

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

ORIGINAL

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 :
Core Communications, Inc. :
v. Verizon Pennsylvania, Inc. : Docket Nos.
Core Communications, Inc. : C-2011-2253750
v. Verizon North, Inc. : C-2011-2253787
 Interconnection Agreement Dispute. :
 :
 Evidentiary Hearing. :
 :
 ----- X

Pages 440 through 604 Hearing Room 2
 Commonwealth Keystone Building
 Harrisburg, Pennsylvania

Wednesday, December 5, 2012

Met, pursuant to adjournment, at 9:00 a.m.

BEFORE:

SUSAN D. COLWELL, Administrative Law Judge

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<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
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P R O C E E D I N G S

1
2 ADMINISTRATIVE LAW JUDGE SUSAN D. COLWELL: Let's go
3 on the record. This is the time and the place set for the
4 second day of hearing in the case captioned Core
5 Communications versus Verizon Pennsylvania, Inc., and
6 Verizon North, Inc., at Docket Number C-2011-2253750 and
7 C-2011-2253787. I am Administrative Law Judge Susan Colwell
8 assigned to preside in this matter.

9 I note for the record the attendance of the same
10 counsel as yesterday's hearing. On behalf of Verizon, Suzan
11 Paiva and Deborah Kuhn, and on behalf of Core, Michael
12 Gruin.

13 Yesterday we completed Core's case and today we are
14 starting with Verizon's. Go ahead.

15 MS. KUHN: Verizon would call Witnesses Peter J.
16 D'Amico, William E. Munsell and Paul B. Vasington to the
17 stand.

18 JUDGE COLWELL: Good morning, gentlemen. Could you
19 raise your right hands, please?

20 Whereupon,

21 PETER J. D'AMICO, WILLIAM E. MUNSELL and

22 PAUL B. VASINGTON

23 having been duly sworn, testified as follows:

24 DIRECT EXAMINATION

25 BY MS. KUHN:

1 Q. Beginning with Mr. D'Amico, could you each state
2 your name and your occupation for the record?

3 A. (D'Amico) Pete D'Amico. I'm project manager of
4 voice services for Verizon.

5 A. (Munsell) William Munsell. I am retired from
6 Verizon, acting as a consultant to Verizon.

7 A. (Vasington) Paul Vasington. I'm the director
8 of state public policy for Verizon.

9 Q. I'll ask each of you this question. Do you have
10 before you Verizon Statement 1.0, which is the direct
11 testimony of Verizon in this case, consisting of a piece of
12 panel testimony and Exhibits 1 through 26, and could you all
13 just answer these questions for the record? Do you have the
14 testimony before you, and if you were asked the same
15 questions today, would you provide the same answers?

16 A. (D'Amico) Yes.

17 A. (Munsell) Yes.

18 A. (Vasington) Yes.

19 Q. Okay. And do you have any corrections to the
20 testimony at this time?

21 A. (D'Amico) No.

22 A. (Munsell) No.

23 A. (Vasington) No.

24 (Whereupon, the document was marked
25 as Verizon Statement No. 1.0 with

1 Exhibits 1 through 26 for
2 identification.)

3 Q. Do you also have before you Verizon Statement
4 2.0, which is the rebuttal testimony of Verizon in this
5 case, consisting of a piece of panel testimony and 19
6 exhibits numbered 1-R through 19-R, and if --

7 A. (D'Amico) Yes.

8 Q. Okay. Go ahead, I'm sorry. I was going to say,
9 if I asked you the same questions that appear there, would
10 you provide the same answers today?

11 A. (D'Amico) Yes.

12 A. (Munsell) Yes.

13 A. (Vasington) Yes.

14 (Whereupon, the document was marked
15 as Verizon Statement No. 2.0 with
16 Exhibits 1-R through 19-R for
17 identification.)

18 Q. And finally, do you have before you Verizon's
19 surrebuttal testimony in this case, Statement 3.0,
20 consisting of a piece of panel testimony and 20 exhibits
21 numbered 1-SR through 20-SR, and if I asked you the same
22 questions presented there, would you provide the same
23 answers today?

24 A. (D'Amico) Yes.

25 A. (Munsell) Yes.

1 A. (Vasington) Yes.

2 Q. And I forgot to ask you, do you have any
3 corrections to your rebuttal or to your surrebuttal today?

4 A. (D'Amico) No.

5 A. (Munsell) No.

6 A. (Vasington) No.

7 (Whereupon, the document was marked
8 as Verizon Statement No. 3.0 with
9 Exhibits 1-R through 20-SR for
10 identification.)

11 MS. KUHN: Present the witnesses for cross-
12 examination.

13 JUDGE COLWELL: All right. Mr. Gruin?

14 MR. GRUIN: Thank you, Your Honor.

15 CROSS-EXAMINATION

16 BY MR. GRUIN:

17 Q. Good morning, gentlemen.

18 A. (D'Amico) Good morning.

19 A. (Munsell) Good morning.

20 A. (Vasington) Good morning.

21 Q. I'm going to structure my questions much like
22 Ms. Kuhn did yesterday, starting out with the policy
23 discussion to start the testimony, then moving on to a
24 series of questions about Verizon's bills to Core, and then
25 concluding with questions regarding Core's billings to

1 Verizon. So I suspect that many of the questions in the
2 first section will be directed to Mr. Vasington, but feel
3 free, if either Mr. Munsell or Mr. D'Amico want to respond,
4 that's fine as well.

5 Let's start with your direct testimony, and I'll be
6 focusing on pages 6 through 18 of your direct. Throughout
7 this section, primarily on pages 15 and 16, you talk about
8 Core entering into commercial arrangements for the purpose
9 of access stimulation; do you agree with that?

10 A. (Vasington) Yes.

11 Q. And then you reference several FCC orders on
12 page 13 of your direct and you cite some of those orders and
13 the passages from those orders relating to access
14 stimulation; is that correct?

15 A. (Vasington) Well, the national broadband plan
16 is not an order. It was sponsored by the FCC but it wasn't
17 a Commission order.

18 Q. Good point. But it was an FCC pronouncement; is
19 that correct?

20 A. (Vasington) It was an FCC pronouncement?

21 Q. Yes.

22 A. (Vasington) Yes.

23 Q. Are you aware of any Pennsylvania Public Utility
24 Commission orders or pronouncements expressing concerns over
25 access stimulation?

1 A. (Vasington) No.

2 Q. Okay. You start your testimony with a
3 description of access stimulation, which I believe you
4 described as generating high volumes of inbound traffic at
5 access rates; is that correct?

6 A. (Vasington) I think I began talking about
7 traffic stimulation, which would be -- it would be
8 generating high volumes of inbound traffic, not necessarily
9 at access rates. If we're talking about access stimulation,
10 then it would be at access rates. If you're talking about
11 local traffic stimulation, then it would be at reciprocal
12 compensation rates.

13 Q. Okay. Good point. And access stimulation, like
14 you said, involves billing at access rates which are set
15 above cost; is that not correct?

16 A. (Vasington) Generally I think all traffic
17 termination rates are set above cost.

18 Q. Is that true even for the .0007 recip. comp.
19 rate for ISP bound traffic?

20 A. (Vasington) Yes.

21 Q. Okay. Are you aware of any studies that make
22 that finding, that the .0007 rate is above the cost of
23 termination for ISP bound traffic?

24 A. (Vasington) Yes.

25 Q. Did you cite to any of those studies in your

1 testimony?

2 A. (Vasington) No. There were a lot of studies
3 that were supplied to the FCC in its various dockets that
4 dealt with access stimulation and traffic stimulation,
5 traffic pumping, estimating the cost of terminating what has
6 sometimes been called high volume access services. But the
7 cost of call termination for that characteristic of traffic
8 is much lower than any other call termination.

9 There are also, I think that there might have been
10 studies submitted in an Iowa docket with which I'm somewhat
11 familiar, but it was a confidential docket so I didn't see
12 the cost studies in that case.

13 Q. Just to clarify, I believe in your answer you
14 were referring to studies about high inbound volumes at
15 access rates, and just to be clear, my question was about,
16 where there any studies finding that the .0007 rate for ISP
17 bound traffic was above cost.

18 A. (Vasington) The studies I'm familiar with
19 weren't specifically about ISP bound traffic termination.
20 They were about high volume traffic termination, and the
21 studies I'm familiar with don't distinguish between access
22 and local termination for ISP termination simply because
23 from an economic standpoint, termination is termination.

24 The distinction between access and reciprocal
25 compensation is a regulatory construct. It's not an

1 economic construct.

2 Q. Okay. But in any event, you would not describe
3 the traffic exchanged between Verizon and Core as access
4 stimulation because in reality it is nearly all local
5 traffic paid at the .0007 recip. comp. rate; isn't that
6 correct?

7 A. (Vasington) Yes. It's more traffic stimulation
8 than access stimulation, though it has some similar
9 characteristics, which is the point we were trying to make
10 in testimony.

11 Q. Okay. Because prior to 2012, Core never sent
12 Verizon a bill for access charges. These were all local
13 recip. comp. charges; isn't that correct?

14 A. (Vasington) Subject to check on the dates,
15 sure.

16 JUDGE COLWELL: Okay. Here's the thing about
17 "subject to check." If you're going to say that, you have
18 to tell me who's going to check and when we're going to have
19 that in the record. Otherwise, give the answer as you know
20 it.

21 WITNESS MUNSELL: I believe that's correct.

22 BY MR. GRUIN:

23 Q. Thank you, Mr. Munsell.

24 Okay. So you began your testimony with a discussion
25 of access stimulation and then, as you just recognized, you

1 stated that the access stimulation paradigm really wouldn't
2 apply to the Core/Verizon situation, but you still indicated
3 that there could be such a thing as traffic stimulation for
4 local traffic; is that correct?

5 A. (Vasington) Yes. In fact, traffic stimulation
6 for local traffic was a phenomenon that predated traffic
7 stimulation for access, access traffic.

8 Q. Right. And on page 17 of your direct, you
9 describe how many CLECs at one point served dialup ISPs in
10 order to generate large volumes of inbound calls to generate
11 large recip. comp. payments from originating carriers,
12 correct?

13 A. (Vasington) Yes. That was the point I was just
14 making, that that phenomenon happened starting in the late
15 nineties where the access stimulation, traffic pumping
16 schemes didn't start until after that.

17 Q. But isn't it correct that the FCC addressed this
18 dialup ISP situation in 2001 with the ISP remand order?

19 A. (Vasington) They certainly addressed it, yes.

20 Q. You note that Core challenged the ISP remand
21 order up to the U.S. Supreme Court; is that correct?

22 A. (Vasington) Yes.

23 Q. Are you also aware that the Pennsylvania Public
24 Utility Commission appealed the ISP remand order up through
25 the D.C. Circuit Court and all the way up to the U.S.

1 Supreme Court as well?

2 A. (Vasington) Yes.

3 Q. Okay. So you raise this problem about ISP bound
4 traffic stimulation in your testimony, but you do
5 acknowledge that the FCC did impose a remedy for this
6 phenomenon with its ISP remand order, correct?

7 A. (Vasington) The FCC certainly addressed the
8 situation. I don't think that they eliminated the incentive
9 to generate large volumes of inbound local calling traffic.

10 Q. Okay. But you recognize that one of the major
11 components of the remedy that the FCC imposed was to reduce
12 the recip. comp. rate for ISP bound traffic to the rate of
13 .0007?

14 A. (Vasington) Yes, certainly. By lowering the
15 rate, they made the situation better. I don't believe that
16 they -- when you use the word "remedy," I think you're
17 suggesting a cure for the situation. I don't think we were
18 there yet with the FCC's 2001 order.

19 Q. And since that 2001 order was enacted, Verizon
20 has only paid Core .0007 for the overwhelming majority of
21 the traffic that Verizon sends to Core in Pennsylvania; do
22 you agree with that?

23 A. (Vasington) Yes.

24 Q. Okay. And isn't it true that the .0007 rate is
25 about one-fourth of the TELRIC rate for local traffic

1 termination?

2 A. (Vasington) Now you're making me do math.

3 A. (Munsell) Yes.

4 MS. KUHN: Could I interrupt? If at any point there
5 is a question that's been directed to one of them, would you
6 prefer, if one of the others knows the answer, do you want
7 them to --

8 MR. GRUIN: That's fine, yes.

9 WITNESS MUNSELL: I'm sorry, I thought that's what
10 the instructions for the witnesses were.

11 BY MR. GRUIN:

12 Q. Now, this .0007 rate, are you aware that the
13 Pennsylvania Public Utility Commission has described this
14 rate as confiscatory?

15 A. (Vasington) My general knowledge of what the
16 Pennsylvania Commission filed -- and I did not read their
17 pleadings; I'm more familiar with it from your testimony,
18 but I don't remember seeing that word in your testimony, so
19 I'm not familiar with that.

20 Q. Okay. Thank you. So even though Core was
21 receiving the very rate that the FCC said was appropriate
22 for ISP bound traffic, are you still saying that Core was
23 engaged in improper local traffic arbitrage?

24 A. (Vasington) If you hadn't put "improper" in
25 there, I might have agreed without limitation. I don't

1 believe that it's promoting economic welfare, but "improper"
2 to me suggests that it's a violation of the rules, and the
3 rules changed to allow for traffic termination to ISP bound
4 customers at .0007, so Core was acting within the allowable
5 rules.

6 Now, we had some discussion in our testimony about
7 how that kind of competition, when that's the primary basis
8 of a CLEC's operation, doesn't promote economic efficiency.
9 So I just want to put some context around the word
10 "improper" in that sense.

11 Q. Okay. Thank you. This question might be better
12 answered by Mr. D'Amico, but Mr. Vasington, feel free to
13 answer if you do know the answer. Do you recognize that in
14 the years 2008 through 2012, there were still customers in
15 Pennsylvania who desired to purchase dialup Internet access?

16 A. (D'Amico) Yes, I would agree with that.

17 Q. And that dialup ISPs require telephone services
18 capable of handling large amounts of simultaneous inbound
19 calls?

20 A. (D'Amico) I would agree with that.

21 Q. Do you know if Verizon was in the business of
22 providing such telephone services to dialup ISPs during the
23 period 2008 through 2012?

24 A. (D'Amico) I don't know. I'm just not familiar
25 with that period.

1 Q. Do you know if Verizon had any dialup ISPs as
2 customers in Pennsylvania during that period?

3 A. (D'Amico) I live in Pennsylvania but I don't
4 keep track of that or deal with that.

5 Q. Okay. But you would agree that if Verizon was
6 not providing services to ISPs, that ISPs we referenced had
7 no alternative but to purchase telecom services from a
8 competitive carrier?

9 A. (D'Amico) I would agree if they had a business
10 need for that, then they would need to find someone that
11 could fill that. I just don't know who would do that, if
12 Verizon does or not.

13 A. (Munsell) If I could also try to answer that?

14 Q. Sure.

15 A. (Munsell) During that period at least, I was an
16 employee. I think Verizon offered services to ISPs through
17 its tariff. Whether or not any ISPs took those services,
18 I'm not aware.

19 Q. Okay. On page 23, beginning on page 23 of your
20 direct through page 26, you talk about Core not competing in
21 the marketplace because of the nature of its business model.
22 Is that a fair characterization of your testimony?

23 A. (Munsell) Yes.

24 Q. Okay. Now, ISPs are large generators of inbound
25 calls; is that correct?

1 A. (Munsell) Yes, they are, dialup ISPs.

2 Q. Dialup ISPs, thank you, are large generators of
3 inbound calls. But isn't it also true that certain types of
4 businesses are large generators of outbound calls?

5 A. (Munsell) Yes.

6 Q. Okay. For example, the robo-calling services
7 that call our houses a hundred times during election season
8 in October and November, those would be an example of large
9 one way outbound calling customers; is that correct?

10 A. (Munsell) Yes, it would.

11 Q. Or perhaps a telemarketing company, they require
12 large amounts of outbound calling services but minimal
13 inbound calling services; is that correct?

14 A. (Munsell) That is correct.

15 Q. So the point is that while many telephone
16 customers have both inbound and outbound needs, there are
17 varieties of customers that have mostly inbound needs or
18 mostly outbound needs; is that correct?

19 A. (Munsell) I would agree with that.

20 Q. And in fact, many telephone companies serve
21 customers that may only need inbound or may only need
22 outbound services; is that correct?

23 A. (Vasington) Many companies serve customers who
24 only need inbound or only need outbound?

25 Q. Yes.

1 A. (Vasington) I'm definitely familiar with a lot
2 of telephone companies that only served customers who had
3 inbound calling. I'm having a hard time thinking of
4 companies that formed to only serve customers with outbound
5 calling.

6 Q. Okay. And the inbound calling services you're
7 referencing, would conference call services be an example of
8 the large volume inbound service that telephone companies
9 provide to customers?

10 A. (Vasington) Certainly. That was the largest,
11 probably the predominant example of the traffic pumping
12 phenomenon.

13 Q. Okay. On page ten of your direct, beginning at
14 line ten, you complain about carriers being forced to send
15 traffic to companies like Core. You use the terms "no
16 choice," "wholly at the mercy of these terminating
17 customers;" is that correct?

18 A. (Vasington) I don't know if I'm complaining
19 about it. I'm stating a fact. This is the terminating
20 access monopoly that those of us who have worked in the
21 industry for a long time are well familiar with, that the
22 people who are making the calls aren't the people who are
23 making the payments for the terminating access, and the
24 companies in the middle have no choice but to complete the
25 calls regardless of how high the charges are from the

1 terminating companies.

2 It's been studied, written about in books. A lot of
3 the FCC orders have addressed the terminating access
4 monopoly, so it's a pretty well known feature of the telecom
5 industry. In some ways, it's the most enduring remaining
6 monopoly feature of the industry which has become generally
7 very competitive.

8 Q. Okay. So you talk about the people making these
9 calls. They're making those calls voluntarily, right? The
10 people making the calls to companies like Core or carriers
11 who are serving inbound customers?

12 A. (Vasington) Yeah, the customers say of Verizon
13 are making calls to Core's customers, for example calling an
14 ISP, and then Verizon pays Core for the terminating charges
15 associated with that call.

16 Q. But the customer, the calling customer is paying
17 Verizon, right? Verizon is receiving payment from that
18 customer for their telecom services?

19 A. (Vasington) Yeah, and this is why the
20 phenomenon changed and how it came about, both traffic
21 pumping and reciprocal compensation, because for reciprocal
22 compensation, it's local calls, and the majority of
23 customers have unlimited local calling on their retail side
24 for their service.

25 And starting in the late nineties, even for long

1 distance service, customers started to take advantage of
2 what were called one rate plans with unlimited long distance
3 calling for all of North America and Canada.

4 So prior to that, there wouldn't have really been an
5 incentive for this because the customer would be making a
6 per minute long distance payment to their retail local
7 exchange carrier that would cover the cost, hopefully, of
8 the call plus the termination charges.

9 But with these unlimited calling plans, it became the
10 case that that wasn't true anymore, that you wouldn't
11 necessarily have retail charges that covered those costs.

12 Q. And you talk about these unlimited plans on page
13 12 of your testimony. I believe you said that 75 percent
14 approximately of wire line users currently have these flat
15 rate unlimited calling plans?

16 A. (Vasington) Yes.

17 Q. Does Verizon offer such flat rate unlimited
18 calling plans?

19 A. (Vasington) Yes.

20 Q. You offer those voluntarily, though? I mean, no
21 one is forcing you to offer those plans, are they?

22 A. (Vasington) Absolutely. The competitive market
23 is.

24 Q. The competitive markets, okay. So

25 A. (Vasington) Customer choice. Customer

1 preference.

2 Q. Right. And there's other examples out there
3 like Magic Jack. Have you heard of Magic Jack?

4 A. (Vasington) Yes.

5 Q. And they advertise an unlimited calling plan for
6 \$19.99 a year, not a month, a year, is what their
7 commercials say. Have you ever seen those commercials?

8 A. (Vasington) Yes.

9 Q. So isn't the idea from Verizon's perspective or
10 Magic Jack's perspective to price those plans, those
11 unlimited calling plans so that their receipts from those
12 plans exceed the cost of providing the service to the
13 customers?

14 A. (Vasington) We price those plans in response to
15 market conditions. We're not price makers, we're price
16 takers, and this is a very competitive market. Certainly
17 our hope is that it will cover the overall cost, and
18 generally it does. Almost every participant in the
19 marketplace offers those plans today. It's only in the
20 situations of access stimulation, frankly, where it became
21 very difficult, which is why the FCC and other governmental
22 entities have tried to put a stop to it, or at least
23 ameliorate it.

24 Q. Thank you. So you say you're under price
25 pressure for the unlimited calling plans, but that you price

1 them in the hopes that your receipts from those plans will
2 still cover your costs and you'll be able to make a small
3 profit on those plans; is that correct?

4 A. (Vasington) We'll be able to cover our costs,
5 which includes a cost of money, which is economic profit.

6 Q. Okay. So for carriers who offer these flat rate
7 unlimited calling plans such as you and Magic Jack, the more
8 access charges that you must pay, the less profitable those
9 plans are; isn't that correct?

10 A. (Vasington) Yeah, for a given level of calling,
11 yes.

12 Q. Don't carriers who offer these flat rate plans
13 have an incentive not to pay intercarrier compensation to
14 terminating carriers?

15 A. (Vasington) Not to pay it? We don't have that
16 choice. It's required. The FCC requires us to terminate
17 the call.

18 Q. Similarly, don't these carriers who offer
19 unlimited local and long distance plans have an incentive to
20 deflate the number of originating minutes that are passed to
21 terminating customers?

22 A. (Vasington) Incentive to deflate the number of
23 minutes by how, restricting calling?

24 Q. Restricting calling, not transmitting data to
25 terminating carriers. I'm not talking about any specific

1 mechanism, but wouldn't there be an economic incentive to
2 deflate the number of minutes?

3 A. (Vasington) I don't know how you offer an
4 unlimited calling plan with an incentive to deflate the
5 number of minutes. It doesn't make sense.

6 Q. Okay. One last point about your policy
7 discussion. On page 26 of your direct at line 19, you say
8 that paying Core's bills makes it difficult for Verizon to
9 meet the challenge of competing and investing in the highly
10 competitive market in Pennsylvania; is that correct?

11 A. (Vasington) Makes it more difficult, all else
12 equal.

13 Q. Okay. And on page 21 of your direct, you state
14 that Verizon and Verizon North together have paid Core about
15 \$7.8 million between 2008 and 2012. Do you agree with that?

16 A. (Vasington) Yes.

17 Q. Are you saying that this payment of \$7.8 million
18 over a span of four years has made it more difficult for
19 Verizon to meet the challenge of competing and investing in
20 Pennsylvania?

21 A. (Vasington) Yeah, the margin. But if you
22 continue to read my testimony, our testimony on page 26,
23 you'll see that we say that Verizon has the resources to
24 continue to operate and invest in Pennsylvania even without
25 the payments that are due from Core, but that this fact is

1 not a justification for any carrier to avoid payment of
2 bills that are appropriately owed.

3 So yeah, at the margin, it's not good for it. Is it
4 such a big amount that Verizon is going to stop investing
5 and competing in Pennsylvania? No. But the fact that it's
6 a small margin doesn't mean that it's not important.

7 Q. Okay. Thank you. Mr. Vasington, were you
8 involved in the decision to withhold reciprocal compensation
9 payments to Core in June and July 2011?

10 A. (Vasington) No.

11 Q. Are you aware of whether the decision to
12 withhold payment to Core was based on Verizon's concerns
13 about access or other traffic stimulation?

14 A. (Munsell) I'm not aware of that either.

15 A. (Vasington) I was not involved so I'm not aware
16 of what the motivations were.

17 Q. Thank you. And Mr. Munsell, I believe you
18 answered you were not aware either?

19 A. (Munsell) Correct.

20 Q. Okay. Thank you. All right. Let's now turn to
21 the testimony regarding the amount of money that Verizon
22 claims that Core owes for Verizon facilities. I believe Mr.
23 D'Amico will be the primary witness for this section.

24 A. (D'Amico) Yes.

25 Q. Okay. On page 31 of your direct, you state that

1 Core owes Verizon approximately \$4.55 million for facilities
2 and services in Pennsylvania; is that correct?

3 A. Yes.

4 Q. First of all, is this amount, this \$4.55 million
5 that Verizon claims, is that the total of facilities
6 charges, access charges and directory listings or just for
7 facilities charges?

8 A. (D'Amico) It's the total revenue.

9 Q. Okay. But the overwhelming majority is for the
10 facilities; is that correct?

11 A. (D'Amico) Yes. And in particular, facilities
12 for access toll connecting trunks.

13 Q. Okay. Because I believe on page 63 of your
14 direct and through page 65, you outline the amounts that
15 were for the access charges, the recip. comp. charges and
16 directory listings.

17 A. (D'Amico) Yeah.

18 Q. Okay. Thank you. You say that Core's unpaid
19 bills are summarized on Exhibit 13 of your direct, so let's
20 turn to that exhibit.

21 A. (D'Amico) Okay.

22 Q. Let's start out with just a clarification of how
23 this report is organized. As I understand it --

24 JUDGE COLWELL: Mr. Gruin, it's marked proprietary.

25 MR. GRUIN: Thank you, Your Honor. Can we go off the

1 record for one moment while I confer with Verizon?

2 JUDGE COLWELL: Yes.

3 (Discussion off the record.)

4 JUDGE COLWELL: Back on the record.

5 MR. GRUIN: Yes. Thank you, Your Honor. After
6 conferring with Verizon about the nature of the intended
7 discussion about Exhibit 13 to Verizon's direct testimony,
8 we agreed that the discussion and questioning about this
9 exhibit can be on the public record.

10 JUDGE COLWELL: All right. Thank you. Go ahead.

11 BY MR. GRUIN:

12 Q. Mr. D'Amico, Exhibit 13, as I understand it,
13 each one of these line items represents one monthly bill to
14 Core; is that correct?

15 A. (D'Amico) Yes.

16 Q. Okay. Now, I want to go over some of these
17 columns here in this exhibit to understand what they
18 represent, starting from left to right. The first column is
19 state, obviously Pennsylvania. We all know what that means.
20 What does the next column indicate, PGN? What does that
21 stand for?

22 A. (D'Amico) I think that's just a general
23 category in that it was out of the carrier access billing
24 system. I don't think that it denotes that it's local or is
25 it access. It's just kind of, you know, what system it was

1 pulled out of.

2 Q. That was my question. So this doesn't mean that
3 these represent charges for switched access charges, rather
4 that these facilities were billed through the access billing
5 system?

6 A. (D'Amico) Correct.

7 Q. Okay. And would these be characterized as
8 special access facilities?

9 A. (D'Amico) No. I think it would vary because in
10 looking at these, there could be usage involved in these,
11 both local usage and access usage. There could also be
12 facilities, non-recurring charges embedded in that.

13 Q. So a combination of special access and switched
14 access charges?

15 A. (D'Amico) Correct.

16 Q. Moving over to the next column, BAN, what is a
17 BAN and what information is reflected in that column?

18 A. (D'Amico) That's the billing account number, so
19 it's, again, a way to identify the particular account. And
20 there is some probably intelligence in what makes up the
21 BAN. I'm not that familiar with it, but generally speaking,
22 like 215 is probably in the Philadelphia LATA.

23 Q. It seems like this is organized so that each BAN
24 is in its own section, so the first BAN there is all
25 reflected in one section, then there's a bold line, and then

1 we move to the next BAN; is that correct?

2 A. (D'Amico) Correct.

3 Q. As you work your way down the report. Okay.

4 Continuing moving over a couple more blocks. There's a
5 column called "invoice number." Do you see that?

6 A. Yes.

7 Q. And it appears to me -- I want to clarify this
8 -- that the invoice number gives you a clue as to when the
9 invoice was issued, if you look at the first four digits of
10 the number. Does that reflect a year?

11 A. (D'Amico) Yes. Again, I'm not that familiar
12 with the in-depth of that, but yes, that's the way I
13 understand it.

14 Q. Okay. And then moving across to the right, it
15 looks like there's a column called "last bill dates." And
16 if you look at the first one, the very first row under that
17 column, it says, 20060526. Is that correct?

18 A. (D'Amico) Yes.

19 Q. Does that indicate that that bill was issued on
20 May 26, 2006?

21 A. (D'Amico) Yes. That would be the bill date.

22 Q. Okay. And then moving across to the next
23 column, it says, "current invoiced amount," zero; is that
24 correct?

25 A. (D'Amico) Yes.

1 Q. What does that mean, current invoiced amount?

2 A. (D'Amico) I'm not really sure. I suspect that
3 that -- because it looks like they're all zeroes.

4 Q. Except for the most recent one; is that correct?

5 A. (D'Amico) Right. So probably at the time they
6 pulled this report, the current balance was only applicable
7 to the last one, and these were all zeroes because they were
8 all past bills.

9 Q. Okay. Thank you. And then there are two
10 columns marked "summary," "total due" and "total past due;"
11 is that correct?

12 A. (D'Amico) Yes.

13 Q. So as an example, let's look at that very first
14 row and see if I understand this correctly. This row
15 represents an invoice that was issued to Core on May 26,
16 2006 in the amount of \$2.32, and all of those charges remain
17 unpaid; is that correct?

18 A. (D'Amico)

19 Q. Okay. Now, let's move down the page to the --

20 JUDGE COLWELL: Before you move on, can I just ask a
21 question?

22 MR. GRUIN: Sure.

23 JUDGE COLWELL: The fact that you have all the zeroes
24 in the current invoiced amount and then all of a sudden in
25 the summary total due, there are numbers on it, what am I

1 supposed to make from that?

2 WITNESS D'AMICO: I don't know if that information is
3 of much benefit. That's just saying that the last bill that
4 was generated -- well, no. I'm not sure if that's
5 indicating that the last bill was that amount, because it
6 doesn't appear that that would make sense because it equals
7 the total due. So it looks like the system kind of
8 accumulated back and just plotted that as the current
9 invoice amount.

10 JUDGE COLWELL: So this doesn't mean that those
11 amounts were not invoiced, even though it doesn't indicate
12 that they were; is that what you're telling me?

13 WITNESS D'AMICO: I don't think the zeroes represent
14 the current that was billed for that particular month. I
15 think what this is trying to show is that for all these
16 bills in that particular billing account number, that none
17 of them were paid and the total since whatever the date this
18 report was run, the total is \$16,095.14.

19 JUDGE COLWELL: Can you tell me that Verizon billed
20 Core for the amount in the summary total, the summary
21 column?

22 WITNESS D'AMICO: Yes.

23 JUDGE COLWELL: You know that?

24 WITNESS D'AMICO: Yes.

25 JUDGE COLWELL: All right. Thank you. Go ahead.

1 MR. GRUIN: Thank you, Your Honor. Just to be clear,
2 I am not trying to allege that Core was not invoiced by
3 going through this exercise. I just want to make sure I
4 understand the column designations.

5 BY MR. GRUIN:

6 Q. But if we could move on to the very next BAN
7 below that first block, there's a second block there. The
8 BAN number ends in the digits 0680. Do you see that?

9 A. (D'Amico) Yes.

10 Q. Let's look at the very first bill issued for
11 that BAN. Using the methodology that we just discussed,
12 this looks like it was a bill issued to Core on May 7, 2005.
13 Is that the dollar amount of that bill, \$142,282.94?

14 A. (D'Amico) I'm not sure what the underlying
15 amounts were for that. One thing that I am aware of is that
16 there were some billing account numbers that may have been
17 established in say 2002, and they were under the former GTE
18 structure.

19 And sometime in 2005, there was kind of a billing
20 consolidation that tried to take the former GTE billing
21 system and the former Bell Atlantic billing system and use
22 the former Bell Atlantic. So there were situations where,
23 if there was a balance on that former GTE bill, it would
24 show up. I don't know if this is an example of that.

25 Q. Right.

1 A. (D'Amico) But there's a lot of detail behind
2 that isn't really reflected on that.

3 Q. Right. I think what I understand you're saying
4 is that \$142,282 was not necessarily the amount that was
5 invoiced for that monthly charge in 2005, but it probably
6 included charges that had been invoiced in prior periods and
7 were reflected here as being unpaid at this time.

8 A. (D'Amico) That is possible. I can't tell you
9 that the other example, that the first bill for \$142,000, it
10 couldn't have occurred, but just looking at this --

11 Q. It clearly could not have been the charge for
12 that month, because look at the following monthly charges.
13 They're fractions, tiny fractions of that amount.

14 A. (D'Amico) Right. So again, I apologize for not
15 knowing the exact, but that would be my understanding, that
16 that's how that first amount -- because non-recurring
17 wouldn't be that great on day one.

18 Q. Right, right. So this exhibit here, this 30
19 page exhibit showing a grand total of \$4.55 million in
20 unpaid charges is reflecting many invoices from the years
21 2005, 2006, 2007, correct?

22 A. (D'Amico) Correct.

23 Q. And beyond that, it also includes charges that
24 predate those actual invoices on the chart.

25 A. (D'Amico) Yes.

1 Q. And it includes charges from prior periods,
2 maybe 2004, 2003, 2002?

3 A. (D'Amico) Right. So that's the -- moving over
4 from the former GTE to the former Bell Atlantic or, you
5 know, to Verizon, and they have the detail, you know, in
6 forms that people would have to kind of go in and look at.
7 This was kind of a reporting system that was the carrier
8 access billing system at the time. So it was easier to pull
9 that information.

10 Q. I just want to kind of settle on one point, that
11 this 30 page report showing charges due to Core, \$4.55
12 million, it includes charges from as far back as 2003.

13 A. (D'Amico) I believe somewhere in my testimony I
14 said it goes back to 2002, that time frame.

15 Q. Okay. But thankfully, you have quantified the
16 portion of these charges that relate to the period from 2008
17 through 2012, and that would be Exhibit SR-3 from your
18 surrebuttal testimony, correct?

19 A. (D'Amico) I suspect.

20 Q. I'll give you time to pull that exhibit.

21 (Pause.)

22 A. (D'Amico) I have it in front of me here.

23 Q. Okay. I'll give you a moment to read that.
24 This SR-3, it appears to be a revised response of Verizon to
25 Core Interrogatory Set II, No. 1. And you sponsored that

1 answer; is that correct?

2 A. (D'Amico) Yes.

3 Q. Okay. And this interrogatory asks Verizon to
4 break out a portion of the power claims related to
5 intrastate services, interstate services, tariff special
6 access services and interconnection services; is that
7 correct?

8 A. (D'Amico) Yes.

9 Q. Okay. And then you provided an original
10 response on August 1, 2012 and you indicated that for the
11 period from May 1, 2008 through May 7, 2012, the following
12 amounts represent those charges for various services; is
13 that right?

14 A. (D'Amico) Yes.

15 Q. So looking at the first two there, it says about
16 \$386,359.74 for intrastate services, and \$2,101,913.86 for
17 interstate services; is that correct?

18 A. (D'Amico) Yes.

19 Q. And those two numbers add up to far less than
20 \$4.55 million; do you agree?

21 A. (D'Amico) Yes. And actually the \$2.1 million
22 was subsequently revised to \$1.6 million.

23 Q. You're way ahead of me. That's where I was
24 going to go next. If you flip the page over to your revised
25 response, you lowered the interstate services charges even

1 lower to about \$1.644 million?

2 A. (D'Amico) Correct.

3 Q. Okay. One thing that has just troubled me
4 throughout in my review of these bills, some of which date
5 back to 2002, I believe you said, as these charges racked up
6 and racked up and racked up, isn't it correct that Verizon
7 never filed a complaint to attempt to collect on these
8 charges that were being billed to Core?

9 A. (D'Amico) A complaint to the Commission?

10 Q. To anywhere, to a district justice, to a Common
11 Pleas court, to the Commission or a federal court?

12 A. (D'Amico) I'm not aware of any complaint. In
13 talking with some of the folks in the billing center, I know
14 that they tried to collect on these and there's been
15 correspondence regarding them.

16 Q. But isn't it true that Verizon never filed any
17 kind of a legal action until it filed its counter-claim in
18 this case in 2011?

19 A. (D'Amico) That's my understanding.

20 Q. Okay. So Verizon just kept issuing new monthly
21 invoices every month to Core and let the unpaid charges
22 accumulate and accumulate; isn't that correct?

23 A. (D'Amico) That was the result. But again, my
24 understanding is that the billing center was, you know,
25 trying to -- I don't know the specific details of sending

1 letters or contacts or treatment or all that detail, but
2 they were trying to reduce this amount.

3 Q. Can you explain why Verizon didn't simply
4 terminate the services?

5 A. (D'Amico) I'm not really sure, because again,
6 I'm not in the billing center. I'm just more familiar with
7 the amounts. But I believe there's procedures in order to
8 go through that activity.

9 Q. Mr. Munsell and Mr. Vasington, are you aware of
10 any reason why Verizon did not terminate services or file a
11 legal claim against Core to collect on these unpaid amounts?

12 A. (Munsell) I am not.

13 A. (Vasington) Nor am I.

14 Q. Is it possible Verizon knew it had a weak
15 position on the justification for these bills?

16 MS. KUHN: I'm going to object to the extent that all
17 three witnesses have just indicated they don't have any
18 knowledge of the decision-making process.

19 JUDGE COLWELL: I think they didn't say that. They
20 said they didn't have the answer to his last question.

21 MS. KUHN: Okay. If they can answer.

22 WITNESS D'AMICO: Could you ask that again, please?

23 BY MR. GRUIN:

24 Q. Sure. Do you know if the reason why Verizon did
25 not terminate service to Core or pursue a legal action to

1 recover these unpaid billed amounts was because Verizon knew
2 that its position on the justification for these bills was
3 weak?

4 A. (D'Amico) I don't know one way or the other,
5 but I would doubt that would be the case. Typically the
6 billing group doesn't look at bills and say, you know, I'm
7 going to disconnect this because of all the underlying
8 issues associated with it. They don't really get involved
9 in all that. They just -- you know, they're kind of a
10 process organization. It's due, they try and collect it,
11 and you know, they go from there.

12 Q. Which department or person in the Verizon
13 organization would have made the decision to pursue a legal
14 claim against Core for these unpaid bills?

15 A. (D'Amico) Potentially the legal department.

16 Q. Okay.

17 A. (D'Amico) I'm not really in that billing group
18 that knows all of the day-to-day operations.

19 Q. That's fine. Thank you. Let's now turn to a
20 discussion of the actual facilities that these charges
21 relate to, and I want to start on page 31 of your direct.

22 A. (D'Amico) So I'm done with this?

23 Q. Yes.

24 MS. KUHN: Could you repeat the page number?

25 MR. GRUIN: Thirty-one of the direct.

1 BY MR. GRUIN:

2 Q. Now you say, and I think it's been pretty well
3 established, that Verizon provisions two types of trunks to
4 Core. One is access toll connecting trunks and two, local
5 interconnection trunks. Is that correct?

6 A. (D'Amico) Yes.

7 Q. And access toll connecting trunks, as I
8 understand it, they carry traffic from third party carriers
9 to and from Core?

10 A. (D'Amico) In particular, the interexchange
11 carrier would be that third party carrier.

12 Q. Okay. But these are two way trunks?

13 A. (D'Amico) They're two way trunks and basically
14 they're between Core, Verizon's access tandem and
15 interexchange carriers.

16 Q. Got it. And the local interconnection trunks
17 only carry traffic from Core to Verizon; is that correct?
18 And I'm talking about the facilities that are at issue in
19 this case, the unpaid bills.

20 A. (D'Amico) Right. These are one way Core to
21 Verizon trunks, and they carry local interconnection traffic
22 from Core to Verizon's end users, but it also carries what
23 we call transit traffic that would go to a CLEC or wireless
24 carrier or potentially RLEC that is also connected to that
25 tandem.

1 Q. Sure, okay. Now there's a third type of trunk
2 that's not involved in this case, and that is a trunk that
3 carries local traffic from Verizon to Core; is that correct?

4 A. (D'Amico) Yes. That trunk group also would
5 carry traffic from a CLEC or wireless carrier or an RLEC
6 that is connected to this tandem.

7 Q. Okay. Now, this third type of trunk, we can
8 agree that Verizon does not charge Core for those trunks and
9 they are not at issue in this case?

10 A. (D'Amico) Correct.

11 Q. I believe you acknowledge that in footnote 31 on
12 page 32 of your direct, is that correct, just to make sure
13 we're talking about the same trunks here?

14 A. (D'Amico) Yes, correct.

15 Q. Is it correct to say that those trunks are
16 trunks that Verizon provisions for its own use to deliver
17 traffic to Core?

18 A. (D'Amico) That's a good way to categorize it.

19 Q. Okay. Now, on page 14 of your direct, you state
20 that until the third quarter of 2010, Core did not send any
21 outbound traffic to Verizon; is that correct?

22 A. (D'Amico) Which line are you looking at?

23 Q. Beginning on line five.

24 A. (D'Amico) Yes.

25 Q. Okay. And I believe you also confirm this on

1 page 62 of your direct, that until the third quarter of
2 2010, Core did not send any outbound traffic to Verizon?

3 A. (D'Amico) Correct.

4 Q. Okay.

5 A. (D'Amico) And just --

6 Q. Go ahead.

7 A. (D'Amico) -- to clarify, outbound to Verizon,
8 that would be over the local one-way interconnection trunks,
9 so there wouldn't have been any terminating usage charges to
10 Core --

11 Q. Billed to Core.

12 A. (D'Amico) -- until then.

13 Q. Okay. And during the time period of 2008
14 through the end of 2011, the overwhelming majority of the
15 traffic exchanged between these two parties, Core and
16 Verizon, was sent over the Verizon provisioned local trunks
17 that are not at issue in this case; would you agree with
18 that statement?

19 A. (D'Amico) That is my understanding, yes.

20 Q. Okay. Now another point that the panel, the
21 Verizon panel has repeatedly tried to make about these
22 facilities that are at issue in Verizon's counter-claim is
23 that you believe Core used these facilities to carry
24 millions or billions of traffic for which it billed to
25 Verizon. Do you agree that you tried to make this point?

1 A. (D'Amico) I think we tried to make the point
2 that for access toll connecting trunks, those were used
3 prior to talking about the local one-way interconnection
4 trunks.

5 Q. Okay. And those access toll connecting trunks,
6 the traffic flow over that would not have been billed to
7 Verizon, though, would it?

8 A. (D'Amico) I hope not.

9 Q. Because you said previously that that was
10 primarily traffic coming in from interexchange carriers.

11 A. (D'Amico) Right. And I really don't have any
12 visibility to that because I was looking at bills to Core.
13 Whether or not there was usage on those access toll
14 connecting trunk groups back in 2002 or for any time period,
15 I don't really have that detail.

16 Q. Please turn to page 15 of your surrebuttal, line
17 eight.

18 A. (D'Amico) Fifteen, line 18?

19 Q. Page 15, line eight.

20 A. (D'Amico) Oh, eight? Okay.

21 Q. Yes. Here you say, the second sentence in that
22 paragraph, "The vast majority of the unpaid amounts due from
23 Core to Verizon are for the trunks Core purchases from
24 Verizon to carry the billions of minutes of inbound traffic
25 that Core strives to generate so it can bill others for

1 terminating them, and not for the termination of traffic
2 that Core sends to Verizon's network;" isn't that correct?

3 A. (D'Amico) Yes.

4 Q. And then on page 20 of your surrebuttal, you
5 carry this characterization even a step further, and I'm
6 referring to the passage beginning on line five. Here you
7 say, "Core made effective use of the trunks, as evidenced by
8 the millions of dollars that Core collected from Verizon
9 alone for the billions of minutes that were routed to Core
10 over those MF trunks;" is that correct?

11 A. (D'Amico) Yes.

12 Q. Are you willing to stand by that statement
13 today?

14 A. (D'Amico) Well, what this is referencing would
15 be for the access toll connecting trunks.

16 Q. Did Core collect millions of dollars from
17 Verizon for traffic over those trunks?

18 A. (D'Amico) I'm not sure what Verizon was billed,
19 but those trunks were in existence for exchange of traffic
20 with interexchange carriers.

21 Q. Maybe Mr. Munsell can help here. Aren't you
22 confused -- isn't it true that the trunks that Verizon is
23 billing Core for are not the trunks that carry traffic for
24 which Core bills Verizon?

25 A. (Munsell) To the extent that Core was not

1 billing for traffic -- was not billing Verizon for traffic
2 destined to Core on the access toll connecting trunks, that
3 would be a correct statement.

4 Q. Right. Because again, with that exception that
5 you just noted there, for the most part, in fact for nearly
6 all the course of dealings between the parties, Core's bills
7 to Verizon were for traffic that Verizon sent over the
8 outbound Verizon local trunks, correct?

9 A. (Munsell) That is correct.

10 Q. And Verizon did not bill Core for those trunks?

11 A. (D'Amico) Correct.

12 Q. Thank you. So the passage on page 20, would you
13 agree that that is incorrect, the statement that Core used
14 these trunks as evidenced by millions of dollars that Core
15 collected from Verizon alone for traffic delivered over
16 those trunks?

17 A. (D'Amico) I would agree to the extent that this
18 is referencing or what I was attempting to reference was the
19 minutes over the access toll connecting trunks, and because
20 I don't have the data on how many minutes were on that, I
21 would say that that's possible.

22 Q. Okay. Let's turn to page 37 of your direct
23 testimony. Here is where you say that about two-thirds of
24 Verizon's billings to Core relate to ATC trunks, and about
25 one-third relate to local trunks, correct?

1 Q. Okay. And here you state that the amount
2 Verizon billed Core for local interconnection trunks from
3 January 2008 to June 2012 is \$370,072.20, correct?

4 A. (D'Amico) Yes.

5 Q. Okay. So looking at those two numbers, the
6 \$1.3 million for ATCs, the \$370,000 for local, those add up
7 to far less than \$4.55 million, do they not?

8 A. (D'Amico) Yes.

9 Q. And the reason of course is what we discussed
10 earlier, that the \$4.55 million includes charges that go
11 back as far as 2002, whereas the numbers reflected on Cross
12 Exhibit No. 1 are just for the period from January 2008
13 through June 2012, correct?

14 A. (D'Amico) Correct.

15 Q. Okay. Great. Now one of the issues in this
16 case is the correct prices for these ATC and local trunks,
17 correct?

18 A. (D'Amico) Yes.

19 Q. Okay. I know you three are not attorneys. I
20 don't think you're attorneys, but your testimony includes a
21 number of statements about pricing of these trunks, so I
22 want to turn to that, the correct pricing of these trunks.

23 I believe, Mr. D'Amico, you testified in your direct
24 testimony on page 36 that all of these ATC and local trunks
25 were billed at Verizon special access rates; is that

1 correct?

2 A. (D'Amico) I don't know if I used the word
3 "special" but they were at access rates.

4 Q. Thank you very much. So these numbers we went
5 over just a moment ago, the \$1.1 million for ATC trunks, the
6 \$370,000 for local trunks, those were all based on access
7 rates, correct?

8 A. (D'Amico) Yes.

9 Q. And are those rates set forth in Verizon's
10 tariffs?

11 A. (D'Amico) Yes.

12 Q. Are those cost-based rates?

13 A. (D'Amico) I'm not a pricing expert.

14 Q. I'll ask the other members of the panel, are
15 special and switched access rates cost base rates?

16 A. (Munsell) I don't know.

17 A. (Vasington) I don't know when they were
18 originally set. I don't know if it was within the old cost
19 study days or not. I'm not sure.

20 Q. Okay. That's fine. Now, one of the issues in
21 this case is whether or not TELRIC pricing applies to these
22 trunks instead of access rates; is that correct?

23 A. (D'Amico) Yes.

24 Q. You admit that Core has been raising this very
25 issue of whether TELRIC rates apply since at least 2003?

1 A. (D'Amico) I've read that in the testimony. I'm
2 not sure that I was directly involved in that to know for
3 sure.

4 Q. Okay. On page 37 of your direct, you indicate
5 that Verizon has been billing Core for facilities charges
6 since approximately 2002 and Core has refused to pay from
7 the beginning; is that correct?

8 A. (D'Amico) What page is that, 37?

9 Q. Thirty-seven, right.

10 A. (D'Amico) Yes.

11 Q. And then carrying over onto page 38, you talk
12 about the reasons why Core says it will not pay for these
13 facilities?

14 A. (D'Amico) Yes.

15 Q. And on the second line there, you do indicate
16 that one of the reasons was that Verizon bills Core TELRIC
17 rates, correct?

18 A. (D'Amico) It says, "unless Verizon bills Core
19 at TELRIC rates," and again that's based on the testimony.

20 Q. Yes. Okay. Thank you. Now, as I understand
21 it, Verizon's position on whether TELRIC applies is that it
22 is necessary to look at the type of traffic being carried
23 over a trunk to determine if it is eligible for TELRIC; is
24 that a correct characterization of the testimony on pages 39
25 through 44 of your direct?

1 MS. KUHN: Your Honor, I'm going to object to asking
2 the witnesses to delve into legal analysis. As Mr. Gruin
3 has noted correctly, the witnesses are not attorneys. I
4 understand that Core was comfortable having its counsel
5 testify on legal matters. Our witnesses are here to address
6 factual matters.

7 MR. GRUIN: Your Honor, I'm talking about the
8 testimony on 39 through 44 where they talk about, they are
9 explaining their lay understanding of the underlying
10 framework to put the dispute in context.

11 MS. KUHN: Yes, and if counsel wants to clarify he's
12 asking only for lay understanding and not legal analysis,
13 that's fine.

14 MR. GRUIN: I am just asking for lay understanding,
15 Your Honor.

16 JUDGE COLWELL: And exactly what are you asking
17 about? What was your question?

18 MR. GRUIN: I'm asking if I understand their position
19 correctly that one must look to the nature of the traffic
20 flowing over a trunk to determine whether TELRIC pricing or
21 access pricing applies. They talk about that in the
22 testimony and I was going to ask about those traffic flows
23 so we can get a better understanding of Verizon's position.

24 JUDGE COLWELL: Seems fair.

25 MR. GRUIN: Okay.

1 BY MR. GRUIN:

2 Q. So is that a correct characterization of your
3 testimony there, that it is necessary to examine the type of
4 traffic being carried over a trunk to determine if TELRIC
5 pricing applies?

6 A. (D'Amico) I think the type of traffic that is
7 going over a trunk group would be used to classify what that
8 trunk is used for and potentially what rates would apply to
9 it.

10 Q. Okay. Because on page 41 of your direct, you
11 say that TELRIC only applies to facilities that are used to
12 connect a CLEC's network to an ILEC's network so that calls
13 can move back and forth between the two networks. That's
14 beginning on page 17 -- I'm sorry, beginning on line 17,
15 page 41.

16 A. (D'Amico) Yes, that's what it says.

17 Q. Okay. And based on this, you state that the ATC
18 trunks are not eligible for TELRIC pricing; is that correct?

19 A. (D'Amico) Yes, that access toll connecting
20 trunks are used for access traffic.

21 Q. Okay. Now as you know, Core does not agree with
22 Verizon's interpretation of that point, but let's set that
23 aside for now and focus on the local trunks, address the
24 local trunks. To refresh our memories, the local trunks in
25 question here in this case are trunks that carry traffic

1 from Core to Verizon's network, correct, the local trunks?

2 A. (D'Amico) In addition to the transit.

3 Q. Right.

4 A. (D'Amico) Yes.

5 Q. But they are outbound from Core to Verizon?

6 A. (D'Amico) Correct.

7 Q. Okay. And on page 42 through 43 of your direct,
8 you say that these trunks would not be eligible for TELRIC
9 if they are used to carry calls destined for third party
10 carriers, correct?

11 A. (D'Amico) Correct.

12 Q. But if these trunks were used to carry calls to
13 Verizon's network, then TELRIC would apply, correct?

14 A. (D'Amico) I think that's kind of leaning to
15 that, from my understanding.

16 Q. Okay. But didn't we discuss earlier that these
17 trunks did not carry any traffic at all until the third
18 quarter of 2010?

19 A. (D'Amico) Third quarter of 2010?

20 Q. Didn't we go over the fact that core did not
21 send outbound traffic until the third quarter of 2010?

22 A. (D'Amico) Yes, yes. Sorry.

23 Q. But certainly during that time period prior to
24 2010, these trunks were capable of sending traffic to
25 Verizon's network, correct?

1 A. (D'Amico) Yes.

2 Q. So if that was the case, wouldn't TELRIC rates
3 apply to those trunks at least prior to the third quarter of
4 2010?

5 A. (D'Amico) So what you're saying is that if
6 there's no usage on a trunk group, that you should assume
7 that it would only be used for local between Core and
8 Verizon? The fact that there's no usage, I'm not sure how
9 that would be handled, because typically when a CLEC orders
10 trunks, they intend to use them. I'm not sure why these
11 were ordered and then never used for a period of time.

12 Q. They were billed at access the whole time,
13 correct?

14 A. (D'Amico) Yes.

15 Q. Because Verizon had never issued Core a bill for
16 these facilities at TELRIC prices, correct?

17 A. (D'Amico) That's my understanding.

18 Q. Okay. And generally speaking, TELRIC prices are
19 much lower than access prices, correct?

20 A. (D'Amico) Generally speaking, yes.

21 Q. Okay. So you recognize that Core does not agree
22 with Verizon's position on the pricing for these trunks, but
23 on page 38 of your direct and page five of your rebuttal,
24 you criticize Core for not paying Verizon's bills at the
25 TELRIC rates, right?

1 A. (D'Amico) Correct.

2 Q. Isn't your point that Core should at least pay
3 the TELRIC rate even if Core disputes the bills, correct?

4 A. (D'Amico) Many carriers do that if they have a
5 dispute.

6 Q. But again, you acknowledge on page 38 of your
7 direct that you have never billed Core at TELRIC rates, just
8 access rates?

9 A. (D'Amico) Correct.

10 Q. Let me ask you, if Verizon never billed Core at
11 TELRIC rates, how was Core supposed to know how much to pay
12 Verizon at TELRIC?

13 A. (D'Amico) I believe TELRIC rates are available
14 in the various cases. For example, the rates for unbundled
15 network elements are TELRIC based and those were available
16 for a carrier to look at.

17 Q. Okay. I want to have Mr. Van de Verg pass out
18 an exhibit that I would like to have marked as Core Cross-
19 Examination Exhibit No. 2.

20 Core Cross-Examination Exhibit No. 2 which Mr. Van de
21 Verg will be passing out here is Verizon's response to Core
22 Interrogatory Set II, No. 3. And Mr. D'Amico, you are
23 indicated as the sponsor of that answer.

24 (Whereupon, the document was marked
25 as Core Cross-Examination

1 Exhibit No. 2 for identification.)

2 Q. Now, this interrogatory asks Verizon to identify
3 the rates at which Verizon bills Core for each of the items
4 referenced in Verizon's counter-claims and identify the
5 basis for such rate and its application to services
6 allegedly ordered by Core.

7 And your response in the second paragraph is, "It is
8 not possible to segregate the rates at which Verizon bills
9 Core for the items referenced in Verizon's counter-claim in
10 the manner requested by Core because they are not mutually
11 exclusive categories. For example, switched access DS1
12 services can include charges for entrance facilities,
13 multiplexing, trunk ports, transport and trunk termination;
14 is that correct?

15 A. (D'Amico) Correct.

16 Q. Yet even though you were not able to segregate
17 out the rates and charges, you expected Core to be able to
18 look at one of Verizon's access bills and do some
19 recalculation into TELRIC rates and pay the TELRIC amount;
20 is that right?

21 A. (D'Amico) Sure. There's various components of
22 the rate structures that, I think what this was trying to
23 say was that there's a lot of potential, like there could be
24 mileage, there could not be mileage, there could be
25 multiplexing. And so if Core looks at its bill, that's all

1 outlined in that.

2 Q. All right. Are you familiar with Verizon's
3 access bills or billing format to Core?

4 A. (D'Amico) I wouldn't say that I'm an expert,
5 but I believe there's quite a bit of detail on those bills.

6 Q. Have you reviewed any of Verizon's access bills
7 to Core in preparation for your testimony in this case?

8 A. (D'Amico) I don't know that I looked at Core's
9 bills specifically, but I have seen, you know, access bills,
10 you know. The structure is basically the same.

11 Q. Okay. I want to have Mr. Van de Verg pass out a
12 document that's been marked for identification purposes as
13 Core Cross-Examination Exhibit No. 3. I'll have you
14 identify it for us if you could.

15 (Whereupon, the document was marked
16 as Core Cross-Examination
17 Exhibit No. 3 for identification.)

18 Q. Can you identify what that document is?

19 A. (D'Amico) It looks to be some sort of a report.
20 The bills that I'm used to seeing are not in this format.

21 Q. Okay. On the first page there, it indicates
22 Verizon Enterprise Center bill; is that correct?

23 A. (D'Amico) Yes.

24 Q. And there's a billing account number indicated
25 there beginning with a 570, correct?

1 A. (D'Amico) Yes.

2 Q. Do you know if that's one of the Core billing
3 account numbers?

4 A. (D'Amico) I would have to match it up, but I
5 would suspect it is.

6 Q. And based on the fact that there's a billing
7 address noting Core Tele in Annapolis, Maryland, would you
8 agree with me subject to check that this is a Verizon access
9 bill for that billing account number reflected on the bill
10 to Core Communications?

11 A. (D'Amico) I wouldn't say that it's a bill. It
12 looks like it has information about that bill, but again,
13 the bills that I'm used to seeing are usually in either a
14 paper format or within the system. I don't recognize this
15 format.

16 Q. Okay.

17 A. (D'Amico) It usually has like the location, the
18 circuit ID, the various USOCs, and then it summarizes it
19 into intra-, inter-, local, stuff like that.

20 Q. Would that information be reflected on the
21 detail behind that first page?

22 A. (D'Amico) It looks like it has some of the
23 information, but again, I'm just not familiar with this
24 format. Things have changed over the years.

25 Q. What is the last switched access bill issued to

1 Core that you reviewed, approximately the date of that bill?

2 A. (D'Amico) Again, I don't think I've looked at
3 their actual bill. I just looked at bills probably some
4 time this year, and again, I don't know if this is pulled
5 off the system or if this is an electronic report, but the
6 folks in our billing center, I mean, that's what they're
7 there for. They get calls all the time about carriers
8 asking to explain bills, you know, what is this, why is
9 this. They even set up meetings and stuff where they review
10 bills with customers.

11 Q. Okay. All right. I believe you said earlier
12 that access bills to Core include a mix of those flat rate
13 facilities charges and traffic sensitive intercarrier
14 compensation charges; is that correct?

15 A. (D'Amico) Well, actually what I mentioned
16 before, that there is some intelligence in the BAN
17 structure, the billing account number. For example, like
18 where it says 215M11, I believe those bills would typically
19 have facility charges on them.

20 And then to the extent that there was usage, there
21 would be like a Y bill. Again, that varies a little bit,
22 but for example I could see a 570Y13060, to me that would be
23 the billing account number that would have the usage.

24 Q. Okay. All right. But for both the flat rate
25 facilities charges and the traffic sensitive intercarrier

1 compensation charges, both of those set of charges are
2 comprised of various underlying elements; would you agree
3 with that?

4 A. (D'Amico) Yes.

5 Q. Okay. And they might vary by BAN. In other
6 words, one of Core's billing account numbers might have one
7 set of elements being billed, and another BAN may have an
8 entirely separate set of elements being billed?

9 A. (D'Amico) Correct, depending on the
10 architecture of that LATA, there could be an entrance
11 facility and then mileage, or if there was no interoffice
12 mileage, it could be right next to that particular wire
13 center so there wouldn't be mileage. So yeah, there could
14 be some variation.

15 Q. Okay. I'm going to have Mr. Van de Verg pass
16 out another cross-examination exhibit. This one will be
17 marked Core Cross-Examination Exhibit No. 4. And this I
18 believe gets to the point you were just making about the
19 various elements and charges that comprise these access
20 bills. And this is going to be the response of Verizon to
21 Interrogatory Set I, No. 7.

22 (Whereupon, the document was marked
23 as Core Cross-Examination
24 Exhibit No. 4 for identification.)

25 Q. Now, I recognize this was answered by Lisa

1 Peterson who was originally identified as a Verizon witness
2 in this case but who was subsequently replaced. I'll give
3 you a moment to review this.

4 MS. KUHN: Counsel, I would note this is denoted
5 proprietary. I don't know if you're going to be getting
6 into a part of it that is --

7 MR. GRUIN: No, I think we'll submit it as a
8 document, an exhibit that can be marked proprietary but the
9 discussion won't be proprietary.

10 MS. KUHN: All right.

11 WITNESS D'AMICO: Okay.

12 BY MR. GRUIN:

13 Q. Now, this interrogatory asked Verizon to
14 describe the various elements for which it bills Core and
15 Verizon provided a proprietary spreadsheet of BANs and
16 billing elements; is that correct?

17 A. (D'Amico) Yes.

18 Q. And that has been marked proprietary and we
19 won't get into any discussion of the various BANs, but am I
20 reading this correctly that this spreadsheet breaks out the
21 various Core BANs and in a subsequent column describes the
22 various elements that are charged and the tariff references
23 to justify those charges?

24 A. (D'Amico) That's what it looks like, yes.

25 Q. And am I reading this correctly that there's a

1 mix of both FCC tariff elements and PA PUC tariff elements?

2 A. (D'Amico) Yes.

3 Q. Okay. Is this consistent with your prior
4 testimony that the Verizon access bills to Core include
5 charges for a variety of different elements?

6 A. (D'Amico) Yes.

7 Q. Okay. Now, keeping in mind your prior
8 interrogatory response where you indicated it was not
9 possible to segregate bills into elements and rates because
10 certain categories are not mutually exclusive, and looking
11 at the number of different elements and tariff provisions
12 that underlie the rate elements, are you still saying that
13 Core would have been able to take a Verizon access bill that
14 only included access charges and somehow recalculate the
15 bill at TELRIC pricing and paid that amount?

16 A. (D'Amico) Sure. I mean, you have to have a
17 basic understanding of the structure, but the structures are
18 basically the same. It's just the rates are different,
19 plus, you know, Core has the opportunity to contact the
20 billing center to say, you know, what is this, how does it
21 work. So I don't think it would have been -- I mean, it
22 would have been an exercise, but it's not something that
23 Core couldn't have done.

24 Q. Okay. Thank you. Let's wrap up this section
25 about TELRIC pricing. I think you said, roughly speaking,

1 TELRIC rates are lower than access rates for these
2 facilities, correct?

3 A. (D'Amico) Yes.

4 Q. So TELRIC applies and you admit that the
5 outstanding charges to Core would be considerably less than
6 the \$4.55 million that Verizon shows in Exhibit 13, right?

7 A. (D'Amico) That would be dependent upon whether
8 they're TELRIC for all the facilities or excluding the
9 access toll connecting trunks, but yes, they would be lower.

10 Q. Okay. Is there a one-to-one relationship
11 between the access elements that Verizon bills to Core and
12 251(c)(2) interconnection elements?

13 A. (D'Amico) Remind me again what the 251(c)(2)s
14 are again?

15 Q. Forget about the 251(c)(2) designation and I'll
16 restate the question. Is there a one-to-one relationship
17 between access elements and interconnection elements?

18 A. (D'Amico) There could be for unbundled network
19 elements and rate elements for access.

20 Q. Okay. But you can't say with certainty that
21 there are?

22 A. (D'Amico) Well, for example, interoffice
23 mileage, it may be called something slightly different, but
24 you know, it's channel mileage or office mileage,
25 interoffice facilities, you know. It all kind of represents

1 the same category, multiplexing, you know, basically
2 multiplex, same probably term throughout.

3 Q. Okay. Let's conclude our discussion about
4 Verizon's facilities claims. That \$4.55 million figure in
5 your direct testimony that you claim, that Verizon claims
6 Core owes to Verizon, that includes charges from 2007, 2006,
7 2005 and even earlier; is that correct?

8 A. (D'Amico) Yes. That's my understanding.

9 Q. Okay. And that amount, that \$4.55 million
10 includes charges for both intrastate and interstate access
11 charges, correct?

12 A. (D'Amico) Yes. It also includes some usage and
13 directory listings as well.

14 Q. And by your calculation as set forth in Exhibit
15 SR-3, Surrebuttal SR-3, from May 1, 2008 through May 7,
16 2012, approximately four years --

17 MS. KUHN: He's not there yet.

18 MR. GRUIN: I'm sorry.

19 (Pause.)

20 WITNESS D'AMICO: Okay, I'm there.

21 BY MR. GRUIN:

22 Q. SR-3? Okay. So from May 1, 2008 through May 7,
23 2012, about four years, only \$386,359.74 charges of the
24 amount Verizon is claiming due were intrastate charges; is
25 that correct?

1 A. (D'Amico) First of all, I apologize. I already
2 had this in front of me.

3 Q. I thought you did.

4 A. (D'Amico) But good thing this came up again.
5 So the intrastate portion between 5/1 of '08 and 5/7 of
6 2012, \$386,000, yes.

7 Q. Okay. Great. And all of those amounts were
8 calculated at access rates?

9 A. (D'Amico) Yes.

10 Q. And those figures include no charges at TELRIC
11 rates?

12 A. (D'Amico) Correct.

13 Q. And if TELRIC rates would apply, those
14 intrastate charges would be lowered even further, correct?

15 A. (D'Amico) Yes.

16 MR. GRUIN: Your Honor, I think this is a good time
17 for a break.

18 JUDGE COLWELL: I hear you. Why don't we take one
19 now, 15 minutes. Be back here at quarter of eleven.

20 (Recess.)

21 JUDGE COLWELL: We're back on the record.

22 MR. GRUIN: Thank you, Your Honor.

23 BY MR. GRUIN:

24 Q. Now I would like to turn to the other major
25 portion of this case which is Core's billing to Verizon for

1 traffic that Verizon sends to Core. And I believe this is
2 Mr. Munsell's territory here. I want to talk to you a
3 little bit about your analysis of Core's billings to Verizon
4 and your claims of overbilling. Now in your direct
5 testimony on pages 12 through 13, you say that Verizon began
6 billing Core for Core outbound traffic in August of 2010; is
7 that correct? Direct testimony, page 12.

8 A. (Munsell) What line on page 12?

9 Q. I'm sorry, strike that. It might be the
10 rebuttal testimony.

11 MS. KUHN: Mike, while you're looking, we're just
12 going to have Bill move to the edge of the table so he can
13 use the surface area here for his papers.

14 MR. GRUIN: That sounds good.

15 (Pause.)

16 BY MR. GRUIN:

17 Q. We'll skip that question about when Verizon
18 began billing Core for Core outbound traffic because I think
19 we already covered that in the previous section. But I want
20 to focus instead on Verizon's suspicions about Core
21 overbilling Verizon for traffic received by Core. And this
22 would be on page 66 of your direct testimony.

23 MS. KUHN: Could you repeat the page?

24 MR. GRUIN: Sixty-six.

25 MS. KUHN: Okay. Thank you.

1 MR. GRUIN: Of direct.

2 (Pause.)

3 BY MR. GRUIN:

4 Q. Is that correct, that the suspicions began in
5 January of 2011, Mr. Munsell?

6 A. (Munsell) I can't say when the suspicions first
7 -- when we first suspected that. In January of 2011 after
8 Verizon pressed Core for some call detail records, our
9 suspicions were enhanced.

10 Q. Okay. And these were again suspicions about
11 Core bills to Verizon for traffic sent to Core, correct?

12 A. (Munsell) Correct.

13 Q. Okay. And so in January of 2011, you made a
14 request of some sample data from Core, correct?

15 A. (Munsell) Correct.

16 Q. But the sample you requested and ultimately
17 received was a sample of Core's outbound traffic to Verizon,
18 correct?

19 A. (Munsell) Yes. That was outbound to Verizon
20 and our understanding of that sample was it was to be Core
21 originated locally dialed traffic.

22 Q. Okay. Now, based on -- this was a one day
23 sample, correct?

24 A. (Munsell) Correct.

25 Q. And based on this one day sample, you made some

1 assumptions about the traffic that Verizon sent to Core,
2 correct? This is outlined on page 66 of your direct
3 testimony, lines 16 through 18?

4 A. (Munsell) We made some assumptions about what
5 Core billed to Verizon.

6 Q. Okay. Specifically, you state that it would be
7 reasonable to assume that Core's outbound traffic profile
8 would be similar to its inbound traffic profile, correct?

9 A. (Munsell) Correct.

10 Q. Okay. Why would this assumption be reasonable
11 when Verizon has repeatedly acknowledged that Core during
12 this time period primarily served ISPs who do not generate
13 outbound traffic?

14 A. (Munsell) I say during this time frame, I think
15 as Core also testified, Core was also I'd say courting or
16 getting customers that would send out substantial amounts of
17 outbound traffic.

18 Q. Okay. On page 62 of your direct, you indicate
19 that this outbound phenomenon only began in August of 2010?

20 A. (Munsell) I believe I'm quoting Core, but yes.

21 Q. Okay. But you also state that Verizon's records
22 show that it began billing Core in August 2010; is that
23 correct?

24 A. (Munsell) Correct.

25 Q. So Verizon was aware that Core had been

1 servicing ISPs for many years. By the time 2011 came
2 around, Verizon was aware that Core had been servicing ISPs
3 since the early 2000's; is that correct?

4 A. (Munsell) I wasn't involved with Core in the
5 early 2000's. I have read pleadings from that period of
6 time, so I expect that we did know that Core was primarily
7 serving ISPs.

8 Q. Okay. And in fact, for 20 pages in your direct
9 testimony the panel talks repeatedly about the fact that
10 Core throughout its business plan primarily served inbound
11 only ISPs; is that correct?

12 A. (Munsell) Correct.

13 Q. Okay. But you did make the assumption in
14 January of 2011 that Core's outbound profile would be
15 similar to its inbound profile?

16 A. (Munsell) Absent any other data, we made that
17 assumption.

18 Q. Do you think that was a reasonable assumption?

19 A. (Munsell) Absent any other data, I think it
20 was.

21 Q. Okay. So after you reviewed this one day sample
22 of outbound traffic from Core to Verizon, you concluded that
23 none of these calls were Core originated; is that correct?

24 A. (Munsell) Can you point me to the testimony?

25 Q. Sure, page 66 of your direct, also page 61 of

1 your surrebuttal.

2 A. (Munsell) That's correct.

3 Q. Okay. This traffic in this one day sample, do
4 you know of Verizon billed Core for the termination of this
5 traffic?

6 A. (Munsell) I expect we billed Core for either
7 the termination of this traffic or for the transit of this
8 traffic.

9 Q. Okay. On page 43 of your surrebuttal, Verizon
10 states that Verizon bills Core for all traffic that Core
11 sends to Verizon, surrebuttal, page 43.

12 A. (Munsell) That's correct.

13 Q. Okay. So based on that, it's safe to assume
14 that Verizon billed Core for this outbound traffic that was
15 part of this sample, correct?

16 A. (Munsell) For either the termination if it
17 terminated for the Verizon end user or for the transit of
18 that traffic if it traversed Verizon's network destined for
19 a third party.

20 Q. Even though you claim that it was not originated
21 by Core?

22 A. (Munsell) The originating numbers were not
23 assigned to Core.

24 MR. GRUIN: Okay. I'm going to have Mr. Van de Verg
25 pass out a document that's been marked for identification

1 purposes as Core Cross-Examination Exhibit 5. This document
2 is a response of Verizon to Core Set III Interrogatories,
3 Interrogatory No. 14.

4 (Whereupon, the document was marked
5 as Core Cross-Examination
6 Exhibit No. 5 for identification.)

7 BY MR. GRUIN:

8 Q. This interrogatory asks how Verizon's billing
9 system identifies and bills third party traffic sent by Core
10 to Verizon. And the final line of the response quite
11 succinctly states that third party traffic sent by Core is
12 billed to Core. Do you agree with that response?

13 A. (Munsell) Yes.

14 Q. Do you know at what rate Verizon would bill Core
15 for this traffic? And by "this traffic," I mean third party
16 traffic sent by Core to Verizon.

17 A. (Munsell) It would be at the transit rate. I
18 could probably find it. It's like .001 something.

19 Q. Now, let me ask you to consider that. This is
20 third party traffic that was sent from Core to Verizon to
21 terminate on Verizon's network.

22 A. (Munsell) Oh, I'm sorry. I get these third
23 parties mixed up.

24 Q. Sure.

25 A. (Munsell) We would have billed either or recip.

1 comp. or intrastate access or interstate access, I guess,
2 depending on the factor, the billing factor.

3 Q. Would any of that traffic have been billed at
4 the rate of .0007?

5 A. (Munsell) Depends on the time period and the
6 location. I believe one of the areas, the north, Verizon
7 North, it was under Rate Plan B which is the .0007 rate.
8 Now for a period of time I believe we weren't billing that
9 correctly. We subsequently adjusted for like 500 bucks or
10 something like that. So to answer your question, I'd have
11 to look at the specific usage amount and where it was
12 terminated.

13 Q. Okay. But for Verizon Pennsylvania, can we
14 agree that none of that traffic, third party originated,
15 sent by Core to Verizon, none of it was billed at the rate
16 of .0007?

17 A. (Munsell) Yes.

18 MR. GRUIN: I want to have Mr. Van de Verg pass out
19 another exhibit. This is Core Cross Exhibit 6. And this is
20 going to be Verizon's answer to Core Set I, Interrogatory
21 No. 8.

22 (Whereupon, the document was marked
23 as Core Cross-Examination
24 Exhibit No. 8 for identification.)

25 BY MR. GRUIN:

1 Q. And this question asks Verizon to describe the
2 methodology for how it bills Core for traffic that it
3 receives. And the response sets out a very lengthy
4 description of Verizon's methodology. I'll give you a
5 moment to review that.

6 (Witness perusing document.)

7 A. (Munsell) Okay.

8 Q. So do you agree that this response correctly
9 outlines the methodology for the rating of these calls,
10 third party originated calls sent by Core to Verizon?

11 A. (Munsell) Yes, looks accurate.

12 MR. GRUIN: Great. I would have Mr. Van de Verg get
13 up again, get his exercise, and pass out the document that's
14 been marked as Core Cross Exhibit No. 7, another
15 interrogatory response. This is Verizon's answer to Set II,
16 No. 12.

17 (Whereupon, the document was marked
18 as Core Cross-Examination
19 Exhibit No. 7 for identification.)

20 BY MR. GRUIN:

21 Q. And Mr. D'Amico sponsored this answer, and this
22 asks Verizon to detail the steps through which Verizon
23 invoices Core for traffic sent by Core to Verizon. And
24 there's a multi-step process set forth here. Do you agree
25 that that response sets forth the correct methodology?

1 A. (D'Amico) Yeah, it summarizes it.

2 Q. Looking through the steps here in this response,
3 I don't see a step in which Verizon attempts to weed out or
4 segregate calls that may have been originated by third
5 parties other than Core. Is it correct to say that Verizon
6 does not attempt to weed out calls that may have been
7 originated by third parties other than Core for purposes of
8 billing?

9 A. (D'Amico) Correct.

10 Q. Let me understand if I am correctly stating your
11 position here. When Core sends traffic to Verizon, Verizon
12 bills Core for 100 percent of that traffic even if it was
13 not originated by Core, correct?

14 A. (Munsell) Even if the originating numbers were
15 not assigned to Core, that would be a correct statement.

16 Q. Okay. But when Verizon sends traffic to Core,
17 Verizon is not responsible for traffic originated by a third
18 party?

19 A. (Munsell) That is correct.

20 Q. Okay. What is your rationale for this disparity
21 in treatment of third party traffic?

22 A. (Munsell) First, the fact that Verizon operates
23 as a tandem provider in Pennsylvania and Core does not.
24 Second, from Core's own response in a discovery response,
25 that frankly I don't remember the number, but that Core does

1 not transit any third party traffic.

2 Q. Core does not transit any third party traffic.
3 But didn't you just say that the sample you analyzed in
4 January of 2011, you found that none of the calls were Core
5 originated?

6 A. (Munsell) None of the originating numbers were
7 assigned to Core.

8 Q. And those findings were what led to your
9 suspicions that resulted in this dispute, correct?

10 A. (Munsell) Correct.

11 Q. So which one is it? Does Core send outbound
12 traffic originated by third parties or doesn't Core?

13 A. (Munsell) We know that the originating numbers
14 on the traffic Core -- on the CDRs that Core sent us were
15 not assigned to Core. Whether those entities, whether the
16 originating numbers were quote-unquote "end users" of Core,
17 perhaps the VoIP provider, I don't know.

18 Q. But you billed Core for 100 percent of the
19 traffic?

20 A. (Munsell) That is correct.

21 Q. Okay. So your suspicions about Core's bill to
22 Verizon were based on this one day sample in January of
23 2011, and then on page 66 of your testimony, direct
24 testimony, line 18, you state that, "As a result of these
25 suspicions, Verizon concluded that it could not continue to

1 pay Core for traffic that was not compensable," correct?

2 A. (Munsell) Correct.

3 MR. GRUIN: Okay. I'm going to have Mr. Van de Verg
4 pass out two exhibits marked Core Cross-Examination 8 and 9.

5 (Whereupon, the documents were
6 marked as Core Cross-Examination
7 Exhibits Nos. 8 and 9 for
8 identification.)

9 BY MR. GRUIN:

10 Q. Mr. Munsell, have you seen these letters before?

11 A. (Munsell) I believe they were part of the
12 complaint.

13 Q. Okay. I note that they were issued by a manager
14 named Charles Bando. Do you know who Charles Bando is?

15 A. (Munsell) Yes, I do.

16 Q. Who is Charles Bando?

17 A. (Munsell) Charles Bando is a billing manager in
18 our Boston accounts payable group.

19 Q. Okay. And these were two letters sent to Core
20 and they basically indicate that Verizon is disputing and
21 withholding payment on two invoices issued by Core on May
22 31, 2011, correct?

23 A. (Munsell) That is correct.

24 Q. Okay. And the letters were issued on July 1,
25 2011. Were you personally involved, Mr. Munsell, in the

1 analysis that is referenced on page 66 of your direct
2 testimony and which is summarized in these two letters?

3 A. (Munsell) I believe I got involved with this
4 dispute somewhere in the June 2011 time frame. I don't
5 believe I was involved in reviewing the January 2011 file of
6 CDRs, nor do I recall being part of the discussion behind
7 the July 1st letter.

8 Q. Behind mister who's letter?

9 A. (Munsell) Nor do I recall being part of the
10 discussions behind this July 1, 2011 letter.

11 Q. Okay. I believe an interrogatory response that
12 Verizon provided differs from that, and I will pass that out
13 now. I'm not going to have this marked as an exhibit yet,
14 but I just want to present this to you to try to refresh
15 your memory.

16 (Document handed to the witness.)

17 Q. This is a response of Verizon to Core
18 Interrogatory Set II, No. 14, correct?

19 A. (Munsell) Correct.

20 Q. And Core was asked -- I'm sorry, Verizon was
21 asked to answer some questions about the analysis and the
22 personnel who conducted this analysis. And the response
23 does mention your name there.

24 A. (Munsell) It does.

25 Q. And it says, there was a second analysis of the

1 data conducted in June 2011 and William Munsell was involved
2 in that analysis.

3 A. (Munsell) Correct.

4 Q. So June 2011, can we agree that you were
5 involved in the analysis of the Core billings to determine
6 the compensability of those bills?

7 A. (Munsell) As I earlier testified, I thought I
8 had gotten involved in the May-June time frame, which is
9 consistent with this.

10 Q. Okay. Based on your analysis from June of 2011,
11 at the time these letters were issued in July of 2011, July
12 1, 2011, did you believe that 100 percent of the traffic
13 that Verizon sent to Core was non-compensable?

14 A. (Munsell) Certainly from that January 18th file
15 of outbound calls that were represented to us, at least as
16 we believe they were represented to us, as Core originated,
17 locally dialed calls, when we found that none of them were,
18 as well as Core's extreme reluctance to provide the records
19 that they used to support the bills to us, those suspicions
20 I'd say were valid.

21 Q. Okay. So to clarify, you made that conclusion
22 based solely on a review of traffic sent from Core to
23 Verizon, coupled with an assumption about the traffic flow
24 in reverse?

25 A. (Munsell) I think you're trying to say that I

1 made the decision to stop payment, and I certainly did not.

2 Q. I'm not asking about the decision. I'm talking
3 about your conclusion that 100 percent of the traffic was
4 non-compensable.

5 A. (Munsell) Okay. I'm sorry. Can you ask that
6 question again?

7 Q. I'm sorry?

8 A. (Munsell) Can you ask the question again?

9 Q. Sure. So this decision or conclusion that 100
10 percent of the traffic that Verizon sent to Core was
11 non-compensable was based on a review of traffic sent from
12 Core to Verizon, coupled with an assumption about what the
13 traffic flow in reverse would be?

14 A. (Munsell) As well as Core's reluctance to
15 provide the call records behind the specific invoices
16 requested.

17 Q. In making your conclusion in June of 2011 that
18 100 percent of the traffic from Core to -- I'm sorry, from
19 Verizon to Core was non-compensable, did you actually
20 analyze any traffic records related to traffic from Core --
21 from Verizon to Core?

22 A. (Munsell) That I don't recall.

23 Q. Okay.

24 A. (Munsell) Certainly not the call records that
25 Core used to bill, because we did not have them.

1 Q. Okay. Now, the testimony states that your
2 suspicions began in January of 2011, correct?

3 A. (Munsell) That's what the interrogatory says,
4 yes, and in the testimony, I suspect.

5 Q. Yet this issue was not raised to Core until July
6 1st, as indicated by these letters, correct?

7 A. (Munsell) Correct.

8 Q. A gap of approximately four and a half months,
9 correct?

10 A. (Munsell) Correct.

11 Q. And in between, Verizon never shared its
12 suspicions with Core to allow Core to respond or clear up
13 any misunderstanding, did Verizon?

14 A. (Munsell) I am not aware of the various -- of
15 the timing of the various emails between Ken Roos and Chuck
16 Bando's group and Mr. Mingo where Mr. Roos was requesting
17 the call records that Core used to bill Verizon. It could
18 have been in that spring 2011 period. It could have been in
19 2010 for that matter.

20 MR. GRUIN: Okay. I'm going to have Mr. Van de Verg
21 pass out two more exhibits, Core Cross Exhibits 10 and 11.

22 JUDGE COLWELL: Are we labeling the last one as nine?
23 No, we're not labeling it at all, skipping that one?

24 MR. GRUIN: There were two exhibits passed out, eight
25 and nine.

1 JUDGE COLWELL: Eight and nine we've got, and then
2 you handed out one you didn't --

3 MR. GRUIN: Oh, we're not going to mark that one.

4 JUDGE COLWELL: Okay, not marking. That was what I
5 needed to know.

6 (Whereupon, the documents were
7 marked as Core Cross-Examination
8 Exhibits Nos. 10 and 11 for
9 identification.)

10 BY MR. GRUIN:

11 Q. Now, Mr. Munsell, these are two letters dated
12 July 18, 2011 from Verizon to Core, again from Mr. Bando to
13 Core, and they purport to provide clarification of the July
14 1st letters, correct?

15 A. (Munsell) Correct.

16 Q. But isn't it correct that the letters provide no
17 further clarification whatsoever and in fact the language of
18 the letters is identical except for the dollar amounts?

19 A. (Munsell) I'm sorry, can you ask me that again?

20 Q. Isn't it correct that these letters, these July
21 18th letters did not provide any further clarification of
22 the July 1st letters and that in fact the language of the
23 July 18th letters are identical to the July 1st letters with
24 the exception of the dollar amounts referenced?

25 A. (Munsell) I agree with that.

1 Q. Okay. Mr. Munsell, do you remember signing the
2 verification to Verizon's answer to Core's complaint in this
3 case?

4 A. (Munsell) No, I don't.

5 MR. GRUIN: May I approach the witness, Your Honor?

6 JUDGE COLWELL: You may.

7 BY MR. GRUIN:

8 Q. This is a copy of Verizon's answer and new
9 matter to Core's complaint in this case. Does that look
10 familiar to you?

11 A. (Munsell) Yes.

12 Q. Look at the second yellow tab there, flip open
13 to that page, and it's a verification.

14 A. (Munsell) Yes.

15 Q. Is that your signature on the verification?

16 A. (Munsell) Believe it or not, it is.

17 Q. Keep that for a moment there. Could you flip to
18 the first yellow tab, which I believe will take you to page
19 No. 30 of the complaint -- I'm sorry, of Verizon's answer
20 and new matter to Core's complaint? And I want to direct
21 your attention to paragraph 115.

22 JUDGE COLWELL: Mr. Gruin, you have your back to the
23 court reporter.

24 MS. KUHN: Do you mind if I wheel over so I can --

25 MR. GRUIN: Sure.

1 MS. KUHN: -- look over the witness' shoulder,
2 please?

3 (Pause.)

4 WITNESS MUNSELL: Yes, I've read that.

5 MS. KUHN: Just for my reference, which paragraph?

6 MR. GRUIN: Paragraph 115.

7 MR. GRUIN: There is a confidential designation in
8 that paragraph, and I'll ask Ms. Kuhn if Verizon has a
9 problem with that figure being stated in the public record,
10 or would you prefer that it remain proprietary?

11 MS. KUHN: This is our counter-claim. I think we
12 probably marked it that way because this was with respect to
13 your traffic, so it was done out of an abundance of
14 protecting Core's information.

15 MR. GRUIN: We have no problem with that.

16 BY MR. GRUIN:

17 Q. So, paragraph 115 of the answer and new matter,
18 which you verified, isn't it correct that you stated that
19 your analysis of the traffic being terminated by Core
20 indicated that 92 percent of all calls routed over the SS7
21 trunks terminated to Core were directed to less than ten
22 phone numbers?

23 A. (Munsell) That is correct.

24 Q. Okay. Do you stand by that conclusion today?

25 A. (Munsell) No.

1 Q. Why not?

2 A. (Munsell) Subsequent investigation into those
3 ten telephone numbers, involving for example dialing them on
4 a telephone, revealed that they truly were not working
5 telephone numbers. Further investigation revealed that they
6 were location routing numbers in the SS7 record, and in SS7
7 when a call is to a ported number, the terminating LRN in
8 that SS7 signaling stream gets moved to the called number
9 field because that's what used for routing for a ported
10 number. The true called number is moved to a gap field.
11 It's called a gap. And that's what the SS7 records reflect
12 when they're recorded.

13 An error was made in reviewing those SS7 records and
14 interpreting or in not recognizing that in some cases the
15 called number was a terminating LRN. You can filter the
16 various fields to say, if the gap parameter is blank, then
17 the called number is the called number. If the gap
18 parameter is populated, then the called number is a
19 terminating LRN. That filtering of the data had not been
20 done correctly.

21 Q. Okay. Thank you for that explanation. But at
22 the time the answer was filed, Verizon did rely on that what
23 we know was improper analysis to support Verizon's
24 conclusion that Core's bills were invalid?

25 A. (Munsell) That analysis was not accurate.

1 Q. But that wasn't my question. My question was,
2 at the time Verizon filed its answer, did it not rely on
3 that analysis to support its conclusion that the traffic
4 that Verizon sends to Core is not compensable?

5 A. (Munsell) Certainly that was one aspect of the
6 review.

7 Q. But we know now that that 92 percent figure,
8 that analysis is completely wrong?

9 A. (Munsell) That 92 percent is completely wrong.

10 Q. Okay. Great. On pages 53 and 54 of your
11 rebuttal testimony --

12 MS. KUHN: Did you say 53 and 54?

13 MR. GRUIN: Page 53 over to 54.

14 BY MR. GRUIN:

15 Q. You indicated that, beginning on line seven,
16 page 53, that the evidence available to Verizon indicated
17 that Core had been dramatically overbilling Verizon for
18 years; is that correct?

19 A. (Munsell) Correct.

20 Q. But isn't it correct that in July of 2011 when
21 Verizon sent its letter saying that 100 percent of the
22 traffic was non-compensable, that Verizon had not even
23 analyzed any call detail records for this traffic?

24 A. (Munsell) The call detail records that Core
25 used to bill Verizon?

1 Q. Either those records or Verizon's own records.

2 A. (Munsell) Typically in a billing dispute, which
3 I've done hundreds of, I want to see the record that the
4 entity submitting the bill used to create that bill. Those
5 are the records that are worthy of a serious analysis to
6 evaluate the legitimacy of that bill.

7 Q. Okay. So the answer is no, you had not reviewed
8 any call detail records?

9 A. (Munsell) I had certainly not reviewed any Core
10 call detail records.

11 Q. Had you reviewed any Verizon call detail
12 records?

13 A. (Munsell) I do not recall if I reviewed any SS7
14 call detail records at that period of time.

15 Q. Thank you. And then on page 54 of your
16 rebuttal, at lines three and four, you indicated that
17 Verizon withheld payment until matters were, quote, "sorted
18 out," correct?

19 A. (Munsell) Correct.

20 Q. If that was the case, why didn't Verizon just
21 say that in either the July 1st letter or July 18th letter?

22 A. (Munsell) I do not know that.

23 Q. Okay. As we sit here today, is it still your
24 position that 100 percent of the traffic that Verizon was
25 sending to Core in the years 2008 through 2011 was not

1 compensable?

2 MS. KUHN: I'm going to just again ask you to phrase
3 the question as asking for his lay opinion, because he's not
4 here to testify on any legal objections as to the billable
5 nature of the traffic?

6 BY MR. GRUIN:

7 Q. In your lay opinion as the sponsor of this
8 testimony and with your very impressive credentials as
9 indicated in the first several pages of that testimony.

10 A. (Munsell) For the call records that Core
11 provided that I have reviewed, some of that traffic was
12 Verizon originated, locally dialed traffic.

13 Q. Let me restate it. Is it your position today --
14 and it's okay to say no -- is your position still that 100
15 percent of this traffic, 100 percent of the traffic that
16 Verizon was sending to Core during this time period was
17 non-compensable?

18 MS. KUHN: In his lay opinion?

19 BY MR. GRUIN:

20 Q. In your lay opinion.

21 A. (Munsell) In my lay opinion, no.

22 Q. Okay. Because I believe you state in your
23 direct testimony submitted on August 23rd that your position
24 was that 28 percent of the calls from Verizon to Core on the
25 SS7 network were not compensable because it did not

1 originate from Verizon customers, correct?

2 A. (Munsell) Not so much calls on the SS7 network,
3 though they were on the SS7 network, but it was Core's SS7
4 call detail records for that period of time that I was
5 reviewing.

6 Q. Okay. And this 28 percent figure that is
7 outlined throughout your direct testimony, I believe you
8 said this was based on your review of five months of call
9 detail records; is that correct?

10 A. (Munsell) Correct.

11 Q. And if I understand your methodology, you got
12 this 28 percent figure from your five month sample and then
13 multiplied that by the amount of the number of Core's
14 billings to Verizon for the entire period from 2008 through
15 2012 to come up with your calculated refund claim of
16 \$2.2 million?

17 A. (Munsell) That is correct.

18 Q. We'll get to some of the shortcomings of that
19 analysis in a minute, but I just want to clarify. That type
20 of analysis was not done in 2011 before Verizon issued its
21 July 1st letter, correct?

22 A. (Munsell) Yes. I don't believe we had those
23 SS7 call records at that period of time.

24 Q. Okay. All right. I'm going to hand you five
25 Verizon discovery responses that I've marked as Core Exhibit

1 12, 13, 14, 15 and 16. These are a series of interrogatory
2 responses to Core Set III Interrogatories to Verizon. They
3 are responses to Core Set III, Nos. 6, 7, 8, 9 and 10.

4 (Whereupon, the documents were
5 marked as Core Cross-Examination
6 Exhibits No. 12 through 16 for
7 identification.)

8 BY MR. GRUIN:

9 Q. Let's start with the first one that's been
10 marked as Core Cross Exhibit No. 12, Verizon response to
11 Core Interrogatory Set III, No. 6. Verizon was asked, for
12 calendar year 2008 through 2012, to identify the percentage
13 of traffic Verizon sent to Core over the local one-way
14 interconnection trunk groups that was not in fact locally
15 dialed. And you responded that, "It is not possible for
16 Verizon to identify the requested percentage;" is that
17 correct?

18 A. (Munsell) Lisa did, but I can say the same
19 thing.

20 Q. Thank you. So that response is correct?

21 A. (Munsell) That's correct.

22 Q. Okay. Please flip to the next Cross Exhibit,
23 No. 13. This is a response to Set III, No. 7, similar
24 question, same time period, asking Verizon to identify the
25 percentage of all traffic Verizon sent to Core over the one-

1 way local trunk groups that was transit traffic generated by
2 third party carrier end users. And I'll let you provide the
3 response that was given and indicate whether you agree with
4 it.

5 A. (Munsell) I agree with that response.

6 Q. And that response is, "It is not possible for
7 Verizon to identify the requested percentage," correct?

8 A. (Munsell) That is correct.

9 Q. Okay. Core Cross Exhibit No. 14, response to
10 Set III, No. 8, similar question, same time period. Core
11 asked Verizon to identify the percentage of all traffic
12 Verizon sent to Core over one-way local interconnection
13 trunk groups that was generated by wireless carrier end
14 users and end users of Verizon Wireless and its affiliates.
15 And Lisa Peterson responded, "It is not possible for Verizon
16 to identify the requested percentages." Do you agree with
17 that response?

18 A. (Munsell) I do, yes.

19 Q. Moving on, Core Cross Exhibit No. 15, Verizon
20 response to Interrogatory Set III, No. 9, Verizon was asked
21 to identify the total number of calls Verizon sent to Core
22 over the one-way interconnection trunk groups and the number
23 of such calls for which no EMI record was provided by
24 Verizon. William Polding responded, "It is not possible for
25 Verizon to identify the requested number of calls." Do you

1 agree with that?

2 A. (Munsell) Yes, I do.

3 Q. Finally, Core Cross Exhibit No. 16, Verizon
4 response to Set III, No. 10. I'll let Mr. D'Amico answer
5 this one because he was the sponsoring witness. Verizon was
6 asked, for the period in question, 2008 through 2012,
7 identify the number of calls Verizon sent to Core over the
8 two-way access toll connecting trunks and the number of such
9 calls for which no EMI record was provided by Verizon. And
10 Mr. D'Amico, you responded, "It is not possible for Verizon
11 to identify the requested number of calls." Do you still
12 agree with that response?

13 A. (D'Amico) Yes, I do.

14 Q. So what these five responses indicate to me is
15 that Verizon's 28 percent number that's referenced around
16 its direct testimony is merely an estimate that is
17 extrapolated from a sample; is that correct?

18 A. (Munsell) That is correct.

19 Q. And Verizon is unable to say with any certainty
20 how many calls it was allegedly double billed for, correct?

21 A. (Munsell) I mean, outside of the sample period,
22 you mean?

23 Q. No. I mean -- yeah, outside of the five month
24 sample period, yes.

25 A. (Munsell) Yes. Without reviewing the CDRs for

1 each month, that would be true.

2 Q. Okay. And Verizon is not able to say with any
3 certainty how many calls did not originate with Verizon end
4 users; is that correct?

5 A. (Munsell) Again, without reviewing the CDRs
6 that Core used to bill Verizon, no, I cannot say that.

7 Q. Okay. Moving forward in time again, now in your
8 surrebuttal testimony which was submitted a couple months
9 later, I think it was in October of 2012, you modified your
10 position on the percentage of traffic that was not
11 compensable, correct?

12 A. (Munsell) Correct.

13 Q. And now you're saying that 35 percent of the
14 calls on the SS7 network were non-compensable based on the
15 review of 18 months of records of calls from Verizon to
16 Core.

17 A. (Munsell) Can you point me to the testimony?

18 Q. Sure.

19 (Pause.)

20 Q. I believe it begins on page 68 and carries over
21 to 69.

22 A. (Munsell) Yes. I see that on line 21.

23 Q. Thank you. Now, is that your final answer, 35
24 percent, or would you like to provide another answer for us
25 today?

1 A. (Munsell) Provide me all of the CDRs that are
2 SS7, I can probably provide a different answer.

3 Q. Hasn't Core provided Verizon with all the CDRs
4 for the SS7 network?

5 A. (Munsell) I'm sorry, you're right. You have.
6 I would need to analyze all of those SS7 CDRs. As I think
7 we discussed yesterday, the MF time stamp records don't
8 provide any sort of an analysis.

9 Q. Okay. Which 18 months were reviewed in coming
10 up with this 35 percent estimate? Do you know, ballpark?

11 A. (Munsell) Not off the top of -- certainly in
12 two thousand -- I think it was 2012, January; February I
13 believe we skipped due to a data problem; and then the
14 subsequent four months. And then we worked back in time,
15 starting in December of 2011, and I want to say there was
16 one month in that time series where we also had data that
17 was not reliable and we skipped.

18 Q. Okay. So the 18 months in question, did that
19 include traffic from both the SS7 network and the MF
20 network?

21 A. (Munsell) No. These were only SS7 CDRs.

22 Q. Great. Thank you. This other 35 percent, the
23 traffic that Verizon is not responsible for, who was Verizon
24 alleging is responsible financially for that traffic?

25 A. (Munsell) The carrier who sent that call to the

1 Verizon network.

2 Q. Can you identify those carriers?

3 A. (Munsell) On the EMI records, I could identify
4 those carriers.

5 Q. Are you saying that EMI records were sent for
6 all of the calls that comprise the 35 percent number?

7 A. (Munsell) I have no reason to think they were
8 not.

9 Q. Of all of the minutes delivered to Core from
10 Verizon during this time period, did you analyze the
11 percentage of minutes for which EMI records were provided to
12 Core?

13 A. (Munsell) I'm sorry, can you ask me that again?

14 Q. Looking at all the minutes delivered to Core
15 from Verizon during this time period, did you analyze the
16 percentage of minutes for which EMI records were provided to
17 Core?

18 A. (Munsell) I do not believe I did. I'm not sure
19 I got the EMI records, frankly.

20 Q. Okay. So the EMI records were not used in
21 coming up with your estimate of 35 percent?

22 A. (Munsell) No. We were reviewing Core's records
23 since that's what was used to bill Verizon.

24 Q. Okay. But you never matched up the 35 percent
25 or the calls that comprise the 35 percent to the EMI records

1 to determine if the entire 35 percent could be matched to a
2 third party caller?

3 A. (Munsell) No, I did not do that.

4 Q. Okay. Did Core produce EMI records to Verizon
5 in the context of this proceeding?

6 A. (Munsell) I'm trying to think of the data set
7 that was presented, and I know I was presented the MF time
8 stamp data set, the SS7 data set, and I believe I was
9 presented EMI but I can't recall for what time periods.

10 Q. Okay. All right. Because Verizon doesn't keep
11 its EMI records for long periods of time; is that correct?

12 A. (Munsell) We certainly don't keep them readily
13 accessible for a long period of time. I can't answer as to
14 whether or not they're actually purged from the system.

15 Q. Okay. Are you saying that Core double billed
16 for all of these minutes in this 35 percent category?

17 A. (Munsell) The CDRs that Core presented for SS7
18 were I expect calls that Core billed to Verizon, since that
19 was the data request, if I recall right. So Core billed
20 Verizon for all of those minutes. I have no reason to
21 believe that, for all third party traffic that transited
22 Verizon's network, that we did not create an EMI record and
23 out-collect that record to Core. Whether or not Core billed
24 a third party from that EMI record, I would have no direct
25 knowledge.

1 Q. But isn't it true that prior to 2012, Verizon
2 did not send, was not capable of sending EMI records for
3 calls originated by rural LEC customers?

4 A. (Munsell) That is correct. For rural LEC --
5 I'll correct that testimony -- for rural LECs, we do not
6 have that capability and just started getting that
7 capability in 2012.

8 Q. So at least some of that 35 percent related to
9 rural LEC phone calls; wouldn't you agree?

10 A. (Munsell) That is correct.

11 Q. And double billing can only take place if Core
12 receives an EMI record, right?

13 A. (Munsell) That would be the most likely
14 instance for it to happen.

15 Q. Because how else could Core know who to bill if
16 it didn't receive an EMI record, correct?

17 A. (Munsell) If you don't receive an EMI record,
18 you can still do lookups to figure out who the originating
19 carrier was, and to the extent it was not Verizon, you can
20 reasonably assume that that call would not be billable to
21 Verizon.

22 Q. But that lookup process would be incredibly
23 laborious, would it not?

24 A. (Munsell) I know of companies that do it. I
25 don't know how laborious it is once you set up a procedure

1 to do it.

2 Q. Okay. I think we can all agree that Verizon
3 sends several types of traffic to Core. One, Verizon sends
4 local calls originated by Verizon's own end users to Core,
5 correct?

6 A. (Munsell) Correct.

7 Q. Verizon sends local calls originated by CLECs
8 and ILECs to Core, right?

9 A. (Munsell) I frankly would have no idea if the
10 calls were locally dialed or not. Certainly based on the
11 originating and terminating numbers, they would likely be
12 associated with the same local calling area and one would
13 presume it's locally dialed.

14 Q. And so along those lines, Verizon also sends
15 non-locally dialed calls from Verizon end users to Core,
16 correct?

17 A. (Munsell) That is correct.

18 Q. And Verizon, along the same lines, also sends
19 non-locally dialed calls originated by other CLECs, IXC's and
20 other ILECs to Core, correct?

21 A. (Munsell) With the same caveat of, I do not
22 know a third party end user would originate a call, whether
23 it's locally dialed or not, on that third party's network.

24 Q. And Verizon also sends to Core calls originated
25 by wireless carriers, correct?

1 A. (Munsell) Yes. I think that was in the last
2 category. Yes.

3 Q. Okay. You state in your direct at page 47 that
4 Verizon provides EMI records to Core for every third party
5 originated call for IXCs, for CLECs and for wireless
6 carriers, correct?

7 A. (Munsell) What page? I'm sorry.

8 Q. Page 47, direct.

9 (Pause.)

10 A. (Munsell) And what line?

11 Q. Beginning on line 18, carrying over to the next
12 page, line four.

13 A. (Munsell) I testified that, for any third party
14 originated transit traffic from other CLECS or CMRS
15 providers that Verizon routes to Core for termination, local
16 transit traffic, Verizon provides Core with industry
17 standard EMI records that identify the company that sent the
18 call to Verizon.

19 Q. So that's correct, that Verizon sends EMI
20 records for calls from IXCs, CLECs and wireless carriers,
21 carrier?

22 A. (Munsell) Yeah. While line 18 does not IXCs,
23 I'll agree with that statement.

24 Q. Right. Continuing on on page 48, line two, it
25 references the EMI records that are created are created from

1 the same switch records that Verizon uses to bill its own
2 transit charges to those originating carriers, correct?

3 A. (Munsell) Correct.

4 Q. Same system is involved?

5 A. (Munsell) Well, the same record is involved.

6 Q. Same records, okay. So is it correct to say
7 that Verizon must track and tabulate these third party calls
8 in order for Verizon to bill those originating carriers for
9 Verizon's own transit charges?

10 A. (Munsell) Correct.

11 MR. GRUIN: I'm going to pass out an exhibit that's
12 been marked as Core Cross Exhibit 17. This is Verizon's
13 answer to Core Interrogatory Set II, No. 8.

14 (Whereupon, the document was marked
15 as Core Cross-Examination
16 Exhibit No. 17 for identification.)

17 BY MR. GRUIN:

18 Q. This interrogatory asks Verizon to set forth its
19 rates for billings to Core, and Verizon provides a table in
20 response of various categories of traffic in various
21 jurisdictions.

22 A. (D'Amico) Yes.

23 Q. Okay. Now, with this in mind, and thinking
24 about the transit charges that Verizon would charge to those
25 third party originating carriers, IXCs, CLECs and wireless

1 carriers, which of these rates would Verizon charge those
2 carriers for transit on this chart here?

3 A. (D'Amico) For transit, it would be the last one
4 on the table, .0013620.

5 Q. Okay. And that gets billed to the original
6 carrier, correct?

7 A. (D'Amico) The originating -- well, the
8 originating CLEC would get billed that. Depending on the
9 contract, maybe the wireless carrier has something a little
10 different, but basically it would be the same. And if it
11 were an RLEC, that could be different as well. I believe
12 this is based on the CLEC standard rate in Pennsylvania.

13 Q. Isn't it more accurate to say, it's billed to
14 whichever party handed it off to Verizon?

15 A. (D'Amico) If we're talking about over the local
16 interconnection trunks?

17 Q. Yes.

18 A. (D'Amico) Yes.

19 Q. Okay. And that rate there, .0013620, that's
20 about double .0007; is it not?

21 A. (D'Amico) Well, what that rate reflects is the
22 TELRIC based cost -- I won't say cost, but the events of it
23 going from the originating CLEC to the Verizon tandem,
24 through that tandem and some carriage to, eventually to the
25 third party, but it doesn't include any of the termination

1 costs of that third party because Verizon is not doing that.

2 Q. Okay. I just wanted to have a simple
3 comparison. That .00136 rate is roughly double the .0007
4 rate, just pure math, right? It's a little less than double
5 .0007?

6 A. (D'Amico) Right. But it's also twice as much
7 as local switching or -- I mean, if you're just comparing
8 two numbers, I'm not sure what the relationship is between
9 .0007 and the transit rate.

10 Q. Okay. The point is that for these calls from
11 third parties over Verizon's tandem delivered to Core,
12 Verizon collects .00136 from those carriers and only pays
13 Core .0007, correct?

14 A. (D'Amico) It bills .001362 to recover its
15 TELRIC elements, but to add in another .0007, that cost if
16 you will is not embedded in this. So assuming this is at
17 cost, we're trying to break even or whatever for providing
18 that CLEC for transit, to add on another element, whatever
19 it is, another rate, basically says that you're being
20 charged a cost for something that you're not doing and below
21 what you performed.

22 Q. But at the end of the day, Verizon, for every
23 minute of use that is originated by a third party CLEC, IXC
24 or wireless carrier sending traffic to Verizon's tandem for
25 delivery to Core, for every minute of use, Verizon is

1 pocketing the delta between the tandem transit service rate
2 and the .0007 rate it pays Core, correct?

3 A. (D'Amico) I wouldn't -- to me the term
4 "pocketing" means that that's more than what costs you're
5 incurring, and it's just not true. Like I said, using the
6 analogy -- we're breaking even with the transit or
7 recovering our cost for the transit, so we're square. But
8 now if you add on another element, no matter what it is,
9 whether it's .0007 or a penny, it's over and above what
10 we're recovering from the end user for the intent of that
11 call.

12 Q. Okay. All right. So, Mr. Munsell, for traffic
13 that was originated by RLECs in this scenario, RLECs would
14 have been billed that .00136 rate, correct?

15 A. (Munsell) Not until we started recording that
16 RLEC traffic, they would not have been.

17 Q. Okay. When did you begin recording that
18 traffic?

19 A. (Munsell) I believe we started recording in
20 January of 2012.

21 Q. Okay.

22 A. (Munsell) For some RLECs. It's been a lengthy
23 process.

24 Q. Okay. Thank you.

25 MR. GRUIN: Your Honor, at this point, I'd like to

1 ask what time you were thinking about breaking for lunch.
2 This is a normal stopping point for me or a natural stopping
3 point.

4 JUDGE COLWELL: Then that would be fine with me. Any
5 time that makes sense for your presentation is good for me.

6 MR. GRUIN: I should have about, less than an hour
7 after lunch, I would think.

8 MS. KUHN: Oh, okay. So we don't need to haul
9 suitcases and leave for the airport?

10 MR. GRUIN: No. I think we will be done well before
11 that.

12 JUDGE COLWELL: All right. We'll break for lunch
13 then. We'll be back here, do you want an hour or do you
14 just want to make it 1:00?

15 MS. KUHN: Yes.

16 MR. GRUIN: One o'clock is fine.

17 JUDGE COLWELL: One o'clock it is.

18 (Witnesses temporarily excused.)

19 (Whereupon, at 11:47 p.m., the hearing was adjourned,
20 to be reconvened at 1:00 p.m., this same day.)
21
22
23
24
25

AFTERNOON SESSION

(1:00 p.m.)

1
2
3 JUDGE COLWELL: Let's get started. We're back on the
4 record after lunch. Mr. Gruin?

5 MR. GRUIN: Thank you, Your Honor.

CROSS-EXAMINATION (Continued)

6
7 BY MR. GRUIN:

8 Q. Mr. Munsell, before lunch we had talked about
9 the reasons why Verizon believes that Core is 100 percent
10 responsible for third party traffic that Core sends to
11 Verizon but that the same is not true with respect to
12 traffic Verizon sends to Core. Do you remember that?

13 A. (Munsell) Yes.

14 Q. And I believe you reiterated your answer, which
15 is set forth on page 43 and 44 of your surrebuttal
16 testimony, 43, line 20.

17 A. (Munsell) Line which?

18 Q. Line 20 on page 43, surrebuttal, okay. And I
19 think you say there that the reason for this disparity in
20 financial responsibility is because Verizon has deployed
21 tandem switches and it operates as a testimony tandem
22 service provider; is that correct?

23 A. (Munsell) Correct.

24 Q. So you're saying if Core would designate its
25 switches as tandem switches, then Verizon can no longer

1 charge Core for 100 percent of the traffic that Core sends
2 to Verizon?

3 A. (Munsell) To the extent Core provisioned tandem
4 switches and third party entities elected to subtend those
5 switches and they would be requested in the LERG, then I
6 would expect Verizon would have to treat the traffic coming
7 from Core as not 100 percent compensable from Core.

8 Q. Okay. So the key distinction in your mind is
9 whether or not you designate a switch as a provision of
10 tandem switch?

11 A. (Munsell) A tandem switch designates that it's
12 switching traffic between two entities, not 100 percent
13 between the end users of the tandem company and the
14 terminating company.

15 Q. So do you know what is required to designate a
16 switch as a tandem switch? Do you just simply update the
17 LERG and notate that your switch is a tandem switch?

18 A. (Munsell) I do not know.

19 Q. Recognizing you're a layperson, what is the
20 basis for that conclusion, that the designation as a tandem
21 switch controls the financial responsibility? Is that from
22 the ICA or from some other authority?

23 A. (Munsell) By deploying a tandem switch and to
24 the extent you've got third parties sending traffic through
25 that switch, then the traffic going through that tandem

1 switch is not 100 percent originated by end users of the
2 tandem company.

3 Q. Okay. So does the existence of calls sent by
4 Core to Verizon associated with telephone numbers that are
5 not Core's mean that Core is already switching third party
6 traffic?

7 A. (Munsell) Apparently not, given Core's response
8 to discovery that it does not switch third party traffic.

9 Q. Okay. Now, throughout your testimony in
10 multiple places, and I'll point you to locations, you make
11 reference to a complaint by Core against AT&T, for example
12 on your direct at page 48, and in your rebuttal at page 24.

13 A. (Munsell) That was direct 48?

14 Q. Direct 48, yes.

15 A. (Munsell) And rebuttal 24?

16 Q. Correct. Let's talk about rebuttal page 24. On
17 line 19, you accuse Mr. Mingo of contradicting his sworn
18 testimony in the AT&T proceeding. Do you see that?

19 A. (Munsell) I do.

20 Q. Okay. And specifically you're saying Mr. Mingo
21 contradicts his claims that the EMI records that Verizon
22 provides do not always include all of the information
23 necessary to bill third party carriers, correct?

24 A. (Munsell) Correct.

25 Q. Okay. But based on your testimony, the only

1 records that Verizon provides to Core are EMI records,
2 correct?

3 A. (Munsell) Correct.

4 Q. So doesn't it follow that in the AT&T case, Mr.
5 Mingo was talking about EMI records?

6 A. (Munsell) Yes.

7 Q. And in the AT&T case which you referenced here
8 several times, isn't it true that Core determined which
9 calls were from AT&T based on those EMI records?

10 A. (Munsell) I suspect that's how Core determined
11 it was AT&T.

12 Q. Okay. But Verizon did not send EMI records for
13 calls from Verizon customers, right?

14 A. (Munsell) Correct.

15 Q. So these are --

16 A. (Munsell) Other than Verizon end users who are
17 making an intraLATA toll call that was presubscribed to an
18 IXC. Then we would have an EMI record identifying the IXC
19 and would have sent that to Core.

20 Q. Okay. So there are two different universes of
21 traffic, calls for which Verizon sends EMI records and calls
22 for which Verizon does not send EMI records. I mean, that's
23 one way to slice and dice all this traffic; do you agree?

24 A. (Munsell) Yes.

25 Q. Okay. And the calls at issue in the AT&T case

1 are in the first category, calls for which EMI records were
2 sent?

3 A. (Munsell) Correct.

4 Q. Okay. Because how else would Core know how to
5 bill AT&T unless they received an EMI record?

6 A. (Munsell) Certainly Core could look up the
7 originating telephone number and determine that it was, one,
8 not associated with Verizon, and two, associated with AT&T,
9 and from that make the conclusion that the call was not
10 billable to Verizon and perhaps was billable to AT&T.

11 Q. But based on everything you've reviewed
12 including the AT&T case and your testimony and discovery in
13 this case, isn't it more likely, aren't you certain that
14 Core billed AT&T based on the EMI records that were
15 provided?

16 A. (Munsell) Based on the transcript of the AT&T
17 case, yes, that is my belief.

18 Q. Okay. And these two categories of traffic are
19 mutually exclusive, are they not? Either Core received an
20 EMI record or Core did not receive an EMI record for a call?

21 A. (Munsell) Well, those are two categories, all
22 right.

23 Q. Okay. And the issue in the case today that
24 we've been discussing is calls for which no EMI was sent,
25 correct?

1 A. (Munsell) What we've been discussing today is
2 calls that were billed to Verizon -- we've discussed a lot
3 of things, but relative to the 28 percent and the 35
4 percent, a review of Core CDRs that were billed to Verizon
5 where the originating number wasn't assigned to Verizon.
6 We've also discussed EMI records.

7 Q. Right. And I believe you said your belief is
8 that for that what was a 28 percent gap and now is a 35
9 percent gap, you believe Verizon provided Core with EMI
10 records for all of those calls except calls from rural
11 ILECs?

12 A. (Munsell) Except for the calls from rural
13 ILECs, yes.

14 Q. Okay. Can you confirm whether Verizon has ever
15 been billed by Core for a call for which Core received an
16 EMI record?

17 A. (Munsell) I believe I did find, just as a spot
18 check, I believe I did.

19 Q. Have you ever provided such an example to Core
20 in the context of this case?

21 A. (Munsell) I don't recall it being asked in
22 discovery, and often what we'll do in a billing dispute is
23 that sort of a comparison. I suspect I did it here. I'm
24 not 100 percent certain.

25 Q. Okay. Now, in addition to the AT&T case, you

1 also make reference to Core seeking to collect charges from
2 two other carriers for traffic transited by Verizon and sent
3 over local interconnection trunks. I'll refer you to page
4 17 of your rebuttal testimony.

5 A. (Munsell) Seventeen, you said?

6 Q. Seventeen, line 9 through 12. Do you see that
7 passage?

8 A. (Munsell) I do.

9 Q. Okay. And you reference these other cases as
10 somehow proof that Core double billed Verizon for the same
11 traffic, and I point you to line 16 and 17 on that same
12 page. Do you see that?

13 A. (Munsell) I do.

14 Q. Okay. So you're pointing to those other
15 complaints by Core against other carriers as proof of double
16 billing; is that correct?

17 A. (Munsell) Correct.

18 Q. Okay. Now, turn to your surrebuttal -- I'm
19 sorry, I take that back. Please turn to page 76 of your
20 rebuttal testimony. I was right the first time, 76 of your
21 surrebuttal. I apologize.

22 A. (Munsell) We're coming up empty, too.

23 MS. KUHN: Direct?

24 BY MR. GRUIN:

25 Q. Third time's the charm. Yeah, try 76 of your

1 direct. I apologize. Page 76 of your direct beginning on
2 line 13. You provide an example here to support your claims
3 of double billing. You provide an example of an XO AT&T end
4 user dialing a local Core telephone number. They deliver
5 the call to the Verizon tandem. Verizon switches the call
6 and delivers it to Core on a local interconnection trunk.
7 Core then bills Verizon for the call because it does bill
8 Verizon for all traffic delivered over local trunks, and
9 then Core uses the EMI record to bill XO or AT&T for the
10 same call. Do you see that passage?

11 A. (Munsell) I do.

12 Q. Okay. But wouldn't double billing only occur in
13 this example if it is conclusively proven that the traffic
14 was sent to Core over local interconnection trunks?

15 A. (Munsell) No.

16 Q. Now in your scenario here, the fact that it was
17 delivered to Core on a local interconnection trunk was a key
18 premise because that led you to the next conclusion that
19 Core bills Verizon for all traffic delivered over local
20 interconnection trunks, correct?

21 A. (Munsell) And let me try to elaborate on that.

22 Q. Okay.

23 A. (Munsell) As either in my rebuttal or my
24 surrebuttal, I point out that the listing of the trunk
25 groups as either local interconnection or access toll

1 connecting, we are not necessarily in agreement of that
2 categorization.

3 So to the extent that we believe a trunk group was an
4 access toll connecting trunk group and Core believed it was
5 a local interconnection trunk group, then Core is also
6 creating call records on that trunk group and billing it to
7 Verizon, further complicating these events.

8 Q. Okay. So the reason you're not able to agree
9 completely with your statement on page 76 is because of your
10 belief that Core may be mis-designating some of its trunk
11 groups as local or ATC?

12 A. (Munsell) We are not in agreement --

13 Q. You're not in agreement --

14 A. (Munsell) -- on that listing.

15 Q. -- on that listing, okay. All right. Let's
16 talk about that listing. It's kind of a sidetrack but I
17 think it's important now that we have it raised.

18 Are you talking about pages 64 through 66 of your
19 surrebuttal testimony, this listing of trunk groups? And I
20 believe you're relying on this to point to Core as being
21 mistaken about which trunk groups are local and which are
22 access toll connecting trunks. Again, page 64 of your
23 surrebuttal, beginning on line 17, carrying over onto page
24 65.

25 A. (Munsell) I see that, yes.

1 Q. All right. And page 65, lines three through
2 five, you're saying, "Evidence leads us to believe that Core
3 did not accurately identify which trunks are ATCs and which
4 trunks were LITGs," right?

5 A. (Munsell) Correct.

6 Q. And your basis for this conclusion of Core's
7 mistake is an interrogatory response that you attached as
8 Exhibit 18 to your surrebuttal testimony, right?

9 A. (Munsell) Correct.

10 Q. Okay. And you're saying that Core provided a
11 list of what Core considered to be local interconnection
12 trunk groups, right?

13 A. (Munsell) Correct.

14 Q. And then you say, we looked at the list and some
15 were local interconnection trunk groups and some were ATC
16 trunk groups, correct?

17 A. (Munsell) Correct.

18 Q. And you point to one example?

19 A. (Munsell) I do.

20 Q. Are there more examples than that one?

21 A. (Munsell) Yes.

22 Q. Okay. Please turn to Exhibit SR-18, and I want
23 you to look at the actual interrogatory question and the
24 response.

25 A. (Munsell) Give me a moment to get that.

1 (Pause.)

2 Q. I'll give you a minute, but do you have the
3 interrogatory response in front of you? It's Verizon
4 Interrogatory 23, Core's response thereto?

5 A. (Munsell) Surrebuttal Exhibit 18?

6 Q. Correct, and the actual interrogatory.

7 A. (Munsell) I have that. Now I can see, yes.

8 Q. Okay. And I think we're focused in on
9 subsection (c), "Identify by two-six code the trunk group
10 over which each call was delivered to Core." Do you see
11 that?

12 A. (Munsell) I do.

13 Q. And Core's response is below. "Core has agreed
14 to satisfy this subpart by providing a translation table for
15 how it populates the incoming hunt group field with the
16 corresponding two-six code." Do you see that?

17 A. (Munsell) I do.

18 Q. And then the actual list, the translation table
19 that is referenced there, the translation table is two pages
20 back?

21 A. (Munsell) Correct.

22 Q. Isn't it true that Core was not simply providing
23 a list of what it felt were local trunk groups but in fact a
24 list of all trunk groups and the translation codes?

25 A. (Munsell) I wouldn't have interpreted --

1 obviously I did not interpret that list that way.

2 Q. Right. But based on your review, isn't this
3 list a list of all Core hunt groups?

4 A. (Munsell) I do not believe so.

5 Q. Do they represent all Core trunk groups for the
6 SS7 network?

7 A. (Munsell) The trunk group wouldn't have changed
8 between MF and SS7, frankly, but no.

9 Q. Okay. All right. But don't you agree that
10 Core's response does not indicate that they were providing
11 this as a list of what they considered to be the local trunk
12 groups only?

13 A. (Munsell) Given that subpart (a) is, "For each
14 month starting with February 2009, provide the total SS7
15 MOUs that Core recorded on the local interconnection trunk
16 groups and the total MOU that Core derived from the MF call
17 stamp records."

18 Part (c) is, "Identify by two-six code the trunk
19 group over which each call was delivered to Core." I would
20 expect that "the trunk group over which each call" would
21 reasonably interpreted to be the calls that were subject to
22 subpart (a).

23 Q. Right. But then Core's response in subsection
24 (c), it explained how Core was going to respond to this
25 subpart and it says, "Core will respond by providing a

1 translation table." It doesn't say for how it populates
2 local interconnection hunt groups but just hunt groups in
3 general.

4 A. (Munsell) Well, I believe that was because the
5 first response, if you look at the table, the two pages
6 back, the first response just has the first column which was
7 meaningless to Verizon. So we requested that you augment
8 that response with the two-six code that is common between
9 the two companies. I obviously still interpreted this
10 response to be local interconnection trunk groups.

11 Q. Okay. So basically, that's your interpretation,
12 that Core was saying, "This is a list of our local
13 interconnection trunk groups only." And you said, "Aha,
14 I've found at least one and maybe more of these hunt groups
15 that were access toll connecting hunt groups," correct?

16 A. (Munsell) Correct.

17 Q. Okay. And based on that, you made the leap, the
18 conclusion that's reflected on page 65 of your surrebuttal
19 testimony that Core obviously does not know, they've
20 inaccurately identified which trunk groups are ATCs and
21 which are LITGs, correct?

22 A. (Munsell) That was my conclusion.

23 Q. Your conclusion was based solely on that
24 interrogatory and that list?

25 A. (Munsell) Correct.

1 Q. Okay. All right. Thank you. As we sit here
2 today, would you be willing to acknowledge that you might
3 have been mistaken in your interpretation of Core's response
4 in that that list, the translation table was intended to
5 include how all the incoming trunk groups were populated,
6 both ATC and local?

7 A. (Munsell) I certainly could be incorrect,
8 though there were other trunk groups that were clearly
9 access toll connecting trunk groups that weren't on that
10 list, leading me to believe that it was not a listing of all
11 trunk groups.

12 Q. Okay. Thank you. Now, back to your
13 hypothetical on page 76 of your direct where you talk about
14 an AT&T end user, assume for a minute and for the purposes
15 of these next several questions that you were mistaken and
16 that Core only does bill Verizon for traffic coming in over
17 the local trunk groups, okay?

18 A. (Munsell) Okay.

19 Q. If that was the case, and looking at your
20 example on page 76, Verizon would only have been double
21 billed for calls that came in over those local
22 interconnection trunk groups, correct?

23 A. (Munsell) Correct.

24 Q. Okay. How do you conclude that in Core's cases
25 involving AT&T and XO, that the traffic in those cases was

1 sent over local interconnection trunk groups rather than ATC
2 trunks?

3 A. (Munsell) Well, again, it is a hypothetical,
4 but I am saying, when an XO or AT&T end user dials a local
5 Core telephone number, which would lead one to believe that
6 an interexchange carrier wasn't involved in the carriage of
7 that call.

8 Q. Okay. But didn't you say in your testimony that
9 Verizon does not track which trunk groups are used to send
10 traffic to Core?

11 A. (Munsell) We certainly -- that's correct, yes.

12 Q. Okay. And in fact you only know which trunk
13 groups calls come in to you on, correct?

14 A. (Munsell) The records that are created identify
15 the incoming trunk group.

16 Q. Okay. And your tandem switches don't make any
17 judgments on which trunks are used to send traffic to Core.
18 If a call comes in on an ATC, it goes to Core on an ATC,
19 correct?

20 A. (Munsell) That is correct. Actually, if the
21 call comes in from an interexchange carrier, it goes to Core
22 on an ATC.

23 Q. Okay. Aren't AT&T and XO also interexchange
24 carriers who would send traffic over the ATCs?

25 A. (Munsell) Yes. I don't know if those are the

1 entities in the litigation, frankly.

2 Q. Okay. So if Core sued AT&T for traffic that
3 came in over the ATCs, then Core would not have double
4 billed Verizon for that traffic, correct?

5 A. (Munsell) Can you ask me that a little slower?

6 Q. Sure. If Core was suing AT&T for traffic that
7 came in over the ATCs, then Core was not double billing
8 Verizon for that same traffic?

9 A. (Munsell) Absent the trunk group listing issue,
10 yes. Correct.

11 Q. Okay. Okay. And if the calls at issue in the
12 AT&T case came in over the ATC trunks, they would have had
13 EMI records associated with them, correct?

14 A. (Munsell) Yeah. A call comes in from AT&T, the
15 IXC, destined to Core, there would have been an EMI record
16 identifying AT&T.

17 Q. And again, Verizon would not have been billed by
18 Core for that traffic, correct?

19 A. (Munsell) Absent the listing as you -- correct.

20 Q. Okay. Please turn to your rebuttal testimony,
21 and specifically Exhibit 15 of your rebuttal testimony which
22 is a copy of the transcript from the Core/AT&T case.

23 MS. KUHN: Rebuttal or direct?

24 BY MR. GRUIN:

25 Q. I apologize. It is your direct testimony.

1 A. (Munsell) Exhibit 15?

2 Q. Exhibit 15.

3 A. (Munsell) Is it an exhibit?

4 Q. Exhibit 15 of your direct testimony, yes. This
5 is the AT&T/Core transcript. And within that exhibit,
6 please turn to page 66 of the transcript.

7 (Pause.)

8 Q. Are you there?

9 A. (Munsell) I am there.

10 Q. Okay. Isn't it true that in that case as
11 evidenced by the transcript, that the parties were talking
12 about traffic associated with two AT&T CIC codes, Nos. 288
13 and 292?

14 A. (Munsell) That's correct.

15 Q. Okay. And aren't CIC codes associated with IXC
16 traffic?

17 A. (Munsell) CIC codes are used to identify both
18 interexchange carriers and non-interexchange carriers.

19 Q. Would traffic associated with a CIC code go down
20 an ATC trunk?

21 A. (Munsell) If the call came in from an
22 interexchange carrier, it would go down an ATC trunk group.

23 Q. Okay.

24 A. (Munsell) The CIC code isn't the determinant
25 factor of how the call routes on an ATC versus a local

1 interconnection.

2 Q. Okay. With respect to the AT&T case and the XO
3 case you referenced in your testimony, can Verizon
4 demonstrate that the traffic at issue in those cases
5 definitely came into Core over local interconnection trunk
6 groups?

7 A. (Munsell) Not without the call records from --
8 this was terminating to Core, right? It was traffic
9 terminated to Core?

10 Q. Terminated to Core, yes.

11 A. (Munsell) So to the extent Core created call
12 records for that traffic, the Core call records would be the
13 best source of data to identify the trunk group that the
14 call routed to Core on.

15 Q. Now, Core provided Verizon CDRs for the periods
16 at issue in this case, correct?

17 A. (Munsell) Yes.

18 Q. And are those the records you're referring to
19 that would record the trunk groups?

20 A. (Munsell) If they were SS7 call records. If
21 they were your MF call records, they wouldn't have a trunk
22 group on them.

23 Q. So you were provided with Core's call records.
24 Did you undertake a review and create a list of calls or
25 even minute of use that came over the LITGs?

1 Q. Isn't it true that Verizon has had disputes with
2 other CLECs regarding the correct application of the three
3 to one ratio rule?

4 A. (Munsell) I think we've had disputes, yes.

5 Q. Actually, I think Mr. D'Amico sponsored this
6 response, so he might be more appropriate to authenticate
7 it. This is Verizon's answer to Core Interrogatory Set III,
8 No. 1. Mr. D'Amico, you sponsored this response, correct?

9 A. (D'Amico) Yes.

10 Q. And it asks for disputes wherein telecom
11 carriers allege that Verizon failed or is failing to pay its
12 bills for telecom services rendered in Pennsylvania from
13 January 1, 2008 to the present. And in your response, you
14 describe the kind of category of cases you would consider
15 appropriate, and then you attach a proprietary list; is that
16 correct?

17 A. (D'Amico) Yes.

18 Q. And again, these are lists of disputes with
19 other carriers regarding bills to Verizon, correct?

20 A. (D'Amico) Yes.

21 Q. And looking at this, there's been at least three
22 disputes with other carriers involving the three to one
23 ratio; do you agree?

24 A. (D'Amico) Yes.

25 Q. So do you concede that Core is not alone in its

1 disagreement with Verizon on this three to one ratio issue?

2 A. (D'Amico) Well, I don't know the specifics. I
3 don't know if it was just a matter of something minor
4 related to that and that was a way to categorize it, or if
5 it was the exact same issue that we have here.

6 Q. Mr. Vasington?

7 A. (Vasington) That was what I was going to say,
8 is we don't know from this what the nature of the dispute
9 about the three to one ratio was, so to characterize it as
10 having the same dispute that Core has, we don't know from
11 that information.

12 Q. Understood. Thank you. Please turn to page 47
13 of your rebuttal testimony at line eight, page 47, line
14 eight. Here it says that if Core took issue with the
15 minutes of use that Verizon billed to Core, Core could have
16 asked to see the CDRs that Verizon used to bill Core. Do
17 you see that section?

18 A. (Munsell) Yes.

19 Q. Isn't it true that Core has repeatedly asked for
20 that information during the course of this case and Verizon
21 says that such records are not available?

22 A. (Munsell) I think what Verizon has responded
23 with, let's narrow the scope of the request to a smaller
24 period of time and we can provide you with those records of
25 a recent day. We create a lot of records.

1 MR. GRUIN: I'll provide you with a cross exhibit
2 here to review. This is Core Cross Exhibit No. 19,
3 sponsored by Mr. Munsell. This is Verizon's answer to Core
4 Interrogatory Set V, No. 33 in which Core asks for all AMA
5 records which support any intercarrier compensation amounts
6 that Verizon alleges are due from Core in this case.

7 (Whereupon, the document was marked
8 as Core Cross-Examination
9 Exhibit No. 19 for identification.)

10 BY MR. GRUIN:

11 Q. And Mr. Munsell, you provide a response there
12 and you essentially say what you just said, correct, that
13 there's a lot of records and it'd be very difficult to
14 produce them all but you might be willing to produce a
15 recent day's records, correct?

16 A. (Munsell) I don't know if I put the words
17 "might be willing." Would be willing to produce.

18 Q. Okay. But would it be possible for Verizon to
19 produce records from say three years ago to support its
20 intercarrier compensation bills to Core?

21 A. (Munsell) I imagine that's a hypothetical,
22 given that we weren't billing you any usage three years ago.

23 Q. From say December 2010, would it be possible?

24 A. (Munsell) Is that when you first started
25 outbound usage?

1 Q. August, 2010 was the first time.

2 A. (Munsell) Is it possible? Yes. Anything's
3 possible. It's extremely difficult, but it would be
4 possible.

5 Q. But to be clear, Verizon has not provided such
6 records to Core?

7 A. (Munsell) No, we have not.

8 Q. Please turn to page 58 of your surrebuttal.

9 A. (Munsell) Five eight?

10 Q. Five eight, surrebuttal, starting at line five.
11 Here you say that, "Companies that actually want to work
12 through a billing dispute are willing to provide the call
13 records that support their invoices," do you not?

14 A. (Munsell) I do.

15 Q. But didn't you just say that you have not
16 provided Core with any records to support Verizon's
17 invoices?

18 A. (Munsell) I'm not aware that Core has any
19 billing dispute over the usage that we billed Core. I
20 understand that Core has not billed it -- has not paid it,
21 but I don't believe Core has disputed it.

22 Q. Well, I mean, that's -- isn't it true that Core
23 has disputed for instance the applicability of the three to
24 one ratio for some of the charges?

25 A. (Munsell) I think that was the purpose of the

1 January 18, 2011 file of Core originating calls, because
2 Core believed that Verizon was undercounting the number of
3 Core originated locally dialed calls.

4 Q. So that was a dispute, correct?

5 A. (Munsell) I don't know if it was a dispute or
6 not. You claimed we were undercounting. You gave us
7 records and we said, "These records don't show a single
8 minute."

9 Q. Okay. In that context, if Core is questioning
10 the amount of credit it's getting for outbound traffic,
11 wouldn't Verizon's records be relevant for resolving that
12 issue?

13 A. (Munsell) To the extent Core wanted those
14 records for a recent time period, we can provide them, and I
15 think we've made that offer.

16 Q. Okay. Let's talk about pages 46 through 55 of
17 your surrebuttal testimony. Here you talk about the RLEC
18 proceedings that Core is involved in and the AT&T
19 proceedings. Now, on pages 46 through 51 of your
20 surrebuttal, Verizon argues that Core has advocated to
21 maintain indirect delivery of traffic to RLECs; is that
22 correct?

23 A. (Munsell) Correct.

24 Q. Okay. I'm not sure which member of the panel
25 sponsored this testimony, so I will pose it to all three.

1 Have you read the briefs and initial decisions in all of the
2 RLEC proceedings that are referenced in this testimony?

3 A. (Munsell) I have not.

4 A. (D'Amico) I haven't.

5 A. (Vasington) No.

6 Q. Have you read any documents associated with
7 those proceedings?

8 A. (Munsell) Portions of the transcript.

9 A. (D'Amico) I have not.

10 A. (Vasington) No.

11 Q. Okay. Page 48 of your surrebuttal, you go on to
12 talk about the XO and AT&T cases again. Now, to reset, we
13 can agree that the traffic in those cases is very different
14 from the RLEC traffic, correct?

15 A. (Munsell) Correct.

16 Q. And the primary difference is that Verizon
17 provides EMI records for calls delivered from AT&T and XO,
18 whereas prior to 2012 it did not do so for RLECs?

19 A. (Munsell) Correct.

20 Q. Okay. Now, on page 55 of your surrebuttal, you
21 refer to these cases as, quote, indisputable proof that Core
22 double billed Verizon. Do you see that? Page 55, line 12.
23 "Indisputably double billed Verizon," is what you said.

24 A. (Munsell) Yes.

25 Q. Okay. Let's talk about that. First of all, you

1 lump all these carriers together, Windstream, CenturyLink,
2 the RLECs, AT&T and XO, but these are different situations,
3 are they not?

4 A. (Munsell) The RLECs are different from AT&T,
5 Choice One, XO, Windstream. I'm not sure if Windstream is
6 an RLEC or not.

7 Q. Right. So with respect to Windstream ILEC,
8 CenturyLink and the other RLECs, are you saying that Core is
9 billing those carriers for traffic that they send to Core
10 via the Verizon tandem?

11 A. (Munsell) If Core billed those third party
12 carriers, they would not have billed it from a Verizon EMI
13 record because I had not provided any.

14 Q. Right. So you really don't know if Core was
15 billing those carriers?

16 A. (Munsell) That is correct.

17 Q. And you know you didn't provide the EMI records
18 for those carriers?

19 A. (Munsell) From those ILECs, no, I did not.

20 Q. So isn't it safe to conclude that it is highly
21 unlikely that Core billed those RLECs?

22 A. (Munsell) What I can definitely conclude is
23 Core did not have two records from which to bill. It would
24 have only had one. What Core did in its billing system, I'm
25 not going to guess at.

1 Q. And if Core did not bill those RLECs yet billed
2 Verizon for those calls submitted to RLECs, that would not
3 be double billing; would you agree?

4 A. (Munsell) That would just be incorrect billing,
5 yes.

6 Q. Okay. Fair enough. And with respect to the
7 AT&T and Choice One and XO cases we talked about, we've
8 already talked about those cases, and I believe your
9 conclusion on page 55 depends on an assumption that the
10 traffic at issue in those cases was sent to Core over local
11 interconnection trunks?

12 A. (Munsell) Absent the miscategorization of the
13 trunk groups, that is correct.

14 Q. Okay. On page 67 through 70 of your
15 surrebuttal, you talk about an enrichment process that Core
16 could have used to avoid billing Verizon for calls that were
17 not theirs. I believe you said you used an enrichment
18 process as part of your analysis of the records in this
19 case; is that correct?

20 A. (Munsell) That's correct.

21 Q. And that enrichment process, is that a standard
22 process or something that you developed uniquely for your
23 role in this case?

24 A. (Munsell) It was not developed for my role in
25 this case. It is something that I developed over the years

1 as I worked on literally hundreds of billing disputes across
2 the country between Verizon and CLECs.

3 Q. Okay. But this enrichment process is not
4 articulated anywhere in the ICA between these parties, is
5 it?

6 A. (Munsell) That is correct.

7 Q. Okay. And I think we can conclude by looking at
8 page 69 of your surrebuttal. There's a proprietary chart
9 there. Please look at Column G and H.

10 A. (Munsell) G and H?

11 Q. G and H on that chart, and look at the total
12 number at the very bottom, summing all rows. Actually let's
13 look at G, H and I. G, the total number of SS7 minutes is
14 higher than the total number of SS7 invoiced minutes,
15 correct?

16 A. (Munsell) That is correct.

17 Q. Okay. Doesn't that demonstrate that Core did
18 not invoice Verizon for calls received on all of the trunk
19 groups?

20 A. (Munsell) I believe that's logical.

21 MR. GRUIN: Okay. One moment, Your Honor?

22 (Pause.)

23 MR. GRUIN: Your Honor, that concludes my cross-
24 examination. I would move for the admission of Core's Cross
25 Exhibits Nos. 1 through 19.

1 JUDGE COLWELL: Any objections?

2 MS. KUHN: Yes. There was one, I believe it was No.
3 3. I'm just trying to locate it. Yes, Cross Exhibit No. 3,
4 I believe the witness indicated multiple times that this was
5 not a format or billing type document with which he was
6 familiar and couldn't identify its source, but indicated
7 that this was not representative of the carrier access
8 billing system bills with which he's familiar. So I would
9 object to the admission of that one.

10 MR. GRUIN: Yes, Your Honor. The witness did
11 acknowledge that this appeared to be a Verizon bill
12 associated with a Core billing account number, subject to
13 check, and that it was issued to Core, and he examined the
14 various elements in the detail and indicated that they
15 looked like the sort of elements that are included in the
16 access charges.

17 So even though he was not familiar with this specific
18 bill, I think he acknowledged that this appeared to be an
19 example of an access bill to Core.

20 MS. KUHN: Your Honor, again, I believe the witness
21 indicated that this was not the format of the access bills
22 and that he indicated that it appeared to be a summary of
23 some type downloaded from the web site that contained
24 certain summary information, but he indicated that it was
25 lacking various columns of information for which he would

1 have expected to see information in the bills with which he
2 is familiar. And he indicated that the bills he sees
3 contain a lot of detail that was not here.

4 I'm not disputing that they downloaded something from
5 Verizon's web site, but I don't believe the witness
6 indicated that this is the witness's understanding of what
7 access bills look like.

8 MR. GRUIN: I think he did enough to authenticate and
9 everything else she said goes to weight and credibility of
10 the exhibit.

11 JUDGE COLWELL: Did you say where it came from? I
12 don't recall that.

13 MR. GRUIN: I believe during the discussion I
14 indicated this was downloaded from the Verizon web site.
15 That's how the billing works from carriers in this day and
16 age. This is a recent bill. It's November, 2012.

17 JUDGE COLWELL: So this is not a bill that was sent
18 to Core?

19 MR. GRUIN: It was not mailed to Core. This is a web
20 interface. Customers or other carriers go to a web portal,
21 input an ID number I suppose and they are able to view their
22 bill and print it. That's the only way they receive it.

23 MS. KUHN: Your Honor, I guess my issue is, my
24 understanding is there are actually, you know, heaps of
25 detail that accompany those and I don't see where this

1 contains all that may be available for download, and I don't
2 want to allow it to be admitted as though this is in its
3 entirety what is provided as a carrier access bill.

4 JUDGE COLWELL: That's understood. What I don't
5 understand is why, if this is how you access your bills, you
6 didn't have your client authenticate it.

7 MR. GRUIN: The purpose of the bill was to question
8 Verizon's witness about rate elements and prices for those
9 elements, because frankly Core doesn't understand those
10 elements and the prices for those elements. I could call
11 Mr. Van de Verg again if this is an issue and have him
12 authenticate it.

13 JUDGE COLWELL: Then we would know for sure where it
14 came from and who did it, so yes, I think that would be a
15 good idea.

16 MR. GRUIN: Thank you, Your Honor.

17 You can stay right where you are, Mr. Van de Verg.
18 You're still under oath; you know that, right?

19 MR. VAN DE VERG: Okay.

20 Whereupon,

21 CHRISTOPHER F. VAN DE VERG

22 having previously been duly sworn, testified further as
23 follows:

24 JUDGE COLWELL: All right.

25 DIRECT EXAMINATION

1 BY MR. GRUIN:

2 Q. Mr. Van de Verg, I'm presenting you with a copy
3 of a document which actually you had previously premarked as
4 Core Cross-Examination Exhibit No. 3, and we discussed it in
5 this case; is that correct?

6 A. (Van de Verg) Correct.

7 Q. Please describe what this document is and how it
8 came into Core's possession.

9 A. (Van de Verg) My understanding is that this is
10 a typical access bill that we receive -- or not receive but
11 download from the web base portal that Verizon provides on a
12 monthly basis.

13 And in conversations with people in our billing
14 department, they informed me that this is how they download
15 bills, and when I asked for an example of a bill from the
16 most recent bill round, they pointed me to this BAN and they
17 explained to me how to download the bills from the Internet
18 and print it out, and they also pointed out that there's a
19 bill detail tab that you can click on, which I did, and
20 that's where this accompanying bill detail was produced
21 from. So this is all from the Verizon web site that we use
22 to access the bills that are issued.

23 JUDGE COLWELL: Does that satisfy you, ma'am?

24 MS. KUHN: I guess, could I just have the witness
25 clarify?

CROSS-EXAMINATION

1
2 BY MS. KUHN:

3 Q. This is for a single BAN and not for an entire
4 monthly bill to Core? Because this is a couple of pages,
5 and there are multiple BANs on Core's account.

6 A. (Van de Verg) I could clarify. My
7 understanding is that each BAN comes in a separate bundle,
8 so you have to download each BAN bill. In the course of a
9 month, we receive, I don't know how many, but several
10 different bills with different BANs.

REDIRECT EXAMINATION

11
12 BY MR. GRUIN:

13 Q. And this is just one BAN?

14 A. (Van de Verg) This is for the billing account
15 that's listed on the top of the first page.

16 MS. KUHN: Your Honor, again, I guess I'm not going
17 to object to its being admitted for the purpose of saying
18 this is what Core downloaded by clicking whatever button he
19 clicked. I still don't -- I would not agree that this is
20 representative of a monthly CABS bill to Core because it
21 obviously doesn't cover everything.

22 And sitting here today, I cannot refute the
23 information the witness is providing about what other
24 information may have been on the web site and not
25 downloaded.

1 So if they want to admit it saying, "This is what I
2 downloaded from the web site," I'm not going to challenge
3 that. If they're saying this is the complete bill or the
4 sum total of billing information that is provided, I would
5 object to its admission for that purpose.

6 JUDGE COLWELL: I believe that the authentication
7 speaks for what he did and the paper tells you what it is,
8 so we'll admit it.

9 MR. GRUIN: Thank you, Your Honor.

10 JUDGE COLWELL: Do you have any objection to any of
11 the other cross exhibits?

12 MS. KUHN: No, none of the others.

13 JUDGE COLWELL: All right. They are admitted.

14 (Whereupon, the documents marked as
15 Core Cross-Examination Exhibit Nos.
16 1 through 19 were received in
17 evidence.)

18 (Witness Van de Verg excused.)

19 JUDGE COLWELL: All right. I believe you have some
20 redirect?

21 MS. KUHN: Yes.

22 REDIRECT EXAMINATION

23 BY MS. KUHN:

24 Q. Mr. Vasington, do you want to get the mic close
25 to you? Mr. Gruin asked you some questions relating to

1 traffic stimulation and policy issues relating to traffic
2 stimulation. And at one point I believe he asked you
3 something along the lines of whether carriers have an
4 incentive not to pay for the termination of traffic. Do you
5 recall that question?

6 A. (Vasington) Yes, I do.

7 Q. Okay. Did you have any clarification you wanted
8 to make to a response you provided Mr. Gruin?

9 A. (Vasington) Yes. I responded that carriers
10 have no choice but to terminate the traffic on the
11 terminating carrier's network, and I think I might have said
12 that carriers have no choice but to pay for that. And I
13 want to clarify that the response of the obligation to
14 terminate the traffic doesn't mean that you're not allowed
15 to dispute the charges that are imposed on you by the
16 terminating carrier.

17 Q. Do you recall being asked a series of questions
18 about the .0007 rate for ISP bound traffic?

19 A. (Vasington) Yes, I do.

20 Q. Okay. And one of the questions Mr. Gruin asked
21 was whether you were aware of any studies demonstrating that
22 that rate is above cost, correct?

23 A. (Vasington) Yes, I remember that.

24 Q. Do you recall any discovery request in this case
25 asking for the production of cost studies demonstrating that

1 the .0007 rate is above cost?

2 A. (Vasington) No.

3 Q. Are you aware of any information in the
4 pleadings of record in this case that might be relevant to
5 whether that rate is compensatory?

6 A. (Vasington) Yes, I am.

7 Q. Could you explain?

8 A. (Vasington) Sure. In fact, in Core's amended
9 complaint in paragraph 49, they stated that -- and some of
10 this information is confidential, I won't mention the
11 numbers that are confidential -- had Verizon paid the May 31
12 invoices according to its normal procedure, Core would have
13 received an additional confidential amount in reciprocal
14 compensation payments and would have a modest net income of
15 confidential amount in the same period.

16 In other words, with Verizon's reciprocal
17 compensation payments, Core is profitable, but without the
18 payments Core loses money. So I take that to mean that the
19 amount of compensation that's provided under the .0007 rate
20 is in fact compensatory and covers costs.

21 Q. Okay. Mr. Gruin also asked you some questions
22 about the difference between traffic stimulation generally
23 and access stimulation in particular. And I believe he
24 asked you something along the lines of, that access
25 stimulation wouldn't be at issue in this case because Core

1 did not begin issuing access bills to Verizon until 2012.

2 Do you remember that line of questions?

3 A. (Vasington) Yes, I do.

4 Q. Now, if those bills rendered in 2012 included
5 back billing dating back several years, would that indicate
6 that perhaps access stimulation could be at issue in this
7 case, because access bills were rendered for prior periods
8 of time that are at issue here?

9 A. (Vasington) Yes. Certainly if the back billing
10 involved access rates, access rate back billing, then it
11 would fall under the subcategory of overall traffic
12 stimulation, the subcategory of access stimulation.

13 Q. Mr. Gruin also asked you a couple of questions
14 about whether Core was engaging in improper arbitrage by
15 generating traffic that is subject to the .0007 rate, and
16 you had some back and forth about whether "improper" was an
17 appropriate word to assign to that practice, correct?

18 A. (Vasington) Yes.

19 Q. Okay. Now, if Core were inflating the volumes
20 of traffic upon which it was seeking compensation at the
21 .0007 rate, would that be improper?

22 A. (Vasington) Yes. Incorrect billing would be
23 improper under any context.

24 Q. And I believe you indicated that Verizon has
25 pair Core at the .0007 rate, but if Core is actually billing

1 Verizon at a higher rate for traffic that should have been
2 only billed at .0007, would that be improper?

3 A. (Vasington) Yes.

4 Q. Okay. Mr. D'Amico, if you can take the mic, you
5 were asked some questions about the various types of trunks
6 that are at issue in this case, and you discussed both the
7 access toll connecting trunks and the local interconnection
8 trunk groups that go from Core to Verizon, correct?

9 A. (D'Amico) Correct.

10 Q. And then there was a third group of trunks that
11 Mr. Gruin characterized a couple of times as not involved in
12 the case and those would be one-way trunks going from
13 Verizon to Core. Do you remember those statements?

14 A. (D'Amico) Yes.

15 Q. Okay. And you had indicated that yes, that
16 third trunk group type is not at issue in this case,
17 correct?

18 A. (D'Amico) Correct.

19 Q. Now, was your question specific to answering
20 that those trunks were not at issue in this case with
21 respect to the unpaid bills from Verizon to Core?

22 A. (D'Amico) Yes. My particular piece of this
23 that I focused on was the billing of those two types of
24 trunk groups by Verizon to Core. The one-way Verizon to
25 Core trunks are not influenced or impacted in the billing

1 dispute part of it, but for some of the other aspects of
2 this case as far as what Core is trying to bill Verizon,
3 then that would be involved.

4 Q. Okay. Thank you for that clarification. When
5 you and Mr. Gruin were discussing Verizon's facilities
6 charges to Core, Mr. Gruin asked you if Verizon had billed
7 Core anything at TELRIC rates, correct?

8 A. (D'Amico) Correct.

9 Q. Okay. And you had indicated no, correct?

10 A. (D'Amico) Correct.

11 Q. And do you have a clarification to that
12 response?

13 A. (D'Amico) Yes. In thinking about it a little
14 bit more, when we were engaging in discussion, we were
15 focused primarily or exclusively on the facility charges.
16 And that is true, that we haven't billed any of those
17 facility charges at TELRIC rates.

18 But to the extent there was some reciprocal
19 compensation that was billed to Core starting back in I
20 guess it was like August of 2008, those were definitely
21 billed at TELRIC. They were usage sensitive, but those were
22 billed at TELRIC. And I have the amount somewhere in my
23 testimony but I think it's somewhere around \$38,000. So
24 that part was billed at TELRIC.

25 MS. KUHN: This will be Verizon Redirect Exhibit 1,

1 and Ms. Paiva will distribute it to the group. And for the
2 record, this is Verizon's response to Core's Set I
3 Interrogatory No. 12.

4 (Whereupon, the document was marked
5 as Verizon Redirect Examination
6 Exhibit No. 12 for identification.)

7 BY MS. KUHN:

8 Q. Mr. D'Amico, do you remember Mr. Gruin asking
9 you a series of questions about if Verizon never billed Core
10 at TELRIC rates, and I'll include the clarification, never
11 billed Core at TELRIC rates for the facilities at issue in
12 this proceeding, how would Core know what a TELRIC amount
13 would be or would there be a way for Core to determine the
14 TELRIC rate.

15 Were you asked in discovery to explain the
16 calculation of a TELRIC rate or TELRIC re-rate that was
17 included in a Verizon filing in this case?

18 A. (D'Amico) Yes. I believe that's what, now that
19 I see it, it's in Interrogatory No. 12.

20 Q. Okay. And in this interrogatory response, do
21 you point Core both to an order in Pennsylvania PUC Docket
22 No. R-00016683 as well as Verizon's UNE tariff which is
23 Verizon PA PUC Tariff No. 216?

24 A. (D'Amico) Yes.

25 Q. Okay. And does this response also indicate or

1 explain how the figure in the referenced Verizon pleading
2 was calculated by pointing to those sources?

3 A. (D'Amico) Yes.

4 Q. Okay. Thank you.

5 MS. KUHN: Your Honor, I spoke with Mr. Gruin off the
6 record and that's why I'm going to be asking at least one
7 brief question about something that went on during the
8 mediation, but Mr. Gruin has consented to bringing this
9 matter up even though it would typically be off limits.

10 JUDGE COLWELL: Okay.

11 BY MS. KUHN:

12 Q. Mr. D'Amico, do you know whether at any point
13 during the mediation of this case that preceded renewing the
14 litigation Core requested that Verizon provide a TELRIC re-
15 rate for its review?

16 A. (D'Amico) Yes, that was my understanding.

17 Q. Okay. And did Verizon in fact provide that
18 TELRIC re-rate at Core's request?

19 A. (D'Amico) I believe so. I directly didn't do
20 it, but I am aware that some of the billing folks worked
21 that out, yes.

22 Q. Okay. Thank you. Can I point you to Core Cross
23 Exhibit 2?

24 A. (D'Amico) Yeah, if I can find it.

25 (Pause.)

1 Q. If it helps, it's the response of Verizon to Set
2 II Interrogatory No. 3.

3 A. (D'Amico) Yeah.

4 Q. They probably all look alike up there.

5 A. (D'Amico) It may have gotten lost in the
6 shuffle.

7 Q. I can hand you mine. I just need to get it
8 back.

9 (Document handed to the witnesses.)

10 Q. Mr. Gruin asked you a few questions regarding
11 this Cross Exhibit No. 2. Do you recall that?

12 A. (D'Amico) Yes.

13 Q. Okay. And I believe he focused on the second
14 paragraph of the response and the portion that stated what
15 Verizon could not provide in the form that was requested or
16 something along that line.

17 A. (D'Amico) Yes.

18 Q. Could you just indicate what the first paragraph
19 says?

20 A. (D'Amico) The first paragraph basically says
21 that the monthly bills that Verizon provides to Core which
22 are already in Core's possession or control detail the
23 information requested above. It also mentions that the ICAs
24 incorporate the interstate rate from Verizon FCC No. 1
25 tariff and also the intrastate rates from the No. 9 tariff.

1 The breakdown of these jurisdictions by circuit on
2 found on the facility access circuit detail on Core's
3 monthly bill.

4 Q. Thank you. All right. I think we're moving on
5 to Mr. Munsell, if you want to take the mic. Mr. Gruin
6 handed you a series of letters from Chuck Bando to Mr. Mingo
7 at Core and they were I believe Core Exhibits 7 through 10,
8 maybe -- no, 8, 9, 10 and 11.

9 A. (Munsell) I have them.

10 Q. Okay. And asked you some questions about
11 whether there were any differences among the first two
12 letters and the second two letters other than a change in
13 amount, correct?

14 A. (Munsell) Correct.

15 Q. And he was asking some questions about what
16 information Verizon had in its possession at the time it
17 wrote these letters, correct?

18 A. (Munsell) I believe so, yes.

19 Q. Okay. Does each of these letters indicate that
20 a gentleman named Ken Roos at Verizon has been requesting
21 data to assist in the resolution of the issues addressed in
22 the letter?

23 A. (Munsell) Yes.

24 Q. And that was information you had indicated
25 during your cross testimony that Verizon had not been able

1 to review because it had not received it when it requested
2 it from Core?

3 A. (Munsell) Correct.

4 Q. Do you recall Mr. Gruin asking you some
5 questions regarding paragraph 115 of Verizon's original
6 counter-claim in this proceeding?

7 A. (Munsell) Yes.

8 Q. And you had indicated that you did not stand by
9 that statement today, correct?

10 A. (Munsell) Correct.

11 Q. Was that allegation included when Verizon
12 amended its counter-claim later on in this proceeding?

13 A. (Munsell) I don't believe it was there.

14 Q. All right. Mr. Gruin also gave you a series of
15 Cross Exhibits 12 through 16 and these were all
16 interrogatory responses seeking various types of data or
17 percentages or figures from Verizon and Verizon had
18 indicated that it was unable to identify or provide the
19 requested information, correct?

20 A. (Munsell) Correct.

21 Q. What I'd like to do is just have you walk us
22 through the reason why Verizon couldn't provide that
23 information, just going through them one by one, starting
24 with Core Cross Exhibit 12.

25 A. (Munsell) Certainly. Core Cross Exhibit 12,

1 the request was, "For each calendar year from 2008 to 2012,
2 identify the percentage of traffic Verizon sent to Core over
3 the one-way local interconnection trunk groups that was not
4 in fact locally dialed."

5 First, Verizon is not creating call records for the
6 traffic that is placed -- for all of the traffic that is
7 placed on these one-way local interconnection trunk groups.

8 Second, to the extent that there is toll traffic,
9 intraLATA toll traffic on these local interconnection trunk
10 groups, if we were creating records, those records would not
11 allow us to determine how the call was dialed.

12 Q. Could you also explain why call records aren't
13 created for every single call?

14 A. (Munsell) Certainly. For Verizon originated
15 called, Verizon originated locally dialed calls let's say,
16 there is most of the time no call record created by Verizon
17 since the Verizon end user is a flat rate service
18 subscriber.

19 Verizon does not create call records at the tandem
20 for such calls, one, because there's not a unique trunk
21 group for those calls to come in on.

22 And I'd say third it's just historical. The network
23 is and the recording capabilities are as they were prior to
24 the Telecom Act and there was nothing in the Telecom Act
25 that would have required Verizon to commence creating call

1 records for all Verizon originated local calls.

2 Q. Could you turn to Core Cross Exhibit 13 and
3 explain? And I realize some of the reasons may be what
4 you've already identified.

5 A. (Munsell) Some of it's the same, some
6 different. Core Cross Exhibit No. 13 requests, "For each
7 calendar from 2008 to 2012, identify the percentage of call
8 traffic Verizon sent to Core over the one-way local
9 interconnection trunk groups that was transit traffic
10 generated by third party carrier end users."

11 Via an exhaustive review of EMI records, we could
12 recreate theoretically the amount of transit traffic that
13 was placed on or that was originated by third party carriers
14 and I would expect, absent isolating the IP traffic placed
15 on one-way local interconnection trunk groups, again, we
16 don't know the total volume of traffic on the local
17 interconnection trunk groups because frankly we don't know
18 how much Verizon originated local traffic was on those trunk
19 groups for the previous statement on Cross Exhibit No. 12.
20 Given I don't know a denominator, I can't calculate a
21 percentage.

22 Q. Cross Exhibit 14, could you explain?

23 A. (Munsell) Cross-Exhibit 14 requests, "For each
24 calendar year from 2008 to 2012, identify the percentage of
25 all traffic Verizon sent to Core over the one-way local

1 interconnection trunk groups that was generated by a
2 wireless carrier by (a) wireless carrier end users and (b)
3 end users of Verizon Wireless and affiliated wireless
4 carriers."

5 Quite similar to No. 13, we could do an exhaustive
6 review -- it would be an exhausting review -- of the EMI to
7 identify transit calls from wireless carriers and Verizon
8 Wireless. However, we still do not know the amount of total
9 traffic on the local interconnection trunk groups, frankly
10 because we don't know the Verizon originated local traffic
11 and therefore can't create a percentage.

12 Q. Okay. Just a couple more. If you could explain
13 Exhibit 15? And this is turning to a slightly different
14 issue which is numbers of calls.

15 A. (Munsell) Yes. Core Cross Exhibit 15, "For
16 each calendar year from 2008 to 2012, identify (a) the total
17 number of calls Verizon sent to Core over each of the one-
18 way local interconnection trunk groups and (b) the number of
19 such calls for which no EMI record was provided by Verizon."

20 Again, we don't know the volume of traffic over these
21 one-way local interconnection trunk groups. We can't
22 satisfy part (a) of the request.

23 Q. And finally, Core Cross Exhibit 16.

24 A. (Munsell) Core Cross Exhibit 16, "For each
25 calendar year from 2008 to 2012, identify (a) the total

1 number of calls Verizon sent to Core over each of the two-
2 way access toll connecting trunk groups and (b) the number
3 of such calls for which no EMI record was provided by
4 Verizon."

5 We do not monitor the access toll connecting trunk
6 groups to identify (a), subpart (a) of the request. My
7 expectation would be that the number of EMI records would
8 equate to the number of calls Verizon sent to Core over each
9 of -- well, there's two problems here. One, I would expect
10 that the number of EMI would equate to the number of calls
11 placed on the access toll connecting trunk groups. However,
12 the EMI records give me no way to determine which two-way
13 access toll connecting trunk group the calls were placed on.
14 There is no information on the EMI that would tell me what
15 trunk group it routed to Core on.

16 Q. Thank you. Mr. Gruin asked you some questions
17 about whether Verizon provided EMI records for rural local
18 exchange carrier or RLEC calls, and you had indicated that
19 that did not start until early 2012, correct?

20 A. (Munsell) Correct.

21 Q. Now, would there have been any prior to that
22 time for Core to know not to bill RLEC traffic to Verizon,
23 even when Verizon was not providing EMI records to Core for
24 the RLEC traffic?

25 A. (Munsell) Yes.

1 Q. Okay. Could you explain how Core could have
2 avoided or know that the traffic was not billable to
3 Verizon?

4 A. (Munsell) The same sort of enhancement process
5 that we did with the Core SS7 records, you can look up the
6 originating number and determine whether or not that
7 originating number was served by Verizon as the local
8 service provider. If Verizon was not the local service
9 provider on the date of that call, then I think it's a fair
10 assumption that the call is not billable to Verizon.

11 Q. Okay. And does the interconnection agreement
12 require Verizon to provide EMI for rural LEC calls?

13 A. (Munsell) No.

14 Q. And let me ask one follow-up because I believe
15 Mr. Gruin went into the issue a little bit later. He asked
16 you if the enhancement process described in your testimony
17 was outlined in the interconnection agreement. Do you
18 remember that question?

19 A. (Munsell) Yes.

20 Q. Were you suggesting that that was a process Core
21 was required to use to bill the rural LECs or were you
22 suggesting that was a process for Core to avoid billing
23 Verizon for traffic for which RLECs were responsible to pay
24 Core?

25 A. (Munsell) The latter, a process to determine

1 which calls not to bill to Verizon.

2 Q. Mr. Gruin asked you some questions about the
3 AT&T proceeding and the fact that it -- he pointed you to
4 some of the testimony in the case and indicated that the
5 testimony, I think it was the cross testimony in the AT&T
6 case referred to two particular CIC codes.

7 A. (Munsell) Yes.

8 Q. And there was quite a lengthy discussion of
9 those two CIC codes yesterday as well; do you remember that?

10 A. (Munsell) Yes.

11 MR. GRUIN: Okay. I'm going to have Ms. Paiva
12 distribute a couple of pages from the NANPA web site, which
13 is the same web site from which Core printed some
14 information regarding those two CIC codes and admitted on
15 its redirect of its own witnesses yesterday. So this will
16 be marked as Verizon Redirect Exhibit 2.

17 (Whereupon, the document was marked
18 as Verizon Redirect Examination
19 Exhibit No. 2 for identification.)

20 BY MS. KUHN:

21 Q. Is it your understanding that in part or maybe
22 in toto why Core believes this traffic was interexchange
23 traffic and carried over access toll connecting trunks is
24 the presence of the CIC in the EMI records?

25 A. (Munsell) I understand that that is -- when

1 they see an EMI record with a CIC code, their expectation is
2 that it transmitted from Verizon to Core over the access
3 toll connecting trunk group.

4 Q. And have you reviewed the NANPA web site
5 information regarding the assignment of CIC codes?

6 A. (Munsell) Yes.

7 Q. And is that what's reflected in Verizon Redirect
8 Exhibit 2?

9 A. (Munsell) Yes.

10 Q. Okay. And if you go to about the middle of the
11 page, could you just read the portion that indicates what
12 NANPA assigns CICs to?

13 A. (Munsell) NANPA assigns CICs to -- first bullet
14 is, local exchange carriers who provide a completed
15 application and evidence of certification from a state
16 public utilities commission.

17 Second bullet, purchases of Feature Group B or D
18 access. The access provider provides the ASR confirming
19 purchase of trunk facilities.

20 Third bullet, switchless resellers.

21 Fourth bullet, billing and collection clearinghouses.

22 Q. Now, what Core provided to you yesterday was a
23 list of CIC codes associated with Feature Group D access
24 providers, correct?

25 A. (Munsell) Correct.

1 Q. Okay. And the first bullet point here indicates
2 that NANPA also will assign CICs to local exchange carriers,
3 correct?

4 A. (Munsell) That is correct.

5 Q. All right. Mr. Gruin asked you some questions
6 regarding Core's request for call detail records and you had
7 indicated that Verizon had offered to provide call detail
8 records for a narrow scope than Core had originally
9 requested, which was for the entirety of I think a four year
10 time period or so; do you remember that questioning?

11 A. (Munsell) Yes.

12 Q. And to your knowledge, did Core ever follow up
13 on Verizon's offer of a narrower set of data?

14 A. (Munsell) No.

15 MS. KUHN: Your Honor, I'm finished with redirect. I
16 would -- well, I guess he wants to recross first.

17 MR. GRUIN: Yes, very briefly, Your Honor.

18 RECCROSS-EXAMINATION

19 BY MR. GRUIN:

20 Q. Mr. Munsell, you went through the five exhibits,
21 Cross Exhibits 12 through 16 and amplified your answer,
22 clarified why Verizon couldn't provide the requested
23 information. Do you recall that?

24 A. (Munsell) Yes.

25 Q. Okay. But is it your position that Core should

1 have been able to do that same analysis with respect to the
2 analysis of that traffic?

3 A. (Munsell) I'm not sure I understand why -- I
4 don't know why Core asked us for that analysis, so I'm not
5 sure whether Core would have done it itself, frankly.

6 Q. Okay. So your testimony was that Verizon
7 couldn't do the requested analysis. You explained several
8 reasons why in each case. Do you know if Core would have
9 been able to do the analysis requested on each one of those
10 five cross exhibits using the information in Core'
11 possession?

12 A. (Munsell) I could go through it one by one if
13 you'd like.

14 Q. Sure.

15 A. (Munsell) Without doing that, I couldn't guess.
16 Looking at Core Cross Exhibit 12, which requested, "For each
17 calendar year from 2008 to 2012, identify the percentage of
18 all traffic Verizon sent to Core over one-way local
19 interconnection trunk groups that was not in fact locally
20 dialed."

21 For some portion of that time, Core created MF time
22 stamp records and for that portion of time --

23 (Pause.)

24 A. (Munsell) For that portion of time, Core's time
25 stamp records do not or did not record or keep track of what

1 trunk group the call came in on. If there was no issue or
2 disagreement between the two companies on which trunk groups
3 were access toll connecting versus local interconnection,
4 then Core would be able to at least see how much traffic
5 Core terminated over those one-way local interconnection
6 trunk groups, though Core would not be in a position to
7 determine whether it was locally dialed or not.

8 Q. Thank you.

9 A. (Munsell) Go on to the next one?

10 Q. Next one.

11 A. (Munsell) Thirteen. "For each calendar from
12 2008 to 2012, identify the percentage of call traffic
13 Verizon sent to Core over the one-way local interconnection
14 trunk groups that was transit traffic generated by third
15 party carrier end users."

16 Again, absent the issue of the MF trunk groups and a
17 disagreement over which ones are local interconnection,
18 glossing over that for the purpose of this response, Core
19 would know the total volume of traffic coming in on the
20 local interconnection trunk groups, though the only way --
21 well, there's two ways Core could determine whether it was
22 transit traffic.

23 The first would be via the call enhancement that I
24 went through to say -- no, for the MF time period, you
25 couldn't do that. For the SS7 call records, you could do an

1 enhancement to determine whether or not Verizon was the
2 originating party.

3 The second way that could be used for the entire
4 period would be to use the EMI records that Verizon
5 provided. However, those EMI would be short on the amount
6 of RLEC traffic.

7 Q. Okay. And just to clarify, that call
8 enhancement technique is not required by the ICA?

9 A. (Munsell) That is correct.

10 Q. Okay. Thank you.

11 A. (Munsell) No. 14, "For each calendar year from
12 2008 to 2012, identify the percentage of all traffic Verizon
13 sent to Core over the one-way local interconnection trunk
14 groups that was generated by a wireless carrier by (a)
15 wireless carrier end users and (b) end users of Verizon
16 Wireless and affiliated wireless carriers."

17 During the MF period, glossing over the difference
18 between the trunk groups, Core would know the total volume
19 of traffic coming in. The only way Core could have
20 identified the wireless traffic or the subpart (b) Verizon
21 Wireless traffic would have been through EMI records.

22 Q. Thank you.

23 A. (Munsell) Fifteen. "For each calendar year
24 from 2008 to 2012, identify (a) the total number of calls
25 Verizon sent to Core over each of the one-way local

1 interconnection trunk groups." So for the period of MF,
2 regardless of the difference of how we listed them, you
3 would not have any data to identify each of the local
4 interconnection trunk groups. So moving onto the period
5 that is SS7, you would be able to identify the local
6 interconnection trunk group it came in on.

7 And the number of such calls for which no EMI record
8 was provided by Verizon, that would be certainly difficult
9 because until you were 100 percent SS7, you would then have
10 a mixture of calls coming in on MF that you can't tell which
11 trunk group it came in on, and SS7 records that you can
12 tell. That would be a very difficult task, trying to
13 compute that.

14 Q. Thank you.

15 A. (Munsell) Sixteen. "For each calendar year
16 from 2008 to 2012, identify (a) the total number of calls
17 Verizon sent to Core over each of the two-way access toll
18 connecting trunk groups."

19 Again, during the MF period, your MF time stamp,
20 reading through the documents in this case, I can't say I
21 have a clear picture of whether or not Core recorded either
22 in SS7 or in MF all of the access toll connecting trunk
23 groups that Core believed were access toll connecting trunk
24 groups. So frankly, I don't know whether Core had any --
25 I've seen both flavors and I don't know which is the right

1 one here, of whether or not Core was recording access toll
2 connecting trunk groups, so I don't know the answer to 16.

3 Q. Okay. Thank you. My take-away from your
4 discussion there is that it was impossible for Verizon to
5 provide the breakdown of traffic in the way Core requested
6 for those five questions, and at a minimum very difficult if
7 not impossible for Core to do so in the case of many of
8 those scenarios. Would you agree?

9 A. (Munsell) Specifically during some of those
10 time periods, yes.

11 Q. Now, isn't it possible, wouldn't it be possible
12 for Verizon to provision separate sets of trunks to Core,
13 one set just to carry Verizon end user originated traffic
14 and another set to carry third party end user originated
15 traffic?

16 A. (Munsell) Technically, I'm not that much of a
17 -- I'm not anything of a switch engineer.

18 Q. Fair enough.

19 A. (Munsell) So I don't know the answer to that.

20 Q. Because these trunks carry a mix of both, right,
21 both Verizon and non-Verizon originated traffic?

22 A. (Munsell) The local interconnection trunk
23 groups carry both, correct.

24 Q. Okay. I just wanted to clarify one thing you
25 said about Redirect Exhibit 2, the NANPA list. I believe

1 you said that purchasers of Feature Group D access get CIC
2 codes and that the list we looked at yesterday was a list of
3 Feature Group D access CIC codes.

4 A. (Munsell) I believe so. That's correct.

5 MR. GRUIN: Nothing further, Your Honor.

6 MS. KUHN: Your Honor, can I ask two quick redirects?
7 I know we all want to leave.

8 FURTHER REDIRECT EXAMINATION

9 BY MS. KUHN:

10 Q. Mr. Munsell, with respect to the questions that
11 are listed in Core Cross Exhibits 12 through 16 and with
12 particular attention to the ones asking for percentages, you
13 know, what percentage of traffic falls into this bucket or
14 that bucket, do the ICAs at issue here indicate that Verizon
15 is responsible for any percentage of traffic that Core has
16 not been able for whatever reason to bill to another party?

17 A. (Munsell) No.

18 Q. The ICAs outline the traffic for which Verizon
19 is responsible to pay Core and do not address Verizon's
20 responsibility for traffic that is sent through the tandems
21 on behalf of third parties, right?

22 A. (Munsell) That's correct.

23 Q. And finally, just getting to the question, I
24 know you indicated you are not a switch engineer, but you
25 were asked a question about the feasibility of having

1 separate trunks for Verizon and for non-Verizon traffic. Do
2 you remember that question?

3 A. (Munsell) Yes.

4 Q. Would your understanding be that there could
5 potentially be serious economic feasibility issues as to
6 that as well?

7 A. (Munsell) It would depend on whose economics
8 you're talking about, whether Core would be purchasing those
9 or whether Verizon would be providing those. There's going
10 to be economic consequences to somebody.

11 MS. KUHN: Okay. That's probably a better way to put
12 it.

13 With that, Your Honor, I would move for the admission
14 of Verizon Redirect Exhibits 1 and 2.

15 MR. GRUIN: No objections.

16 JUDGE COLWELL: They are admitted.

17 (Whereupon, the documents marked as
18 Verizon Redirect Examination
19 Exhibits Nos. 1 and 2 were received
20 in evidence.)

21 JUDGE COLWELL: Anything further for these witnesses?

22 MS. KUHN: No, Your Honor.

23 JUDGE COLWELL: No?

24 MR. GRUIN: Nothing.

25 JUDGE COLWELL: Gentlemen, you are excused. Thank

1 you very much.

2 (Witnesses excused.)

3 JUDGE COLWELL: All right. Does that complete the
4 evidentiary portion of our proceeding?

5 MS. KUHN: I believe so, Your Honor.

6 MR. GRUIN: I believe so.

7 MS. KUHN: Oh, you know what I do need to do is move
8 for the admission of the witnesses', now that we've had all
9 the cross and redirect, I need to formally move for the
10 admission of the Verizon testimony.

11 JUDGE COLWELL: Okay, absolutely. Any objection?

12 MR. GRUIN: No objections.

13 JUDGE COLWELL: No objections, okay.

14 MS. KUHN: For the record, Your Honor, I would move
15 for the admission of Verizon Exhibit 1.0 and the 26 exhibits
16 thereto; the admission of Verizon Exhibit 2.0 and the 19
17 exhibits thereto; and Verizon Statement -- I'm sorry, I was
18 calling them Exhibit -- I mean Statements 1, 2 and 3, and
19 Verizon Statement 3.0 has 20 accompanying exhibits.

20 JUDGE COLWELL: They are admitted.

21 (Whereupon, the documents marked as
22 Verizon Statement No. 1.0 with
23 Exhibits 1 through 26, Verizon
24 Statement No. 2.0 with Exhibits 1-R
25 through 19-R, and Verizon Statement

1 No. 3.0 with Exhibits 1-R through
2 20-SR were received in evidence.)

3 JUDGE COLWELL: Okay. We have a briefing schedule in
4 place, January 9th and 24th, correct?

5 MR. GRUIN: Yes. On that point, Your Honor, we had
6 some informal discussions about possibly extending those
7 deadlines back for a couple weeks. We didn't reach any
8 conclusions. We wanted to suggest or seek your guidance on
9 that, whether you would mind if the parties agreed to that.

10 JUDGE COLWELL: I have no problem with that. There's
11 no statutory deadline on this case.

12 MS. KUHN: Do you know what those -- I don't have a
13 paper calendar in front of me.

14 MR. GRUIN: Well, I was thinking two weeks for each,
15 to make the initial due the 23rd of January and the reply
16 due on the 6th of February.

17 MS. KUHN: That doesn't sound right. There were more
18 than two weeks between them before, weren't there?

19 MR. GRUIN: I don't think there were.

20 MS. KUHN: January 23rd -- but that's only 14 days.

21 MR. GRUIN: January 23rd through February 20th?

22 MS. KUHN: No. If we extend each date, what's 14
23 days after January 24th?

24 (Pause.)

25 MS. KUHN: That's fine, then.

1 MS. PAIVA: What day of the week is it?

2 MR. GRUIN: We can go off the record.

3 MS. KUHN: Yes, we can go off. That's fine.

4 JUDGE COLWELL: Off the record.

5 (Discussion off the record.)

6 JUDGE COLWELL: Back on the record.

7 The parties have agreed to continue the briefing
8 schedule, to have the main brief due on January 23rd and
9 reply brief due on February 13th. The record will close
10 upon the receipt of the reply brief. My decision would be
11 due within 90 days after that date.

12 All right. Now in your briefs, and you don't have to
13 count these as numbers of pages, but I do recommend you
14 include findings of fact, conclusions of law and proposed
15 ordering paragraphs. The best way to get what you want is
16 to tell me exactly what that is.

17 You should all be aware that there is a secretarial
18 letter out which changes the number of copies that you need
19 to supply. Make sure you get a copy of that.

20 And in the future, I am asking you that you not
21 present testimony by panels unless you have gotten prior
22 approval to do so. All right? Anybody have anything else
23 they'd like to say on the record before we close out?

24 MR. GRUIN: Not for Core.

25 (Pause.)

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MS. KUHN: Okay.

JUDGE COLWELL: All right? Thank you very much.
We're off the record.

(Whereupon, at 2:39 p.m., the proceedings were
concluded.)

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C E R T I F I C A T E

I hereby certify, as the stenographic reporter, that
the foregoing proceedings were taken stenographically by me
and thereafter reduced to typewriting by me or under my
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