMPLY WITH THOSE STANDARDS?**

11 **A.** I, as well as Big River's billing staff, have read the staff's proposed billing practices
12 standards in that docket. We are aware that the standards have not been adopted by the
13 Commission, nor has it been determined if the standards are to be applied to, for
14 instance, wireless ETC companies. In any event, Big River will be able to comply with
15 those standards. Big River owns its billing system which is fully functional and
16 capable of billing all telephone related charges, surcharges and taxes and representing
17 those items on a bill in any manner needed to satisfy consumers' needs or those
18 imposed by any regulatory or statutory requirement.

19 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

20 **A.** Yes.

Exhibit A
Direct Testimony of Gerard J. Howe

Small Independent Telephone Companies With Which
Big River Telephone Company Has An Interconnection Agreement

	Access <u>Lines</u>
Albany Mutual Telephone Association	3,597
Ballard Rural Telephone Cooperative	6,204
Benton Cooperative Telephone Company	4,929
BPS Telephone Company	3,527
Bruce Telephone Company	2,990
Chariton Valley Telephone Corporation	7,478
Consolidated Telephone Company (MN)	9,940
Crossville Telephone Company	580
Garden Valley Telephone Company	15,704
Lakedale Telephone Company	12,579
Lonsdale Telephone Company	1,918
Melrose Telephone Company	10,448
Scott-Rice Telephone Company	18,526
Sherburne County Rural Telephone Company	17,390
Upsala Co-op Telephone Association	1,133
West Kentucky Rural Telephone Cooperative	16,471
West Tennessee Telephone Company	4,151

Source: 4th Quarter 2008 USAC Reports

CONFIDENTIAL INFORMATION

(Located in Docket Room)

IN THE MATTER OF THE AMENDED APPLICATION OF BIG RIVER TELEPHONE COMPANY, LLC FOR A CERTIFICATE OF CONVENIENCE AND AUTHORITY TO PROVIDE LOCAL EXCHANGE AND EXCHANGE ACCESS SERVICES IN CERTAIN RURAL AREAS WITHIN THE STATE OF KANSAS AND TO BE DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER.

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