

9-20-07 hrg
Hbg

Honorable David A. Salapa
Administrative Law Judge, Presiding

Petition of Core Communications, Inc. :
For Arbitration of Interconnection Rates, :
Terms and Conditions with Alltel : Docket No. A-310922F7004
Pennsylvania, Inc., Pursuant to 47 U.S.C. :
§252(b) :

ANSWERS OF CORE COMMUNICATIONS, INC TO INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS PROPOUNDED BY
WINDSTREAM PENNSYLVANIA, INC f/k/a ALLTEL PENNSYLVANIA, INC.
(Amended Set I)

Pursuant to 52 Pa. Code § 5.342, Core Communications, Inc. ("Core") hereby answers the
Amended Set I Interrogatories and Requests for Production of Documents of Windstream
Pennsylvania, Inc. as follows:

DOCUMENT
FOLDER

DOCKETED
SEP 28 2007

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SEP 25 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

EXHIBIT
tabbles
Core

1. Please provide copies of all interconnection agreements executed with other incumbent local exchange carriers ("ILECs") in Pennsylvania that include provisions for unbundled network elements ("UNEs"), Collocation and Resale Services.

Response: **Sponsored by: Christopher Van de Verg**

Core's ICAs with Verizon Pennsylvania Inc. and Verizon North Inc. of Pennsylvania are provided herein on one (1) data CD in PDF format. Both ICAs provide for unbundled network elements ("UNEs"), Collocation and Resale Services.

2. For each interconnection agreement identified in Data Request No. 1, identify each interconnection point (IP) to which the ILEC is responsible for the delivery of its originated traffic.

Response: Sponsored by: Christopher Van de Verg

Core and Verizon (to include Verizon Pennsylvania Inc. and Verizon North Inc. and Verizon Maryland Inc.) have established the following POIs and IPs in Pennsylvania and Maryland:

LATA	POI ¹	Verizon-IP(s) ²	Core IP(s)
226-Capitol PA	HRBGPAHAK32	HRBGPAHA72T	HRBGPACTW00
228-Philadelphia PA	PHLAPAMK90T	PHLAPAMK90T PHLAPAMK92T WLMGDEWL72T	PHLAPAFGW43
230-Altoona PA	ALNAPAAL71T	ALNAPAAL71T	ALNAPAATW03
232-Northeastern PA	SCTNPASC71T	SCTNPASC71T	WLBPA04W01
234-Pittsburgh PA	PITBPADTK18	PITBPAOKDC0 PITBPADTDC4	PITBPAKBW02
236-Washington DC METRO	WASHDCSW90T	WASHDCSW90T CHCHMDBE08T ARTNVAARDC3	DMSCMDAGW01
924-Erie	ERIEPAXMDS0	ERIEPAXMDS0 OLCYPAXPDS0	ERIEPAMFDS0
238-Baltimore MD	BLTMMDCH06T	PIVLMDPK01T	BLTMMD91W05
240-Hagerstown MD	FRDRMDFR07T	FRDRMDFR07T CMLDMDCM07T MRBGWVBU22T	MTARMDSDW01
242-Salisbury	ESTNMDES07T	SLBRMDSB10T ESTNMDES07T	ESTNMDBNW01

¹ Per Att. 4, §1.2.1.2 of the Core/Verizon ICA for Pennsylvania, "POI" is defined as "the physical point that establishes the technical interface, the test point, and the operational responsibility hand off between the Parties for the Local Interconnection of their networks.

² Per Att. 4, §1.2.1.1 of the Core/Verizon ICA for Pennsylvania, "IP" is defined as "the switching, Wire Center, or other similar network node in a Party's network at which such Party accepts Local Traffic from the other Party.

3. Identify each switch owned, controlled or utilized by Core that Core uses to provide Service in each ILEC's service territory in Pennsylvania, including any that will be used to provide service in Windstream service territories, regardless of whether the switch itself is located in the Commonwealth and regardless of the type of switch (*e.g.*, circuit switch, packet switch, soft switch, host switch, remote switch). For each switch identified, include the applicable Common Language Location Identifier ("CLLI") code of the switch, street address including city and state of the switch, vertical and horizontal coordinates of the switch, and information relating to the switch similar to that contained in Telcordia's Local Exchange Routing Guide ("LERG") for any switch not identified in the LERG.

Response:

Following are the street addresses for each of Core's six (6) switch locations in Pennsylvania:

ERIEPAMFDS0

2503 West 15th Street
Suite # 10
Erie, PA 16505

HRBGPACTBB1
HRBGPACTDS1
301 Chestnut St.
Harrisburg, PA 17101

PHLAPAFG39W
PHLAPAFGDSV
401 North Broad St.
Philadelphia, PA 19108

PITDPAUU00W
PITFPA01DS0
322 4th Ave.
Pittsburgh, PA 15222

ALNAPAATDS0

Core Communications, Inc.
1215 Sixteenth Street
Suite 201
Altoona, PA. 16601

WLBPA04DS0
15 Public Square
Suite 212
Wilkes-Barre, PA 18701

The V&H coordinates of each CLLI code are available in the LERG, and are otherwise publicly available.

4. Identify the ILECs and rate centers in Pennsylvania where you are offering service and if the transport of the service for each location is provided through a direct or indirect interconnection with the ILEC.

Response: **Sponsored by: Christopher Van de Verg**

Core offers service to ISPs having dial up customers throughout the service territories of Verizon Pennsylvania Inc., Verizon North Inc. and United Telephone Company of Pennsylvania (d/b/a "Embarq"). Core is directly interconnected with Verizon Pennsylvania Inc. and Verizon North Inc. Core is indirectly interconnected with Embarq.

5. Describe any Foreign Exchange ("FX") or FX-type services Core plans to offer its customers. In your response, explain the difference between FX and "FX-type" or "FX-like" services, as Core uses those terms, including transport provisioning and payment responsibilities.

Response: Sponsored by: Christopher Van de Verg

Generally, Core offers its ISP end users telephone numbers associated with any rate center within the same LATA(s) in which the ISP has a physical point or points of presence. To the extent Core offers, and will expand its offering of, VOIP services, Core offers its VOIP service provider end users telephone numbers associated with any rate center within the same LATA(s) in which the VOIP service provider has a physical point or points of presence.

Core's service offerings for ISPs, VOIP providers, and other data-oriented local exchange services customers is set forth in Core's Tariff Pa. P.U.C. No. 1.

6. For the services identified in Data Request No. 5 above, please explain whether those services will be provided in conjunction with virtual Nxx ("VNxx").

Response: Sponsored by: Christopher Van de Verg

Yes.

7. Please provide by ILEC, all rate centers, including the CLLI code assigned to each rate center, where Core has established codes other than VNxx codes.

Response: Sponsored by: Christopher Van de Verg

Core does not categorize, label, or otherwise record the NPA-NXX codes assigned to its network as "VNXX" or not.

The rate centers for which Core has established NPA-NXX codes are available on the NANPA public website, at www.nanpa.com.

The rate center for which Core has established thousand blocks is available at www.neustar.com.

Additional information is available in the LERG.

8. Please provide by ILEC, all rate centers, including the CLLI code assigned to each rate center, where Core has established codes in an area though a VNxx.

Response: Sponsored by: Christopher Van de Verg

Core does not categorize, label, or otherwise record the NPA-NXX codes assigned to its network as "VNXX" or not.

The rate centers for which Core has established NPA-NXX codes are available on the NANPA public website, at www.nanpa.com.

The rate center for which Core has established thousand blocks is available at www.neustar.com.

Additional information is available in the LERG.

9. For each rate center identified in Data Request Nos. 7 and 8 above, please provide the rate centers where traffic is routed by Core through a direct interconnection facility with the ILEC.

Response: Sponsored by: Christopher Van de Verg

Core does not "route" traffic to itself. However, all of the traffic originating from end users of Verizon Pennsylvania Inc. and Verizon North Inc. and terminating to Core is routed by Verizon to Core using direct interconnection facilities between Verizon and Core.

10. Identify by Windstream rate center where Core intends to interconnect directly for the exchange of traffic between Core and Windstream.

Response: Sponsored by: Christopher Van de Verg

This question cannot be answered definitively at this time. Core will establish POIs and/or IPs with Windstream in accordance with customer demand and the ultimate terms of the ICA to be arbitrated or negotiated between Core and Windstream. Further, Core has only a limited knowledge of Windstream's network.

11. Please provide Core's most recently available Dunn and Bradstreet's credit rating.

Response: Sponsored by: Christopher Van de Verg

See Attached



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D&B D-U-N-S®: 04-705-8057

Date Created: March 17, 2007

CORE COMMUNICATIONS, INC.
209 WEST STREET
ANNAPOLIS, MD 21401
AND BRANCH(ES) OR DIVISION(S)
TEL: 410 216-9865

Chief Executive Officer: BRET MINGO

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- Examine your current D&B evaluations and scores:
 - Commercial Credit Score
 - Financial Stress Score
 - Supplier Evaluation Score
- Industry norms for Commercial Credit Score & Financial Stress Score
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- Model Statement for your industry



How Is Your Business Evaluated In These Reports?**Commercial Credit Scoring Report**

Low Risk

High Risk

**YOUR BUSINESS CREDIT SCORE CLASS: 3**

The Commercial Credit Score predicts the likelihood of a firm paying in a delinquent manner (90+ Days Past Terms) during the next 12 months, based on the information in D&B's file.

The Credit Score is based on the following prioritized factors in addition to other information in D&B files:

- 56% of trade dollars indicate slow payment(s) are present.
- No record of open suit(s), lien(s), or judgment(s) in the D&B files.

The public record items contained in this report may have been paid, terminated, vacated or released prior to the date this report was printed.

How Is Your Business Evaluated In These Reports?**Commercial Credit Scoring Report-Continued**

The percentile ranks this firm relative to other businesses. For example, a firm in the 80th percentile is a better risk than 79% of all companies in D&B files.

Credit Score Norms**Norms for companies in the same:****National Percentile**

Region: (SOUTH ATLANTIC)	51
Industry: (INFRASTRUCTURE)	42
Employee Range: (1-9)	58
Years in Business Range: (6-10)	54
Core Communications, Inc.	45

The subject company has a Credit Score Percentile that shows:

- Higher risk than other companies in the same region.
- Lower risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.



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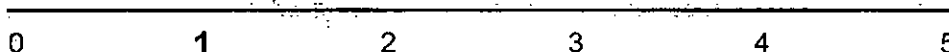
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How Is Your Business Evaluated In These Reports

Financial Stress Scoring Report

Low Risk

High Risk



YOUR BUSINESS FINANCIAL STRESS CLASS: 1

Financial Stress Summary

The Financial Stress Class for this firm was derived using D&B Model for the INFRASTRUCTURE industry group.

The Financial Stress Model uses statistical probabilities to classify businesses into one of five classifications. These are based on the likelihood of a business experiencing financial stress within a twelve-month period.

The Financial Stress Score Analysis for this company is based on the following factors:

KEY FINANCIAL COMMENTARY

- No record of open suit(s), lien(s), or judgment(s) in the D&B files.
- 56% of trade dollars indicate slow payment(s) are present.

This report is being provided for the exclusive use of the company on which it has been prepared. It may not be provided to anyone for any purpose whatsoever. If any of the information is incomplete or inaccurate, please contact D&B at 1 800-234-3867.



How Is Your Business Evaluated In These Reports

Financial Stress Scoring Report – Continued

Financial Stress Norms

Norms for companies in the same:	National Percentile
Region: (SOUTH ATLANTIC)	52
Industry: (INFRASTRUCTURE)	49
Employee Range: (1-9)	38
Years in Business Range: (6-10)	37
Core Communications, Inc.	52

The subject company has Financial Stress Score Percentile that shows:

- Similar risk compared to other companies in the same region.
- Lower risk than other companies in the same industry.
- Lower risk than other companies in the same employee size range.
- Lower risk than other companies with a comparable number of years in business.



How Is Your Business Evaluated In These Reports?**Supplier Evaluation Report**

Low Risk

High Risk

1 2 3 4 5 6 7 8 9

SUPPLIER RISK SCORE FOR YOUR BUSINESS: 4

The Supplier Risk Score Models predict the likelihood of a firm ceasing business without paying all creditors in full, or reorganizing or obtaining relief from creditors under state/federal law over the next 12 months. The score was calculated using a statistically valid model derived from D&B extensive data files.

RISK COMMENTARY

- Average Payments are 22 day(s) beyond terms.
- Average Industry Payments are 5 day(s) beyond terms.
- UCC Filings present - See PUBLIC FILINGS section.
- Financing secured - See BANK/PUBLIC FILINGS sections.
- Under present management control 10 years.

Rating/Score Variance

Ratings and scores based on D&B Database may vary due to different models used for calculations. These applications vary by product type. (See Description of D&B Products and Services)



CERTIFICATE OF SERVICE

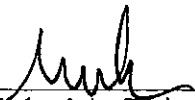
I hereby certify that on this 8th day of August, 2007 copies of the foregoing Answers to Interrogatories and have been served, upon the persons listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

VIA Electronic Mail and US Mail

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Windstream Pennsylvania, Inc.
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Little Rock, AR, 72202

VIA Electronic Mail and Hand Delivery

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Date: _____

**BEFORE THE
PENNSYLVANIA PUBLIC SERVICE COMMISSION**

Petition of Core Communications, Inc., for)
Arbitration of Certain Terms and)
Conditions of the Proposed Agreement with)
Windstream Pennsylvania, Inc., Pursuant to the)
Communications Act of 1934, as amended)
by the Telecommunications Act of 1996)

09-20-07 hrg

Hbg

No. A-310922F7004

WINDSTREAM PENNSYLVANIA, INC. STATEMENT NO. 1

**DIRECT TESTIMONY
OF
SCOTT A. TERRY**

ON BEHALF OF WINDSTREAM PENNSYLVANIA, INC.

**DOCUMENT
FOLDER**

DOCKETED
SEP 28 2007

RECEIVED

SEP 25 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Dated August 17, 2007

DIRECT TESTIMONY OF SCOTT A. TERRY

BACKGROUND

1 **Q. Please state your name and business address.**

2 A. My name is Scott A. Terry. My business address is 4001 Rodney Parham Road, Little
3 Rock, Arkansas 72212.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Windstream Communications as Staff Manager of Interconnection
7 Services. In this capacity, I am part of a team that negotiates and implements
8 interconnection agreements for various Windstream incumbent local exchange carriers
9 (“ILECs”), including Windstream Pennsylvania, Inc. (“Windstream”).

10
11 **Q. Please describe your experience in the telecommunications industry.**

12 A. I have been employed with Windstream Communications since its inception on July 17,
13 2006 and formerly with Alltel Communications since 1995. For over the past decade, I
14 have held several positions within the wholesale services department. I began my career
15 as an analyst in the cost department, where I had responsibility for producing Part 36 and
16 Part 69 cost separation studies for various ILEC properties. Subsequently, I transitioned
17 into rate development where I served as a senior analyst for five years and then as a
18 manager for three years. While in rate development, I oversaw functions such as
19 interstate earnings monitoring and interstate access rate development. Most recently, I
20 have served as a staff manager in the interconnection department where I serve primarily
21 as a liaison between competitive carriers and wireless providers and Windstream

1 departments regarding interconnection issues and contractual disputes. I also am involved
2 in the negotiations of interconnection agreements.

3
4 **INTRODUCTION AND OVERVIEW**

5 **Q. What is the purpose of your testimony in this proceeding?**

6 A. The purpose of my testimony is to address the various issues remaining in this arbitration
7 and the respective positions of Windstream and Core Communications, Inc. ("Core")
8 with respect to those issues.

9
10 **Q. What actions have transpired between the parties giving rise to this arbitration?**

11 A. On or about October 21, 2005, Core sent a request to Windstream to initiate negotiations
12 for an interconnection agreement. Thereafter, the parties commenced negotiations which
13 culminated in Core filing its Petition for Arbitration dated March 30, 2006. At that time,
14 there remained issues concerning whether Core could and, in fact, would provide a
15 qualifying service and whether the arbitration could continue in the absence of Core
16 having obtained a certificate authorizing it to operate as a competitive local exchange
17 carrier ("CLEC") in Windstream's territory. During the pendency of those issues before
18 the Commission, the arbitration between Windstream and Core was stayed. I am aware
19 that the general issue with respect to Core's certification is pending before the court and
20 that in the interim the Commission has chosen to certify Core to operate as a CLEC in
21 Windstream's territory giving rise to the fact that this arbitration was resumed on or
22 around January 2007. Although Core's Petition for Arbitration set forth more issues than

1 are discussed herein, Windstream and Core were successful in resolving all but eleven of
2 the issues through their continued negotiations.

3
4 The remaining disputed issues pertain to the parties' disagreement about which language
5 should be included in the parties' interconnection agreement with respect to security
6 deposit requirements, acceptable points and methods of interconnection, volume
7 limitations for indirect interconnection, third-party tandem services, virtual Nxx
8 ("VNxx") compensation and jurisdiction, applicability of reciprocal compensation to
9 roughly balanced local traffic, applicability of the Federal Communications
10 Commission's ("FCC") *ISP Remand Order*,¹ application of Nxx codes, number
11 portability, and various definitions. Windstream believes that its positions on these issues
12 are reasonable, are most consistent with applicable law or industry practice, are in line
13 with Core's acceptance of similar terms in other interconnection agreements, and should
14 be adopted by the Commission in the interconnection agreement between Core and
15 Windstream.

16
17 **Q. Please provide an overview of your testimony.**

18 **A.** Windstream's proposed language for the issues referenced above should be included in
19 the parties' resulting interconnection agreement. In fact, in many instances, Windstream's
20 proposals are consistent with industry standards or other agreements under which Core

1

In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic, 16 FCC Rcd. 9151, CC Docket Nos. 96-98 and 99-68, Order on Remand and Report and Order (released April 27, 2001) ("ISP Remand Order").

1 already operates in other ILEC territories in Pennsylvania. For instance, Windstream's
2 proposal regarding security deposits is standard in many interconnection agreements and
3 also similar to deposit requirements already agreed to by Core with another ILEC in
4 Pennsylvania.

5
6 Regarding network interconnection issues, Core's proposal allowing interconnection at
7 dual points one of which may be outside of Windstream's network is contrary to law and
8 inconsistent with other provisions agreed to by Core in other interconnection agreements.

9 Further, as to loop interconnection Windstream is amenable to accepting the same terms
10 and conditions as those between Verizon and Core. Moreover, Core's position to allow
11 indirect interconnection without a DS1 volume threshold is unreasonable and inefficient.

12 With respect to the final network issue, the interconnection agreement between Core and
13 Windstream should not set forth requirements as to third-party tandem providers, who are
14 not parties to the interconnection agreement.

15
16 As to intercarrier compensation issues, the issue pertaining to jurisdiction and
17 compensation of VNxx traffic was not the subject of negotiations between the parties
18 and, therefore, may not now be arbitrated before the Commission. Additionally, bill-and-
19 keep is the most appropriate and efficient compensation arrangement that applies to local
20 traffic that is roughly balanced between the parties. Finally, the applicability of the FCC's
21 ISP Remand Order is primarily a legal issue to be addressed by parties' attorneys in
22 briefs, and Windstream's language regarding Core's application of Nxx codes should be

1 adopted so as not to allow Core to mask customer locations and avoid appropriate
2 compensation.

3
4 With respect to number portability, Windstream's attachment should be included in the
5 parties' interconnection agreement in order to establish the detailed procedures for
6 implementing the FCC's rules and regulations. Windstream's attachment is consistent
7 with FCC authorities as well as similar language agreed to by Core in other
8 interconnection agreements. Likewise, Windstream's definitions should be adopted as
9 they best reflect the applicable terms and concepts.

10
11 Again, in most instances, Windstream's proposed language on these issues merely seeks
12 to include the same or similar provisions that Core already has accepted in other
13 interconnection agreements or that are common within the industry and most consistent
14 with applicable law.

15
16 **GENERAL TERMS AND CONDITIONS NO. 3**

17 **Q. What is General Terms and Conditions Issue No. 3?**

18 **A.** This issue pertains to the general section of the interconnection agreement containing
19 terms and conditions regarding security deposits. Specifically at issue is whether
20 Windstream should be permitted to require Core to post a security deposit prior to
21 Windstream providing service or processing orders and to increase said deposit if
22 circumstances warrant or allow Windstream to use the deposit to cover outstanding
23 charges in the event of breach by Core.

1

2 **Q. What is Core's proposal with respect to this issue and security deposits?**

3 A. Core opposes Windstream's language in §§8.1.2, 8.1.4, and 8.1.5, which together
4 establish a security deposit requirement. Core did not provide alternative language during
5 negotiations and asserted that the deposit requirement could serve as a barrier to entry.

6

7 **Q. Do you agree with Core's position?**

8 A. No. Windstream's security deposit requirements are reasonable and do not pose a barrier
9 to entry. The language is standard in most interconnection agreements and allows
10 Windstream to impose a reasonable security deposit requirement on Core (or any other
11 competitive carrier adopting the same interconnection agreement) given evidence of
12 financial instability such as nonpayment or to increase the security deposit in the event
13 that monthly billings increase from the original forecasts. Windstream's proposal is not
14 unlike the security deposit requirements that Core accepted when it adopted the
15 interconnection agreement between Verizon Pennsylvania and Sprint Communications
16 Company, L.P. on August 15, 2005.

17

18 **Q. What are the basic security deposit requirements as proposed by Windstream?**

19 A. Windstream proposed §8.1.2 which requires any applicable security deposit to be paid
20 prior to service activation, §8.1.4 which allows Windstream to increase a deposit if
21 circumstances warrant and/or gross monthly billings have increased beyond the level
22 used to determine the deposit, and §8.1.5 which provides for termination of service and
23 application of the deposit in cases of breach of the interconnection agreement. Under

1 Windstream's standard language, a security deposit based on three months of forecasted
2 charges may be imposed on any CLEC operating under the interconnection agreement.
3 Any need for a security deposit is based on external financial ratings such as Dunn &
4 Bradstreet and a CLEC's past payment history. If applicable based on these criteria, then
5 the security deposit (in the form of cash or other security or line of credit acceptable to
6 Windstream) would be required prior to the activation or continuation of service.
7 Windstream reserves the right to increase the amount of the deposit if circumstances
8 warrant (such as repeated nonpayment or untimely payment) or gross monthly billing
9 increases beyond the levels initially used to determine the security deposit.

10
11 **Q. Are there instances where Windstream would use the security deposit?**

12 A. Yes. Windstream would use the deposit if a CLEC breaches the interconnection
13 agreement, has undisputed charges that remain unpaid for thirty (30) days, or admits its
14 inability to pay its debts.

15
16 **Q. Based on the foregoing, how should General Terms and Conditions Issue No. 3 be
17 resolved?**

18 A. The interconnection agreement should contain the standard security deposit requirements
19 as proposed by Windstream. Core did not propose any alternative language. Reasonable
20 security deposit requirements are not barriers to entry and are, in fact, common among
21 many companies including electric and water utilities, gas companies, cable providers,
22 wireless service providers, and communications and entertainment providers. Like other
23 companies, Windstream, prior to being required to provide service or to continue
24 providing service to any CLEC under the interconnection agreement, should be allowed

1 to review the financial stability of the CLEC and request a reasonable deposit to ensure
2 payment of outstanding charges. Windstream's proposed language is similar to
3 provisions by other companies requesting deposits from customers due to poor credit
4 ratings or instances of financial instability such as insolvency or bankruptcy. Imposition
5 of a reasonable security deposit is hardly a barrier to entry and ultimately is avoidable by
6 the CLEC through its own actions such as timely payment of its bills. For these reasons,
7 Windstream's proposed language regarding security deposits should be included in the
8 resulting interconnection agreement.

9
10 **NETWORK INTERCONNECTION ARCHITECTURE ISSUES**

11 **Q. What are the Network Interconnection Architecture ("NIA") Issues?**

12 A. These issues include four remaining open items in Attachment 4 of the interconnection
13 agreement pertaining to the manner in which the parties will interconnect their networks.
14 In particular, the remaining items in dispute include (a) points of interconnection outside
15 of Windstream's network and certificated service territory, (b) interconnection at
16 commercial buildings where Windstream maintains substantial outside plant or loop
17 facilities, (c) volume limitations for indirect interconnection, and (d) third-party tandem
18 services.

19
20 **NIA ISSUE NO. 1**

21 **Q. What is NIA Issue No. 1?**

22 A. This issue pertains to whether Windstream should be required to interconnect with Core
23 at "dual points of interconnection" ("POI"), one of which would be a point(s) outside of

1 Windstream's certificated service territory and also to whether the parties should be
2 required to bear the cost to deliver originating interconnection traffic to one another at
3 each other's designated switch location.

4
5 **Q. What language did Windstream propose for this section of the interconnection**
6 **agreement?**

7 **A.** Windstream proposed language in §1.1 to Attachment 4 providing for establishment of a
8 POI(s) within Windstream's certificated service territory to which each party would be
9 *responsible financially and operationally for the delivery of its originated traffic.*

10
11 **Q. What is Core's position with respect to NIA Issue No. 1?**

12 **A.** In contrast to Windstream's proposed language referenced above, Core proposed what it
13 calls a "dual POI" scenario where the POI to which Windstream would be responsible for
14 the delivery of its originated traffic could be outside of Windstream's network and
15 beyond Windstream's certificated service territory. Under Core's version of a "dual POI"
16 scenario, each party would bear the cost of delivering its originating traffic to the other
17 party at whatever POI location that party may designate.

18
19 **Q. Is Core's proposal acceptable?**

20 **A.** No. To begin, Core's use of the term "dual POIs" to describe its proposal is misleading.
21 As I describe below, Core's proposal is not a dual POI as that term is typically used
22 throughout the industry and instead, is merely a means for Core to designate any foreign
23 location outside of Windstream's network to which Windstream would be required to

1 deliver its originating traffic to Core and to bear all of the costs associated with such
2 delivery. This proposal is even more alarming given that Core functions primarily as an
3 aggregator of internet service provider ("ISP") traffic. Consequently, the balance of
4 traffic would be virtually all one-sided with Windstream customers originating dial-up
5 ISP calls to Core but Core originating little to no traffic to Windstream. Moreover, the
6 volumes of traffic generated by the long hold times associated with dial-up ISP traffic
7 further compound the concerns. Additionally, these concerns are exacerbated considering
8 that other CLECs may adopt the resulting interconnection agreement.

9
10 **Q. Why is Core's use of the term "dual POI" misleading?**

11 A. Typically, the term dual POI refers to an arrangement whereby carriers may designate
12 two POIs *within* an ILEC's network in order to exchange traffic. That is not how Core
13 utilizes the term "dual POIs." Instead, Core uses the term "dual POIs" to describe a non-
14 standard and unlawful arrangement whereby a CLEC would designate a POI anywhere
15 of its choosing, without regard to whether that POI is *within* the ILEC's network. Under
16 Core's version of "dual POI", Core could designate a POI outside of Windstream's
17 network and service territory and even outside of Pennsylvania or the United States. Yet,
18 Core's proposal would suggest also that Windstream would bear all costs of delivering its
19 originating traffic to that distant location selected by Core. While, under Core's
20 arrangement, Windstream could also designate a POI to which location Core would
21 deliver Core's originating traffic, this scenario is meaningless given Core's function as an
22 ISP aggregator (in which case Core will originate no or virtually no traffic for delivery to
23 Windstream).

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Q. Are you aware that Core’s proposal for “dual POIs” is contrary to law?

A. I am not an attorney and understand that the legal issues will be addressed by the parties’ attorneys in the briefs. However, I am aware generally that Core’s proposal on this issue is contrary to the Telecommunications Act of 1996 (“the Act”). Specifically, the Act requires ILECs such as Windstream to provide interconnection to CLECs such as Core at any technically feasible point *within* the ILEC’s network. (See, 47 U.S.C. §251(c)(2)(B).) As an ILEC, therefore, Windstream is not required to interconnect or to incur any charges associated with such interconnection at a POI outside of Windstream’s network. I am aware also that Windstream is only certificated as an ILEC in certain service territories in Pennsylvania and that Core’s proposal would have the result of requiring Windstream to deploy facilities and operate outside of its authorized and certificated area.

Q. Is indirect interconnection an alternative to Core’s suggested “dual POI” scenario?

A. Yes. Presumably, Core proposes its version of a "dual POI" arrangement in order to utilize its switch located in Verizon's Pennsylvania service territory and to avoid the costs of having to establish a switch in Windstream's ILEC service territory or having to deploy facilities necessary to exchange the traffic at a POI within Windstream's network. As a result, Core seems to suggest that it desires to establish a POI with Windstream at its distant switching location in Verizon's territory. (I am making an inference based on Core's position on this issue, because Core has not advised Windstream exactly how it proposes to interconnect with Windstream.) Again, Core's interpretation of the "dual POI" arrangement is unacceptable as it is unlawful and would require Windstream to

1 deliver its originating traffic to a POI(s) outside of Windstream's network and service
2 territory. However, subject to appropriate volume limitations for indirect interconnection
3 which I will discuss later in my testimony, Core could use its existing switch location in
4 Verizon's service territory and indirectly interconnect with Windstream through the
5 Verizon tandem. In that case, a POI would be established at Windstream's exchange
6 boundary. One fundamental and critical difference between this typical indirect
7 interconnection arrangement and Core's proposed "dual POI" arrangement is that Core
8 would have Windstream not only deliver traffic beyond Windstream's exchange
9 boundary and outside of Windstream's network but also have Windstream's customers
10 bear all the associated transport costs incurred as a result of Core's designation of this
11 distant POI(s). Core's proposal should be rejected.

12
13 **Q. Could Core use its existing switch locations in Verizon's territory to directly connect**
14 **with Windstream?**

15 **A.** Yes. Again, the overriding concern is that the POI(s) between Windstream and Core be
16 technically feasible and designated within Windstream's network. However, Core could
17 use its existing distant switch location and install any facilities necessary to deliver its
18 traffic directly to a POI designated within Windstream's network. To reiterate,
19 Windstream's interest is not in forcing Core to establish a switch in Windstream's
20 territory but rather making sure that Core's exchange of traffic with Windstream occurs at
21 technically feasible locations within Windstream's service territory as required by the
22 Act.

23

1 **Q. What is the impact of Core's "dual POI" proposal?**

2 A. I cannot quantify at this time the particular costs associated with specific facilities
3 arrangements, partly because the parties have not yet begun exchanging traffic and
4 because Core has not identified exactly how it proposes to interconnect with Windstream.
5 Nevertheless, I can state that if Core were to utilize its switch in Verizon's territory as the
6 POI with Windstream, then under Core's version of a "dual POI" arrangement all of the
7 associated transport costs would be borne by Windstream's customers and Windstream
8 would be forced unlawfully to deliver traffic and deploy facilities outside of its
9 certificated service territory. Again, this is particularly concerning considering the nature
10 of Core's business as an ISP aggregator and the fact that other CLECs (with switches in
11 other states or even Canada) could adopt the same interconnection agreement.

12
13 **Q. Does Windstream oppose the concept of a dual POI as that term is used typically in
14 the industry?**

15 A. No. Windstream is not opposed to cooperating with Core to designate dual POIs provided
16 that both POIs are, in fact, technically feasible and located within Windstream's network.

17
18 **Q. Has Core agreed with any other ILEC in Pennsylvania that if a dual POI
19 arrangement is utilized both POIs must be located within the ILEC's network?**

20 A. Yes. The Verizon Pennsylvania Inc., f/k/a Bell Atlantic – Pennsylvania Interconnection
21 Agreement as executed by Core on March 31, 2000 ("Verizon/Bell Atlantic and Core
22 Agreement") contains as an integral part of the agreement an arrangement whereby each
23 POI designated by Core and Verizon is located *within* Verizon's ILEC territory.

1 Windstream is requesting the same consideration that Core has acknowledged already in
2 its agreement with Verizon. For this reason, Windstream's language on NIA Issue No. 1
3 should be included in the resulting interconnection agreement between Windstream and
4 Core. In the alternative, Windstream is amenable to providing dual POIs as long as the
5 language clarifies that the dual POIs both will be technically feasible and within
6 Windstream's network and certificated service territory.

7
8 NIA ISSUE NO. 3

9 **Q. What is NIA Issue No. 3?**

10 A. This issue pertains to whether Windstream should be made to interconnect with Core at a
11 commercial building or other site where Windstream has substantial outside plant or loop
12 facilities in place to serve high capacity end user customers, such as a "carrier hotel".
13 This method of interconnection may be referred to as "loop interconnection."

14
15 **Q. What did Core propose with respect to NIA Issue No. 3?**

16 A. Core proposed to include in §2.2.4 of Attachment 4 language stating essentially that Core
17 could utilize existing Windstream retail facilities having sufficient spare capacity to fill
18 Core's initial interconnection trunking needs at the technically feasible POIs designated
19 by Core or that where sufficient capacity did not exist, that Windstream would install
20 such retail facilities necessary to allow loop interconnection. (I should mention here that
21 the POIs designated by Core in this context necessarily would be *within* Windstream's
22 network since loop interconnection pertains to areas within Windstream's certificated
23 service territory where Windstream has retail facilities.)

1
2 **Q. What was Windstream's response to Core and with respect to NIA Issue No. 3?**

3 A. *Windstream initially rejected Core's language because Windstream did not understand*
4 *fully the service being requested and because it opposed any requirement to expand retail*
5 *facilities or the capacity of such facilities at the demand of a CLEC. Later during*
6 *negotiations, Windstream requested more detail from Core regarding the specific service*
7 *being requested. At that time, Core provided, as an example, language contained in*
8 *Amendment No. 1 to the Verizon/Bell Atlantic and Core Agreement executed by Core on*
9 *January 10, 2003. That language provides for loop interconnection in a limited capacity.*
10 *The amendment only requires the service to be provided at locations where Verizon has*
11 *existing facilities and enough free capacity to accommodate Core's request. The service*
12 *is also contingent upon Core having a switch at the location where the service is*
13 *requested. Verizon does not have any obligation to provide capacity that does not exist*
14 *already or to expand capacity beyond what is present already.*

15
16 **Q. What is the difference between the language initially provided by Core regarding**
17 **loop interconnection and the language set forth in Amendment No. 1 to the**
18 **Verizon/Bell Atlantic and Core Agreement?**

19 A. The primary difference between the two provisions is that in the Verizon/Bell Atlantic
20 and Core Agreement, the ILEC is not required to install retail loop facilities or to expand
21 existing capacity of those facilities at the demand of an interconnecting CLEC.

22

1 **Q. Does Windstream object to including the language pertaining to loop**
2 **interconnection as set forth in the Verizon/Bell Atlantic and Core Agreement?**

3 A. No. Windstream is amenable to including loop interconnection language in the
4 interconnection agreement with the same terms and conditions as those set forth in the
5 Verizon/Bell Atlantic and Core Agreement. Again, those terms and conditions do not
6 require Windstream to install retail loop facilities or expand the capacity of existing retail
7 facilities at the request of the interconnecting CLEC.

8

9

NIA ISSUE NO. 4

10 **Q. What is NIA Issue No. 4?**

11 A. NIA Issue 4 pertains to whether Core should be permitted to indirectly interconnect with
12 Windstream without any volume limitation that would give rise to the establishment of
13 direct interconnection.

14

15 **Q. Does Core accept that establishment of direct interconnection is appropriate once**
16 **the volume of traffic exchanged on an indirect basis exceeds a certain threshold?**

17 A. No. Core objects to including any such requirement in the interconnection agreement and
18 has claimed that Windstream's proposed threshold of a DS1 level of traffic is "arbitrary"
19 despite the fact that this volume is commonly used throughout the industry. Core asserts
20 that the parties should be allowed to interconnect indirectly, without any volume
21 limitation, via the use of a third-party tandem for delivery of traffic.

22

1 **Q. Does Windstream agree that indirect interconnection is an acceptable manner in**
2 **which the parties may exchange traffic?**

3 A. Yes, subject to a reasonable volume limitation that would necessitate the parties
4 transitioning from indirect to direct interconnection. As I explained previously in my
5 testimony, indirect interconnection is an acceptable method of interconnection. However,
6 indirect interconnection is intended to be used and in fact, is used typically between
7 carriers exchanging small volumes of traffic in cases where the costs of direct
8 interconnection (*i.e.*, to establish dedicated facilities) may not be feasible financially.

9
10 **Q. What is the volume threshold Windstream proposed to Core which, if exceeded,**
11 **would necessitate Core transitioning from indirect to direct interconnection?**

12 A. Windstream proposed language to §2.2.2 of Attachment 4 as follows:
13 Traffic Volume – Where traffic exceeds or is forecasted to exceed a single
14 DS1 of traffic per month, then the Parties shall install and retain direct end
15 office trunking sufficient to handle such traffic volumes. Either Party will
16 install additional capacity between such points when overflow traffic exceeds
17 or is forecasted to exceed a single DS1 of traffic per month. In the case of
18 one-way facilities, additional facilities shall only be required by the Party
19 whose facilities have achieved the preceding usage threshold.
20

21 Thus, under Windstream's proposal, once the parties' traffic exchanged on an indirect
22 basis (such as through the Verizon tandem) exceeds a DS1 level (or 257,000 minutes of
23 use), then Core would be required to establish direct interconnection at a technically
24 feasible POI(s) within Windstream's network.

25
26 **Q. Is Windstream's proposed threshold of a DS1 level reasonable and efficient?**

1 A. Yes. Requiring direct interconnection to be established once the parties exceed a DS1
2 volume via indirect interconnection is reasonable and efficient. A DS1 level represents a
3 standard unit of network capacity at well over two hundred thousand minutes of use, is an
4 efficient network design, and in our experience is acceptable generally to most carriers
5 with whom Windstream interconnects. Further, once the parties exceed the DS1
6 threshold, they are exchanging significant volumes of traffic, and it is more efficient for
7 them to establish direct interconnection. Direct interconnection at this level allows the
8 parties to control the facilities and increase capacity of those facilities as opposed to
9 relying on a third-party tandem provider to ensure that sufficient facilities capacity is
10 provided and that the parties' customers are not impacted negatively by network
11 congestion. For these reasons, Windstream's proposed language on NIA Issue No. 4
12 should be included in the parties' interconnection agreement.

13
14 NIA ISSUE NO. 5

15 **Q. What is NIA Issue No. 5?**

16 A. NIA Issue No. 5 pertains to whether the parties' interconnection agreement should
17 contain language requiring each Core and Windstream to arrange and pay for third-party
18 tandem services relative to its own originating traffic.

19
20 **Q. What is Core's position with respect to NIA Issue No. 5?**

21 A. Core proposed language to be included in the parties' interconnection agreement which
22 would require Core and Windstream to arrange and pay for third-party tandem provider
23 arrangements through which each party's originating traffic would be delivered to the

1 other party. Core's position is without regard to the fact that the third-party tandem
2 provider is not a party to the interconnection agreement between Core and Windstream.

3
4 **Q. Does Windstream agree that language requiring two parties to an interconnection**
5 **agreement to arrange and pay for services of a third-party should be included in the**
6 **interconnection agreement?**

7 A. No. This interconnection agreement is between only two parties - Core and Windstream -
8 and should not contain language dictating the terms and conditions of relationships with
9 third parties who are not parties to this interconnection agreement. Thus, the terms and
10 conditions of an agreement between a party choosing to interconnect indirectly and a
11 third-party transiting provider are immaterial to an interconnection agreement between
12 two negotiating parties (here, Windstream and Core). Accordingly, Windstream's
13 position with respect to NIA Issue No. 5 is more appropriate and should be adopted.

14
15 **INTERCARRIER COMPENSATION ISSUES**

16 **Q. What are the Intercarrier Compensation ("ICC") Issues?**

17 A. These issues include four remaining open items in Attachment 12 of the interconnection
18 agreement pertaining to the manner in which the parties will compensate each other with
19 respect to the exchange of various types of traffic provided for under the interconnection
20 agreement. Specifically, the remaining ICC items in dispute include (a) VNxx
21 compensation and jurisdiction, (b) application of reciprocal compensation to roughly
22 balanced local traffic, (c) applicability of the FCC's *ISP Remand Order* to this
23 proceeding, and (d) application with respect to Nxx codes.

1
2 ICC ISSUE NO. 1

3 **Q. What is ICC Issue No. 1?**

4 A. ICC Issue No. 1 involves the determination of the jurisdiction of VNxx traffic and the
5 applicability of appropriate compensation to such traffic.
6

7 **Q. What do the terms "Nxx" and "VNxx" reference?**

8 A. Telephone numbers consist of ten digits in the form NPA-Nxx-xxxx. The first three digits
9 (or "NPA") refer to the area code. The second three digits (or "Nxx") refer to the central
10 office code. Pursuant to standard industry practice, an Nxx code generally corresponds to
11 a particular geographic area (or "rate center") served by a local exchange carrier. By
12 contrast, virtual Nxx (or "VNxx") codes are central office codes that correspond to a
13 particular rate center but are assigned to a customer located in a different rate center.
14

15 **Q. Should issues regarding proper jurisdiction and compensation with respect to VNxx
16 codes be addressed and adjudicated in this arbitration? Why or why not?**

17 A. *No. Issues surrounding jurisdiction and compensation of VNxx traffic were not in dispute*
18 *during the negotiations between Core and Windstream. In fact, Appendix 33 of Core's*
19 *Petition for Arbitration contains the final redlined interconnection agreement exchanged*
20 *between the parties and evidences the fact that such issues were not the subject of the*
21 *parties' negotiations. Again, while I am not an attorney, I am aware generally that issues*
22 *not raised during negotiations may not be the subject of a subsequent arbitration. Further,*

1 it is my understanding that this Commission has the issue under consideration in its
2 pending intercarrier compensation proceeding at Docket No. I-00040105.

3
4 **Q. Are you aware whether the FCC has issued any determination with respect to VNxx**
5 **traffic?**

6 **A.** It is my understanding that the FCC has not made any such determination as of the date
7 of the filing of my testimony but that various courts have decided this issue and
8 determined that VNxx arrangements are subject to access compensation. Again, I
9 anticipate that the attorneys will discuss these legal issues in greater detail in the briefs.

10
11 **Q. Does Windstream provision service to its retail customers through the use of VNxx**
12 **arrangements?**

13 **A.** No, Windstream does not.

14
15 ICC ISSUE NO. 3

16 **Q. What is ICC Issue No. 3?**

17 **A.** ICC Issue No. 3 pertains to whether a reciprocal compensation or bill-and-keep
18 arrangement should apply to local traffic that is roughly balanced between the parties.

19
20 **Q. Does Windstream agree that a reciprocal compensation mechanism is preferable to**
21 **a bill-and-keep arrangement in the case where local traffic is roughly balanced**
22 **between the parties? Why or why not?**

1 A. No. When local traffic exchanged between two parties is roughly balanced, then bill-and-
2 keep is the appropriate and most efficient compensation method available to the parties
3 pursuant to 47 C.F.R. §§51.705(a)(3) and 51.713(b). For example, if Party A originates
4 one million local minutes that terminate to Party B and Party B originates one million
5 three thousand local minutes that terminate to Party A, then in the absence of a bill-and-
6 keep arrangement, each party would have to track the minutes and render billing to each
7 other that would be for almost the same amounts. Thus, each party would generate a
8 monthly receivable and receive a monthly payable in approximately the same amount.
9 This process is inefficient and results in each party preparing monthly bills, reviewing
10 monthly bills, verifying the accuracy of each bill, and rendering monthly payments in
11 amounts that closely approximate the billed amounts it receives from the other party.
12 With a bill-and-keep arrangement, the parties avoid these inefficiencies and wasted
13 resources.

14
15 **Q. What is Core's position with respect to this issue?**

16 A. Core's position appears to be that even though local traffic may be roughly balanced, the
17 parties, nevertheless, should bear the burden of tracking minutes of use, rendering bills,
18 reviewing bills, and remitting compensation in similar amounts to each other. Core
19 suggests that when local traffic is roughly balanced, this reciprocal compensation
20 arrangement still is preferable to a bill-and-keep arrangement because "little or no
21 compensation will in fact be due." However, Core's position ignores the administrative
22 inefficiencies I explained above that are avoided in a bill-and-keep arrangement. It

1 simply makes little sense to employ the reciprocal compensation process in cases where
2 "little or no compensation will in fact be due."

3
4 **Q. What happens if the local traffic between the parties initially is roughly balanced
5 and then becomes unbalanced with one party terminating larger volumes of local
6 traffic?**

7 A. As noted in Windstream's proposed language, local traffic exchanged between the parties
8 would be considered unbalanced when one party originates more than 60% of the traffic
9 exchanged for three consecutive months. In such case, then either party could submit
10 information to the other party to verify this change. Once the parties agreed with the data,
11 then the parties could commence billing under a reciprocal compensation arrangement
12 retroactive to the first month that was included in the balance study.

13
14 ICC Issue No. 4

15 **Q. What is ICC Issue No. 4?**

16 A. ICC Issue No. 4 is primarily a legal issue pertaining to the applicability of the FCC's *ISP*
17 *Remand Order* to this proceeding.

18
19 **Q. Does the FCC's *ISP Remand Order* apply to this proceeding?**

20 A. I should clarify that the answer to that question is a legal issue that will be addressed by
21 Windstream's attorneys in the briefs. Still, I am aware generally that the *ISP Remand*
22 *Order* does not require Windstream to elect, or likewise preclude Windstream from
23 electing at a later time, the rates for termination of ISP-bound traffic set forth thereunder.

1 I also believe that the applicability of the *ISP Remand Order* to the facts in this
2 proceeding is questionable since it appears that Core may provision its ISP services
3 through the use of VNxx arrangements.

4
5 **Q. At this time, has Windstream elected the *ISP Remand Order* rate of \$0.0007 for
6 termination of ISP-bound traffic?**

7 **A.** No. Windstream has not made any such election as of the date of this filing. Again, my
8 understanding is that the decision to elect may be made by Windstream, in its sole
9 discretion, at any time.

10
11 ICC Issue No. 5

12 **Q. What is ICC Issue No. 5?**

13 **A.** ICC Issue No. 5 concerns Core's application for Nxx codes.

14
15 **Q. What is Windstream's position with respect to this issue?**

16 **A.** The industry standard for determining the compensation due to a party for termination of
17 a call is based upon the NPA-Nxx. If one party like Core uses the same NPA-Nxx for
18 multiple locations, the other party (in this case, Windstream) cannot determine the
19 location of the call in order to determine the accurate compensation method (*e.g.*, local or
20 reciprocal compensation or access compensation). In fact, Core stated in its Arbitration
21 Petition on another issue that parties should "properly rate calls based on the NPA-Nxx of
22 the calling party". However, Core's opposition to Windstream's language on this ICC
23 Issue No. 5 contradicts its statement in the Arbitration Petition since Core's insistence on

1 the use of a single NPA-Nxx for multiple locations would allow Core to mask the actual
2 location of its customer(s) and, thereby, avoid payment of appropriate compensation due
3 to Windstream.
4

5 **Q. In addition to allowing Core to conceal actual customer locations and avoid**
6 **payment of appropriate compensation, does Core's position on this issue have other**
7 **negative consequences?**

8 A. Yes. Core's position on this issue also has the result of precluding Windstream from
9 complying with dialing parity rules. For example, Windstream's customers in Exchange
10 A may have an NPA-Nxx of 501-234, and Windstream's customers in Exchange B may
11 have an NPA-Nxx of 501-546. Thus, calling between those Windstream customers is a
12 toll call. However, Core proposes to rate center an NPA-Nxx of 501-743 in multiple
13 locations (here, Exchanges A and B). Thus, calling between Windstream's customers in
14 Exchange A to Core's customers in Exchange B, for example, would appear as a local
15 call. Again, Core's position is inappropriate and should be rejected.
16

17 **NUMBER PORTABILITY ISSUE NO. 1**

18 **Q. What is Number Portability Issue No. 1?**

19 A. This issue relates to whether Windstream's proposed number portability attachment
20 should be included in the parties' interconnection agreement.
21

22 **Q. What is the purpose of Windstream's number portability attachment?**

1 A. Windstream's number portability attachment establishes the detailed processes to
2 implement the FCC's rules and regulations requiring number portability. Windstream's
3 attachment should be included in the parties' interconnection agreement in order to
4 establish the timeframes, operational issues, and compensation procedures with respect to
5 number portability between Core and Windstream. For example, Windstream's
6 attachment establishes each party's responsibility for working with local E911 and PSAP
7 coordinators for a seamless transition of emergency services: Very simply, while the
8 FCC's rules and regulations merely establish an obligation to port numbers,
9 Windstream's attachment provides the processes detailing how the parties will effectuate
10 that obligation.

11

12 **Q. Does Windstream's number portability attachment conform to FCC rules and**
13 **regulations?**

14 A. Yes.

15

16 **Q. Does Core oppose including this detail in the parties' interconnection agreement?**

17 A. Yes. Core suggests that the FCC rules and regulations (which merely require number
18 portability but do not establish the detailed processes with respect to implementing such
19 portability) are sufficient. Additionally, Core asserts incorrectly and without
20 substantiation that Windstream's attachment is contrary to the parties' obligations under
21 the law. To the contrary, Windstream's attachment conforms to the law and should be
22 included in the interconnection agreement for the protection of both parties.

23

1 **DEFINITIONS**

2 **Q. What are definitions remain at issue in the interconnection agreement?**

3 A. The parties continue to disagree with respect to how or whether the following terms
4 should be defined in the parties' interconnection agreement: "Exchange Services," "Intra-
5 LATA Toll Traffic," "Interconnection Point," and "Section 251(b)(5) Traffic".

6
7 **Exchange Services**

8 **Q. How should "exchange services" be defined in the parties' interconnection
9 agreement?**

10 A. *The parties' interconnection agreement should define "exchange services" as two-way*
11 *switched voice grade telecommunications services with access to the public switched*
12 *network, which originate and terminate within an exchange.*

13
14 **Q. Did Core propose a definition for "exchange services"?**

15 A. No. Core simply objected to the inclusion of a definition of "exchange services" in the
16 interconnection agreement on the basis that "exchange services" is a term that is not
17 defined in the Act. Core also asserted that that this term is inconsistent with the definition
18 of "telephone exchange services", which is a term that is included in the Act. Core's
19 position is without regard to the fact that parties often use terms in interconnection
20 agreements that may not be defined in the Act.

21
22
23 **Q. Is it necessary or a pre-requisite that a defined term in the interconnection
24 agreement be a defined term in the Act?**

1 A. It is not. Parties to interconnection agreements define many terms that are not included in
2 the Act. The purpose of including such defined terms is to clarify the parties' specifically
3 agreed upon rights and obligations under the interconnection agreement. In fact, the
4 proposed interconnection agreement between Core and Windstream includes many
5 defined terms that are not defined in the Act and were otherwise acceptable to Core.

6

7 Intra-LATA Toll Traffic

8 **Q. How should "intra-LATA toll traffic" be defined in the parties' interconnection
9 agreement?**

10 A. The parties' interconnection agreement should define "intra-LATA toll traffic" as all
11 intraLATA calls provided by a LEC other than traffic completed in the ILEC's local
12 exchange boundary.

13

14 **Q. Did Core propose an alternative definition?**

15 A. No. As was the case with the definition of "exchange services", Core simply objected to
16 including any definition of "intraLATA toll traffic" in the interconnection agreement.

17

18 **Q. Why is it important to have a clear definition of "intraLATA toll traffic"?**

19 A. It is critical to define very clearly the types of traffic to be exchanged between the parties
20 because the type of traffic determines whether access charges or reciprocal compensation
21 should apply. Failure to include a definition for "intraLATA toll traffic" as Core suggests
22 would likely result in compensation disputes once the parties began exchanging traffic. It
23 appears that Core's objective in omitting this definition may be to avoid payment of

1 access charges, which was also the objective of Core's forbearance petition before the
2 FCC² which sought avoidance of access charges but which was denied by the FCC on
3 July 26, 2007. Consequently, Windstream's definition of "intraLATA toll traffic" should
4 be included in the interconnection agreement between Windstream and Core to mitigate
5 the likelihood of immediate billing disputes arising under the agreement with respect to
6 assessment of lawful access charges.

7
8 Interconnection Point

9 **Q. How should "interconnection point" be defined in the parties' interconnection**
10 **agreement?**

11 A. The parties' interconnection agreement should define "interconnection point" as the point
12 of demarcation at a technically feasible point within Windstream's interconnected
13 network within the LATA, as specified in Attachment 4 Section 2.1.1, where the
14 networks of Windstream and Core interconnect for the exchange of traffic.

15
16 **Q. Why is it important to include Windstream's definition of "interconnection point"?**

17 A. In its position on this issue, Core states very clearly that it believes the POI should be
18 allowed to be established outside of Windstream's network. As discussed in great detail
19 in the sections above pertaining to NIA Issue No. 1, any POI must be at a technically
20 feasible location *within* Windstream's network as provided for under the Act. Given
21 Core's express intent to establish a POI outside of these lawful parameters, it is

² *In the Matter of Petition of Core Communications, Inc. for Forbearance from Section 251(g) and 254(g) of the Communications Act and Implementing Rules, FCC 07-129, WC Docket No. 06-100, Memorandum Opinion and Order (released July 26, 2007).*

1 imperative that the parties' interconnection agreement contain a proper and clear
2 definition of "interconnection point."

3
4 Section 251(b)(5) Traffic

5 **Q. Should "Section 251(b)(5) Traffic" be defined in the parties' interconnection
6 agreement?**

7 A. No. It is unnecessary and inappropriate to define "Section 251(b)(5) Traffic" since local
8 traffic already has been defined in Attachment 12 – Compensation.

9
10 **Q. Did Core propose a definition for "local traffic"?**

11 A. Core proposed to replace the definition of "local traffic" in Attachment 12 –
12 Compensation of the interconnection agreement with a term labeled "Section
13 251(b)(5) traffic". However, Core's "definition" of "Section 251(b)(5) traffic" is
14 actually not a definition and instead is merely a restatement of an FCC rule regarding
15 reciprocal compensation. (See 47 C.F.R. §51.701.)

16
17 **Q. Is Core's proposal to replace the definition of "local traffic" with a restatement
18 of an FCC rule sufficient?**

19 A. No. Traffic types determine the type of compensation. Windstream's definition of "local
20 traffic" clearly defines the traffic and the compensation applicable to it. Practically, the
21 Act and FCC rules implementing the Act are not always clear and may be subject to
22 different interpretations by two parties. It is imperative, therefore, that the intent of the
23 parties with regard to traffic types and compensation be clear from the terms of the

1 interconnection agreement. Merely including an FCC rule is not a substitute for including
2 in the interconnection agreement a clearly defined term that establishes the intent of the
3 parties with respect to what constitutes local traffic. For these reasons, Windstream's
4 definition of "local traffic" should be retained and not merely replaced with a recitation of
5 an FCC rule regarding reciprocal compensation.

6

7 **CONCLUSION**

8 **Q. Does this conclude your testimony at this time?**

9 **A. Yes.**

10

11

AFFIDAVIT

STATE OF ARKANSAS :

:

ss

COUNTY OF PULASKI :

SCOTT A. TERRY, being duly sworn according to law, deposes and says that he is Staff Manager, Interconnection Services; that he is authorized to and does make this Affidavit for Windstream Pennsylvania, Inc.; and that the facts set forth in the foregoing Testimony are true and correct to the best of his knowledge, information and belief.

Scott A. Terry

Scott A. Terry

Sworn to and subscribed before me this 16th day of August, 2007.

Sandra Jean Wood

Notary Public



My Commission Expires: Sept 1, 2011

Date: _____

09-20-07 hrg
Hbg

**BEFORE THE
PENNSYLVANIA PUBLIC SERVICE COMMISSION**

Petition of Core Communications, Inc., for)
Arbitration of Certain Terms and)
Conditions of the Proposed Agreement with)
Windstream Pennsylvania, Inc., Pursuant to the) No. A-310922F7004
Communications Act of 1934, as amended)
by the Telecommunications Act of 1996)

WINDSTREAM PENNSYLVANIA, INC. STATEMENT NO. 1-R

REBUTTAL TESTIMONY

OF

SCOTT A. TERRY

ON BEHALF OF WINDSTREAM PENNSYLVANIA, INC.

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Dated September 6, 2007

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SEP 28 2007

1 REBUTTAL TESTIMONY OF SCOTT A. TERRY

2
3 **BACKGROUND AND PURPOSE OF TESTIMONY**

4
5 **Q. Please state your name and business address.**

6 A. My name is Scott Terry. My business address business address is 4001 Rodney Parham
7 Road, Little Rock, Arkansas 72212.

8
9 **Q. By whom are you employed and in what capacity?**

10 I am employed by Windstream Communications as Staff Manager, Interconnection
11 Services.

12
13 **Q. Are you the same Scott Terry who filed direct testimony in this proceeding on**
14 **August 17, 2007?**

15 A. Yes, I am.

16
17 **Q. What is the purpose of your Rebuttal Testimony?**

18 A. My testimony will rebut various assertions set forth in the direct testimony of Core
19 Witnesses, Timothy J. Gates and Christopher Van de Verg, and correct certain
20 inaccuracies included therein.

21
22 **GENERAL TERMS AND CONDITIONS NO. 3 - SECURITY DEPOSITS**

23 **Q. Have you reviewed Core's direct testimony with respect to this issue?**

24 A. Yes, I have. Mr. Van de Verg opposes Windstream's proposal to include in the
25 interconnection agreement security deposit requirements providing for submission of a
26 deposit in advance of services being rendered. He suggests that Windstream's "language

1 goes far beyond any reasonable security deposit requirement" (page 2, lines 21-22) and
2 that "Core should not be required to operate under these circumstances" (page 2, lines 17-
3 18). Mr. Gates did not address this issue in his direct testimony, although Core served
4 extensive discovery on Windstream questioning issues such as whether Windstream
5 views Core as "financially instable" and to what extent a deposit will be required from
6 Core. (See, Set II, Question Nos. 2, 7, 8, 10, 11, 13, 14, 15, and 16.)
7

8 **Q. Do you agree with Mr. Van de Verg's assertion cited above that Windstream's**
9 **security deposit language is unreasonable?**

10 A. No. Requiring a security deposit in advance of services being rendered is consistent with
11 the very purpose of a deposit which is to guarantee payment of services.
12

13 **Q. Has Windstream assessed advanced security deposits to entities in Pennsylvania in**
14 **the manner in which Mr. Van de Verg opposes?**

15 A. Yes. Windstream has collected, for example, a \$300 deposit from a reseller, about a
16 \$3,500 deposit from an ISP provider who subsequently was disconnected for nonpayment
17 (and the deposit is insufficient to satisfy the entire outstanding balance), and about a \$960
18 deposit from another ISP provider who also was disconnected for nonpayment (and the
19 deposit was applied to the outstanding balance).
20

21 **Q. Do you understand Mr. Van de Verg's concern that "Core should not be required to**
22 **operate under these circumstances" (page 2, lines 17-18)?**

1 A. No. Not only are advance security deposit requirements typical across many different
2 industries, Core also has agreed to similar security deposit language in one of its
3 interconnection agreements (Section 24.11.4 Assurance of Payment in the Adopted Sprint
4 Agreement), so Windstream does not understand Core's refusal to do so in this instance.

5
6 **Q. Does Windstream contend that Core is "financially instable" as Core has inferred?**
7 **(Question No. II-8.)**

8 A. We have not undertaken that analysis at this time. The parties have not yet executed an
9 agreement or begun exchanging traffic, and Core has not identified for Windstream the
10 amount or type of services it anticipates ordering from Windstream. Therefore,
11 Windstream has not evaluated whether it would request a security deposit from Core and
12 in what amount. Further, I believe these concerns as expressed by Core are misplaced as
13 the issue in this proceeding is not whether Core is financially sound but rather whether
14 the resulting interconnection agreement should contain language providing for a
15 reasonable security deposit by Core or any other carrier adopting the agreement where
16 circumstances may warrant.

17
18 **NETWORK INTERCONNECTION ARCHITECTURE NO. 1 - DUAL POINTS OF**
19 **INTERCONNECTION**

20 **Q. Have you reviewed Core's direct testimony with respect to this issue?**

21 A. Yes, I have. Mr. Van de Verg initially states that Core seeks dual interconnection points
22 ("IPs") instead of relying on the "concept of a single point of interconnection ("POI").
23 (page 4, lines 14 -15.)

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Q. Does Windstream oppose the concept of dual IPs as stated generally by Mr. Van de Verg above?

A. No. As long as the IP / POI is within Windstream's network and certificated service territory, Windstream does not oppose the designation of dual IPs. Indeed, Windstream's ILEC affiliate in Georgia has an interconnection agreement (which is a matter of public record on file with the Georgia Public Service Commission as an agreement between Alltel Georgia Communications Corporation and AI-Call, Inc.) providing for a dual IP within Windstream's ILEC network and service territory.

Q. Does Mr. Van de Verg agree that the IP / POI must be within Windstream's network and certificated service territory?

A. No. He does not make this qualification and states instead that Windstream should be required to deliver traffic to Core "to the switch location" of Core (page 4, lines 19 - 20) or "to the IP designated by" Core (page 4, lines 22 -23). Thus, although Core in this particular instance has not identified where it proposes to interconnect with Windstream, Core's proposal as explained by Mr. Van de Verg would allow Core to designate a location anywhere in Pennsylvania, or the country for that matter, to which point Core would have Windstream deliver its traffic.

Q. Is it reasonable for Windstream to conclude from Mr. Van de Verg's statements that Core may be seeking to designate a distant location for delivery of Windstream's traffic?

1 A. Yes. This seems to be exactly what Mr. Van de Verg is proposing with respect to Core's
2 interconnection with Windstream. For example, I am aware that Core maintains a switch
3 in Verizon's Pennsylvania territory, and Mr. Van de Verg's statement regarding delivery
4 of traffic to "the switch location of the other party" implies that Core may be seeking to
5 have Windstream deliver traffic outside of Windstream's service area and into Verizon's
6 territory where Core's switch currently is located. Indeed, by failing to qualify his dual IP
7 scenario as applying "within" Windstream's network, Mr. Van de Verg's language would
8 allow Core to designate as an IP / POI a switch Core may locate outside of the country.
9 For instance, I am aware of an interconnection agreement (on file with the Texas Public
10 Utility Commission as a matter of public record) with Windstream's ILEC affiliates
11 (Windstream Sugar Land, Inc./ Texas Windstream, Inc.) and Clearwire
12 Telecommunications Services, LLC whose switch is located in Canada. Contrary to Mr.
13 Van de Verg's suggestion, however, the Clearwire agreement provides for establishment of
14 the IP/POI within the Windstream ILEC network, with Clearwire being responsible for
15 transport costs from the IP/POI back to Clearwire's switch location. Thus, it is reasonable
16 to conclude that Core (or any other carrier adopting the resulting interconnection
17 agreement) may maintain a distant switch location, but it is wholly unreasonable for Mr.
18 Van de Verg to suggest that Windstream should bear all responsibility for delivering
19 traffic to such a distant location outside of Windstream's service territory.

20
21 **Q. Is Windstream authorized to deliver its originating local traffic "to the IP**
22 **designated by the other party" in the manner asserted by Mr. Van de Verg on page**
23 **4, lines 22-23?**

1 A. Not if that IP / POI is outside of Windstream's network. Windstream is a certificated
2 incumbent local exchange carrier ("ILEC") authorized by the Commission to operate only
3 within Windstream's franchised service territory. Mr. Van de Verg's contention
4 effectively would require Windstream to operate out of compliance with its Commission
5 certification. Similarly, based on my reading of the Telecommunications Act of 1996
6 ("the Act"), Windstream is not required to exceed its service territory as the Act provides
7 for interconnection *within* the ILEC's network. (See, 47 U.S.C. §251(c)(2)(B).)

8
9 **Q. Given your reactions above to Mr. Van de Verg's testimony, is it your response that**
10 **Core should establish a switch in Windstream's territory?**

11 A. Not at all. The IP/POI merely needs to be at a point designated on Core's network within
12 Windstream's network and certificated service territory. However, that point does not
13 have to be at a switch location (although this is the broad statement set forth by Mr. Van
14 de Verg on page 4, lines 15-19). Therefore, it is possible and appropriate for Core to
15 interconnect with Windstream without maintaining a switch in Windstream's territory.

16
17 **Q. Mr. Van de Verg suggested that this Commission previously has authorized**
18 **interconnection outside of an ILEC's network in a case involving Windstream (at**
19 **that time known as Alltel) and Verizon Wireless. (page 6, lines 5-20.) Are you**
20 **familiar with that proceeding?**

21 A. I am generally familiar with that proceeding and disagree that Mr. Van de Verg's
22 contention is correct or an accurate reflection of the Commission's full determination in
23 that proceeding. Mr. Van de Verg states that Verizon Wireless was seeking an IP "*within*

1 ALLTEL's interconnected network." (page 6, line 9; emphasis supplied.) As an initial
2 matter, Verizon Wireless may be distinguished from Core as that case involved disputes
3 as to interconnection within what is deemed the local calling scope for wireless
4 companies ("MTA") as well as on the basis that, unlike Core, Verizon Wireless had
5 expressed where it proposed to interconnect with Windstream - something that Core has
6 not done as demonstrated by Mr. Van de Verg's vague testimony on the issue. Most
7 significantly, Mr. Van de Verg curiously omits discussion of critical aspects of the
8 Administrative Law Judge's Recommended Decision (adopted in full by the
9 Commission) which allowed Windstream (then known as Alltel) to assess a fee to Alltel
10 customers placing calls to Verizon Wireless customers in order for Alltel to recover the
11 costs associated with the delivery of those calls to the distant location. The Commission
12 recognized that there were additional costs incurred by Alltel beyond those being
13 recovered from Alltel's end users. Mr. Van de Verg fails to address any aspect of the
14 ruling in his testimony.

15
16 **Q. As a result of the determinations in that proceeding, did Windstream and Verizon**
17 **Wireless execute and file an interconnection agreement with the Commission?**

18 **A. Yes, and significantly, that interconnection agreement does not provide for establishment**
19 **of an IP or POI outside of Windstream's network and certificated service territory.**

20
21 **Q. Is Mr. Van de Verg's assertion (pages 6-7) accurate that Core has implemented a**
22 **"dual IP" type interconnection with other ILECs similar to what Core has proposed**
23 **in this proceeding with Windstream?**

1 A. Apparently not. Pursuant to Core's responses to Windstream's Interrogatories and
2 Requests for Production of Documents, Core's IP arrangements with Verizon all are
3 located *within* Verizon's territory.
4

5 Q. Do you concur with Mr. Van de Verg's suggestion (page 7, lines 2-3) that Core's
6 proposal for establishment of an IP / POI outside of the ILEC's network is
7 "consistent with industry standard practice."

8 A. No. As indicated above, Mr. Van de Verg's statement is not even consistent with Core's
9 establishment of IPs with Verizon in Pennsylvania (all of which are within Verizon's
10 network according to Core's discovery responses). Additionally, in the sixteen states in
11 which Windstream's ILEC affiliates operate, I am not aware of any instance where the
12 Windstream ILECs have established IPs / POIs outside of their certificated ILEC service
13 territories. Consequently, I do not support Mr. Van de Verg's contention that his proposal
14 is consistent with standard industry practice.
15

16 Q. How do you respond to Mr. Van de Verg's assertion (page 5, lines 1-24) that the
17 FCC has ruled that a "LEC may not assess charges on any other
18 telecommunications carrier for telecommunications traffic that originates on the
19 LEC's network"?

20 A. While I understand that the legal authorities will be briefed by the parties' attorneys, I can
21 state generally that Mr. Van de Verg's statements are misleading. Mr. Van de Verg's
22 citation is to a determination by the FCC that specifically is directed to Section 251(b)(5)
23 traffic only, and not to access traffic. As to interexchange traffic, it is my general

1 understanding that FCC rules specifically allow a carrier to charge another carrier for
2 traffic that originates on that carrier's network.

3
4 **NETWORK INTERCONNECTION ARCHITECTURE NO. 4 - INDIRECT**

5 **INTERCONNECTION SUBJECT TO A DSI THRESHOLD**

6 **Q. What is Mr. Van de Verg's position with respect to Windstream's proposal that**
7 **direct interconnection to a Windstream end office would be required once indirect**
8 **traffic volumes exceed a DSI threshold?**

9 A. Mr. Van de Verg states that such a proposal is "unnecessary and overly restrictive." (page
10 11, line 13.)

11
12 **Q. Do you agree with his contention? Why or why not?**

13 A. No, because using a DSI level as a threshold is efficient and allows Windstream to
14 ensure the quality of service to its end users and avoid tandem exhaust. Additionally, this
15 proposal is not "overly restrictive" as Core suggests. Indirect interconnection is intended
16 as an interim arrangement until such time as parties exchange levels of traffic to an end
17 office that warrant direct interconnection to that end office. Indirect interconnection,
18 however, should not be utilized as a permanent solution for parties to exchange
19 significant volumes of traffic merely because one party determines that indirect
20 interconnection is the best alternative from a cost perspective as Mr. Van de Verg
21 indicates. (page 11, 17-19).

1 **Q. Do you agree with Mr. Van de Verg's suggestion that Windstream's proposal**
2 **"arbitrarily" limits Core's interconnection options? (page 11, lines 19-20.)**

3 A. Absolutely not. Windstream is not denying Core's ability to utilize indirect
4 interconnection. Rather, Windstream's proposal provides that in those cases where traffic
5 volumes rise to a significant level, Core should be willing to directly connect to the
6 applicable Windstream end office to which a significant amount of traffic (*i.e.*, where
7 traffic levels exceed a DS1 threshold) is being exchanged.

8
9 **Q. Is Windstream's proposal to require Core to "establish direct facilities with each**
10 **and every Windstream end office, even though the traffic volumes to each end**
11 **office may be well under Windstream's 1 DS1 threshold" as alleged by Mr. Van**
12 **de Verg? (page 12, lines 25-27)**

13 A. No. Mr. Van de Verg inaccurately describes Windstream's position. To the contrary,
14 Windstream's proposal would require direct interconnection only to the particular
15 Windstream end office(s) to which indirect traffic volumes between Core and
16 Windstream exceeded a DS1 threshold. For example, assume that Windstream
17 maintains five end offices that subtend one Windstream tandem, and Core's traffic to one
18 of those end offices exceeds a DS1 level. In that case, Windstream's proposal would
19 allow for Core to continue indirect interconnection with respect to the four end offices
20 and establish direct interconnection as to only the one end office that was exceeding the
21 threshold. Mr. Van de Verg also is incorrect when he states that it is "generally more
22 efficient for Core to interconnect with Windstream at the Windstream tandem." (page
23 12, lines 23-24.) This contention overlooks the fact that not all of Windstream's end

1 offices in Pennsylvania subtend one of Windstream's tandems. Similarly, Mr. Van de
2 Verg makes several references to "Windstream's tandem in the LATA." (pages 12-13.)
3 To be clear, Windstream's service territory extends only to its ILEC exchange
4 boundaries and does not encompass the entire LATA.

5
6 **Q. What is your reaction to Core's characterization of Windstream's proposal on this
7 issue as "an extreme remedy"? (page 12, lines 22-23.)**

8 **A.** Confusion. Mr. Van de Verg's statement is inconsistent with what I understand to be this
9 Commission's precedent as well as the experience of Windstream's ILEC affiliates
10 operating in sixteen states. In those states, I have found a DS1 threshold for indirect
11 interconnection to be accepted commonly by different types of carriers. In fact,
12 Windstream does not maintain traffic or engineering studies on this issue because this
13 threshold is generally accepted by interconnecting carriers.

14
15 **NETWORK INTERCONNECTION ARCHITECTURE NO. 5 - ARRANGEMENTS**

16 **RELATING TO THIRD-PARTY TANDEM SERVICES**

17 **Q. Do you agree with Mr. Van de Verg's statement that its language on this issue
18 "recites standard practice"? (page 14, line 35.)**

19 **A.** No. More accurately, Core's proposal exceeds standard industry practice. There is a
20 subtle difference between Core's position and Windstream's position, but it is a critical
21 difference. Core states that it does not understand Windstream's position (page 15, lines
22 7-10), but Windstream's position is simple: The interconnection agreement is between
23 only two parties (here, Core and Windstream) and fairly may contain language stating

1 that each Core and Windstream is responsible for making its own arrangements with a
2 third party transiting provider. However, the agreement between Core and Windstream
3 should not and cannot contain language setting forth the payment obligations of either
4 Core or Windstream with respect to that third party transiting provider. In short, the terms
5 and conditions of any agreement Core or Windstream may have with a third party have
6 no place being set forth as rights or obligations of Core and Windstream in the separate
7 interconnection agreement between Core and Windstream.
8

9 **Q. What is your reaction to Mr. Van de Verg's statement that Core "simply want[s]**
10 **Windstream to acknowledge that each party is responsible for making**
11 **arrangements with a third party tandem transit provider in connection with its**
12 **own originating traffic." (page 15, lines 11-13.)**

13 **A. Windstream consistently has acknowledged this responsibility, and its proposed language**
14 **on this issue reflects that fact. Windstream disagrees, however, that the details of**
15 **compensation or other obligations as to those arrangements should be included in the**
16 **interconnection agreement between Core and Windstream.**
17

18 **INTERCARRIER COMPENSATION NO. 1 -VNXX ARRANGEMENTS**

19 **Q. Have you reviewed Core's testimony regarding the jurisdiction and applicable**
20 **compensation with respect to VNxx traffic?**

21 **A. Yes. Mr. Gates addresses traffic exchanged via VNxx arrangements and asserts**
22 **incorrectly that such traffic may be considered "local" and likened to Foreign Exchange**
23 **("FX") service, remote call forwarding, and extended area service ("EAS"). (FX service**

1 begins on page 4; Remote call forwarding referenced on page 20; EAS service noted in
2 Footnote 1 on page 5 and page 20.) Significantly, Mr. Gates affirms that VNxx service
3 "provides a virtual local presence for a customer in a rate center" where "that customer
4 does not have a physical presence." (page 4, lines 82-84.) Despite his affirmation that the
5 traffic clearly is not purely "local" traffic exchanged between customers in the same rate
6 center or exchange, the crux of Mr. Gates' testimony, nevertheless, is that traffic
7 exchanged via VNxx arrangements may be labeled merely as "local" and treated as such
8 without any consideration of the additional cost components that differentiate true FX
9 and EAS service arrangements from VNxx arrangements or without consideration of the
10 fact that remote call forwarding is not available in the manner in which he suggests. Mr.
11 Gates' testimony is fundamentally flawed in all key respects.

12
13 **Q. Does Mr. Gates contend that VNxx arrangements are the same as FX service? (page**
14 **4, lines 85-95)**

15 **A.** Mr. Gates attempts to liken VNxx arrangements to true FX service in order to avoid
16 *application of access charges to VNxx traffic, but he necessarily stops short of actually*
17 *stating that VNxx arrangements are identical to FX service and instead labels VNxx*
18 *arrangements as "FX-like" services. (page 4, lines 94-95.) For good reason, the two*
19 *services are not identical, and the compensation components under each scenario are*
20 *critically different although Mr. Gates omits any discussion of these considerations.*

21
22 **Q. As a starting place for comparison, can you please describe Windstream's FX**
23 **service?**

1 A. As set forth in Windstream's tariff Section S4 Extensions and Foreign Exchange Service
2 (copy attached hereto as Statement No. 1-R Exhibit SAT-1R), which previously was
3 referenced for Core in discovery and is on file with the Commission, FX is a service that
4 allows a caller in one exchange who sends or receives toll calls from callers in another
5 exchange to have the jurisdiction and rating of those calls treated as local by paying for a
6 dedicated transmission path (or certain transport costs). Section S4 clarifies that the
7 customer subscribing to FX service will be billed for all applicable charges, including but
8 certainly not limited to, inter-exchange mileage charges. (Telephone PA P.U.C. No. 7.)
9 The tariff further clarifies that this service is not a customary form of telephone service
10 and that it is limited to trunk lines extending from one exchange to another between
11 which toll charges are applicable. (*Id.*) Very simply, calls under an FX arrangement may
12 be an alternative for a traditional toll arrangement but are not just "billed as local" as Mr.
13 Gates implies. (See, e.g., page 4, lines 82 through 90.) Instead, the subscribing FX
14 customer is responsible for compensation with respect to the dedicated transmission path
15 (or transport costs). This scenario is similar to an arrangement whereby a long distance
16 company may pay on a flat-rated basis for dedicated facilities to a Windstream end office
17 instead of incurring per-minute access charges.

18
19 **Q. To reiterate, does Mr. Gates acknowledge that with Windstream's FX service, the**
20 **subscribing customer compensates Windstream for establishing the dedicated**
21 **transmission path?**

22 A. No. In fact, he omits any discussion of this critical distinction with respect to
23 compensation for transport costs (or the transmission path) that is present in true FX

1 service and completely lacking in Mr. Gates' description of VNxx arrangements. Instead,
2 he states merely that FX service allows a subscriber to "minimize what would otherwise
3 be a large toll expense." (page 5, lines 123-126.) However, he fails to mention the
4 associated expense of establishing the dedicated transmission path and instead would
5 have this Commission believe that FX service "magically" converts toll calls to local
6 calls to avoid access charges and suggests that VNxx arrangements should be subject to a
7 similar process.

8
9 **Q. Do you agree with Mr. Gates' general proposition that Windstream is**
10 **discriminating against Core by not considering VNxx arrangements the same as FX**
11 **service? (page 6, lines 137-138.)**

12 **A.** No. Despite Mr. Gates' attempts to reclassify traffic exchanged through VNxx
13 arrangements as local and exempt from access charges, the fact is that Mr. Gates'
14 comparison of VNxx to FX service is flawed as described above. If Mr. Gates wants to
15 ensure that customers are not being discriminated against, then he should advocate that in
16 the event that Core were to subscribe to true FX service, Core should be responsible for
17 the dedicated transmission path, or transport costs, associated with such service. In the
18 alternative, Mr. Gates must admit that absent that responsibility, the calls made subject to
19 Core's VNxx arrangement are simply toll calls subject to access compensation.

20
21 **Q. Is Mr. Gates correct when he states on page 6 of his testimony that access charges**
22 **are not applied to FX calls?**

1 A. The statement is incomplete. Mr. Gates' statement is misleading as he fails to address the
2 fact that true FX subscribers are responsible for payment to Windstream of the dedicated
3 transmission path and transport costs in lieu of per minute toll charges. For example,
4 originating access charges typically apply to such toll traffic between customers in
5 different exchanges and provide recovery of Windstream's costs, including transport, of
6 delivering such calls. In contrast, when a Windstream customer subscribes to
7 Windstream's FX service, the call no longer may be treated as a toll call, but the
8 customer establishing the FX service is responsible for paying the transport costs in
9 accordance with Windstream's local tariff. With his proposed "FX-like" service (*i.e.*,
10 VNxx), Mr. Gates fails to acknowledge any transport responsibilities and seeks instead
11 merely to avoid access charges while at the same time shifting the responsibility of
12 providing the transmission path and associated transport costs from Core to Windstream.
13 In other words, by providing VNxx as described by Mr. Gates, Core would be providing
14 no facilities, yet Windstream would be routing the calls and providing the transport
15 service without due compensation for providing those services. At the same time, as
16 discussed below, Core would expect Windstream to pay to Core reciprocal compensation
17 on these interexchange calls.

18
19 **Q. Can you provide an example to clarify the fundamental flaw in Mr. Gates'**
20 **attempted comparison of FX service to VNxx arrangements?**

21 A. Yes. When a Windstream customer originates a toll call and where Windstream is the toll
22 the carrier, Windstream charges the originating caller Windstream's toll rates. If
23 Windstream were not the toll carrier, Windstream would charge its tariffed access rates to

1 the long distance provider who carries the call. Under either scenario, Windstream is
2 compensated for the transmission path (or, transport costs) it provides. However, if a
3 Windstream customer subscribes to FX service, Windstream charges the FX subscriber
4 Windstream's tariffed FX rates instead of charging toll or access. In other words, the
5 compensation is in the form of FX service charges (including inter-exchange mileage
6 charges) instead of toll/access rates. This is entirely different from Mr. Gates' proposal
7 which omits any discussion of Core's responsibility for the transport costs / transmission
8 path associated with Core's alleged "FX-like" service.

9
10 **Q. Under Mr. Gates' theory, how would Windstream be compensated for the**
11 **transmission path it provides when delivering VNxx traffic to Core?**

12 **A.** According to Mr. Gates's theory of VNxx, Windstream would not be compensated at all.
13 In fact, Mr. Gates would have Windstream pay twice for the same traffic: once for the
14 transmission facility/transport costs and twice in the form of reciprocal compensation to
15 Core for a call that is actually an interexchange call. Moreover, unless Core establishes
16 true FX service and bears responsibility for the associated transport costs and
17 transmission path, then Core's traffic delivered via the use of VNxx arrangements is
18 interexchange traffic subject to originating access charges by Windstream to Core to
19 recover Windstream's costs associated with the delivery of this traffic.

20
21 **Q. Do you agree with Mr. Gates' contention that VNxx arrangements also are similar**
22 **to EAS arrangements or remote call forwarding services? (Remote call forwarding**
23 **referenced on page 20; EAS service noted in Footnote 1 on page 5 and page 20.)**

1 A. Not as to EAS arrangements. Similar to the case of FX service, companies seeking to
2 establish EAS service establish a dedicated transmission path by building a transmission
3 path to their respective boundaries at which point the paths are connected. Additionally,
4 EAS service, like FX service, provides for a mechanism through which the additional
5 transports costs are recovered. This mechanism is typically in the form of a rate additive.
6 In other words, customers in two exchanges with EAS service may have "local" calling
7 between those exchanges but will pay an additional monthly fee for that service. Again,
8 Mr. Gates omits any discussion of these critical factors when he attempts to compare
9 EAS arrangements to VNxx arrangements. With respect to remote call forwarding, this
10 service is not available to provide the function as Mr. Gates suggests; however, remote
11 call forwarding may be compared to VNxx arrangements in one respect since customers
12 utilizing remote call forwarding are responsible for "any toll charges incurred for calls
13 between the forwarding number and the terminating number." (Telephone PA P.U.C. No.
14 7; Section S8.2(B)(15).)

15
16 **Q. What function is Mr. Gates suggesting that Core will provide through the use of**
17 **VNxx arrangements?**

18 A. According to Mr. Gates, Core would not provide any facilities or transmission path in
19 Windstream's territory. Instead, Mr. Gates suggests that Core simply may rate center a
20 telephone number (which is assigned to a customer in a different geographic location) to
21 appear as if that number is a local number in Windstream's exchange and use the NPA-
22 Nxx associated with that number to identify (incorrectly) the call as local. (pages 8-9.) If
23 the jurisdiction of the call is based on the NPA-Nxx instead of the location of the calling

1 and called parties, the wrong party (here Core) is compensated, and the party providing
2 all of the network functionality (here Windstream) is not compensated, but should be
3 compensated, for the use of its network.
4

5 **Q. Do you agree with Mr. Gates that the jurisdiction of VNxx calls should be**
6 **determined based on the comparison of the NPA/Nxx of the calling and called**
7 **numbers? (page 6, lines 139-150.)**

8 A. No, as indicated above. Mr. Gates' suggestion that this is standard method for identifying
9 jurisdiction of traffic is entirely inaccurate and intended to perpetuate his
10 mischaracterization of VNxx traffic as "local" calls. As recognized by Mr. Gates,
11 Windstream's position is that the jurisdiction of VNxx traffic, and all traffic, properly is
12 determined based on the end points of the calling and called parties (which appropriately
13 identifies the physical location of the parties). Indeed, given schemes such as VNxx as
14 proposed by Mr. Gates, using the physical locations of the parties (or end points of the
15 call) is the best way to determine the true jurisdiction of the call and to ensure that a party
16 is not disguising that jurisdiction and avoiding application of lawful access compensation.
17

18 **Q. Does Windstream provision service via the use of VNxx arrangements?**

19 A. No, Windstream does not.
20

21 **INTERCARRIER COMPENSATION NO. 3 –BILL-AND-KEEP COMPENSATION**

1 **Q. What is your response to Mr. Gates' assertion that in this instance with Core, it is**
2 **"not reasonable to assume that the traffic is or will be roughly balanced"?** (page 18,
3 **lines 392-393.)**

4 **A. Mr. Gates' contentions miss the point. Whether the traffic exchanged between these**
5 **parties will be in fact roughly balanced is not the issue. The issue is whether the**
6 **interconnection agreement should provide that bill-and-keep is an appropriate**
7 **compensation mechanism in cases where traffic exchanged between the parties (including**
8 **Core or any adopting carrier) is roughly balanced. Windstream's language, however, does**
9 **not mandate that the traffic be roughly balanced nor does it preclude compensation in**
10 **instances where traffic is not roughly balanced. (See, pages 17-18 regarding Mr. Gates'**
11 **assertions as to "no compensation.")**

12
13 **INTERCARRIER COMPENSATION NO. 4 –ISP REMAND ORDER**

14 **Q. Do you agree with Mr. Gates' legal analyses with respect to the applicability and**
15 **interpretation of the *ISP Remand Order*? (pages 19 -21.)**

16 **A. No. Like me, Mr. Gates is not an attorney, although he nevertheless testifies at length as**
17 **to his impressions regarding the applicability of the *ISP Remand Order*, including its**
18 **applicability to VNxx traffic. Other than to state my general understanding that VNxx**
19 **arrangements are not subject to the *ISP Remand Order*, I am not including a response to**
20 **Mr. Gates' particular analyses here as these issues are legal in nature and will be briefed**
21 **by the parties' attorneys.**

1 Q. Is Mr. Gates correct that Windstream has not elected to operate under the
2 compensation scheme set forth in the *ISP Remand Order*? (page 14, lines 301-302.)

3 A. Yes, and Mr. Gates is correct that at the time that Windstream may choose to elect, the
4 rate of \$0.0007 will apply to ISP-bound traffic subject to that order. (pages 14-15.) Mr.
5 Gates is incorrect, however, that such compensation scheme encompasses traffic
6 exchanged through the use of VNxx arrangements. Therefore, the resulting
7 interconnection agreement should reflect compensation of local ISP traffic at
8 Windstream's reciprocal compensation rate (undisputed by Core in this proceeding) until
9 such time as Windstream may elect under the *ISP Remand Order*, in which case local ISP
10 traffic must be compensated, as Mr. Gates states, at the FCC mandated rate of \$0.0007.
11 (page 15, lines 313-316.) For VNxx traffic, Windstream will be compensated by Core
12 pursuant to Windstream's lawful access tariffs.

13
14 **INTERCARRIER COMPENSATION NO. 5 –APPLICATION OF NXX CODES**

15 Q. Do you agree with Mr. Gates' explanation of this issue?

16 A. No. Mr. Gates contends that Windstream is seeking to have Core "use multiple
17 NPA/NXXs, apparently in the same rate center" and that Windstream is attempting "to
18 control another provider" through the use of numbering resources. (page 21, lines 465-
19 468.) These assertions are inaccurate and wholly unsubstantiated. More accurately,
20 Windstream's language on this issue simply recognizes that one code can be rate centered
21 in only one service area. For example, the NPA/Nxx 565-224 cannot be rate centered in
22 both Meadville and Kittaning and assigned to customers in both locations. Windstream,
23 however, has not sought to determine for Core which codes Core may use or where those

1 codes may be rate centered and believes Core must determine when it needs to apply for
2 one or more codes.

3
4 **Q. Is Mr. Gates correct that “there is no other way to determine jurisdiction of calls”
5 other than through a comparison of the NPA/Nxx? (page 22, lines 479-480.)**

6 **A. No, for the reasons I explained previously, Mr. Gates’ proposal to use the NPA/Nxx to
7 determine the jurisdiction of a VNxx call is not acceptable as it allows the potential for a
8 carrier to mask the true location and jurisdiction of the call. Instead, the end points of the
9 call should be used to determine the true jurisdiction of the VNxx call. This approach
10 may be utilized today and does not require, as Mr. Gates states, the parties to “develop
11 some new technology or systems that would identify jurisdiction.” (page 22, lines 480-
12 481.)**

13
14 **NUMBER PORTABILITY NO. 1 –INCLUSION OF NUMBER PORTABILITY**
15 **ATTACHMENT**

16 **Q. Do you agree that Windstream’s proposed number portability attachment is
17 “lengthy and convoluted” as alleged by Mr. Gates? (page 23, line 514.)**

18 **A. No. Mr. Gates professes Core’s desire to “ensure accurate and timely porting of
19 numbers” (page 23, lines 507-508). Yet, his proposal to exclude the particular procedures
20 pursuant to which the parties operating under the agreement (including Core and any
21 other adopting carrier) will accomplish such porting invites potential disputes of the sort
22 that he asserts Core wishes to avoid. Mr. Gates’ suggestion that omitting such detail will
23 avoid the risk of adopting language that may be subject to a subsequent dispute (page 24,**

1 lines 529-530) is a red herring as the absence of such language guarantees the potential
2 for later disputes, including those with respect to what charges are applicable to port
3 requests. In short, without language addressing known portability issues, more disputes
4 are likely.

5
6 **DEFINITIONS**

7 **Q. With respect to the definition of intraLATA toll traffic, do you agree with Mr. Gates**
8 **that the “end to end distinction is not relevant for jurisdiction or compensation”?**
9 **(pages 25-26.)**

10 A. No. As I responded above, using the end points of the VNxx call (instead of the
11 NPA/Nxx) is the more appropriate way to ensure proper jurisdiction of those calls and to
12 mitigate those instances where carriers may use, for example, VNxx arrangements to
13 disguise the physical location of calls and avoid application of lawful access charges.

14
15 **Q. Is Mr. Gates’ correct that the definition of “local traffic” should include VNxx**
16 **traffic? (page 27, lines 597-603.)**

17 A. No. As I indicated previously, this issue is primarily a legal one to be briefed by the
18 parties’ attorneys, but generally it is my understanding that VNxx arrangements are not
19 considered “local” and instead are interexchange calls subject to access charges. Core’s
20 attempt to replace Windstream’s definition of “local” with “Section 251(b)(5)” may be an
21 attempt to confuse this issue and have Windstream pay reciprocal compensation on VNxx
22 traffic and alleviate Core’s responsibility to pay access compensation on such traffic.
23 Similarly, I disagree with Mr. Gates that treating VNxx arrangements as “local” is “status

1 quo in the industry” (page 28, lines 618-619). Very simply, VNxx traffic is not local
2 traffic merely because a carrier seeks to label it as such in order to collect reciprocal
3 compensation.

4

5 **Q. Does this conclude your Rebuttal Testimony?**

6 **A. Yes, at this time.**

09-20-07 hrg

Hbg

DOCUMENT
FOLDER

Exhibit to accompany

Windstream Pennsylvania, Inc.

Rebuttal Testimony

of

Scott A. Terry

DOCKETED
SEP 28 2007

RECEIVED

SEP 25 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

S4. EXTENSIONS AND FOREIGN EXCHANGE SERVICE**S4.1 Extension Station/Extension Lines (continued)****S4.1.3 Inter-Exchange Extension or PBX Station (continued)**

When a subscriber of another company desires an extension station or PBX station to be located in the territory of this company, the charges made by this company to the contracting company will consist of the charge for the station, local channel, and that portion of the inter-exchange channel as provided in "B.1" above, and the supplemental charge as provided in "A.3" above applies unless the contracting company makes a similar supplemental charge, in which case it is reduced by 50%. If special equipment is required to provide satisfactory transmission, an additional charge will be made to cover the carrying charges on this equipment.

S4.2 Foreign Exchange Service - General

Foreign Exchange Service is not offered as a normal or customary form of telephone service. However, when facilities are available, and service conditions will permit, the Company may furnish this service subject to the following regulations and rates.

Foreign Exchange Service is limited to one-party or business communications trunk lines extending from one exchange to another between which toll charges are applicable. When foreign exchange service is furnished by means of a branch exchange trunk line, connections to the trunk at the branch exchange switchboard are restricted to the stations connected with and in the immediate vicinity of the branch exchange switchboard.

This Company will bill the subscriber for the portion of the Foreign Exchange Service that is provided by this Company. This Company will also bill the subscriber all applicable non-recurring service charges, see Section 5.2, associated with such Foreign Exchange Service.

S4.2.1 Intra-LATA, Intra-Company Foreign Exchange Service

- A. When Foreign Exchange Service is requested by a subscriber of this Company to an exchange of this company the following charges apply:
1. A Local Loop charge equal to 85% of the applicable Business or Residential Base Rate Charge for a specific exchange, as defined in Section 15 of this Tariff, from which service is requested, and 100% of the applicable Business or Residence Base Rate Charge for the exchange from which dialtone is requested.
 2. Within the territory of this company, a mileage charge per 1/10 mile, for each circuit measured airline from the rate center of normal exchange to the rate center of the foreign exchange as specified in Section 4.3.

S4. EXTENSIONS AND FOREIGN EXCHANGE SERVICE**S4.2 General (continued)****S4.2.1 Intra-LATA, Intra-Company Foreign Exchange Service (continued)**

3. A supplemental charge, which is based upon the airline mileage between the normal exchange and the foreign exchange, is applicable as defined in Section 4.3.
4. Additional equipment and or special repeaters required for satisfactory transmission will be provided at rates specified in Section 4.3.

S4.2.2 Intra-LATA, Inter-Company Foreign Exchange Service

- A. When Foreign Exchange Service is requested by a customer of this company to an exchange of another company the following charges apply.
 1. A Local Loop charge equal to 85% of the applicable Business or Residential Base Rate charge for the specific exchange, as defined in Section 15 of this Tariff, from which service is requested.
 2. Within the territory of this company, a mileage charge per 1/10 mile, for each circuit measured airline from the rate center of normal exchange to the boundary line of the adjoining company as specified in Section 4.3.
 3. A supplemental charge, which is based upon the airline mileage between the normal exchange and the foreign exchange, is applicable as defined in Section 4.3.
 4. Additional equipment and/or special repeaters required for satisfactory transmission will be provided at rates specified in Section 4.3
 5. Outside the territory, such charges are as provided by tariffs of other participating companies.

S4. EXTENSIONS AND FOREIGN EXCHANGE SERVICE

S4.2 General (continued)

S4.2.2 Intra-LATA, Inter-Company Foreign Exchange Service (Continued)

- B. When Foreign Exchange Service is requested by a subscriber of another company to an exchange of this Company the following charges apply.
1. The applicable Business or Residential Base Rate charge for the specific exchange, as defined in Section 15 of this Tariff, from which service was requested.
 2. Within the territory of this company, a mileage charge per 1/10 mile, for each circuit measured airline from the rate center of normal exchange to the boundary line of the adjoining company as specified in Section 4.3.
 3. A supplemental charge, which is based upon the airline mileage between the normal exchange and the foreign exchange, is applicable as defined in Section 4.3.
 4. Additional equipment and/or special repeaters required for satisfactory transmission will be provided at rates specified in Section 4.3.

Issued: July 13, 2006

Issued By: Vice President
4001 Rodney Parham Road

Effective: July 17, 2006

S4. EXTENSIONS AND FOREIGN EXCHANGE SERVICE

S4.3 Rates

S4.3.1 Extensions

A.	On Premise	\$1.00 per 1/10 mile	
B.	Off Premise (New Bethlehem and Sligo only)	2.50 per 1/4 mile 2.50 per 1/4 mile (1/2 mile minimum)	
C.	Local Channel Mileage (New Bethlehem and Sligo only)	2.50 per 1/4 mile 2.50 per 1/4 mile (1/2 mile minimum)	
D.	Inter-exchange Channel Mileage	2.50 per 1/4 mile	
E.	Supplemental Mileage Charge:		
	<u>Mileage</u>	<u>Supplemental Charge</u>	
	1 - 10	\$ 38.00	(I)
	11 - 22	50.00	(I)
	23 - 55	60.00	
	56 - 124	70.00	
	125 - 292	80.00	
	293 - 430	90.00	
	431 - 925	100.00	
	926 - 1910	110.00	
	1911 - 3000	120.00	
F.	Additional Equipment	Individual Case Basis	
G.	Special Repeaters	\$15.00 per Repeater	

S4.3.2 Foreign Exchange

A.	Inter-exchange Mileage (New Bethlehem and Sligo only)	\$1.50 per 1/10 mile \$1.50 per 1/10 mile	
B.	Supplemental Charge (New Bethlehem and Sligo only)	See S4.3.1.E. preceding A supplement charge of \$1.35 for each \$0.01 multiple of the dialed day station-to-station initial period message toll rate which is currently in effect, between the normal exchange and the foreign exchange. Such charges do not apply if the local and foreign exchanges are in the same local service area.	
C.	Additional Equipment	Individual Case Basis	
D.	Special Repeaters (New Bethlehem and Sligo only)	\$15.00 per Repeater 25.25 per Repeater	

(I) Indicates Rate Increase

Issued: August 16, 2006

Effective: August 30, 2006

Issued By: Vice President
4001 Rodney Parham Road
Little Rock, AR 72212

Date: _____

09-20-07 hrg
Hbg

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Docket No.: A-310922F7004

Petition of Core Communications Inc. for
Arbitration of Interconnection Rates, Terms
and Conditions Pursuant to 47 U.S.C.
§ 252(b) with Windstream
Pennsylvania, Inc f/k/a Alltel

**WINDSTREAM'S RESPONSES TO CORE COMMUNICATIONS, INC.'S
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
ADDRESSED TO WINDSTREAM PENNSYLVANIA, INC., SET I, as Amended**

Windstream Pennsylvania, Inc. ("Windstream") submits as follows in response to the Interrogatories and Requests for Production of Documents, Set I, as Amended by Core Communications, Inc. ("Core"). Windstream incorporates as if more fully set forth herein its Objections and Statement of Understanding submitted in this matter on July 30, 2007.

Respectfully submitted,



Cesar Caballero
Attorney for Windstream
4001 Rodney Parham Road
Little Rock, AR 72212

DATE: August 9, 2007

DOCKETED
SEP 28 2007

**DOCUMENT
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SEP 25 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Core's Interrogatories and Requests for Production of Documents to Windstream Set I
- As Amended

Windstream's Positions on VNXX and Rating

1. Please provide Windstream PA's definition of "local exchange services"?

RESPONSE: Please refer to Windstream's tariff, which is on file with the Public Utility Commission, for the use of the term "primary local exchange service". Beyond the use of this term in the tariff or as similar terms may be used or defined in Windstream's interconnection agreements (which are on file with the Commission or provided in response to Request No. 24), Windstream has not formulated a specific definition of "local exchange services." To the extent that Windstream develops such a definition for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

2. Is it Windstream's position that local exchange traffic always originates and terminates within a local calling area?

RESPONSE: Core withdrew Request No. 2. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

3. Please provide Windstream's definition of "VNXX".

RESPONSE: Windstream has not formulated a definition of "VNXX". To the extent that Windstream develops such a definition for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

4. Does Windstream PA provision service utilizing VNXX arrangements in Pennsylvania? If so, please provide a list of such services and the tariff or other documentation describing each such service.

RESPONSE: In as much as Windstream understands Core's use of the term "VNXX arrangements," Windstream states that it does not provision service utilizing such arrangements in Pennsylvania.

Windstream Representative Supporting Response: Scott Terry.

5. Please provide all support for Windstream's position that VNXX is by definition an interexchange service (Page 12 of Windstream's Response).

RESPONSE: Core withdrew Request No. 5. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

6. Please provide Windstream PA's definition of "interexchange" service when assessing charges to local exchange customers for such a call, and provide the source for such definition.

RESPONSE: With respect to the use of the term "interexchange carrier," please refer to Windstream's FCC Tariff No. 1, which is on file with the Federal Communications Commission. Beyond the use of this term in the tariff and as it may be used in Act 183, Windstream has not formulated a specific definition of "interexchange service". To the extent that Windstream develops such a definition for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

7. Is it Windstream PA's position that access charges should apply to all interexchange services? If not, please explain.

RESPONSE: Core withdrew Request No. 7. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

8. On page 12 of Windstream's response, Windstream alleges that originating access charges would apply to VNXX enabled traffic. Please state whether Windstream also takes the position that terminating access charges would apply to such traffic, and briefly explain the support for Windstream's position.

RESPONSE: Core withdrew Request No. 8. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

9. On pages 9 and 13 of its Response, Windstream PA states that the FCC's compensation mechanism stated in the ISP Remand Order applies only to "local" ISP-bound traffic. Please provide all support for the position that that rate applies only to "local" ISP-bound traffic.

RESPONSE: Core withdrew Request No. 9. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

10. Please provide all cites to the ISP Remand Order wherein it refers to “local” ISP-bound traffic. By this question Core is asking Windstream PA to provide references to language within the ISP Remand Order where the FCC specifically finds that ISP-bound traffic must be “local” traffic for the transitional rate to apply.

RESPONSE: Core withdrew Request No. 10. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

11. On page 10 of its Response, Windstream states that it is “well-settled” that Section 251(b)(5) has no application to interexchange ISP traffic routed using virtual numbers. Please provide all support for this position.

RESPONSE: Core withdrew Request No. 11. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

12. Please provide Windstream PA's definition of a "local" call when assessing charges (such as message unit or similar charges) to local exchange customers for such a call, and provide the source for this definition.

RESPONSE: Please see Response to Request No. 1. Further, to the extent that Windstream develops a specific definition of "local call" for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

13. Please provide Windstream PA's definition of a "toll" call when assessing charges to local exchange customers for such a call, and provide the source for this definition.

RESPONSE: To the extent that this term is used or defined in Windstream's tariffs or interconnection agreements, then please refer to those documents which are publicly available or provided in response to Request No. 24. Additionally, to the extent that Windstream develops a specific definition of "toll call" for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

14. Please admit that as a result of the ISP Remand Order the term “local” was specifically stricken from the FCC’s rules as discussed in Appendix B – Final Rules of the ISP Remand Order.

RESPONSE: Core withdrew Request No. 14. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

15. Please admit that on October 18, 2004 the FCC released an Order forbearing from applying certain ISP reciprocal compensation interim rules adopted in its April 27, 2001 ISP-Remand Order that imposed a volume cap on the number of minutes of use of ISP-bound traffic subject to compensation and that required carriers to exchange ISP-bound traffic on a bill-and-keep basis if those carriers were not exchanging traffic pursuant to interconnection agreements prior to adoption of the April 27, 2001 Order.

RESPONSE: Core withdrew Request No. 15. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

Methods of Interconnection

16. Please admit that the FCC's interim regime as discussed in the ISP Remand Order affects only the intercarrier compensation (i.e., the rates) applicable to the delivery of ISP-bound traffic and does not alter carriers' obligations under Part 51 rules, such as obligations to transport traffic to points of interconnection.

RESPONSE: Core withdrew Request No. 16. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

17. For purposes of identifying how and where interconnection will take place, provide a network schematic of Windstream PA's entire network in Pennsylvania, showing all tandem and end office locations, all other network equipment locations, and all copper or fiber transport routes leased, owned or operated by Windstream PA.

RESPONSE: Please see the attached network schematic as maintained by Windstream in the ordinary course of business. This response is being submitted pursuant to the Protective Order filed in this proceeding and will be supplied to the Core representatives having executed the Protective Order and agreeing to be bound thereby.

Windstream Representative Supporting Response: Scott Terry.

SEE NETWORK SCHEMATIC UPON EXECUTION OF PROTECTIVE ORDER

18. For purposes of identifying how and where interconnection will take place, identify the location and CLLI code for each switch that Windstream currently operates in Pennsylvania.

RESPONSE: Windstream objected to this Request. Accordingly, Windstream proffers no response and reserves all rights with respect to its objections.

Windstream Representative Supporting Response: Scott Terry.

19. Please describe the facilities (switches, optical fiber, multiplexer, etc.) that Windstream PA uses or expects to use in delivering traffic from its end users to Core. Assume for purposes of this question that Windstream PA delivers its originating traffic to Core at a single IP in each LATA.

RESPONSE: Windstream cannot assume that it will deliver traffic to Core at a single point of interconnection (“POI”) in each LATA as Windstream is not a Bell Operating Company, is not required to maintain a single POI per LATA, and does not maintain network outside its ILEC territory and across the LATA. Section 47 U.S.C. §251(c)(2)(B) of the Telecommunications Act of 1996 requires interconnection at any technically feasible point within the ILEC’s network. With respect to Windstream network and facilities, please see the network schematic provided in response to Request No. 17 above. Further response to this request is complicated by Core’s failure to specify in detail how it proposes to interconnect with and deliver traffic to Windstream.

Windstream Representative Supporting Response: Scott Terry.

20. Please state whether the facilities Windstream PA uses or expects to use in delivering traffic from its end users to Core as stated above differ in any way based on whether the traffic is classified as "local" or "toll." If your answer is anything other than an unqualified "no," please explain in detail the basis for your answer.

RESPONSE: Please see responses to Request Nos. 17 and 19 above. Again, further response to this request is complicated by Core's failure to specify in detail how it proposes to interconnect with and deliver traffic to Windstream.

Windstream Representative Supporting Response: Scott Terry.

21. Please describe the facilities (switches, optical fiber, multiplexer, etc.) that Windstream PA uses or expects to use in delivering traffic from Core to Windstream PA's end users. Assume for purposes of this question that Core delivers its originating traffic to Windstream PA at a single IP in each LATA.

RESPONSE: Please see responses to Request Nos. 17 and 19 above. Again, further response to this request is complicated by Core's failure to specify in detail how it proposes to interconnect with and deliver traffic to Windstream.

Windstream Representative Supporting Response: Scott Terry.

22. Please state whether the facilities Windstream PA uses or expects to use in delivering traffic from Core to Windstream PA's end users as stated above differ in any way based on whether the traffic is classified as "local" or "toll." If your answer is anything other than an unqualified "no," please explain in detail the basis for your answer.

RESPONSE: Please see responses to Request Nos. 17, 19, and 20 above. Again, further response to this request is complicated by Core's failure to specify in detail how it proposes to interconnect with and deliver traffic to Windstream.

Windstream Representative Supporting Response: Scott Terry.

23. How many competitive local exchange carriers (“CLECs”) are certified currently to provide service in Windstream’s Pennsylvania service territory?

RESPONSE: Windstream objected to this Request. Accordingly, Windstream proffers no response and reserves all rights with respect to its objections.

Windstream Representative Supporting Response: Scott Terry.

24. How many CLECs have an interconnection agreement ("ICA") with Windstream in Pennsylvania? Please provide a copy of each such ICA.

RESPONSE: Windstream has nine ICAs (including one that is pending before the Public Utility Commission for approval). Please refer to the attached CD for the five ICAs which Windstream did not find were available on the Public Utility Commission's website.

Windstream Representative Supporting Response: Scott Terry.

SEE CD FOR WINDSTREAM ICAS NOT ON FILE

ID	Carrier Name	PUC Order if Available
637	ICG Communications, Inc.	
648	Level 3 Communications, Inc.	
749	Metro Teleconnect Companies, Inc.	
894	Certainty Tech Telecom, LLC	A-311283F7004
1041	US LEC of Pennsylvania, Inc.	A-310814F7004
1065	Verison Business	A-310752F7004
1208	Granite Telecommunications, LLC	A-311204F7004
1259	Armstrong Telecommunications, Inc. d/b/a ATI	
1444	Sprint Communications Company, L.P.	

25. Please provide a list of each telecommunications carrier that is directly interconnected with Windstream in Pennsylvania.

RESPONSE: Windstream is interconnected directly with 3 CLECs and 5 CMRS providers.

Windstream Representative Supporting Response: Scott Terry.

26. For each direct interconnection, please identify the carrier and describe the facilities that are used to support the direct interconnection. Specifically, who provides the facilities and in what degree and who pays for the facilities and in what degree?

RESPONSE: To the extent that Windstream understands what is meant by "facilities that are used to support the direct interconnection" Windstream states that all of the five CMRS providers and three CLECs referenced in response to Request No. 25 are directly connected to Windstream's network through jointly provisioned facilities between Windstream and other ILECs. The CMRS/CLEC providers are responsible for the payment of those facilities. Applicable compensation rates, terms, and conditions for those facilities are set forth in the ICAs on file with the Public Service Commission or provided in response to Request No. 24.

Windstream Representative Supporting Response: Scott Terry.

27. Please identify each telecommunications carrier that is indirectly interconnected with Windstream in Pennsylvania.

RESPONSE: Windstream is interconnected indirectly with 6 CLECs and 6 CMRS providers.

Windstream Representative Supporting Response: Scott Terry.

28. Describe the facilities that are used to support these indirect interconnections. Specifically, who provides the facilities and in what degree, and who pays for the facilities and in what degree?

RESPONSE: To the extent that Windstream understands what is meant by "facilities that are used to support the indirect interconnection" Windstream states that the six CMRS providers and six CLECs referenced in response to Request No. 27 are indirectly connected to Windstream's network by establishing a connection through the third-party tandem. Traffic is then routed through existing facilities between the third-party tandem and Windstream's end offices subtending that tandem. The CMRS/CLEC pay for transport and termination charges set forth in the ICA. Once traffic to a particular end office reaches a DS1 level, the CMRS/CLEC must establish a direct connection to Windstream's end office and would be responsible for the costs associated with such direct connection.

Windstream Representative Supporting Response: Scott Terry.

29. On page 3 of Appendix A to its Response, Windstream states that Core's position on Points of Interconnection "threatens the financial viability of Alltel PA". Please provide support for this assertion.

RESPONSE: Core has suggested that it should be allowed to establish a POI outside of Windstream's network. In such a scenario, which is directly contrary to the provisions in the Telecommunications Act of 1996 ("the Act"), Windstream would be faced with having to construct facilities outside of its ILEC certificated territory solely for the purpose of exchange traffic with Core at some distant location dictated by Core. In fact, Core's suggestion does not even state that the location would be within Pennsylvania. If other carriers sought similar treatment or adopted an agreement containing such provisions, then the cumulative effect could be devastating to Windstream as Windstream would have to construct or lease facilities anywhere a competitive carrier selected, without regard to whether that location was outside of Windstream's operating territory. This scenario likely is the reason that Congress expressed clearly in the Act that an ILEC's duty to interconnect is at any technically feasible point *within the ILEC's network*. Similarly, see the response to Request No. 19.

Windstream Representative Supporting Response: Scott Terry.

Compensation Issues

30. Please provide unredacted copies of the Pa. P.U.C. annual report as filed by Windstream and all affiliates for each of the last four (4) reporting periods, including but not limited to any schedules relating to intercarrier compensation.

RESPONSE: Windstream objected to this Request. Accordingly, Windstream proffers no response and reserves all rights with respect to its objections.

Windstream Representative Supporting Response: Scott Terry.

31. Provide the SEC forms 10K and 10Q as filed by Windstream and all affiliates for each of the last four (4) reporting periods.

RESPONSE: Windstream objected to this Request. Accordingly, Windstream proffers no response and reserves all rights with respect to its objections.

Windstream Representative Supporting Response: Scott Terry.

32. What is the total amount of intercarrier compensation collected by Windstream and paid by Windstream in calendar year 2006 or the most recent year long period for which figures are available? By this request, Core is asking for Windstream to identify separately, the total amount of intercarrier compensation received and the total amount paid during the last 12 month period for which such figures are available.

RESPONSE: Core initially agreed to withdraw Request No. 32. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

33. Of the total amount provided in response to Interrogatory I-32, what amount is classified as reciprocal compensation for "local" traffic? Of the total amount, what amount is classified as "access charges" for toll traffic?

RESPONSE: Core initially agreed to withdraw Request No. 33. Accordingly, Windstream proffers no response at this time but reserves all rights to object as it determines may be necessary should this Request be resubmitted.

Windstream Representative Supporting Response: Scott Terry.

34. Please admit that Windstream has never “opted in” to the FCC’s intercarrier compensation scheme for Pennsylvania as set forth in paragraph 89 of the FCC’s ISP Remand Order (FCC 01-131).

RESPONSE: At this time, Windstream has not opted into the compensation scheme set forth in the FCC’s *ISP Remand Order*. Further, whether Windstream will opt in and when Windstream may make that determination is wholly within Windstream’s sole discretion.

Windstream Representative Supporting Response: Scott Terry.

35. Produce all documents transmitted to the Commission, CLECs, or CMRS providers demonstrating that Windstream has not "opted in" to the *ISP Remand Order*.

RESPONSE: Windstream objected as to any documents transmitted to the Commission as those are a matter of public record and available to Core. With respect to documents pertaining to CLECs and CMRS providers, please refer to Windstream's interconnection agreements that are either on file with the Public Utility Commission or provided in response to Request No. 24.

Windstream Representative Supporting Response: Scott Terry.

36. What rate or rates does Windstream charge the following types of carriers for the termination of "local" traffic (as that term is defined by Windstream)
- a. Wireless carriers
 - b. CLECs
 - c. Verizon
 - d. rural ILECs

RESPONSE: Windstream objected to this Request. Accordingly, Windstream proffers no response and reserves all rights with respect to its objections.

Windstream Representative Supporting Response: Scott Terry.

Windstream's Services

37. Does Windstream PA offer any kind of foreign exchange ("FX") service in PA? If so, please provide a service description (including, but not limited to, tariff pages) for each such service.

RESPONSE: Windstream offers FX service in Pennsylvania. For details with respect to such service, please refer to Section S4. (Extensions and Foreign Exchange Service) of Windstream's tariff which is on file with the Public Utility Commission.

Windstream Representative Supporting Response: Scott Terry.

38. Unless your answer to Question #1-37 above was an unqualified “no,” please identify:

- a. the number of customers in this state who subscribe to or purchase Windstream’s FX service;
- b. the number of FX lines that Windstream PA provides in this state;
- c. how long FX service has been available from Windstream PA; and
- d. the number of ISPs to whom Windstream PA provides such service.

RESPONSE: Windstream objected to this Request. Without waiving its objections, Windstream states that with respect to (a), (b), and (d) above, the number of customers, lines, and ISPs, respectively, is zero (0) as of the date of this filing. With respect to (c), Windstream has been able to confirm that its FX service has been available since at least as early as 1995 and suspects that the service was available prior to that time as well.

Windstream Representative Supporting Response: Scott Terry.

39. Please state whether Windstream PA offers any FX-Like Service, other than service specifically described as Foreign Exchange. If the answer is anything other than an unqualified "no," please state the name of each such FX-Like Service and provide service descriptions (including, but not limited to, tariff pages) for each such FX-like service.

RESPONSE: Windstream does not understand exactly what is meant by the term "FX-Like Service." This is a term used by Core, and it is Windstream's experience that this is not a term or concept used commonly within the industry. To that end, Windstream states that it does not offer any "FX-Like Service" in Pennsylvania. As for services offered by Windstream, please refer to Windstream's tariff on file with the Public Utility Commission.

Windstream Representative Supporting Response: Scott Terry.

40. Unless your answer to Question I-39 above was an unqualified “no,” please identify:

- a. the number of customers in Pennsylvania who subscribe to or purchase each of the FX-Like Services identified in response to the preceding questions;
- b. the number of lines in this state over which Windstream PA provides each of the FX-Like Services identified in response to the preceding questions;
- c. how long each FX-Like Service has been available from Windstream PA; and,
- d. the number of ISPs who purchase each of the FX-Like Services identified in response to the preceding questions.

RESPONSE: Windstream objected to this Request. Without waiving its objections, Windstream states that the response to this Request is not applicable as its response to Request No. 39 was “no.”

Windstream Representative Supporting Response: Scott Terry.

41. With respect to Windstream PA's FX and FX-Like services:

- a. Please explain the circumstances under which calls from a subscriber to Windstream PA FX or FX-like service are rated as local versus toll, and provide all documentation supporting your answer.
- b. Please explain the circumstances under which calls to a subscriber to Windstream PA FX or FX-like service are rated as local versus toll, and provide all documentation supporting your answer.

RESPONSE: With respect to FX service, please see the response to Request No. 37, which references the tariff containing terms and conditions for this service. With respect to "FX-Like" services, please see the response to Request No. 39.

Windstream Representative Supporting Response: Scott Terry.

42. Please state whether Windstream PA has ever billed or demanded payment of access charges from an incumbent LEC for calls originated by Windstream PA's end user to an incumbent LEC's FX or FX-Like customer.

RESPONSE: With respect to "FX-Like" services, please see response to Request No. 39. With respect to FX service, to the best of Windstream's knowledge, information, and belief, Windstream seeks compensation for FX Service in accordance with its tariff as referenced in response to Request No. 37 and has not assessed access charges for FX calls.

Windstream Representative Supporting Response: Scott Terry.

43. Please state whether Windstream PA has ever billed or received reciprocal compensation or other terminating compensation for calls received from an incumbent LEC or any CLECs for termination to Windstream PA's FX or FX-like customers? Please explain your answer, including but not limited to (a) the dates upon which you first began billing incumbent LECs or CLECs for such compensation; (b) the amount of compensation received from incumbent LECs and CLECs; and (c) describe any changes you may have made to your billing policies with respect to calls terminating to your FX or FX-like customers.

RESPONSE: Please see response to Request No. 42.

Windstream Representative Supporting Response: Scott Terry.

44. Are there any circumstances in which Windstream PA has paid access charges to the originating carrier for a call originated by another carrier and terminated to a Windstream PA FX or FX-like customer? If your answer is anything other than an unequivocal "no," please describe all circumstances under which Windstream PA has made such payments.

RESPONSE: Please see response to Request No. 42.

Windstream Representative Supporting Response: Scott Terry.

45. Please state whether Windstream PA knows, or has reason to believe, that any independent LEC with whom Windstream PA has EAS arrangements provide FX or FX-Like Service that permits customers physically located in another rate center to be assigned a number that is local to the rate center included in Windstream PA's EAS area.

RESPONSE: Windstream objected to this Request. Accordingly, Windstream proffers no response and reserves all rights with respect to its objections.

Windstream Representative Supporting Response: Scott Terry.

46. Does Windstream PA treat FX service associated with Broadband Data, and FX service associated with voice service, differently? If yes, please explain why there are two such differences.

RESPONSE: Please see response to Request No. 42. Additionally, Windstream is unaware of any provision in its tariff distinguishing these services.

Windstream Representative Supporting Response: Scott Terry.

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of August, 2007 a copy of the foregoing was served, via electronic mail in part and overnight delivery in part, upon the person listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

Michael A. Gruin, Esq.
Stevens & Lee
Attorney ID No.: 78625
17 N. 2nd St.
16th Floor
Harrisburg, PA 17101
Tel. (717) 255-7365

A handwritten signature in black ink, appearing to read "Cesar Caballero", written over a horizontal line.

Cesar Caballero

Date: _____

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

9-20-07 hrg
Hbg

Docket No.: A-310922F7004

Petition of Core Communications Inc. for :
Arbitration of Interconnection Rates, Terms :
and Conditions Pursuant to 47 U.S.C. :
§ 252(b) with Windstream :
Pennsylvania, Inc f/k/a Alltel :

WINDSTREAM PENNSYLVANIA, INC.'S RESPONSES TO CORE
COMMUNICATIONS, INC.'S INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS, SET II

Windstream Pennsylvania, Inc. ("Windstream") submits as follows in response to the Interrogatories and Requests for Production of Documents, Set II, by Core Communications, Inc. ("Core"). Windstream incorporates as if more fully set forth herein its Objections submitted in this matter on August 23, 2007.

DATE: August 29, 2007

DOCUMENT
FOLDER

DOCKETED
SEP 28 2007

RECEIVED
SEP 25 2007
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RESPONSES

- II-1. At pages four and five of Mr. Terry's testimony he states, "Windstream's proposals are consistent with industry standards or other agreements under which Core already operates in other ILEC territories in Pennsylvania." Please identify each Windstream proposal to which Mr. Terry is referring and provide the industry standard and/or the agreement to which he refers.

RESPONSE: Without waiving its objections, Windstream states that the question above cites to the overview portion of Windstream's direct testimony. For additional detail, refer to the substantive portions of the direct testimony that address the issues in greater detail as well as the interconnection agreements that Core has with other carriers in Pennsylvania.

Windstream representative sponsoring response: Scott A. Terry

II-2 At page five of his testimony Mr. Terry states, "For instance, Windstream's proposal regarding security deposits is standard in many interconnection agreements and also similar to deposit requirements already agreed to by Core with another ILEC in Pennsylvania."

- a. Please identify the "ILEC in Pennsylvania" with which Core has an agreement that is similar to deposit requirements proposed by Windstream in this case.
- b. Please identify and provide copies of the "many interconnection agreements" within which Windstream's security deposit proposal is "standard."

RESPONSE: Without waiving its objections, Windstream states that the question above cites to the overview portion of Windstream's direct testimony. For additional detail, refer to page 7, lines 13-16 of Windstream's direct testimony (to which Core also cites in Question No. II-7).

Windstream representative sponsoring response: Scott A. Terry

- II-3. At page five of his testimony Mr. Terry states, "Regarding network interconnection issues, Core's proposal allowing interconnection at dual points one of which may be outside of Windstream's network is contrary to law and inconsistent with other provisions agreed to by Core in other interconnection agreements."
- a. Please provide all legal support for this statement;
 - b. Please specifically identify each and every "[inconsistency] with other provisions agreed to by Core in other interconnection agreements."
 - c. Is it Mr. Terry's position that every interconnection agreement entered into by a carrier must be consistent with every previous interconnection agreement executed by that carrier? If the answer is no, please explain how a change in position invalidates a position.

RESPONSE: Without waiving its objections, Windstream states that the question above cites to the overview portion of Windstream's direct testimony. For additional detail, refer to the substantive portions of Windstream's direct testimony that address the issues in greater detail as well as the interconnection agreements Core has entered into with other carriers in Pennsylvania. Specifically with respect to (c), again without waiving its objections, Windstream states that, yes, interconnection agreements all consistently should require that points of interconnection or interconnection points be within the ILEC's network and certificated service territory.

Windstream representative sponsoring response: Scott A. Terry

- II-4. At page five Mr. Terry states “Core’s position to allow indirect interconnection without a DS1 volume threshold is unreasonable and inefficient.”
- a. Please provide references to sections of the federal Telecommunication Act of 1996 that requires the identification of and use of a volume threshold before carriers can engage in indirect interconnection;
 - b. Please provide any federal rules, guidelines, or FCC orders that require two parties to agree to the use of a DS1 volume threshold before indirect interconnection can be used to exchange traffic between carriers;
 - c. Please explain in detail why indirect interconnection without a DS1 volume threshold is “inefficient.”
 - d. Please provide any and all traffic studies to support the contention that a DS1 volume of traffic is more “efficient” as the term is used by Mr. Terry, to exchange on a direct interconnection basis between Windstream and Core as opposed to indirect interconnection basis.

RESPONSE: Without waiving its objections, Windstream states that the question above cites to the overview portion of Windstream's direct testimony. For additional detail as to (c), refer to the substantive portions of the direct testimony that address the issues in greater detail. With respect to (d), Windstream does not maintain at this time any such traffic studies as requested by Core on this issue but states that 257,000 minutes of use have been found to represent a standard unit of network capacity, to be an efficient network design, and to be generally acceptable to most parties.

Windstream representative sponsoring response: Scott A. Terry

- II-5 At page 5 of Mr. Terry's testimony he makes a legal conclusion that jurisdiction and compensation for VNXX traffic was not the subject of negotiations and may not be arbitrated before the Commission.
- a. Please provide all legal support for this claim.
 - b. Is it Mr. Terry's testimony that the potential routing and/or rating of each and every call must be negotiated? If not, please explain why Mr. Terry believes that VNXX call routing must be part of negotiations.

RESPONSE: Without waiving its objections, Windstream states that the question above cites to the overview portion of Windstream's direct testimony and also mischaracterizes Mr. Terry's statement as a "legal conclusion". Whether an issue was the subject of negotiations is a fact. During the negotiations between Windstream and Core, Windstream did not include a proposal for VNxx in its draft agreement to Core, and Core did not propose to include any language to address VNxx arrangements.

Windstream representative sponsoring response: Scott A. Terry

- II-6. Based on the testimony of Mr. Terry at page five, lines 18 through 20, is it Mr. Terry's position that the traffic exchanged between Windstream and Core will be "roughly balanced"? If not, please provide all support for the use of a bill-and-keep compensation arrangement.

RESPONSE: Without waiving its objections, Windstream states that detail supporting the use of a bill-and-keep arrangement is set forth already in Windstream's direct testimony. Further, any predictions as to whether traffic exchanged between these particular parties will be roughly balanced are irrelevant to the issue of whether the interconnection agreement should provide language establishing a bill-and-keep compensation arrangement for instances where traffic between Windstream and Core or any other carrier adopting the agreement is, in fact, roughly balanced. Windstream's proposed language also provides for compensation arrangements where traffic between the interconnecting parties may not be roughly balanced.

Windstream representative sponsoring response: Scott A. Terry

II-7 At page 7 of his testimony, Mr. Terry states that “Windstream’s proposal is not unlike the security deposit requirements that Core accepted when it adopted the interconnection agreement between Verizon Pennsylvania and Sprint Communications Company, L.P. on August 15, 2005.” What are the specific “requirements” that Mr. Terry refers to in making this statement? Did Mr. Terry review any other ICA’s security deposit provisions in connection with his testimony? If so, identify the ICA, the specific provisions relevant to Mr. Terry’s review, and his conclusions with respect to those provisions.

RESPONSE: Windstream objected to this question as the requested information is set forth in Core's own interconnection agreements already within Core's possession. Without waiving its objections, Windstream states that in addition to reviewing the security deposit provisions in the identified Core agreement, Mr. Terry is familiar with the standard security deposit provisions in Windstream's agreements, which are on file with the Commission or have been provided previously to Core.

Windstream representative sponsoring response: Scott A. Terry

II-8 At page 9 of his testimony, Mr. Terry states that “Windstream’s proposed language is similar to provisions by other companies requesting deposits from customers due to poor credit ratings or instances of financial instability such as insolvency or bankruptcy.” Did Mr. Terry review, in connection with his testimony, Core’s Dunn & Bradstreet credit rating as supplied by Core in response to a Windstream discovery request? Is it his position that Core has “a poor credit rating” or otherwise suffers from “financial instability”? If so, provide any information or documentation in support of such a position.

RESPONSE: Without waiving its objections, Windstream states that whether Core will have a poor credit rating or be deemed financially unstable is irrelevant to the issue in this proceeding as to whether the resulting interconnection agreement should contain language providing for reasonable security deposit requirements in the event that such events do, in fact, transpire with Core or any other carrier adopting the resulting agreement.

Windstream representative sponsoring response: Scott A. Terry

II-9 At page 11 of his testimony, Mr. Terry states that “..the balance of traffic would be virtually all one-sided with Windstream customers originating dial-up ISP calls to Core but Core originating little to no traffic to Windstream.” If the traffic patterns turn out to be as Mr. Terry suggests at page 11, is it Windstream’s position that such traffic patterns are “roughly balanced” as proposed at page five of Mr. Terry’s testimony?

RESPONSE: See Response to Question II-6 above. Again, without waiving its objections, Windstream states that the issue is not whether traffic will or will not be roughly balanced between Core and Windstream but more accurately whether bill-and-keep is an appropriate arrangement in instances where traffic between two contracting parties is, in fact, roughly balanced.

Windstream representative sponsoring response: Scott A. Terry

II-10 Is it Mr. Terry's position that Core is "financially unstable" as he uses the phrase at page five, lines nine through 13? If so, please specifically define the term "financial instability" and provide all information, reports or other data used to reach this conclusion regarding Core.

RESPONSE: The language cited above in Question No. II-10 does not appear on page five, lines nine through thirteen of Windstream's direct testimony. Generally with respect to questions regarding "Core's financial instability," see Response to Question II-8 above.

Windstream representative sponsoring response: Scott A. Terry

- II-11 To the best of Mr. Terry's knowledge, has Core ever received properly provisioned services from Windstream and then refused to pay for those services? If the answer is anything other than an unqualified "no", please provide all facts and information that support Windstream's position that Core has failed to pay for services, defaulted on a payment or has in some other way not paid Windstream for services received.

RESPONSE: Without waiving its objections, Windstream states that the parties currently are not exchanging traffic as they have not yet established an agreement and that Windstream cannot predict whether Core will refuse or fail to pay for services once the parties execute an agreement and begin exchanging traffic. Windstream is aware that, in the absence of an interconnection agreement and appropriate compensation mechanism, Core has attempted to port numbers from Windstream.

Windstream representative sponsoring response: Scott A. Terry

II-12 At pages six and 26 of Mr. Terry's testimony he claims that Core is attempting "...to mask customer locations and avoid appropriate compensation." Please identify all support for the contention that "customer locations" as opposed to rate centers have been or are being used to determine "appropriate compensation" in the industry.

RESPONSE: The question above mischaracterizes Windstream's direct testimony which was that Core's proposed language on the issue would allow for this result and not that Core, in fact, was masking customer locations at this time.

Windstream representative sponsoring response: Scott A. Terry

II-13 At page eight of his testimony Mr. Terry says that the need to a security deposit will be "...based on external financial ratings such as Dunn & Bradstreet and a CLEC's post payment history."

- a. Please specifically identify the financial information that Windstream proposes to review to determine whether a security deposit is needed.
- b. What rating by Dunn & Bradstreet (and/or the other rating organization identified in response to (a) above) would result in the imposition of a security deposit?
- c. Please identify the security deposit that would be required for Core for each of the following Dunn & Bradstreet composite credit appraisals: High, Good, Fair, Limited.
- d. Please identify the security deposit that would be required for Core for each of the following commercial credit score ranges: 101-200; 201-400; 401-600; 601-670.

RESPONSE: With respect to (a) and (b) above, Windstream works with interconnecting CLECs to establish a profile in order for the CLEC to set up an account with Windstream after the parties have executed an interconnection agreement. During that process, CLECs provide information including tax identification numbers which are used in part to evaluate a CLEC's credit history. Windstream evaluates a CLEC's credit history using criteria such as different EQUIFAX models or sometimes Dunn & Bradstreet, although score alone does not determine a requested deposit amount (if any is requested). Other factors can include a CLEC's high credit limit(s) with other service providers and the amount of credit/services that the CLEC is requesting from Windstream. With respect to (c) and (d) above, security deposit amounts are not determined based solely on a particular credit rating as indicated above. Instead, to the extent that a security deposit is required, the amount may be determined based on the forecasted usage and type of services ordered. At this time, Windstream does not have information from Core with respect to forecasted usage or types of services to be ordered and, therefore, is unable to estimate what amount of deposit would be required if the requirements were deemed applicable to Core.

II-14 At page eight of his testimony Mr. Terry states “Windstream would use the deposit if a CLEC breaches the interconnection agreement, has undisputed charges that remain unpaid for thirty (30) days, or admits its inability to pay its debts.” Please define specifically and completely what Mr. Terry means by “breaches the interconnection agreement.” Please provide specific examples of circumstances in which Windstream would consider the CLEC to have breached the interconnection agreement.

RESPONSE: Without waiving its objections, Windstream refers Core to the agreement which addresses defaults and material breaches in Appendix 33 General Terms and Conditions Section 4.6, et. seq. This section of the agreement is not in dispute between the parties. Again, without waiving its objections, Windstream states that an example of a material breach would be an instance of unpaid, undisputed charges for thirty days (as cited above by Core in the question).

Windstream representative sponsoring response: Scott A. Terry

II-15. Mr. Terry states that reasonable security deposit requirements “are not barriers to entry” at page eight of his testimony. Does Mr. Terry agree that security deposits increase the cost of operations for the company paying the security deposit? If not, please explain in detail.

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-16 At page nine of his testimony Mr. Terry states that Windstream should be able "...to review the financial stability of the CLEC...."

- a. Please describe in detail the process that Windstream will use to determine the "financial stability" of Core.
- b. Please identify each and every item of information that Windstream will require to determine the "financial stability" of Core.
- c. Would Windstream request any of the information identified in response to the questions immediately above ((a) and (b)) from Core? If not, please identify the company or agency from which each piece of information would be requested.

RESPONSE: See Responses to Question Nos. II-8, II-10, and II-13.

Windstream representative sponsoring response: Scott A. Terry

II-17 At page 10 of his testimony Mr. Terry states that "...Core's proposal is not a dual POI as that term is typically used throughout the industry...." Please provide Mr. Terry's definition of a "dual POI" as is typically used throughout the industry.

RESPONSE: See page eleven of Windstream's direct testimony beginning at line 11.

Windstream representative sponsoring response: Scott A. Terry

II-18 Regarding Mr. Terry's opposition to Core's dual IP proposal at pages 10 and 11 of his testimony, is it Windstream's position that Core's proposal is not technically feasible? If so, please explain in detail how and why Core's proposal is not technically feasible.

RESPONSE: Without waiving its objections, Windstream states that to the extent it develops a position on this issue, that position may be addressed in rebuttal testimony or briefs.

Windstream representative sponsoring response: Scott A. Terry

II-19 At page 11 of his testimony Mr. Terry states that Core's "dual POI" proposal is "...a non-standard and unlawful arrangement..." Please provide all legal support for this statement.

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-20 Is it Windstream's position that wherever Core is currently utilizing the dual IP interconnection method that such use is "unlawful"? Please explain your answer in detail.

RESPONSE: Without waiving its objections, Windstream states that to the extent it develops a position on this issue, that position may be addressed in rebuttal testimony or briefs.

Windstream representative sponsoring response: Scott A. Terry

II-21 At page 14 of his testimony Mr. Terry states that the ICA between Core and Verizon Pennsylvania “contains as an integral part of the agreement an arrangement whereby each POI designated by Core and Verizon is located within Verizon’s ILEC territory.” Please identify the specific provision(s) and their location within that agreement that support or relate to Mr. Terry’s statement.

RESPONSE: Without waiving its objections, Windstream refers Core to the interconnection agreement that Core has with Verizon in Pennsylvania.

Windstream representative sponsoring response: Scott A. Terry

II-22 At page 11 of his testimony Mr. Terry suggests at lines 19 through 23 that the balance of traffic impacts a carrier's ability to "...designate a POI location...." Please identify all public policy, legal or engineering support for such a claim.

RESPONSE: With respect to the portion of the question that seeks engineering support, Windstream states that the question above inaccurately reflects Windstream's direct testimony and, therefore, that Windstream does not have any engineering studies supporting Core's inaccurate characterization of Windstream's testimony. Windstream's direct testimony on this issue did not state that the balance of traffic impacts a carrier's ability to designate a point of interconnection. Rather, Windstream's direct testimony indicates that Core's proposal with respect to establishing a point of interconnection outside of the ILEC's network and certificated service territory is more egregious given Core's status as an ISP aggregator, in which case traffic may be expected to flow only from Windstream to Core at some distant point that Core establishes outside of Windstream's network.

Windstream representative sponsoring response: Scott A. Terry

II-23 At page 17 of his testimony Mr. Terry argues that a DS1 threshold is “commonly used throughout the industry.” Is it Mr. Terry’s position that in every state there is a DS1 threshold for direct interconnection?

RESPONSE: Without waiving its objections, Windstream states that its affiliates do not operate in every state but that in the sixteen states where they do operate, the Windstream ILEC affiliates encounter a DS1 level as the common threshold for direct interconnection that is generally accepted by parties.

Windstream representative sponsoring response: Scott A. Terry

II-24 At page 17 of his testimony Mr. Terry claims that "Core asserts that the parties should be allowed to interconnect indirectly, without any volume limitation, via the use of a third-party tandem for delivery of traffic." Please identify all Core proposed language and testimony in this proceeding that supports Mr. Terry's claim.

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-25 Regarding Mr. Terry's proposal for DS1 threshold, please provide all engineering and economic analysis, including all work papers, inputs and assumptions, performed by Windstream or its consultants that proves that a DS1 threshold for direct interconnection is "reasonable and efficient". (See Terry Direct at 19.)

RESPONSE: See Response to Question No. II-4 and II-23.

Windstream representative sponsoring response: Scott A. Terry

- II-26 Mr. Terry claims at page 19 that "Further, once the parties exceed the DS1 threshold, they are exchanging significant volumes of traffic, and it is more efficient for them to establish direct interconnection." Please provide the economic and engineering analyses, including all traffic parameters (volumes, distances, number of trunks, types of traffic, etc.) and all technological assumptions (type of interconnection facilities, cable assumptions, equipment and electronics assumptions, vendor costs, Windstream carrying costs, etc.) performed to support the following assertions:
- a. that a DS1 is a "significant volume of traffic"; and,
 - b. that direct interconnection is "more efficient" when traffic levels reach a DS1 level.

RESPONSE: See Responses to Question Nos. II-4 and II-23.

Windstream representative sponsoring response: Scott A. Terry

II-27 In Mr. Terry's professional opinion, based on his experience in the industry, would it be "reasonable" to base the decision on direct versus indirect interconnection on a review of actual traffic studies and a comparison of the cost of direct interconnection for both carriers to the continued cost of indirect interconnection for both carriers on a quarterly basis? If your answer is anything other than an unqualified "yes", please explain your answer in detail.

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-28 On page 21 of his testimony, Mr. Terry refers to "Appendix 33 of Core's Petition for Arbitration." Did Mr. Terry review any other appendix to Core's petition in connection with his testimony? Did Mr. Terry specifically review Appendix 13 of Core's petition, which is Core's revised redline of Windstream's ICA proposal, dated 12/26/2005?

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-29 On page 21 of his testimony, Mr. Terry states that VNXX codes “are central office codes that correspond to a particular rate center but are assigned to a customer located in a different rate center.” Is it his position that Core assigns “central office codes” to a “customer”?

RESPONSE: Without waiving its objections, Windstream states that it does not know what Core's position or internal policy is with respect to assigning central office codes.

Windstream representative sponsoring response: Scott A. Terry

II-30. At page 22 of his testimony Mr. Terry states that "...various courts have decided this issue and determined that VNxx arrangements are subject to access compensation." Please provide the legal citations for all of the court decisions referred to by Mr. Terry.

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-31 Regarding Mr. Terry's position on bill-and-keep as described at pages 22 through 24, is it Windstream's position that it expects the traffic exchanged between Windstream and Core to be "roughly balanced"? Please provide all support Windstream has in its possession to support its answer to this question.

RESPONSE: See Responses to Question Nos. II-9 and II-22 as well as the evidence set forth in the record at Docket A-310922F0002, AmA and AmB which discusses at length Core's status as an ISP aggregator. Again, the issue of whether traffic will be roughly balanced between Core and Windstream is irrelevant to the issue of whether language should be included in the interconnection agreement providing for a bill-and-keep mechanism in instances where traffic will be so balanced.

Windstream representative sponsoring response: Scott A. Terry

II-32 With regard to Mr. Terry's position on "roughly balanced" traffic at pages 22 through 24 of his testimony, is VNXX traffic included in the "roughly balanced" traffic calculation? If not, why not?

RESPONSE: See Response to Question II-31 above. Additionally, VNxx traffic is not local traffic subject to reciprocal compensation.

Windstream representative sponsoring response: Scott A. Terry

- II-33 At page 25 of his testimony Mr. Terry states that “Windstream has not made any such election as of the date of this filing.”
- a. What factors does or will Windstream consider in determining whether or not to make “such election”?
 - b. Is it Windstream’s position that it may litigate this proceeding and receive a final Commission order without making “such election,” then subsequently decide to make “such election?” If so, would that subsequent election apply to the ICA to be executed in this proceeding between Windstream and Core?
 - b. Assuming that Windstream **does not** elect to participate in the *ISP Remand Order* compensation regime for ISP-bound traffic, what compensation would apply to ISP-bound traffic originated by Windstream customers and terminated by Core?
 - c. Assuming that Windstream **does** elect to participate in the *ISP Remand Order* compensation regime for ISP-bound traffic, what compensation would apply to ISP-bound traffic originated by Windstream customers and terminated by Core?

RESPONSE: Without waiving its objections, Windstream states with respect to the second (b) and (c) above that compensation may be determined under the agreement for local ISP-bound traffic at applicable reciprocal compensation rates or applicable access tariffs for traffic utilizing VNxx arrangements.

Windstream representative sponsoring response: Scott A. Terry

II-34 At page 25 of his testimony Mr. Terry suggests that Core is mis-using NPA-NXX codes. Please provide all support for this contention.

RESPONSE: Core's question above mischaracterizes Windstream's direct testimony. Windstream's testimony did not state that Core is mis-using NPA-Nxx codes but rather that Core's proposed language would allow for that possibility by Core (or any other carrier adopting the agreement).

Windstream representative sponsoring response: Scott A. Terry

II-35. At page 26 of his testimony Mr. Terry claims that "...Core proposes to rate center an NPA-Nxx of 501-743 in multiple locations (here, Exchanges A and B)." Is it Mr. Terry's belief that Core would assign numbers associated with an NPA-NXX from one rate center in another rate center? If so, what is the basis of that belief? If not, please explain in more detail how Windstream thinks Core is assigning numbering resources.

RESPONSE: Without waiving its objections, Windstream states that it cannot know how Core will in fact assign numbers.

Windstream representative sponsoring response: Scott A. Terry

II-36 At page 27 of his testimony Mr. Terry states that “Windstream’s attachment conforms to the law....” Please provide all legal support for this claim relied upon by Mr. Terry.

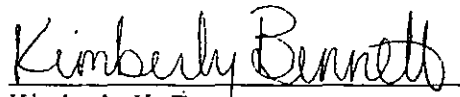
RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of August, 2007 a copy of the foregoing has been served,
via electronic mail, upon the person listed below:

Michael A. Gruin, Esq.
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17 N. 2nd St.
16th Floor
Harrisburg, PA 17101



Kimberly K. Bennett
Attorney for Windstream Pennsylvania, Inc.
4001 Rodney Parham Road
Little Rock, AR, 72212

Date: _____

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

9-20-07 hrg
Hbg

Docket No.: A-310922F7004

Petition of Core Communications Inc. for :
Arbitration of Interconnection Rates, Terms :
and Conditions Pursuant to 47 U.S.C. :
§ 252(b) with Windstream :
Pennsylvania, Inc f/k/a Alltel :

**WINDSTREAM'S SUPPLEMENTAL RESPONSES AND CONTINUING
OBJECTIONS TO INTERROGATORIES AND REQUESTS FOR PRODUCTION
OF DOCUMENTS, SET II**

Windstream Pennsylvania, Inc. ("Windstream") provides to Core Communications, Inc. ("Core") the following responses and continuing objections to certain Interrogatories and Requests for Production of Documents, Set II, identified by Core. Windstream again sets forth its concerns and objections with respect to those question which seek discovery for information not properly subject to discovery such as legal strategy, answers to hypotheticals beyond Windstream's direct testimony, information readily available to Core, and information that is irrelevant to the issues in this arbitration. Without waiving its continuing objections, Windstream submits the following supplemental responses in a good faith attempt to resolve the parties' differences on these issues.

Respectfully submitted,

Kimberly K. Bennett

Kimberly K. Bennett
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DATE: September 4, 2007

**DOCUMENT
FOLDER**

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SUPPLEMENTAL RESPONSES TO SET II REQUESTS

II-8 At page 9 of his testimony, Mr. Terry states that “Windstream’s proposed language is similar to provisions by other companies requesting deposits from customers due to poor credit ratings or instances of financial instability such as insolvency or bankruptcy.” Did Mr. Terry review, in connection with his testimony, Core’s Dunn & Bradstreet credit rating as supplied by Core in response to a Windstream discovery request? Is it his position that Core has “a poor credit rating” or otherwise suffers from “financial instability”? If so, provide any information or documentation in support of such a position.

SUPPLEMENTAL RESPONSE: Core’s financial status has not yet been specifically reviewed as Windstream does not view that question as the applicable issue at hand. As noted in Windstream’s initial responses to Set II, Windstream departments do not undertake the credit history evaluation until the time that parties have executed an agreement and the CLEC has identified the type and amount of services to be ordered. Therefore, while Mr. Terry may have reviewed the Dunn & Bradstreet material provided by Core, he did not forward to the financial services department that conducts the credit history review, nor has anyone at Windstream made a determination at this time with respect to Core’s financial status. Even if Mr. Terry had forwarded to the financial services department, that department would not have rendered an opinion as requested above since Core at this time still has not indicated how much / what type of services it anticipates ordering from Windstream. In short, Windstream does not use time and resources evaluating the financial situations of companies that have not ordered or may not order services from Windstream.

II-10 Is it Mr. Terry's position that Core is "financially unstable" as he uses the phrase at page five, lines nine through 13? If so, please specifically define the term "financial instability" and provide all information, reports or other data used to reach this conclusion regarding Core.

SUPPLEMENTAL RESPONSE: Again, Windstream has not stated that Core is financially unstable and has not developed a position on this issue at this time as set forth in response to II-8 above.

- II-15. Mr. Terry states that reasonable security deposit requirements “are not barriers to entry” at page eight of his testimony. Does Mr. Terry agree that security deposits increase the cost of operations for the company paying the security deposit? If not, please explain in detail.

SUPPLEMENTAL RESPONSE: As noted initially, Windstream cannot speak to Core's costs. Generally, Windstream states that security deposits are standard requirements in the telecommunications industry (let alone many industries) and should be included in a company's business model when deploying services to new areas. Therefore, as these costs should be included already in a company's business model, they should not be incremental expenses. Additionally, security deposits may be provided without an outlay of cash, such as with an irrevocable line of credit.

II-18 Regarding Mr. Terry's opposition to Core's dual IP proposal at pages 10 and 11 of his testimony, is it Windstream's position that Core's proposal is not technically feasible? If so, please explain in detail how and why Core's proposal is not technically feasible.

SUPPLEMENTAL RESPONSE: Again, Windstream does not have a position on this issue and cannot develop fully such a position until such time as Core specifically identifies where it proposes to establish its IP with Windstream. Our position continues to be that to the extent that Core's proposed language seems to allow for establishment of an IP outside of Windstream's territory, that is not consistent with the Act or Windstream's ILEC certification which permits it to operate only within its certificated franchised territory.

II-20 Is it Windstream's position that wherever Core is currently utilizing the dual IP interconnection method that such use is "unlawful"? Please explain your answer in detail.

SUPPLEMENTAL RESPONSE: No, and this question again misses the point of Windstream's testimony. Windstream's position is that Core's other interconnection agreements in Pennsylvania provide lawfully for establishment of the IP within the ILEC's network. Core's interconnection agreement with Windstream should provide also for establishment of the IP within Windstream's network and certificated ILEC territory. Windstream stated very clearly that a dual IP arrangement itself is not unlawful. What is contrary to the Act is Core's proposal with Windstream seeking to establish an IP outside of Windstream's certificated franchised territory.

II-21 At page 14 of his testimony Mr. Terry states that the ICA between Core and Verizon Pennsylvania “contains as an integral part of the agreement an arrangement whereby each POI designated by Core and Verizon is located within Verizon’s ILEC territory.” Please identify the specific provision(s) and their location within that agreement that support or relate to Mr. Terry’s statement.

SUPPLEMENTAL RESPONSE: See, e.g., Part V - Interconnection in Core's agreement with Verizon Pennsylvania ("Adopted Sprint Agreement"). See, e.g., Attachment IV in the Verizon/Bell Atlantic and Core Interconnection Agreement.

II-27 In Mr. Terry's professional opinion, based on his experience in the industry, would it be "reasonable" to base the decision on direct versus indirect interconnection on a review of actual traffic studies and a comparison of the cost of direct interconnection for both carriers to the continued cost of indirect interconnection for both carriers on a quarterly basis? If your answer is anything other than an unqualified "yes", please explain your answer in detail.

SUPPLEMENTAL RESPONSE: No. Core's joint cost proposal is unreasonable and impractical as it provides for indirect interconnection as long as there is some benefit to one party and some cost to the other party. Contrary to Core's proposal, Windstream must have the ability to require direct interconnection to ensure the level of service quality it provides to its customers and to avoid tandem exhaust issues, for example.

II-28 On page 21 of his testimony, Mr. Terry refers to "Appendix 33 of Core's Petition for Arbitration." Did Mr. Terry review any other appendix to Core's petition in connection with his testimony? Did Mr. Terry specifically review Appendix 13 of Core's petition, which is Core's revised redline of Windstream's ICA proposal, dated 12/26/2005?

SUPPLEMENTAL RESPONSE: Windstream reviewed generally the materials filed in this proceeding including Appendix 13 as incorporated in Appendix 33.

- II-30. At page 22 of his testimony Mr. Terry states that "...various courts have decided this issue and determined that VNxx arrangements are subject to access compensation." Please provide the legal citations for all of the court decisions referred to by Mr. Terry.

SUPPLEMENTAL RESPONSE: The question above takes the testimony out of context. Mr. Terry was not referring to an identified list of court decisions. Rather, his statement in full clarified that it was his understanding that various courts have decided the issue and that attorneys will discuss these legal issues in greater detail in briefs. He was relying upon his advice of counsel, and any information (including legal citations) are outside the scope of discovery and are subject to briefing by the parties' attorneys. See, *e.g.*, Pa. Code rule 4003.3.

II-33 At page 25 of his testimony Mr. Terry states that "Windstream has not made any such election as of the date of this filing."

a. What factors does or will Windstream consider in determining whether or not to make "such election"?

b. Is it Windstream's position that it may litigate this proceeding and receive a final Commission order without making "such election," then subsequently decide to make "such election?" If so, would that subsequent election apply to the ICA to be executed in this proceeding between Windstream and Core?

b. Assuming that Windstream **does not** elect to participate in the *ISP Remand Order* compensation regime for ISP-bound traffic, what compensation would apply to ISP-bound traffic originated by Windstream customers and terminated by Core?

c. Assuming that Windstream **does** elect to participate in the *ISP Remand Order* compensation regime for ISP-bound traffic, what compensation would apply to ISP-bound traffic originated by Windstream customers and terminated by Core?

SUPPLEMENTAL RESPONSE: With respect to (a) through (d), these matters seek information as to legal strategy which is privileged and wholly outside the scope of discovery. See, e.g., Pa. Code rule 4003.3. Windstream has made its position clear throughout the parties' negotiations and in its direct testimony that the FCC's orders are clear that any decision as to when and whether to elect is solely within the ILEC's discretion. Windstream further has made clear that the interconnection agreement between Core and Windstream will provide (i) either for compensation of local ISP-bound traffic at the reciprocal compensation rate to which Core already agreed in this proceeding in the case of non-election by Windstream or at the rate of \$0.0007 in the case of Windstream's election and (ii) compensation for traffic utilizing VNxx arrangements at applicable access tariffed rates.

II-36 At page 27 of his testimony Mr. Terry states that “Windstream’s attachment conforms to the law...” Please provide all legal support for this claim relied upon by Mr. Terry.

SUPPLEMENTAL RESPONSE: Mr. Terry was not referring to an identified list of legal authorities and again was relying upon advice of his counsel. Any information (including legal citations) are outside the scope of discovery and subject to briefing by the parties' attorneys. See, e.g., Pa. Code rule 4003.3. Without waiving its objections, Windstream refers Core generally to Part 52 of the FCC's Rules as well as Windstream's interconnection agreements containing similar attachments that have been approved by the Commission.

CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of September, 2007 copies of the foregoing
have been served, via electronic mail, upon the person listed below:

Michael A. Gruin, Esq.
Stevens & Lee
17 N. 2nd St.
16th Floor
Harrisburg, PA 17101



Kimberly K. Bennett

FINAL CONSOLIDATED ISSUES LIST FOR CORE/WINDSTREAM ARBITRATION

Docket No. A-310922F7004

September 20, 2007 hrg Hbg

Issue	Core's Position	Windstream's Position
<p><u>GT&C Issue 1:</u> Should the Liability and Indemnification provisions in the Agreement generally exclude Sections 251, 252, 258, and 271 of the Act?</p>	<p>Issue resolved.</p>	<p>Issue resolved.</p>
<p><u>GT&C Issue 2:</u> Omitted in Core's Petition.</p>	<p>N/A</p>	<p>N/A</p>
<p><u>GT&C Issue 3:</u> Should Windstream be permitted to require Core to post a security deposit prior to Windstream providing service or processing orders and to increase said deposit if circumstances warrant or forfeit same in the event of breach by Core?</p>	<p>Windstream §8.1.2, 8.1.4, and 8.1.5</p> <p>Core initially opposed Windstream's §8.1 through 8.3 (Payment of Rates and Late Payment Charges) in its entirety, but later limited its opposition solely to subsections 8.1.2, 8.1.4, and 8.1.5, which together establish a security deposit requirement. Core opposes these subsections because they give Windstream (but not Core) the ability to condition its performance under the Agreement upon Core's payment of a security deposit. Core is concerned that the deposit requirement could serve as a barrier to entry, since Windstream's performance is conditioned on receipt of what it views as an adequate deposit.</p>	<p>Windstream has the right and fiduciary duty to review the financial stability of a company prior to providing service and requesting a deposit if necessary to ensure payment of outstanding charges. In fact, this is no different than any other company that requests a deposit from a customer due to a poor credit rating. In the event Core is delinquent on payments to Windstream or the monthly billing has increased from the original forecast provided by Core, Windstream should have the ability to increase the deposit to guarantee recovery of Windstream's cost of providing service.</p>
<p><u>GT&C Issue 4:</u> Should Core be required to use OBF's industry standard Billing Dispute Form?</p>	<p>Issue resolved.</p>	<p>Issue resolved.</p>
<p><u>GT&C Issue 5:</u> Should the parties have the option of pursuing formal dispute resolution before the Commission and a</p>	<p>Issue resolved.</p>	<p>Issue resolved.</p>

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FINAL CONSOLIDATED ISSUES LIST FOR CORE/WINDSTREAM ARBITRATION
Docket No. A-310922F7004
September 20, 2007

commercial arbitrator?		
<u>GT&C Issue 6</u> : Should Windstream be allowed to preserve in the Agreement its rights under section 251(f) of the Act?	Issue resolved.	Issue resolved.
<u>NIA Issue 1</u> : Should Windstream be required to interconnect with Core at dual points of interconnection, one of which would be a point outside of Windstream's existing network, and further, should the parties be required to bear the cost to deliver originating interconnection traffic to one another at each other's designated switch location?	Windstream §§ 1 & 2, Core §§1 & 2 Instead of relying on the concept of one single point of interconnection ("POI") for the exchange of traffic, Core proposes dual interconnection points ("IP"). ⁸ Under Core's proposal, each party designates an IP on its network at which the other party may deliver its originating traffic. ⁹ Core's proposal recognizes that applicable FCC rules—and Commission precedent—require each party to bear the cost to deliver its originating interconnection traffic to the switch location of the other party. ¹⁰ The designation of a single POI may serve to mask this duty, by implying that Core must bear the cost of bringing Windstream's originating traffic from Windstream's switch (which Windstream defines as the POI) to Core's switch. ¹¹ Core's proposal clarifies that each party must deliver its originating traffic to the IP designated by the other party.	Core's proposal would result in direct interconnection outside of Windstream's network. The 1996 Act requires ILECs to provide interconnection at any technically feasible point <i>within</i> the carrier's (in this case Windstream's) network. See 47 U.S.C. §251(c)(2)(B). As an ILEC, therefore, Windstream is not required to directly interconnect or to incur any charges associated with such direct interconnection outside of its network (<i>i.e.</i> , outside of Windstream's ILEC territory).
<u>NIA Issue 2</u> : Should collocation via third-party sublease arrangements be one of the direct interconnection methods available to Core?	Issue resolved.	Issue resolved.
<u>NIA Issue 3</u> : Should Windstream be made to interconnect with Core at any commercial building	Issue Resolved	Issue Resolved

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<p>where Windstream has substantial outside plant or loop facilities?</p>		
<p><u>NIA Issue 4</u>: Should Core be permitted to indirectly interconnect with Windstream without volume limitations that would necessitate direct interconnection?</p>	<p>Core §12.1</p> <p>With respect to indirect traffic (i.e., interconnection traffic between Core and Windstream that passes through an intermediate third-party's tandem, generally Verizon), Core objects to Windstream's arbitrary limit of "a single DS1 of traffic per month" after which "the Parties shall install and retain direct end office facilities." There is no reason for the parties to impose restrictions on their own use of a third party tandem provider for delivery of interconnection traffic. Using a third party tandem can be just as efficient—if not more so—than establishing new, direct interconnection facilities. Indeed, the third party tandem provider has the means and incentive to limit use of its network as it sees fit. Moreover, there is no reason for the Parties to immediately opt for "direct end office facilities"—meaning multiple DS1s between every possible combination of Windstream and Core end offices—simply upon passing a total interconnection traffic volume of one DS1.</p>	<p>Establishing volume limitations at a DS1 level for direct interconnection is reasonable because it represents a standard unit of network capacity, is an efficient network design, and is generally acceptable to most parties. Consistent with the Commission's prior precedent, the parties' interconnection agreement should require the establishment of direct interconnection when the level of traffic exchanged between the parties reaches 257,000 MOU.</p>
<p><u>NIA Issue 5</u>: Should the Agreement require each Party to arrange and pay for third-party tandem services relative to its own originating traffic?</p>	<p>Core §12.2.3</p> <p>Core proposes to require each Party to arrange and pay for the third party tandem provider arrangements through which its originating traffic will be delivered to the other Party.</p>	<p>Each party is responsible for its own arrangements with third parties with respect to that party's originating traffic. However, any such arrangements that Core or Windstream may have with outside third parties are not appropriately the subject of an interconnection agreement between Core and Windstream. Consistent with the Commission's prior precedent, the terms and conditions of an agreement between a party choosing to interconnect indirectly and a third-party transiting provider are legally immaterial to an interconnection agreement between two negotiating parties (here, Windstream and Core).</p>

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<p><u>ICC Issue 1:</u> How should the jurisdiction of VNxx traffic be determined, and what compensation should apply?</p>	<p>Windstream §§1 & 3.4</p> <p>Consistent with industry standards, the Act, FCC rules and orders, and the Commission's own investigation of VNXX-related compensation issues, Core's position is that intraLATA traffic should be rated as Section 251(b)(5) Traffic or intraLATA toll traffic based on a comparison of the NPA-NXX of the calling and called parties. Core notes that there exists currently no alternative method for classifying calls for compensation purposes.</p>	<p>Issues with respect to jurisdiction and compensation of VNxx traffic are not properly the subject of this arbitration. These issues were not in dispute between the parties in the negotiations, and Appendix 33 of Core's Petition for Arbitration (which contains the final redlined interconnection agreement exchanged between the parties) does not include any language with respect to these VNxx issues. Therefore, pursuant to 47 U.S.C. §252(b)(1)(A)(i), Core may not now arbitrate this issue. Further, pursuant to this Commission's statement of policy, the compensation of VNxx traffic cannot be determined by the Commission until the Federal Communications Commission rules on the proper jurisdiction and compensation with respect to VNxx traffic. Therefore, this issue is not ripe for arbitration or determination in this proceeding between Windstream and Core.</p>
<p><u>ICC Issue 2:</u> Should the parties be permitted to pass Automatic Number Identification ("ANI") in lieu of Calling Party Number ("CPN") data over the interconnection trunks?</p>	<p>Issue resolved.</p>	<p>Issue resolved.</p>
<p><u>ICC Issue 3:</u> Should reciprocal compensation apply to local traffic that is roughly balanced?</p>	<p>Windstream §3, Core §3</p> <p>Core proposes that:</p> <p>[t]he Party originating Section 251(b)(5) Traffic shall compensate the terminating Party for the transport and termination of such traffic to its Customer in accordance with Section 251(b)(5) of the Act at the equal and symmetrical rates stated in the Pricing Attachment.</p> <p>In Core's view, the Parties simply need to acknowledge this well established requirement of</p>	<p>Pursuant to 47 C.F.R. §51.705(a)(3) and §51.713(b), bill and keep is a compensation method that is available when traffic from one party's network to another party's network is roughly balanced. While reciprocal compensation applies to §251(b)(5) traffic when traffic exchanged between two parties is not roughly balanced, the compensation mechanism set forth in §51.713(b) should be used by parties when the traffic exchanged is roughly balanced.</p>

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	<p>federal law. If traffic is “roughly balanced” then little or no compensation will in fact be due. This is the practical equivalent of “bill-and-keep.”</p>	
<p><u>ICC Issue 4:</u> Does the FCC’s <i>ISP Remand Order</i> apply to the parties and facts in this proceeding?</p>	<p>Core §4</p> <p>Core believes that the parties are bound by the FCC’s <i>ISP Remand Order</i> in connection with intercarrier compensation for ISP-Bound Traffic. Core understands that Windstream has not “elected” to adopt the FCC’s pricing caps as set forth in paragraph 89 of the <i>ISP Remand Order</i>. Accordingly, the <i>ISP Remand Order</i> requires Windstream to “exchange ISP-bound traffic at the state-approved or state-arbitrated reciprocal compensation rates reflected in their contracts.” In essence, because Windstream has not opted into the <i>ISP Remand Order</i>’s pricing plan, Windstream remains subject to pay the same reciprocal compensation rates for ISP-Bound Traffic that Windstream receives in connection with other non-access traffic—for example, wireless traffic.</p>	<p>The <i>ISP Remand Order</i> by its own terms does not apply to the parties and facts in this proceeding. The <i>ISP Remand Order</i>, through application of the <i>Core Petition Order</i>, does apply to the parties in this proceeding and may require compensation for termination of ISP-bound traffic. However, the <i>Core Petition Order</i> does not require Windstream to elect, or likewise preclude Windstream from electing at a later time, the rates for termination of ISP-bound traffic set forth thereunder.</p>
<p><u>ICC Issue 5:</u> Should Windstream or Core determine for which Nxx codes Core may apply?</p>	<p>Windstream §5</p> <p>Core objects to Windstream’s proposal to require Core to apply for multiple NXX codes in various scenarios. Core is not aware of any legitimate purpose for these requirements. Core should be permitted to choose which NXX codes to apply for based on its own business criteria—not Windstream’s formula.</p>	<p>The industry standard for determining the compensation due to a party for termination of a call is based upon the NPA-Nxx. If one party uses the same NPA-Nxx for multiple locations, the other party cannot determine the location of the call to determine the accurate compensation method (e.g., local reciprocal compensation or access compensation). Core’s objection to the use of multiple NPA-Nxxs contradicts its position on ICC Issue 2. In ICC Issue 2, Core states in its Arbitration Petition, “ANI and CPN are the data which permit parties to properly rate calls based on the NPA-Nxx of the calling party”. The use of a single NPA-Nxx for multiple locations allows Core to mask the actual location of its customer(s) and, thereby, avoid payment of appropriate compensation due to Windstream. Further, Core’s proposal precludes Windstream from complying with dialing parity rules.</p>

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<p>NP Issue 1: Should any part or all of Windstream's number portability attachment be included with the Agreement to establish the detailed processes for porting numbers between the parties?</p>	<p>Issue Resolved!</p>	<p>Issue Resolved!</p>
<p><u>Definitions Issues:</u> How should "ANI," "Exchange Services," "Intra-LATA Toll Traffic," "Interconnection Point," and "Section 251(b)(5) Traffic" be defined in the Agreement?</p>	<p>Issue resolved as to the definition of ANI.</p> <p>Exchange Services (Windstream definition). Core objects to inclusion of a definition for "exchange services"—a term that is not defined in the Act or elsewhere. Core also notes that that this term is wholly inconsistent with the statutory definition of "telephone exchange services"—the term that does appear in the Act.</p> <p>IntraLATA Toll Traffic (Windstream definition). Core opposes Windstream's definition of IntraLATA Toll Traffic, by which all traffic that is not physically originated and terminated in the same "local exchange boundary" is considered intra LATA toll traffic. This definition simply sets up a default in which intraLATA traffic can be deemed toll, so that Windstream can apply its intraLATA switched access rates to Core's detriment.</p> <p>Interconnection Point (Windstream definition). Core objects to Windstream's definition of "Interconnection Point" because it would require the interconnection point for Windstream's originating traffic to Core to be on Windstream's network. This issue is simply a recasting of Network</p>	<p>Issue resolved as to the definition of ANI.</p> <p>The parties' interconnection agreement should define these terms as follows:</p> <p><u>"Exchange Services"</u> are two-way switched voice grade telecommunications services with access to the public switched network, which originate and terminate within an exchange.</p> <p><u>"Intra-LATA Toll Traffic"</u> means all IntraLATA calls provided by a LEC other than traffic completed in the LECs local exchange boundary.</p> <p><u>"Interconnection Point"</u> is the point of demarcation at a technically feasible point within Windstream's interconnected network within the LATA, as specified in <i>Attachment 4</i> Section 2.1.1, where the networks of Windstream and Core interconnect for the exchange of traffic.</p> <p><u>"Section 251(b)(5) Traffic"</u> Local traffic has been defined in Attachment 12 – Compensation, therefore a definition is not needed.</p>

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	<p>Interconnection Architecture Issue No. 1.</p> <p>Section 251(b)(5) Traffic (Core definition). Core proposed a definition of Section 251(b)(5) Traffic which tracks the language of the applicable FCC rule:</p> <p style="padding-left: 40px;">Section 251(b)(5) Traffic means (1) telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a CMRS provider, except for telecommunications traffic that is interstate or intrastate exchange access, or exchange services for such access (see FCC Order on Remand, 34, 36, 39, 42-43); and/or (2) telecommunications traffic exchanged by a LEC and a CMRS provider that originates and terminates within the same Major Trading Area, as defined in 47 CFR § 24.202(a).</p> <p>The Agreement should contain a stable, objective definition of traffic that is subject to reciprocal compensation.</p>	
<p><u>Pricing Issue 1</u>: Is the use of Verizon rates as a proxy for Windstream's rates for reciprocal compensation, entrance facilities, exchange access, and tandem transit appropriate or necessary in an agreement between Core and Windstream?</p>	<p>Issue resolved.</p>	<p>Issue resolved.</p>