

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF MINNESOTA**

Beverly Jones Heydinger  
David C. Boyd  
Nancy Lange  
Dan Lipschultz  
Betsy Wergin

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

---

In the Matter of the Petition of Hutchinson  
Telecommunications, Inc. for Arbitration with  
Embarq Minnesota, Inc., Pursuant to 47 U.S.C.  
Section 252 of the Federal Telecommunications  
Act

---

MPUC Docket No. P-421,5561,430/IC-14-189

OAH Docket No. 48-2500-31383

---

**DIRECT TESTIMONY**

**OF**

**THOMAS BURNS**

**ON BEHALF OF**

**HUTCHINSON TELECOMMUNICATIONS, INC.**

**MAY 22, 2014**

## TABLE of CONTENTS

TABLE of CONTENTS .....	i
TABLE of FIGURES.....	iii
EXHIBITS .....	iv
<b>THE EXISTING INTERCONNECTION AGREEMENT .....</b>	<b>2</b>
<b>MEET POINT INTERCONNECTION ARRANGEMENTS.....</b>	<b>3</b>
Existing Meet Point Interconnection Arrangement.....	5
<b>DISCLOSURE OF EXISTING POINTS OF INTERCONNECTION .....</b>	<b>6</b>
<b>INTER CARRIER COMPENSATION REFORM ORDER .....</b>	<b>8</b>
Transport and Bill and Keep Reciprocal Compensation.....	9
<b>THE REPLACEMENT INTERCONNECTION AGREEMENT .....</b>	<b>14</b>
<b>SCOPE OF TRAFFIC TO BE EXCHANGED .....</b>	<b>16</b>
Issue 14 - Definition of Transit Traffic .....	16
Issue 64 – Cooperation re Traffic Blocking .....	17
<b>THE PARTIES’ NEGOTIATIONS REGARDING DIRECT INTERCONNECTION .....</b>	<b>17</b>
Issue 54 One Way versus Two Way Direct Trunks – Signaling .....	17
Issue 57 One Way versus Two Way Direct Trunks – Signaling.....	18
Issue 35 One Way versus Two Way Direct Trunks – .....	18
<b>ISSUES 59, 60, 61 - TRUNK FORECASTING.....</b>	<b>20</b>
<b>Third Party Transit Costs.....</b>	<b>21</b>
Issue 46: Indirect Interconnection and Third Party Transit Charges .....	21
<b>SCOPE OF INDIRECT TRAFFIC EXCHANGE .....</b>	<b>23</b>
<b>POI TERMINOLOGY ISSUE .....</b>	<b>23</b>
<b>CTL Term POI versus Trunk Group.....</b>	<b>23</b>
Issue 26 – POI versus Trunk Group.....	23
Issue 27 – POI versus Trunk Group.....	23
Issue 28 – POI versus Trunk Group.....	23
Issue 29 – POI versus Trunk Group.....	24
Issue 30 – POI versus Trunk Group.....	24
Issue 34 – POI versus Trunk Group.....	24
Issue 31 - POI Thresholds – CTL tandem - POI versus Trunk Group; Triggers .....	26
Issue 48 - POI Thresholds – Non-CTL Tandem - POI versus Trunk Group; Triggers.....	26
Issue 23 – Move ‘Trunk Requirements for Forecasting’ to Sec 45 Trunk Forecasting .....	27

<b>Issue 25 – POI restrictions Indirect Interconnection versus Direct Interconnection</b> .....	28
<b>DISPUTED TERMS RE MEET POINT INTERCONNECTION</b> .....	28
<b>Issue 7 - FCC Term - Meet Point Interconnection Arrangement</b> .....	28
<b>Issue 8 - Impermissible constraints on availability of Mid-Span Meet Interconnection</b> .....	29
<b>Issue 40 - Impermissible constraints on construction of mid-span fiber meet interconnection</b> ....	29
<b>Issue 41 - Impermissible constraints on construction of meet point interconnection facilities – traffic balance</b> .....	29
<b>Issue 42 - Discrimination on POI location when using third party meet point facilities – HTI is entitled to establish a POI at the same location</b> .....	30
<b>Issue 24 - POI Locations presumed to be technically feasible</b> .....	37
<b>Issue 24 - Require Disclosure of POI Locations</b> .....	<b>Error! Bookmark not defined.</b>
<b>Impermissible limitations on meet point interconnection</b> .....	39
<b>Issue 38 – Impermissible Constraint on POI location - ACTL – Location mandated at Switch</b> .....	39
<b>Issue 39 – Impermissible constraint on POI Location – Local Calling Area</b> .....	39
<b>Discriminatory terms and conditions - Interconnection at CenturyLink Remote Central Office</b> ....	40
<b>RATES AND RATE RELATED ISSUES</b> .....	43
<b>Transit Rate Element</b> .....	44
<b>Transport Rate Elements</b> .....	45
<b>Common Transport Rate Element</b> .....	45
<b>Tandem Switching Rate Element</b> .....	45
<b>TERMS NOT SUPPORTED BY THE ACT, FCC, OR COMMISSION RULES</b> .....	46
<b>Issue 30 – Limitations on Number Portability</b> .....	46
<b>Issue 32 Transit Traffic same as Issue 67</b> .....	48
<b>Issue 3 – Commission Mandated Local Calling Scope – IntraLATA Toll Traffic</b> .....	50
<b>Issue 4 – Commission Mandated Local Calling Area</b> .....	50
<b>Issue 19 - Injunctive relieve and damages</b> .....	50
<b>Issue 50 – Reimbursement to CTL for CTL Third Party Transit Costs</b> .....	51
<b>Issue 65 – Indemnification</b> .....	51
<b>VIRTUAL COLLOCATION</b> .....	52
<b>GOOD FAITH NEGOTIATIONS</b> .....	57

## TABLE of FIGURES

Figure 1 US West - Sprint Interconnection – Sl. Cloud .....	6
Figure 2 Sprint-HTI Interconnection - St. Cloud .....	6
Figure 3 Scope of Transport Pricing – Mid Span Meet Point .....	10
Figure 5 Scope of Pricing - Meet Point .....	10
Figure 3 Scope of Transport Pricing - Entrance Facility .....	11
Figure 6 HTI-CTL interconnection St. Cloud - Scope of Transport Pricing .....	12
Figure 7 Indirect Interconnection – Neutral POI .....	19
Figure 8 Indirect Interconnection – Neutral POI .....	21
Figure 7 Scope of Transport Pricing - Entrance Facility .....	25
Figure 9 CTL Response to HTI = How HTI Would Interconnect in LATA 628.....	31
Figure 9 HRI Request to HTI – Mid-Span Meet Point at Glencoe.....	32
Figure 11 CTL-Federated Telephone Meet Point – Third Party Location .....	40
Figure 12 CTL-Hutchinson Telephone Company Meet Point – CenturyLink Central Office.....	41
Figure 13 Third Party LEC Meet Point Facility .....	43
Figure 14 Virtual Collocation.....	53
Figure 15 HTI Hypothetical Use of HTC DS3.....	56

## EXHIBITS

- TGB- 1        2006 Embarq Minnesota – Hutchinson Telecommunications, Inc. Traffic Exchange Agreement
- TGB- 2        Exhibit B from Paul Bunyan Rural Telephone Company - Verizon Wireless Interconnection Agreement
- TGB-3        CenturyLink’s Responses to HTI’s First Set of Information Requests

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

2 A. My name is Thomas Burns and my business address is 2675 Long Lake Rd., St. Paul MN 55113.

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

4 A. I am employed at Olsen Thielen & Co., Ltd. as a telecommunications consultant. My primary  
5 responsibilities include regulatory consulting, and negotiations and implementation of  
6 interconnection agreements for small ILECs and CLECs.

7 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE IN TELECOMMUNICATIONS.**

8 A. I have over forty years of telecommunications experience. For twenty-six (26) years, I was employed  
9 at Northwestern Bell Telephone Company (NW Bell) and its successor, US WEST Communications,  
10 Inc. (US West) which included a rotational assignment at Bell Communications Research (Bellcore -  
11 now known as Telcordia). While at Bellcore I had regulatory and other responsibilities including  
12 being assigned an RBOC representative to various committees of the industry's Ordering and Billing  
13 Forum. From 1988-1996 my work at US West was primarily in the "wholesale market," working in  
14 inter carrier compensation, including a staff assignment in the Other Common Carrier group, the  
15 group which was the RBOC interface to its first CLECs, e.g., Satellite Business Systems. I participated  
16 in the initial 1996 US West-AT&T interconnection agreement negotiations. I have worked at Olsen  
17 Thielen since 1997 where my primary focus has been regulatory issues for rural ILECs and CLEC  
18 clients. Much of my work has been related to interconnection and inter carrier compensation. I  
19 have negotiated numerous interconnection agreements between rural carriers (ILEC and CLEC) and  
20 Qwest, CenturyTel, Frontier and wireless carriers in the Minnesota and surrounding states. I have  
21 testified in numerous interconnection related cases before the Minnesota Commission.

22 **Q. DO YOU HAVE SPECIFIC FIRST HAND EXPERIENCE THAT RELATES TO THE ISSUES TO BE**  
23 **DETERMINED IN THIS PROCEEDING?**

24 A. Yes. In addition to my general experience in the telecommunications field, as described above, I  
25 negotiated, on behalf of Hutchinson Telecommunications, Inc. (HTI), the existing interconnection  
26 agreement between CenturyLink EQ (CTL) then known as Sprint. I have also negotiated, on behalf of  
27 HTI, the interconnection agreement that is the subject of this arbitration proceeding.

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

29 A. My testimony will support the issues cited in HTI's petition for arbitration and address the  
30 unresolved issues in the dispute. I believe there are two primary issues and nearly all of the other

1 issues stem from those: 1) Meet Point Interconnection: HTI is entitled to establish a meet point  
2 billing interconnection arrangement with CTL at any technically feasible point on CTL's network; and  
3 2) HTI is entitled to retain its existing form of reciprocal compensation: Bill and Keep<sup>1</sup>. I will also  
4 attempt to address the unresolved items in the Issues List.

## THE EXISTING INTERCONNECTION AGREEMENT

5 **Q. PLEASE DESCRIBE HTI.**

6 A. HTI is a telecommunications company based in New Ulm, Minnesota. It was authorized by the  
7 Minnesota Public Utilities Commission ("MPUC" or "Commission") to provide service as a  
8 Competitive Local Exchange Carrier ("CLEC") in 1999,<sup>2</sup> HTI currently services business and residential  
9 customers located in Litchfield, Minnesota.

10 **Q. ARE YOU FAMILIAR WITH THE EXISTING HTI INTERCONNECTION ARRANGEMENT AND THE**  
11 **INTERCONNECTION AGREEMENT?**

12 A. Yes. As I note above, I negotiated the existing agreement with CenturyLink and was directly  
13 involved in establishing the interconnection facilities and trunking with Sprint and US West. The  
14 existing agreement was approved by the Commission in Docket No. P-430,5561/IC-06-1548 and is  
15 submitted as Exhibit TGB-1 to my direct testimony.

16 **Q. WHY DID HTI SEEK NETWORK INTERCONNECTION WITH SPRINT AT THAT TIME?**

17 A. In order to offer service in the Litchfield exchange, it was necessary to provide Extended Area  
18 Service (EAS) to the Grove City exchange where CTL is the ILEC. HTI requested interconnection with  
19 Sprint for the purpose of exchanging EAS/local traffic.

20 **Q. WHAT ARRANGEMENTS AND TERMS DID SPRINT OFFER TO HTI UPON REQUEST FOR**  
21 **INTERCONNECTION TO SUPPORT LITCHFIELD-GROVE CITY EAS?**

22 A. Then, as now, Sprint proffered its template agreement, which requires CLECs to establish  
23 interconnection with the Point of Interconnection (POI) at the Sprint end office switch. Where  
24 Sprint has deployed host-remote switching arrangements, as it has in Grove City, the template  
25 agreement requires the POI be located at the Sprint host switch, which is in Alexandria, over sixty  
26 miles away.

---

<sup>1</sup> [47 C.F.R. § 51.713](#)

<sup>2</sup> Authority granted by Commission in Docket No: P-5561/NA-99-113

1 **Q. DESCRIBE THE INTERCONNECTION METHOD ULTIMATELY AGREED UPON BY THE PARTIES, AND**  
2 **THE ASSOCIATED INTERCARRIER COMPENSATION.**

3 A. Sprint and HTI established a meet point interconnection arrangement with Bill and Keep reciprocal  
4 compensation.

## MEET POINT INTERCONNECTION ARRANGEMENTS

5 **Q. PLEASE DESCRIBE MEET POINT INTERCONNECTION ARRANGEMENTS**

6 A. Incumbent LECs used various forms of meet point interconnection years before the 1996 Telecom  
7 Act. Acknowledging this, the FCC incorporated Meet Point Interconnection Arrangements as  
8 technically feasible methods of establishing interconnection and gaining access to unbundled  
9 network elements.

10 First, an introduction to the FCC definitions and terms used to discuss the scope the ILEC's  
11 obligation. The FCC terms are defined in the rules [47 C.F.R. § 51.5](#):

"Interconnection" is the linking of two networks for the mutual exchange of traffic. This term does not include the transport and termination of traffic.

A "meet point" is a point of interconnection between two networks, designated by two telecommunications carriers, at which one carrier's responsibility for service begins and the other carrier's responsibility ends.

A "meet point interconnection arrangement" is an arrangement by which each telecommunications carrier builds and maintains its network to a meet point.

12 **Q. HAS THE FCC ADDRESSED THE ILEC OBLIGATION TO PROVIDE MEET POINT INTERCONNECTION?**

13 A. Yes, the FCC rules which address ILECs' obligations relative to methods of interconnection are stated  
14 in [47 C.F.R. § 51.321](#) and its subparts.

15 Paraphrasing Section 51.321 (a): CenturyLink must provide interconnection to HTI, including  
16 meet point interconnection arrangements, at a particular point upon request, on terms that are just,  
17 reasonable and nondiscriminatory

18 **Q. WHAT IS A "MID-SPAN MEET POINT" INTERCONNECTION?**

19 A. When discussing facilities, the term "span" is used to identify the specific facilities between two wire  
20 centers or network nodes. A "mid-span meet point" in this context means the splice where the two  
21 networks meet (meet point) will occur somewhere "mid-span." A "mid-span fiber meet" indicates



1 fiber is the medium in the meet point interconnection, and the meet point occurs somewhere mid-  
2 span.

3 **Q. IN A MID-SPAN MEET POINT ARRANGEMENT DOES EACH PARTY BEAR A FINANCIAL BURDEN OF**  
4 **THE BUILDOUT?**

5 A. Yes, when the meet point interconnection arrangement is used for the exchange of traffic (i.e.,  
6 under Section 251(c)(2) of the Telecommunications Act). In these instances the Local Competition  
7 Order states:

In a meet point arrangement each party pays its portion of the costs to build out  
the facilities to the meet point.<sup>3</sup>

8 **Q. IS AN ILEC REQUIRED TO PROVIDE INTERCONNECTION AT “ANY TECHNICALLY FEASIBLE POINT” ON**  
9 **ITS NETWORK?**

10 A. Yes, and onus is on the ILEC to prove to the state commission that the requested interconnection is  
11 not technically feasible.<sup>4</sup>

12 **Q. ARE ILEC ECONOMIC COSTS A CONSIDERATION WHEN DETERMINING TECHNICAL FEASIBILITY?**

13 A. No. The Local Competition Order the FCC states:

Competitive carriers ...will be permitted to request interconnection at any  
technically feasible point, and the determination of feasibility must be  
conducted without consideration of the cost of providing interconnection at a  
particular point.<sup>5</sup>

14 **Q. IF A METHOD OF INTERCONNECTION IS USED BETWEEN TWO CARRIERS’ NETWORKS, IS IT**  
15 **TECHNICALLY FEASIBLE ELSEWHERE AND WITH OTHER CARRIERS?**

16 A. Yes, the FCC has determined a rebuttable presumption of technical feasibility is created when a  
17 method of interconnection is used for the interconnection of substantially similar network  
18 architectures. The ILEC bears the burden of proving the technical infeasibility of a particular method  
19 of interconnection or access at any individual point.<sup>6</sup>

20 **Q. ARE THERE ADDITIONAL FORMS OF MEET POINT INTERCONNECTION AVAILABLE TO CLECS?**

21 A. Yes. Including, but not limited to:

---

<sup>3</sup> CC Docket No. 96-98 Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, FCC 96-325 Released August 8, 1996, *Local Competition Order* ¶1553

<sup>4</sup> Local Competition Order ¶1549 “Section 251(c)(2) imposes an interconnection duty at any technically feasible point; it does not limit that duty to a specific method of interconnection or access to unbundled elements.”

<sup>5</sup> Local Competition Order ¶1373; also [47 C.F.R. 51.5](#) Definition of Technical Feasibility

<sup>6</sup> Local Competition Order ¶1554.

- 1) Third party facilities. Interconnection commonly occurs through the use of a third party's facilities to an ILEC location.
- 2) Third party meet point facilities. A variant of third party facilities, when a third party has meet point facilities jointly provided with the ILEC, said facilities may be used for network interconnection.
- 3) Third party location. Carriers commonly interconnect at third party locations, e.g., a 'carrier hotel', a location where carriers meet to establish interconnection. Third party central office all into this form of meet point interconnection.

Each of these methods of meet point interconnection is technically feasible and is in common use today.

### Existing Meet Point Interconnection Arrangement

**Q DESCRIBE HOW HTI ESTABLISHED THE ST. CLOUD MEET POINT INTERCONNECTION ARRANGEMENT**

A. As stated, in 1999 HTI sought interconnection with Sprint (CTL) for the purpose of exchanging Grove City-Litchfield EAS traffic. Both Sprint and HTI had trunking established at Willmar, so HTI approached US West requesting to request local tandem functionality, i.e., that Sprint and HTI could use the Willmar switch as a tandem for Grove City – Litchfield Extended Area Service. Because both HTI and Sprint switch had trunking to the US West Willmar switch, and US West switch was capable of providing the requested functionality, there was at least the possibility the parties could establish indirect interconnection there. Qwest did not respond in a timely manner. When pressed regarding the EAS route and POI used for its Litchfield-Grove City EAS, US West disclosed the St. Cloud POI location which is used for the ILEC-to- ILEC EAS. See the following diagram:

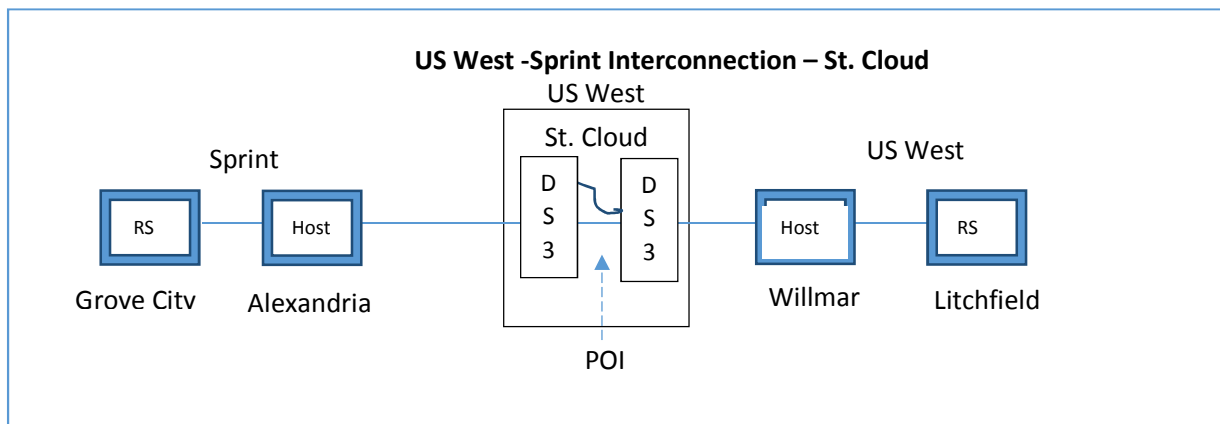


Figure 1 US West - Sprint Interconnection – St. Cloud

1 Absent US West’s discussion of the St. Cloud POI location, it is unlikely Sprint would have  
2 disclosed it or acknowledged it. Prior to this information becoming known to HTI, Sprint steadfastly  
3 maintained the POI must be located at its switch. Even after the POI location in St. Cloud was  
4 disclosed, Sprint resisted acknowledging it had an obligation to interconnect at that location on a  
5 nondiscriminatory basis.

6 However, Sprint ultimately agreed to establish interconnection with HTI on the same terms and  
7 conditions it had granted to US West. See the diagram following:

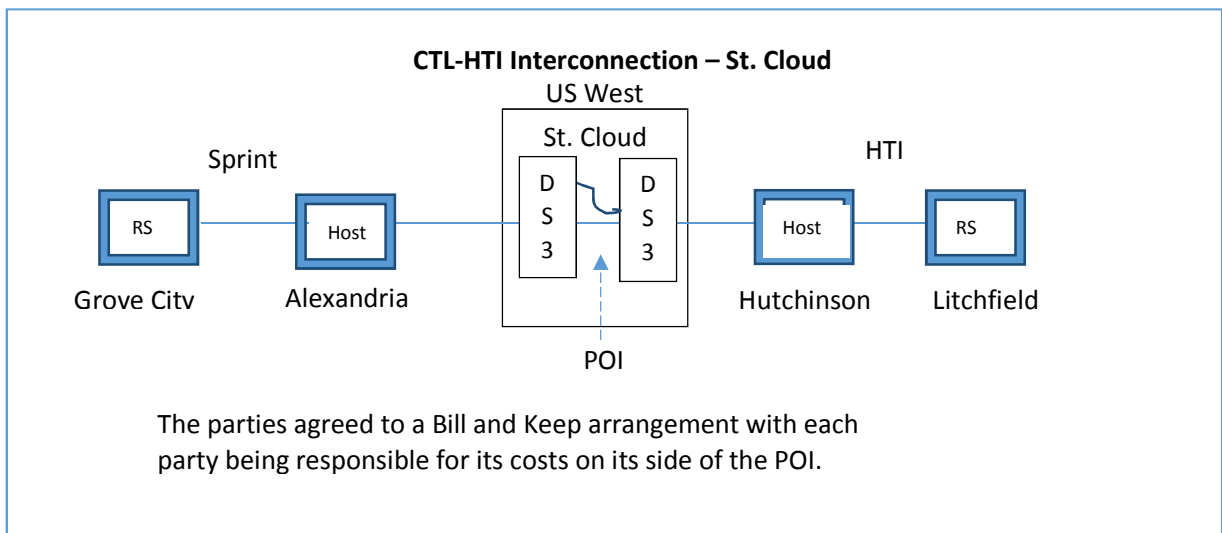


Figure 2 Sprint-HTI Interconnection - St. Cloud

## DISCLOSURE OF EXISTING POINTS OF INTERCONNECTION

8 **Q. WHAT INFORMATION WAS PUBLICLY KNOWN ABOUT THE FACILITY ROUTES TO REACH**  
9 **ALEXANDRIA?**

10 A. Not much. Generally, CLECs must rely on the ILEC to divulge facility route information. There are  
11 clues: the Local Exchange Routing Guide (LERG) identifies each carrier’s switching network and its  
12 associated access tandem. LERG shows the Sprint Alexandria office subtends the US West St. Cloud  
13 access tandem. Whenever an ILEC end office subtends another ILEC’s access tandem, it’s a safe bet  
14 there is meet point route between the two companies. These meet point routes carry jointly  
15 provided exchange access service, and are documented in the NECA Tariff No. 4. The NECA Tariff

1 shows CenturyLink QC provides 88%, and CenturyLink EQ provides 12%, of the St. Cloud-Alexandria  
2 route.

3 **Q. IS INFORMATION PUBLICLY AVAILABLE RE FACILITY ROUTES OR POIS ILECS HAVE ESTABLISHED**  
4 **WITH OTHER CARRIERS?**

5 A. No, this information is not publicly available. In Minnesota, the Extended Area Service between rate  
6 centers pubic information. The EAS offering is mandated by the MN PUC. Whenever there is an EAS  
7 route between two ILECs' exchanges it's a fair bet those carriers have a facility meet point between  
8 them.

9 **Q. DO ILECS TYPICALLY MAKE SUCH NETWORK INFORMATION AVAILABLE TO CLECS TODAY?**

10 A. No, but because I became aware of information regarding the interconnection between US West  
11 and Sprint in St. Cloud, I was able to request and obtain a substantially similar interconnection  
12 arrangement for HTI. This enabled HTI to save costs by interconnecting in the most efficient manner  
13 possible and allowed to receive interconnection from Sprint at parity with the interconnection it  
14 provided to US West.

15 **Q. HOW ARE CLECS ADVERSELY AFFECTED BY THE LACK OF INFORMATION REGARDING ILEC**  
16 **FACILITIES AND POIs THAT AN ILEC HAS ESTABLISHED WITH OTHER CARRIERS?**

17 A. CLECs must rely on the ILEC to be forthcoming about locations where the interconnection is possible  
18 or it where it has established interconnected with other carriers. The ILEC obviously has information  
19 regarding where it has facilities. This information enables the ILEC to efficiently plan its network. If  
20 an ILEC will not make this information available to CLECs, CLECs will not have access to information  
21 at parity with that of the ILEC and will not have the same ability to plan its network in the manner  
22 that best meets its needs.

23 **Q. IS THE DISCLOSURE OF ILEC NETWORK INFORMATION ADDRESSED BY THE FCC?**

24 A. Yes, in the FCC's discussion of an ILEC's obligation to negotiate in the good faith, the FCC found:

We agree with incumbent LECs and new entrants that contend that the parties should be required to provide information necessary to reach agreement... Review of such requests, however, must be made on a case-by-case basis to determine whether the information requested is reasonable and necessary to resolving the issues at stake. It would be reasonable, for example, for a requesting carrier to seek and obtain cost data relevant to the negotiation, or information about the incumbent's network that is necessary to make a determination about which network elements to request to serve a particular customer. It would not appear to be reasonable, however, for a carrier to

demand proprietary information about the incumbent's network that is not necessary for such interconnection.<sup>7</sup> [Emphasis added]

1 **Q. DOES THE FCC EXAMPLE INCLUDE FACILITES USED FOR NETWORK INTERCONNECTION?**

2 A. Yes, the examples the FCC cited in the Local Competition Order when discussing the ILEC obligation  
3 to negotiate in good faith include cost data and network information which is necessary for CLECs to  
4 make informed decisions about access to a customer, or interconnection.

## INTER CARRIER COMPENSATION REFORM ORDER

5 **Q. DOES THE CURRENT AGREEMENT CONTAIN PROVISIONS REGARDING INTERCARRIER**  
6 **COMPENSATION?**

7 A. Yes, as stated, the current agreement provides for Bill and Keep reciprocal compensation, which  
8 means that, rather than each carrier billing the other for terminating traffic originated by the other  
9 carrier's customer, each carrier "bills" its own customers for calls originated by those customers and  
10 "keeps" the amounts paid by those customers. See Exhibit TGB-1 at Section 36 and Table One.

11 **Q. DOES THE EXISTING AGREEMENT INCLUDE RATE ELEMENTS SUCH AS ENTRANCE FACILITY OR A**  
12 **DIRECT TRUNKED TRANSPORT?**

13 A. No, under the existing meet point interconnection arrangement each party builds its network to the  
14 meet point which is the POI.

15 **Q. WHAT TERMS HAS HTI PROPOSED TO ENSURE ADDITIONAL TRANSPORT CHARGES ARE NOT**  
16 **ADDED TO THE EXISTING BILL AND KEEP ARRANGEMENT?**

17 A. CenturyLink inserted the Entrance Facility and Direct Trunked Transport rate elements as part of  
18 CenturyLink's Response to the HTI Arbitration Petition, including conditions when CenturyLink could  
19 charge HTI due to the imposition of the Bona Fide Request process and pricing which results from  
20 the CenturyLink designation as a non-standard interconnection arrangement. HTI objects to  
21 including this language in the interconnection agreement. These issues will be addressed  
22 throughout my testimony.

---

<sup>7</sup> Local Competition Order ¶155

1 **Q ARE YOU FAMILIAR WITH THE FCC'S 2011 INTER CARRIER COMPENSATION REFORM ORDER, FCC**  
2 **DOCKET 90-10, AND HOW IT IMPACTS INTERCONNECTON AGREEMENTS?**

3 A. Yes. I have reviewed the Order, with my primary focus being the impacts on interconnection  
4 agreements.

5 **Q. IN THAT CONTEXT, WHAT IS THE BIGGEST CHANGE BROUGHT ABOUT BY THE ICC ORDER FOR**  
6 **LECS?**

7 A. The ICC Order represents a sea-change in inter carrier compensation. The FCC abandoned its long  
8 held cost causation principle "Calling Party Network Pays" in favor of a Bill and Keep compensation  
9 regime. For ILECs, access rates and reciprocal compensation rates were capped and set on a glide  
10 path toward bill and keep. In addition, carriers are prohibited from raising access or reciprocal  
11 compensation rates which were in place December 29, 2011. If an ILEC has a Bill and Keep  
12 arrangement in place with another carrier as of December 29, 2011, that arrangement cannot be  
13 changed to a different arrangement unless agreed to by both parties.

14 **Q. WHAT RATE ELEMENTS ARE INCLUDED IN RECIPROCAL COMPENSATION AND HOW ARE THEY**  
15 **IMPACTED BY THE ICC ORDER?**

16 A. Since its introduction in 1996, the FCC determined that Reciprocal Compensation consist of  
17 Transport and Termination rate elements. The ICC Order capped ILEC rates for Reciprocal  
18 Compensation as of December 29, 2011. Typically Transport and Termination were billed at a  
19 combined per minute rate. Where an ILEC provided transport to the CLEC side of the POI, the ILEC  
20 may have charged Direct Trunked Transport.

### Transport and Bill and Keep Reciprocal Compensation

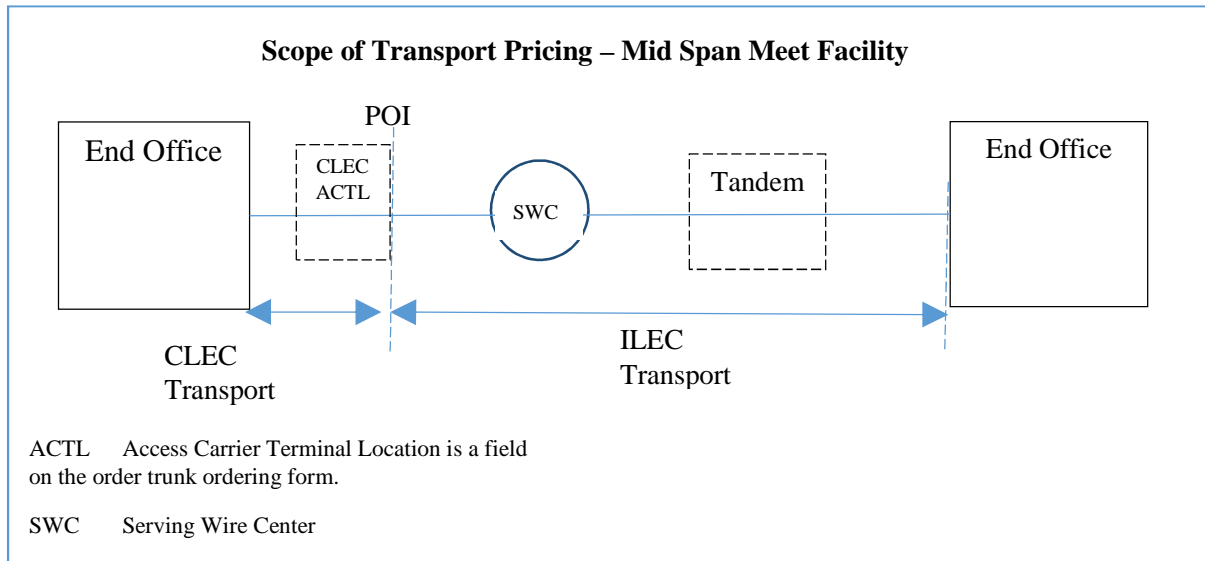
21 **Q. DID THE 1996 LOCAL COMPETITION ORDER ESTABLISH A SCOPE FOR PRICING OF RECIPROCAL**  
22 **COMPENSATION TRANSPORT?**

23 A. Yes. The 1996 pricing rule promulgated in the Order, 47 CFR 51.701(c), defines the scope of  
24 Transport:

For purposes of this subpart, transport is the transmission and any necessary tandem switching of Non-Access Telecommunications Traffic subject to section 251(b)(5) of the Communications Act of 1934, as amended, 47 U.S.C. 251(b)(5), from the interconnection point between the two carriers to the terminating carrier's end office switch that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.

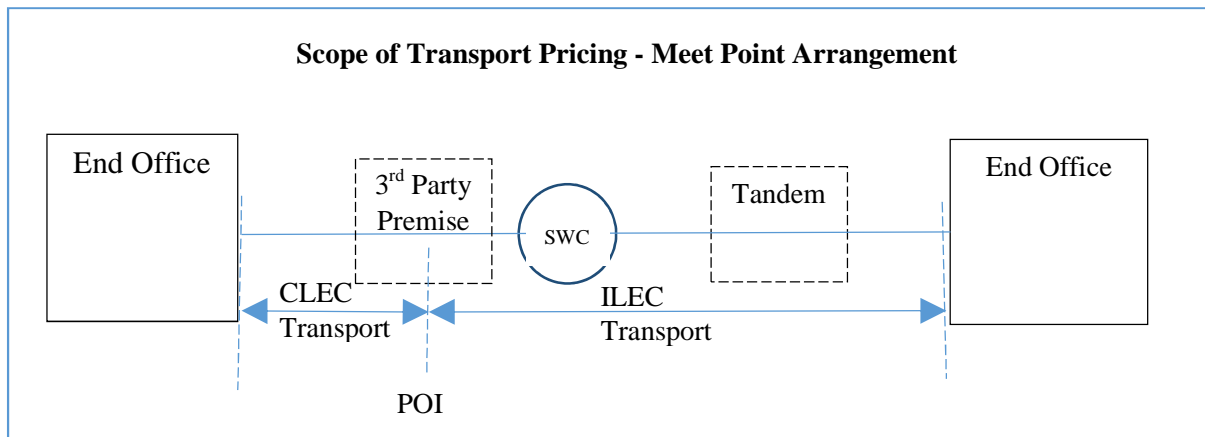
1 **Q. WHAT IS YOUR UNDERSTANDING OF THE FCC’S USE OF THE TERM ‘INTERCONNECTION POINT**  
 2 **BETWEEN THE CARRIERS’ IS THIS CONTEXT?**

3 A. The interconnection point is synonymous with Point of Interconnection (POI). See the following  
 4 diagrams which reflect the scope of Transport pricing per the FCC rules. In the following diagram the  
 5 CLEC has requested a mid-span meet point form of meet point interconnection arrangement.



6 *Figure 3 Scope of Transport Pricing – Mid Span Meet Point*

7 In the following diagram the CLEC has designated interconnection at a third party location, a  
 8 location on the ILEC network, e.g., a carrier hotel



9 *Figure 4 Scope of Pricing - Meet Point*

10 In the following diagram the CLEC has requested interconnection and ordered an Entrance Facility  
 11 to the ILEC’s serving wire center (SWC).

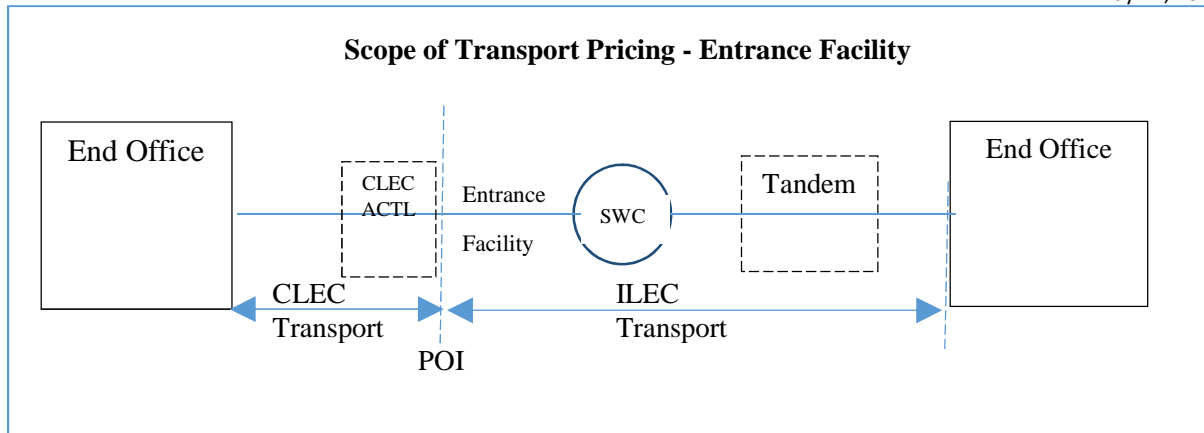


Figure 5 Scope of Transport Pricing - Entrance Facility

1

2 **Q. WHAT IS THE SIGNIFICANCE OF THE POINT OF INTERCONNECTION WITH RESPECT TO**  
 3 **INTERCARRIER COMPENSATION?**

4 A. Under the FCC's Local Competition Order, each party must bear the financial responsibility for  
 5 the network on its side of the Point of Interconnection.<sup>8</sup> In each of the preceding meet point  
 6 interconnection arrangements, each party is responsible for its costs to reach the interconnection  
 7 point. The Entrance Facility *may* be an exception. Court cases<sup>9</sup> have addressed that these facilities  
 8 are: 1) on the ILEC network; and 2) must be provided at TELRIC rates. In the context of a bill and  
 9 keep arrangement, and FCC pricing rules which declare Transport is effectively from the POI to each  
 10 Party's switch or switch-to-switch in the above diagram. Since the FCC is seeking comment on the  
 11 transition to Bill and Keep, rather than argue that issue, HTI proposes a place holder in the  
 12 agreement which would allow CTL to file TELRIC rates for the entrance facility but leave the issue as  
 13 open pending a future ruling from the FCC.

14 **Q. CAN HTI'S EXISTING BILL AND KEEP ARRANGEMENT WITH CENTURYLINK BE UNILATERALLY**  
 15 **CHANGED?**

16 A. No. The ICC Order states compensation arrangements in place cannot be unilaterally changed.<sup>10</sup>  
 17 The existing arrangement is Bill and Keep with the POI at the CenturyLink QC central office. If  
 18 CenturyLink were allowed to unilaterally insert new transport rate elements or move the POI from  
 19 its existing location in St. Cloud to Alexandria, it fundamentally changes the inter carrier  
 20 compensation.

<sup>8</sup> Local Competition Order ¶553

<sup>9</sup> [Coretel Virginia LLC v. Verizon Virginia LLC](#), 2014 U.S. App. LEXIS 8902 (4th Cir. 2014); [Talk America, Inc. v. Mich. Bell Tel. Co.](#), 2011 US LEXIS 4375 (U.S.).

<sup>10</sup> [47 C.F.R. 51.705\(c\)\(1\)](#)



1 **Q. WHAT RATE ELEMENTS HAS CENTURYLINK PROPOSED THAT SHOULD OR COULD BE APPLIED TO**  
2 **THE ST. CLOUD INTERCONNECTION ARRANGEMENT?**

A. See the following diagram:

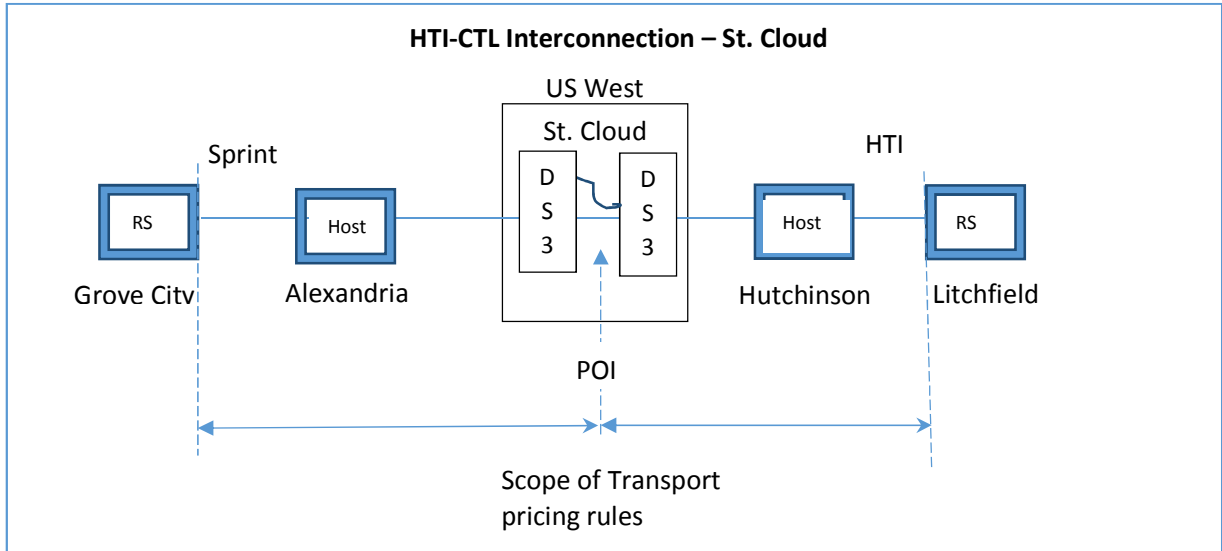


Figure 6 HTI-CTL interconnection St. Cloud - Scope of Transport Pricing

3 The scope Transport pricing under the FCC’s reciprocal compensation pricing rule [47 C.F.R. § 51.701](#)  
4 extends from the POI to the terminating end office that directly serves the customer, i.e., the  
5 CenturyLink Grove City and the HTI Litchfield switch. Consistent with the parties’ meet point  
6 interconnection arrangement, the existing Bill and Keep agreement does not include a separate  
7 charge for Transport “rate elements” because each part bears its own cost of transport on its side of  
8 the Point of Interconnection. Because this Bill and Keep arrangement was in place on December 29,  
9 2011, it cannot be changed without HTI’s consent per [47 C.F.R. § 51.705\(c\)\(1\)](#).

10 **Q. IS HTI ENTITLED TO ESTABLISH ADDITIONAL BILL AND KEEP CONNECTIVITY FOR THE EXCHANGE OF**  
11 **NON-ACCESS TELECOMMUNICATIONS TRAFFIC?**

12 A. Yes. The interconnection agreement in place addresses the reciprocal exchange of traffic for the  
13 mutual benefit of the parties for the State of Minnesota. There is nothing in the current agreement,  
14 or in the ICC Order which contemplates that HTI must digress from its current bill and keep  
15 arrangement because it has elected to enter a new market (LATA 628).

1 The ICC Order contemplates a transition to bill and keep for those carriers that do not have such  
2 agreements in place,<sup>11</sup> but that transition does not apply to carriers with an ICA.

3 **Q. WHAT IS THE PARTIES' DISPUTE REGARDING THE APPLICATION OF THE FCC'S INTERCARRIER**  
4 **COMPENSATION REFORM ORDER?**

5 A. Although the parties have agreed to Bill and Keep for reciprocal compensation (i.e., the companies  
6 have agreed that they will not charge one another for the termination of traffic originated by  
7 customers of the other carrier),<sup>12</sup> CTL has, through a number of provision that would unreasonably  
8 dictate to HTI the location of the POI, attempted to impose transport costs on HTL.<sup>13</sup>

9 **Q. WHAT LANGUAGE HAS HTI PROPOSED TO ADDRESS ITS CONCERN THAT CENTURYLINK IS**  
10 **INCREASING THE RATE FOR TRANSPORT ELEMENTS IN THE EXISTING BILL AND KEEP**

11 A. Because the HTI and CenturyLink have a Bill and Keep arrangement, HTI proposed that CTL be  
12 ordered to reestablish Bill and Keep language throughout the in the agreement being negotiated

13 **Q. ARE ENTRANCE FACILITY CHARGES APPROPRIATE IF HTI WERE SEEKING AN INTERCONNECTION**  
14 **ARRANGEMENT OTHER THAN A MEET POINT INTERCONNECTION?**

15 A. Yes, and at TELRIC rates when the request is made pursuant to [47 U.S.C. § 251\(c\)\(2\)](#) of the  
16 Telecommunications Act.

17 **Q. HAS HTI PROPOSED ADDITIONAL LANGUAGE IN RESPONSE TO CENTURYLINK'S PROPOSED**  
18 **LANGUAGE ON TRANSPORT**

19 A. Yes. HTI sought to blunt the insertion of flat rated transport rate elements into a Bill and Keep  
20 agreement.

21 **Issue 33 – Transport charges on CenturyLink Network**

22 **HTI Proposed Language**

23 Each Party is financially responsible for transport on its side of each POI. If CLEC chooses to lease  
24 the facility from each POI to CLEC's network from CenturyLink and the facility is within CenturyLink's  
25 serving territory, CLEC will lease the facility from CenturyLink as defined Section 39.9, Network  
26 Interconnection Methods for Direct Interconnection.

27

28 CenturyLink has proposed this language be deleted.

---

<sup>11</sup> 47 C.F.R. § 51.701(c)(2) through (c)(4) defines the transition to Bill and Keep for Price Cap carriers, e.g., CenturyLink, that do not have Bill and Keep arrangements in place.

<sup>12</sup> CTL's resistance to reaching agreement on this issue, which is clearly dictated by the terms of the ICC Order, is discussed in greater detail below.

<sup>13</sup> Examples are: Agreement Sections 39.1; 39.3; 39.9 and the Attachment 1 – BFR for a POI at the Osseo Switch

1 **Issue 47 – HTI Language re application of Flat Rated Transport**

2 **HTI Proposed Language**

3 Other terms in this Agreement notwithstanding, when CLEC uses a Meet Point Interconnection  
4 Arrangement to establish a Direct Connect to a CenturyLink Switch, each Party is financially  
5 responsible for its' costs on its side of the POI and the billing elements for interconnection facilities  
6 (i.e., Local Interconnection Entrance Facilities, Section 43.2.5.1, and Direct Trunked Transport,  
7 Section 43.3.5.2) do not apply.

8

9 CenturyLink has proposed this language be deleted.

10

## THE REPLACEMENT INTERCONNECTION AGREEMENT

11 **Q. WHY DID HTI SEEK A REPLACEMENT INTERCONNECTION ARRANGEMENT WITH CENTURYLINK?**

12 A. HTI is entering a new market in Glencoe, Minnesota and the existing agreement does not explicitly  
13 incorporate meet point interconnection arrangements although, as discussed above, that is the  
14 means by which the parties currently interconnect. HTI intends to interconnect with CenturyLink in  
15 Glencoe using such a meet point arrangement. In addition, there are other changes necessary due  
16 to changes in law which have occurred, e.g., treatment of VoIP traffic. After discussions with the CTL  
17 negotiator, HTI elected to modify the CenturyLink template agreement rather than attempt to insert  
18 all the new terms into the old agreement.

19 **Q. DO THESE TYPES OF CHANGES TO AN INTERCONNECTION AGREEMENT TYPICALLY RESULT IN  
20 ARBITRATION?**

21 A. No. Generally, I advise clients to adopt agreements where available, and accept an ILEC's template  
22 language where possible to "keep the ball moving." Here, however, it became clear early on that the  
23 parties were not going to be able to reach agreement on a number of key issues. This is primarily  
24 because CTL has refused to give effect to clear guidance from the FCC regarding the obligations of  
25 ILECs.

26 **Q. DO YOU HAVE AN EXAMPLE OF A WAY IN WHICH CTL REFUSED TO GIVE EFFECT TO CLEAR FCC  
27 GUIDANCE?**

28 A. Yes, CenturyLink's position with regard to ICC Order's new rules regarding Bill and Keep reciprocal  
29 compensation arrangements is a good example of this. It's fair to say CenturyLink has not fully  
30 embraced the pricing constraints imposed by the ICC Order per [47 C.F.R. § 51.705\(c\)\(1\)](#).

1 **Q. PLEASE EXPLAIN.**

2 A. HTI quoted chapter and verse to CTL regarding the changes brought about by the ICC Order,  
3 specifically, that Bill and Keep arrangements which were in place on December 29, 2011 “shall  
4 remain in place unless both parties mutually agree to an alternative arrangement.”<sup>14</sup> Despite HTI’s  
5 protestations, and clear communication that HTI would not agree to an alternative arrangement,  
6 the CTL negotiator claimed a right to “negotiate” an alternative compensation arrangement. As a  
7 result, HTI has been required to address compensation terms, and the accompanying recording and  
8 billing issues in this agreement. CenturyLink yielded little or no ground on these compensation  
9 issues throughout negotiations. It was only on the eve of HTI’s filing the petition for arbitration did  
10 CenturyLink signal any acknowledgement that Bill and Keep would be accepted, while still  
11 demanding language which gives either party the option to open discussion on whether Bill and  
12 Keep “is appropriate”. Keeping these topics “open and to be arbitrated” until the 11th hour puts an  
13 unnecessary drain on the resources of this small company.

**THE PARTIES’ NEGOTIATIONS REGARDING DIRECT INTERCONNECTION**

14 **Q. WHAT IS THE CRUX OF THE PARTIES’ DISPUTE REGARDING INTERCONNECTION?**

15 A. No surprises here. The primary area of disagreement between the parties has been terms which  
16 drive CenturyLink Transport revenues. The POI location being first among these: When HTI agrees  
17 the POI will be located at the CTL switch; CTL agrees each party is responsible for its costs on its side  
18 of the POI. Where HTI requests a meet point interconnection arrangement; CTL deems the  
19 arrangement is “non-standard” and attempts to use that designation as a basis for requiring HTI pay  
20 for Transport on CTL’s side of the POI. CTL has also deemed the existing meet point interconnection  
21 arrangement in St. Cloud to be a “non-standard” meet point interconnection arrangement. As a  
22 result, we find ourselves unable to reach agreement.

23 **Q. HAS CENTURYLINK LIMITED THE SCOPE AND/OR AVAILABILITY OF MEET POINT INTERCONNECTION**  
24 **ARRANGEMENTS TO CLECS?**

25 A. Yes, there are a number constraints CTL has proposed as conditions to availability of meet point  
26 interconnection. CTL’s offers mid-span fiber meets for interconnection, but limits construction to  
27 where traffic exchange is balanced between the parties. CTL states that offers the use of third party  
28 ILEC meet point arrangements, but then requires the CLEC to lease CTL transport to the switch  
29 where the POI is located (“POI-Shift”). When HTI proposed a meet point at Glencoe, the CTL

---

<sup>14</sup> [47 C.F.R. § 51.705 \(c\)\(1\)](#)

1 negotiator claimed meet point interconnection requires that traffic is in balance, and since there  
2 was no traffic to be “in balance,” such an arrangement was not available.

## SCOPE OF TRAFFIC TO BE EXCHANGED

### 3 Q. PLEASE EXPLAIN THE DISPUTE SURROUNDING THE SCOPE OF TRAFFIC TO BE EXCHANGED

4 A. Despite HTI’s efforts, CTL has not actually engaged in dialogue to address the compensable traffic  
5 CTL-originated traffic that will be terminated to HTI’s network. HTI has committed it will not  
6 terminate “toll” directly or indirectly to CTL by using an underlying interexchange carrier. CTL has  
7 not been so forthcoming. As a result, HTI must assume that CTL may be terminating VoIP-PSTN  
8 traffic to HTI at present, with intent to continue doing so in the future. HTI withdraws its objections  
9 to CTL language in Issues 13, 18, 20, and 36, but requires that CTL provide records that enable HTI to  
10 bill the originating company for the traffic.

### Issue 14 - Definition of Transit Traffic

### 11 Q. WHAT IS THE DISPUTE REGARDING THE DEFINITION OF TRANSIT TRAFFIC?

12 A. The CTL definition primarily on the various types of traffic being routed through its tandem switch  
13 leaving the opportunity for certain traffic types to be unaccounted for. As a Transit Service Provider  
14 CTL is in no position to know the nature of most of the traffic, e.g., intraLATA Toll Traffic as opposed  
15 to Toll VoIP –PSTN, and to a large degree it does not change the service provided.

#### **CTL Proposed Language:**

“Transit Traffic” means Non-Access Telecommunications Traffic, IntraLATA LEC Toll Traffic, and Toll VoIP-PSTN Traffic that is routed by CLEC through CenturyLink’s network for delivery to a third party Telecommunications Carrier’s network or Non-Access Telecommunications Traffic, IntraLATA Toll Traffic, Toll VoIP- PSTN Traffic, and CMRS traffic that is routed by a third party carrier through CenturyLink’s network for delivery to CLEC’s network.

#### **HTI Proposed Language:**

“Transit Traffic” means traffic exchanged between a CLEC End User and the customer of a third party carrier which traverses the CenturyLink network using CenturyLink Transit Service. For the purposes of this Agreement Jointly Provided Access Service is not considered Transit Traffic.

1 **Q. HAS CENTURYLINK PROPOSED TERMS RELATED TO BLOCKING ISSUES EXPERIENCED ON TRANSIT**  
2 **TRAFFIC OR JOINTLY PROVIDED ACCESS TRAFFIC ?**

3 A. Yes, this is addressed in Issue 64. CTL, as a tandem switch operator, is only party to the agreement  
4 providing Transit Service, yet CTL in this case has crafted language to appear to be neutral and  
5 applying to both parties.

#### Issue 64 – Cooperation re Traffic Blocking

##### **CTL Proposed Language:**

In the event Transit Traffic routed by one Party to the other Party is blocked by a third party, the Party to whom the Transit Traffic was routed shall not unreasonably withhold providing commercially reasonable assistance.

##### **HTI Proposed Language:**

In the event Transit Traffic routed by CLEC to CenturyLink is blocked by a third party, CenturyLink agrees to accept a trouble ticket on the matter, and shall not unreasonably withhold providing commercially reasonable assistance.

## THE PARTIES' NEGOTIATIONS REGARDING DIRECT INTERCONNECTION

6 **Q. HAS CENTURYLINK PROPOSED TERMS RELATED TO ONE-WAY TRUNKS?**

7 A. Yes, these issues 35, 54 and 57 are essentially form and efficiency over substance, and a good  
8 example of CTL's refusal to negotiate anything while the compensation related POI and Bill and Keep  
9 issues are still on the table.

10 CTL had previously required CLECs to establish two one-way trunk groups for mutual traffic  
11 exchange, I suspect for compensation-related reasons caused by dial-up ISP bound traffic. CTL no  
12 longer requires CLECs to utilize one-way groups, yet the language remains in the agreement.

13 The existing trunking arrangement between the parties is a two-way SS7 trunk group, therefore  
14 the CTL language regarding conversion to two-way trunks groups is unnecessary.

15 Organizationally, HTI prefers to address trunking requirements in the trunking section of the  
16 agreement, and signaling requirements in the signaling section, hence the Issue 35 on the same  
17 topic.

**CTL Proposed Language:** [Signaling section]

**Issue 54 One Way versus Two Way Direct Trunks – Signaling**

44.6.1 The existing Local Interconnection Trunk Group(s) in place between the Parties are bi directional two-way groups. The Parties agree to establish bi-directional two-way trunk groups for Local Traffic and IntraLATA LEC Toll Traffic that has not been routed to an IXC and separate two-way trunk groups for Jointly Provided Switched Access Traffic. Trunks will utilize Signaling System 7 (SS7) signaling protocol. Multi-frequency (MF) signaling protocol may only be used where CLEC can demonstrate that it is not technically feasible to use SS7 or where CenturyLink otherwise agrees to use MF.

**HTI Proposed Language:**

44.6.1 The Parties agree to establish bi-directional two-way trunk groups which utilize Signaling System 7 (SS7) signaling protocol. Multi-frequency (MF) signaling protocol may only be used where it is not technically feasible to use SS7 or where the parties otherwise agree to use MF.

**Issue 57 One Way versus Two Way Direct Trunks – Signaling**

**CTL Proposed Language:**

44.6.5 With respect to any two-way trunks directionalized as one-way in each direction and separate one-way trunks for local services previously established between the Parties, the Parties will transition such trunks to bi-directional trunks in accordance with the following:

- a. The Parties understand that conversion of trunking arrangements from directionalized to bi-directional requires technical and operational coordination between the Parties. Accordingly, the Parties agree to work together to develop a plan to identify processes, guidelines, specifications, time frames and additional terms and conditions necessary to support and satisfy the standards set forth in the Agreement and implement the conversion of trunking arrangements (the "Conversion Plan").
- b. The Conversion Plan will identify all trunks to be converted from directionalized to bi-directional arrangements

**HTI Proposed Language:**

<Delete>

1 **Issue 35 One Way versus Two Way Direct Trunks –**

**CTL Proposed Language:**

44.6.5 With respect to any two-way trunks directionalized as one-way in each direction and separate one-way trunks for local services previously established between the Parties, the Parties will transition such trunks to bi-directional trunks in accordance with the following:

- a. The Parties understand that conversion of trunking arrangements from directionalized to bi-directional requires technical and operational coordination between the Parties. Accordingly, the Parties agree to work together to develop

- a. a plan to identify processes, guidelines, specifications, time frames and additional terms and conditions necessary to support and satisfy the standards set forth in the Agreement and implement the conversion of trunking arrangements (the "Conversion Plan").
- b. The Conversion Plan will identify all trunks to be converted from directionalized to bi-directional arrangements

**HTI Proposed Language:**  
<Delete>

- 1 **Q. PLEASE DESCRIBE THE SCOPE OF INDIRECT TRAFFIC EXCHANGE AND ISSUE 51?**
- 2 A. Section 42 of the Agreement is titled "Indirect Network Connection." As such, the following network
- 3 diagram provides insight into HTI's issue with the scope of language

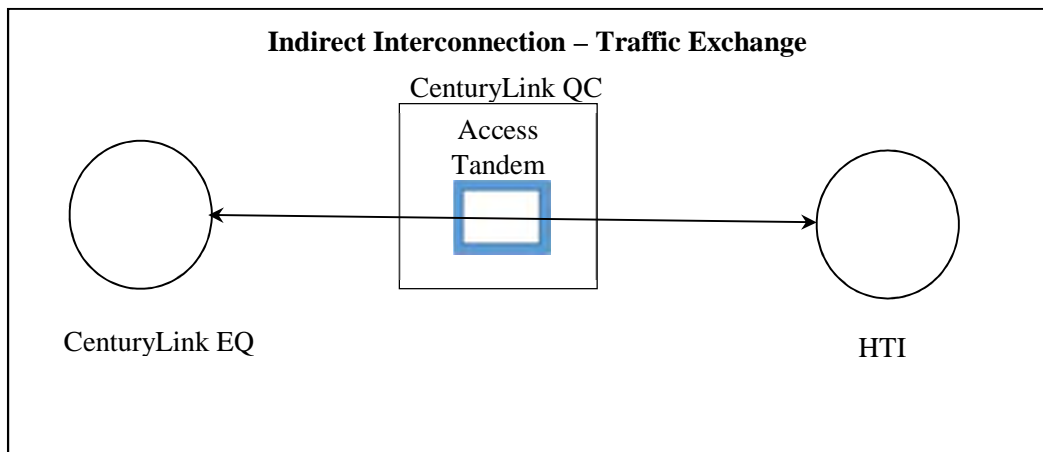


Figure 7 Indirect Interconnection – Neutral POI

- 4 CenturyLink's proposed language includes traffic that would not be exchanged between the parties
- 5 in an indirect interconnection arrangement, e.g., Jointly Provided Switched Access. The concept of
- 6 combining traffic onto a single group is irrelevant to the parties as well, since all traffic exchanges is
- 7 delivered by the access tandem provider.

**CTL Proposed Language:**

- 42.6 To the extent a Party combines Non-Access Telecommunications Traffic, IntraLATA LEC Toll Traffic, Toll VoIP-PSTN Traffic and Jointly Provided Switched Access Service Traffic on a single trunk group for indirect delivery through a third party's Tandem, the originating Party, at the terminating Party's request, will declare quarterly Percentages of Local Use (PLUs). CenturyLink will determine the jurisdiction of a call if CenturyLink has sufficient call details.

**HTI Proposed Language:**



42.6 To the extent a Party routes Non-Access Telecommunications Traffic, IntraLATA LEC Toll Traffic, and Toll VoIP-PSTN Traffic to the other Party for indirect delivery through a third party's Tandem, the originating Party, at the terminating Party's request, will shall declare quarterly Percentages of Local Use (PLUs). Each Party will determine the jurisdiction of a call terminated to its network provided that Party has sufficient call details

[The above proposed language differs from that previously proposed by HTI]

1 **Q. HAS CENTURYLINK PROPOSED TO ASSIGN FINANCIAL CONSEQUENCES FOR TRUNK FORECASTS?**

2 A. Yes, this is Issues 59, 60, and 61. CenturyLink proposes to penalize CLECs for over-forecasting trunk  
3 requirements. There are two issues underlying CTL's assignment of costs. First, there is a "small  
4 number problem" when dealing with small facilities quantities, e.g., if a CLEC forecasts 2 additional  
5 DS1 to an end office, and determines it only needs 1, it has over-forecasted its actual demand by  
6 one hundred percent (100%). Second, CTL fails to consider the entire facility's capacity in relation  
7 to the portion of the capacity the CLEC was responsible for over-forecasting.

**ISSUES 59, 60, 61 - TRUNK FORECASTING**

8 These issues are inextricably linked and should be considered together.

**CTL Proposed Language:**

45.5.1 In the event that CLEC over-forecasts its trunking requirements by twenty percent (20%) or more, and CenturyLink acts upon this forecast to its detriment, CenturyLink may recoup any actual and reasonable expense it incurs.

**HTI Proposed Language:**

HTI can accept CTL language provided HTI language for 45.5.2 is accepted

**CTL Proposed Language:**

45.5.2 The calculation of the twenty percent (20%) over-forecast will be based on the number of DS1 equivalents for the total traffic volume to CenturyLink.

**HTI Proposed Language:**

45.5.2 The calculation of CLEC over forecasted capacity will be based on the number of DS1 equivalents expressed as a percentage to the total capacity of the facility cross section. Example: A CLEC over forecast of 10 DS1s in a facility segment served by an OC3 (84 DS1s) equates to an over forecast of 11.9%.

**CTL Proposed Language:**

45.5.3 In the event that CLEC over-forecasts its trunking requirements by twenty percent (20%) or more, and CenturyLink acts upon this forecast to its detriment, CenturyLink may recoup any actual and reasonable expense it incurs.

**HTI Proposed Language:**

HTI can accept CTL language provided HTI language for 45.5.2 is accepted

- 1 **Q. PLEASE DISCUSS INDIRECT INTERCONNECTION FOR NON-ACCESS TELECOMMUNICATIONS TRAFFIC**
- 2 A. Indirect interconnection occurs when two carriers exchange traffic via a third party transit service
- 3 provider (typically a tandem operator such at CenturyLink QC).

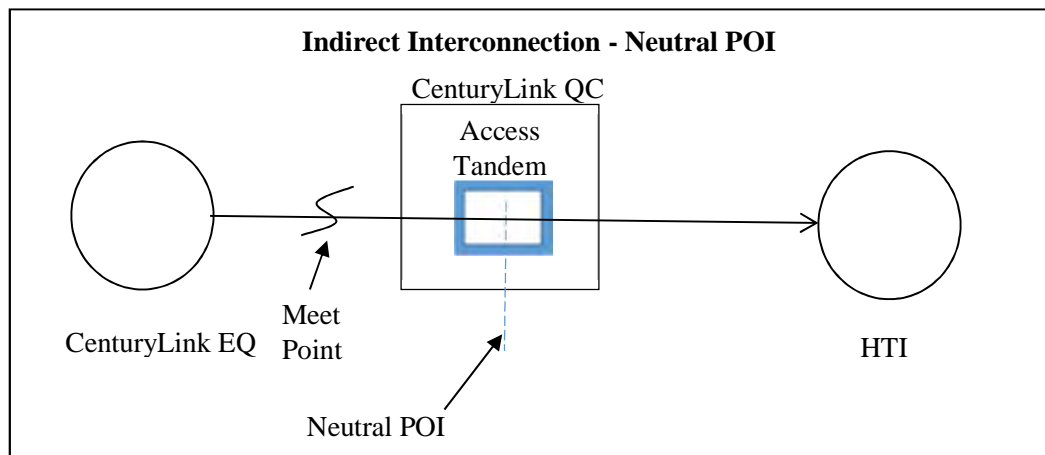


Figure 8 Indirect Interconnection – Neutral POI

- 4 **Q. PLEASE DISCUSS THE OPEN ISSUES RELATED TO INDIRECT INTERCONNECTION?**
- A. One open issue relates to CTL's desire to avoid third party Transit Service charges. Stemming from this CTL has proposed traffic volume triggers which would require CTL to establish a direct connection with CTL, and CTL's attempt to assign a remedy should HTI not establish a direct connection in a timely manner.

**Third Party Transit Costs**

**Issue 46: Indirect Interconnection and Third Party Transit Charges**

- 5 **Q. PLEASE DISCUSS THE OPEN ISSUES RELATED TO INDIRECT INTERCONNECTION.**
- A. Indirect interconnection may occur when HTI establishes trunks at a tandem where CTL also has trunks. The exchange of traffic between the parties through the tandem is Indirect Interconnection. Since there is no physical Point of Interconnection between parties exchanging traffic indirectly, a.

POI in this context addresses delineates financial responsibilities charges assessed by the Third Party Transit Service provider, e.g., CenturyLink QC.

1 **Q. HAS CENTURYLINK PROPOSED TERMS WHICH ASSIGN CTL-INCURRED THIRD PARTY TRANSIT**  
2 **COSTS TO HTI?**

3 A. Yes, it's addressed in Issue 46. Typically each party is responsible for any and all third party Transit  
4 Service (tandem switching and transport) costs which are incurred by both parties as a cost of  
5 delivering its traffic to the other party ("Third Party Transit Costs"). With these provisions CTL  
6 attempts engages in 'self help' by shifting CTL incurred costs to HTI when third party charges exceed  
7 a CTL established threshold of \$200/month (See CTL proposed language in section 42.4). CTL has  
8 recourse to Dispute Resolution process in the event of HTI non-compliance in this matter.

**CTL Proposed Language:**

42.2 A Party choosing Indirect Network Connection to route its Non-Access Telecommunications Traffic, Toll VoIP- PSTN Traffic and IntraLATA LEC Toll Traffic, to a third party ILEC tandem provider for termination to the other Party is solely responsible for all associated transit charges, until the cost exceeds the amount in Section 42.4. Should either Party wish to exchange traffic under this Agreement through a third party provider other than a third party ILEC tandem provider currently being used by the Parties for the exchange of traffic, that Party will request an amendment to this Agreement.

*Related CTL Proposed Section*

42.4 Notwithstanding any other provision to the contrary, if CenturyLink is assessed transiting costs by a third party and such charges associated with a single traffic exchange route between the Party and the tandem owner exceed two hundred dollars (\$200.00) for one month, CLEC must establish a POI with the CenturyLink End Office serving that route for the mutual exchange of traffic within thirty (30) Days.

**HTI Proposed Language:**

42.2 A Party choosing Indirect Network Connection to route its Non-Access Telecommunications Traffic, ~~Toll VoIP- PSTN Traffic and IntraLATA LEC Toll Traffic~~, to a third party ILEC tandem provider for termination to the other Party is solely responsible for all associated transit charges, ~~until the cost exceeds the amount in Section 42.4~~. Should either Party wish to exchange traffic under this Agreement through a third party provider other than a third party ILEC tandem provider currently being used by the Parties for the exchange of traffic, that Party will request an amendment to this Agreement.

Related section

42.4 <Intentionally left blank>

Note: Parties have agreed not to route toll traffic to exchange other directly or indirectly.

## SCOPE OF INDIRECT TRAFFIC EXCHANGE

1 **Q. WHAT IS THE SUBSTANCE OF THE DISAGREEMENT ON TRAFFIC THAT MAY BE EXCHANGED**  
2 **INDIRECTLY?**

3 A. The Parties reached agreement in that neither party will route its toll traffic directly or indirectly to  
4 the other party.

## POI TERMINOLOGY ISSUE

5 **CTL Term POI versus Trunk Group**

6 **Q. WHAT IS THE PARTIES' DISPUTE REGARDING TERMINOLOGY?**

7 A. CTL and HTI reached an impasse regarding CTL's use of the term POI where the subject being  
8 discussed is, in fact, trunking and traffic routing.

9 **Q. PLEASE PROVIDE AN EXAMPLE OF CTL LANGUAGE USING POI WHERE TRUNK OR CONNECTIVITY IS**  
10 **WHAT IS REQUIRED.**

11 A, Consider each of the following terms in the context of a meet point interconnection arrangement,  
12 where each party is responsible for its cost on its side of the POI:

### Issue 26 – POI versus Trunk Group

39.1a "CLEC must establish a ~~POI~~ Local Interconnection Trunk Group at each Tandem Switch in the LATA where it wishes to exchange (receive or terminate) Non-Access Telecommunications Traffic with CenturyLink or where it has established codes within that tandem serving area.

### Issue 27 – POI versus Trunk Group

39.1b When a CenturyLink End Office Switch subtends a CenturyLink Tandem Switch, CLEC must establish a ~~POI~~ Local Interconnection Trunk Group at a CenturyLink End Office when total traffic volumes exchanged between the Parties at that particular CenturyLink End Office (inclusive of any Remote Switches served by that End Office) exceeds, or is expected to exceed, the thresholds as set forth in Section 39.

### Issue 28 – POI versus Trunk Group

39.1c When a CenturyLink End Office Switch subtends a non-CenturyLink Tandem, CLEC must establish a ~~POI~~ Local Interconnection Trunk Group at each CenturyLink End Office Switch that subtends a non-CenturyLink Tandem at such time as the thresholds as set forth in Section \_\_\_\_\_ have been met

**Issue 29 – POI versus Trunk Group**

39.1d To the extent CenturyLink's network contains multiple non-contiguous exchanges in the LATA that are not interconnected by CenturyLink-owned network, CLEC must may: 1) establish a ~~POI~~ Local Interconnection Trunk Group at each separate non-interconnected exchange or each separate group of exchanges that are interconnected by CenturyLink-owned network where it wishes to exchange (i.e., receive or terminate) Local Traffic with CenturyLink; or 2) establish a trunk group to the Tandem Switch serving those exchanges for the exchange of Non Access Telecommunications Traffic.

**Issue 30 – POI versus Trunk Group.**

39.1e CLEC may be required to establish additional ~~POI~~ Local Interconnection Trunk Group to comply with the limitations on porting to carriers having facilities or numbering resources in the same Rate Center, or to carriers who have partnered with a wireline carrier for numbering resources where the partnering carrier has facilities or numbering resources in the same Rate Center, pursuant to Section 49.

[HTI has proposed to strike 39.1e in its entirety in Issue 30, but the POI versus Trunk Group terminology disagreement it is captured here for completeness]

**Issue 34 – POI versus Trunk Group.**

39.4 The Parties may mutually agree to establish additional ~~POIs~~ Local Interconnection Trunk Group even where none of the conditions set forth in Sections 38.5.3 and 38.5.4 of this Article has occurred.

- 1 See the following diagram in the context of the above language. CenturyLink is offended that HTI is
- 2 not inclined to lease transport on the CTL network for the exchange of Non-Access
- 3 telecommunications Traffic.

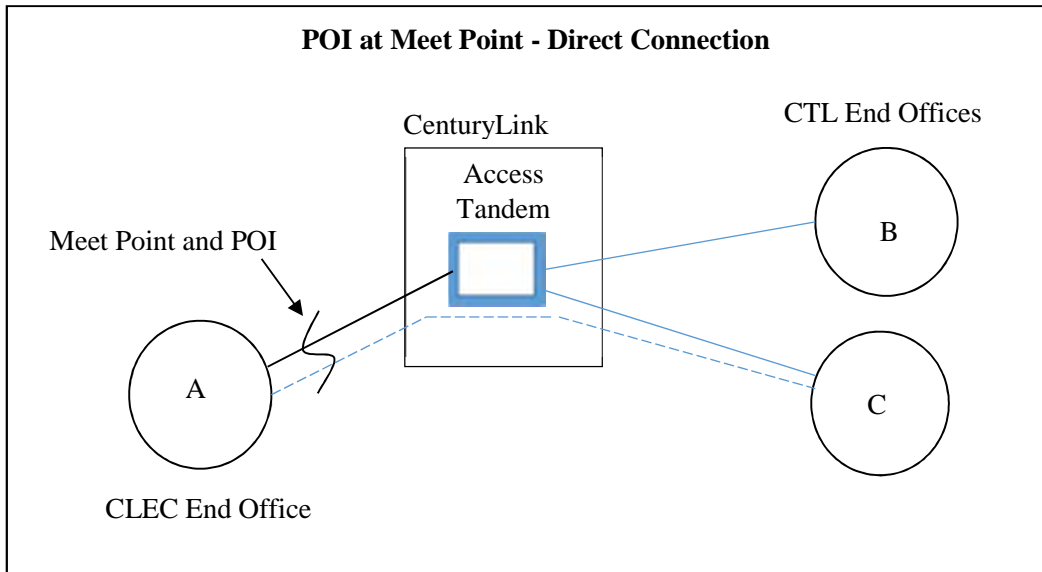


Figure 9 Scope of Transport Pricing - Entrance Facility

1 Q. HOW ARE THESE REQUIREMENTS ADDRESSED IN OTHER AGREEMENTS?

2 A. The following are excerpts from a few agreements, compared to the CTL language:

Qwest	7.2.2.1.3 When either Party utilizes the other Party's Tandem Switch for the exchange of local traffic, where there is a DS1's worth of traffic (512 CCS) between the originating Party's End Office Switch delivered to the other Party's Tandem Switch for delivery to one (1) of the other Party's End Office Switches, the originating Party will order a <u>direct trunk group</u> to the other Party's End Office Switch. ... <sup>15</sup> .
Citizens	2.2.4 The Parties agree that a <u>direct interconnection</u> may become warranted when the volume of Telecommunications Traffic exchanged between the Parties [at the tandem] equals or exceeds a DS1 level (512 centum call seconds or "CCS").... <sup>16</sup>
CenturyLink Proposed Language	39.1b When a CenturyLink End Office Switch subtends a CenturyLink Tandem Switch, CLEC must establish a <del>POI</del> <u>Local Interconnection Trunk Group</u> at a CenturyLink End Office when total traffic volumes exchanged between the Parties at that particular CenturyLink End Office (inclusive of any Remote Switches served by that End Office) exceeds, or is expected to exceed, the thresholds as set forth in Section 39. <sup>17</sup>

<sup>15</sup> AT&T-Qwest Interconnection Agreement

<sup>16</sup> Citizens Telecommunications Company of MN – Sprint Spectrum LP Agreement

<sup>17</sup> HTI-CenturyLink Interconnection Agreement (being arbitrated in this case)

HTI is entitled to establish network interconnection at a point of its choosing on the CTL network without having the POI location preordained.

1 **Q. WHAT LANGUAGE DOES HTI PROPOSE IN THE ABOVE INSTANCES?**

2 A. Although there may be multiple issues with a given section of the ICA, for the following Issues, HTI  
3 proposes the term "POI" is stricken and the term "Local Interconnection Trunk Group" is inserted:

4 Issues: 23, 25, 26, 27, 28, 29, 30, 31, 48

5 **Q. HAS CENTURYLINK PROPOSED WHEN INDIRECT TRAFFIC BETWEEN TWO OFFICES WARRANTS**  
6 **THAT TRAFFIC BE EXCHANGED VIA A DIRECT TRUNK GROUP?**

7 A. Yes, CTL has proposed "triggers" or "thresholds" which, in fact are requirements that a direct trunk  
8 group be established between the two switches where there is enough exchanged via the tandem to  
9 warrant a direct group.

**Issue 31 - POI Thresholds – CTL tandem - POI versus Trunk Group; Triggers**

**CTL Proposed Language:**

When the total volume of traffic exchanged between the Parties at a CenturyLink End Office exceeds 200,000 MOU per month, or the one-way traffic from either Party exceeds 100,000 MOU per month, CLEC must establish a POI with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days of when the traffic exceeds the MOU per month threshold. In situations where CenturyLink's network contains host and remote End Offices, any traffic from remote End Offices will be included in the MOU determination of the traffic from the host End Office.

**HTI Proposed Language:**

When the total volume of traffic exchanged between the Parties at a CenturyLink End Office exceeds ~~three (3) DS1s~~ 200,000 MOU per month, or the one-way traffic from either Party exceeds 100,000 MOU per month, CLEC must establish ~~a POI~~ an order a trunk group with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days of when notified the traffic exceeds the MOU per month threshold. In situations where CenturyLink's network contains host and remote End Offices, any traffic from remote End Offices will be included in the MOU determination of the traffic from the host End Office.

10

**Issue 48 - POI Thresholds – Non-CTL Tandem - POI versus Trunk Group; Triggers**

**CTL Proposed Language:**

Notwithstanding any other provision to the contrary, once the total volume of Indirect Traffic exchanged between the Parties at an CenturyLink End Office exceeds 200,000 MOU per month, or the one-way traffic from either Party exceeds 100,000 MOU per month, CLEC must establish a POI with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days of when the Indirect Traffic exceeds the MOU per month threshold. In situations where CenturyLink's network

contains host and remote End Offices, any traffic from remote End Offices will be included in the MOU determination of the traffic from the host End Office.

**HTI Proposed Language:**

Traffic exchanged between the Parties at an CenturyLink End Office exceeds 200,000 MOU per month, or the one-way ~~three (3) DS3s~~ of traffic from either Party exceeds 100,000 MOU per month, the Parties agree to discuss the establishment of a CLEC must establish a Local Inerconnection Trunk Group with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days of when notified the Indirect Traffic exceeds the MOU per month threshold. In situations where CenturyLink's network contains host and remote End Offices, any traffic from remote End Offices will be included in the MOU determination of the traffic from the host End Office

[The above HTI proposals accepts the 'triggers' proposed by CTL]

1 **Q. DOES THE CTL AGREEMENT ORGANIZED WHERE LIKE TOPICS ARE DISCUSSED IN THE SAME PART**  
2 **OF THE AGREEMENT ?**

3 A. Not always. In this instance Section 38.3, which addresses Network Architecture included a  
4 subsection 38.3.4 which addresses the methodology used for trunk forecasting and trunk group  
5 sizing. HTI proposes that section be moved to the Section 45 Trunk Forecasting.

6 Issues 35 (One way versus two way trunk groups) is similar in that it attempts to keep trunking  
7 requirements, the topic of Issue 35, separate from signaling requirements, the topics of Issues 54  
8 and 57.

**Issue 23 – Move 'Trunk Requirements for Forecasting' to Sec 45 Trunk Forecasting**

**HTI Proposed Language: [unchanged]**

38.3.4 Trunk requirements for forecasting and servicing shall be based on an overall blocking objective of one percent (1%) during the average time-consistent busy hour, as defined by standard trunk traffic engineering principles. For the final trunk groups between a CLEC End Office and all CenturyLink End Offices, direct trunk groups are to be engineered with a blocking objective of one (1%). Trunks to access Tandems carrying Meet Point traffic and all other Tandem trunk groups are to be engineered with a blocking objective of one half percent (.5%).

9 **Q. HAS CENTURYLINK PROPOSED LANGUAGE WHICH PRECLUDES HTI FROM CHOOSING TO ESTABLISH**  
10 **INDIRECT INTERCONNECTION?**

11 A. Yes. CTL has proposed language which would preclude HTI from interconnection at a third party  
12 tandem, by forcing HTI to establish direct connections to the CenturyLink network where an indirect  
13 connection would be most efficient.



## Issue 25 – POI restrictions Indirect Interconnection versus Direct Interconnection

### CTL Proposed Language:

39.1 CLEC must establish a minimum of one POI on CenturyLink’s network within each LATA in accordance with the terms of this Agreement. CLEC shall establish additional POIs under the following circumstances:

[The ‘circumstances’ are not contested, only misuse of the term POI versus trunk group, and are Issues 26-29]

### HTC Proposed Language:

39.1 CLEC, at its sole discretion, may elect to exchange Non Access Telecommunications Traffic: 1) directly by establishing trunks to CenturyLink Central Office(s); or 2) indirectly by establishing interconnection at a third party Tandem Switch which serves the exchange. CLEC may establish additional POIs under the following circumstances:

## DISPUTED TERMS RE MEET POINT INTERCONNECTION

1 **Q. HAS CENTURYLINK LIMITED THE USE OF MEET POINT INTERCONNECTION ARRANGEMENTS?**

2 A. Yes, in several respects: 1) CenturyLink fails to acknowledge any form of meet point interconnection  
3 apart from a Mid Span Fiber Meet; 2) CenturyLink limits third party meet points to those it has  
4 established with incumbent LECs; 3) CenturyLink states construction of a meet point arrangement is  
5 only appropriate when traffic is balanced; and 3) when using a third party meet point, CenturyLink  
6 move the POI from the meet point to the CenturyLink switch. This results in the CLEC being required  
7 to lease CenturyLink transport between the ILEC-ILEC POI and the CenturyLink switch.

8 **Q. WHAT LANGUAGE HAS HTI PROPOSED TO CAPTURE THE SCOPE OF THE FCC REQUIREMENT THAT**  
9 **ILECS PROVIDE MEET POINT INTERCONNECTION ARRANGEMENTS?**

### Issue 7 - FCC Term - Meet Point Interconnection Arrangement

10 A. 1) At Issue 7, HTI has inserted the FCC definition into the agreement:

#### HTI Proposed Language

“Meet Point Interconnection Arrangement” is an arrangement by which each telecommunications carrier builds and maintains its network to a meet point.  
(47 CFR §51.5)

#### CTL Proposed Language

CTL rejected HTI’s proposed language.

### Issue 8 - Impermissible constraints on availability of Mid-Span Meet Interconnection

- 1           2) At Issue 8, HTI proposes to clarify the CenturyLink definition of Mid-Span Fiber Meet to specify  
2           this is only one form of Meet Point Interconnection Arrangement, and eliminate impermissible  
3           constraints regarding the POI location:

#### **CTL Proposed Language**

“Mid-Span Fiber Meet An Interconnection architecture whereby two carriers’ fiber transmission facilities meet at a mutually agreed upon point for the mutual exchange of traffic, subject to the trunking requirements and other terms and provisions of this Agreement. The “point” of Interconnection, for purposes of §§251(c)(2) and 251(c)(3), remains on CenturyLink’s network and is limited to the Interconnection of facilities between the CenturyLink Serving Wire Center and the location of the CLEC switch or other equipment located within the area served by the CenturyLink Serving Wire Center.

#### **HTI Proposed Language**

“Mid-Span Fiber Meet” A form of Meet Point Interconnection Arrangement, which uses fiber optic transmission facilities to interconnect carriers’ networks. An Interconnection architecture whereby two carriers’ fiber transmission facilities meet at a mutually agreed upon point for the mutual exchange of traffic, subject to the trunking requirements and other terms and provisions of this Agreement. The “point” of Interconnection, for purposes of §§251(c)(2) and 251(c)(3), remains on CenturyLink’s network

### Issue 40 - Impermissible constraints on construction of mid-span fiber meet interconnection

- 4           3) At Issue 40 HTI proposes to delete impermissible constraints which limit when CTL is required to  
5           provide mid span fiber meet point interconnection:

#### **CTL Proposed Language (Issue 40)**

The construction of new facilities for a Mid Span Fiber Meet is only applicable when traffic is roughly balanced.

#### **HTI Proposed Language (Issue 40)**

[Delete]

### Issue 41 - Impermissible constraints on construction of meet point interconnection facilities – traffic balance

- 6           4) At issue 41 HTI proposes to delete terms limiting the conditions when CTL is required to provide  
7           Mid Span Fiber Meets.

#### **CTL Proposed Language (Issue 41)**

CenturyLink will provide up to fifty percent (50%) of the facilities needed to connect the networks of the Parties, or to CenturyLink's exchange boundary, whichever is less.

**HTI Proposed Language (Issue 41)**

[Delete]

**Issue 42 - Discrimination on POI location when using third party meet point facilities – HTI is entitled to establish a POI at the same location**

- 1 4) At Issue 42, HTI proposes to eliminate discriminatory requirement that HTI pay for transport on  
2 CenturyLink's side of the POI. The proposed language also removes the limitation on the use of  
3 non-ILEC meet point arrangements.

**CTL Proposed Language (Issue 42)**

Third Party ILEC Meet Point using Leased Facilities. If CLEC chooses to interconnect with CenturyLink using a third party ILEC Meet-Point arrangement (i.e., leased switched access facilities jointly provisioned by CenturyLink and a third party ILEC), then any portion of such facilities provided by CenturyLink will be ordered from CenturyLink's access Tariff.

**HTI Proposed Language (Issue 42)**

Third Party ~~ILEC~~<sup>18</sup>-Meet Point using Leased Facilities. If CLEC chooses to interconnect with CenturyLink using a third party ~~ILEC~~ Meet-Point arrangement (i.e., leased switched access facilities jointly provisioned by CenturyLink and a third party ~~ILEC~~ carrier), then any portion of such facilities provided by CenturyLink will be ordered from CenturyLink's access Tariff. [The] POI shall be at the third party Meet Point, and each Party is responsible for its costs on its side of the POI.

4 **Q. PLEASE DESCRIBE THE PARTIES' NEGOTIATIONS REGARDING THE POI LOCATION.**

- 5 A. Truly, there have been no negotiations between the Parties regarding the POI location. HTI  
6 submitted a bona fide request to negotiate a replacement agreement to CTL on **April 29, 2013**. By  
7 May 1, 2013, CTL had assigned a negotiator (the same individual that had negotiated the existing  
8 agreement) and provided a template agreement to HTI. The "standard" CTL template agreement  
9 (120 pages) addresses all facets of interconnection and resale. A separate VoIP amendment was  
10 sent also. The agreement did not include changes triggered by the 2011 ICC Order,<sup>19</sup> e.g., Bill and  
11 Keep, and the negotiator stated CenturyLink's updated template was not yet available. It also

---

<sup>18</sup> HTI deletions in this section reflect a change from HTI filed in the Arbitration petition.

<sup>19</sup> [47 CFR § 51.705 \(c\)\(1\)](#) requires CenturyLink to continue offering HTI bill and keep since that was the arrangement in place on December 29, 2011.

1 included a number of provisions which HTI did not need, such as provisions relating to unbundled  
2 network elements and resale.

3 By **May 10, 2013**, HTI responded with a redline version of the ICA, culling out unnecessary terms  
4 and conditions, and editing the interconnection section and changing the compensation terms to Bill  
5 and Keep. This trimmed the agreement to about 56 pages if all changes were accepted.

6 On **May 29, 2013**, HTI responded to a CTL request for a diagram depicting the proposed network  
7 interconnection. HTI submitted an indirect interconnection proposal since both parties have  
8 trunking to Qwest's Minneapolis access tandem.

9 On **July 1, 2013**, CTL rejected HTI's indirect interconnection proposal, and provided HTI with a  
10 network diagram titled "How HTI would interconnect with Embarq in LATA 628." The diagram,  
11 recreated following, depicts a direct interconnection to the Osseo tandem, with the POI at the  
12 tandem switch, making HTI financially responsible for all transport to Osseo:

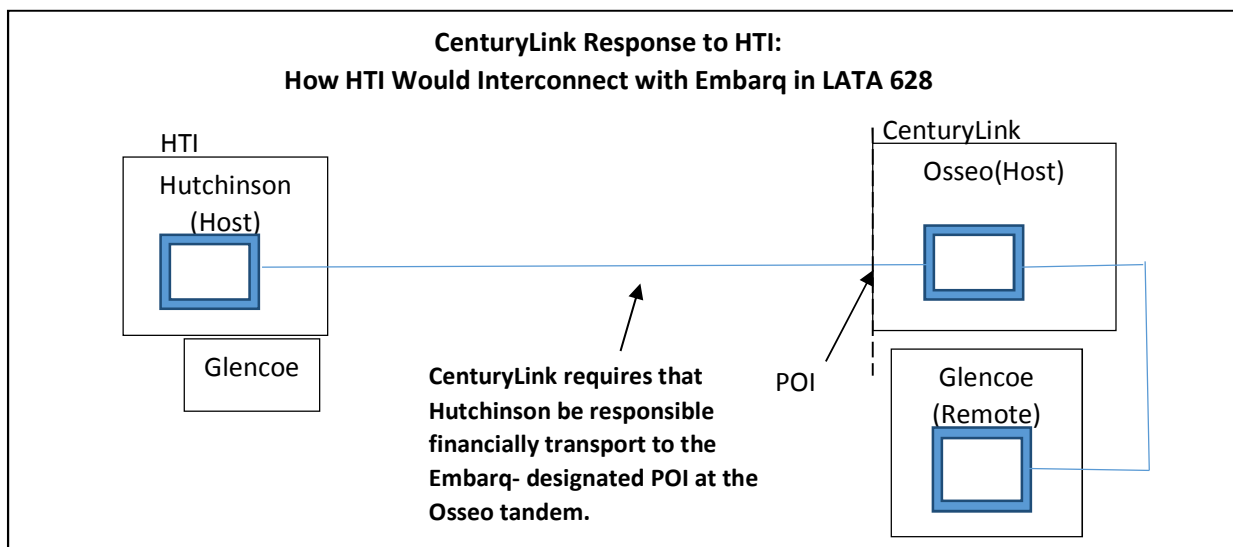


Figure 10 CTL Response to HTI = How HTI Would Interconnect in LATA 628

1 HTI responded the same day, agreeing to establish a direct connection to Osseo, but requesting a  
 2 mid-span meet point interconnection arrangement with a POI in Glencoe and trunking to the Osseo  
 3 host switch as shown following. That proposal was also rejected.

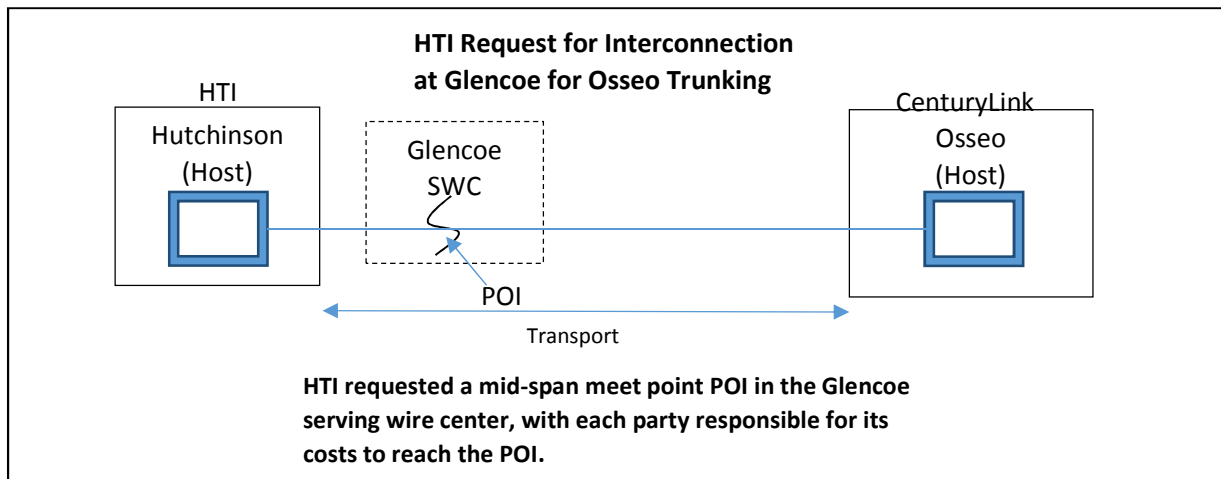


Figure 11 HRI Request to HTI – Mid-Span Meet Point at Glencoe

4 **Q. HAS CENTURYLINK EVER DISCLOSED FACILITIES AVAILABILITY FOR HTI PROPOSED MEET POINT IN**  
 5 **GLENCOE?**

6 A. No. On or about February 5, 2014 HTI requested a meeting with CenturyLink attorneys in an  
 7 attempt clarify what HTI believes are matters of settled law: 1) the right of an CLEC to request  
 8 interconnection at any point on the ILEC’s network; and 2) that in a meet point interconnection  
 9 arrangement each party is responsible for its costs on its side of the Point of Interconnection.  
 10 Although HTI first proposed interconnection at Glencoe in May 2013, it wasn’t until this meeting, in  
 11 February 5, 2014, that CTL first raised on issue of lack of capacity at Glencoe to satisfy HTI’s  
 12 interconnection request. The dialogue related to CenturyLink facilities went something like this:

13 CenturyLink attorney: “I’ve been told we have no spare ‘wave capacity’ between Glencoe and  
 14 Osseo.”

15 [The term “wave capacity” is a reference to Wave Division Multiplexing  
 16 (WDM), a fiber optic multiplexing technology where different colors on  
 17 a single fiber are used to increase capacity.

18 The premise of this statement is that HTI optical equipment must pair  
 19 with CTL optical equipment in located Osseo.]

1 HTI representative: "You realize this is the first I'm hearing of this? Are you holding DS1  
2 orders for Glencoe?"

3 CenturyLink attorney: "Not to the best of my knowledge."

4 HTI representative: "Then we won't have an issue. We can use back-to-back facilities."

5 CenturyLink attorney: "What do you mean by 'back-to-back' facilities?"

6 HTI representative: "We won't need to establish an optical system all the way back to  
7 Osseo. We can establish a Hutchinson-Glencoe system, and you can  
8 haul it back to on your existing system to Osseo. The two systems will  
9 be cross-connected 'back-to-back'."

10 CenturyLink attorney: "How does that work?"

11 HTI representative: "Tell your engineers: You point your Glencoe laser at the HTI  
12 equipment in Hutchinson, and HTI will point its Hutchinson laser at  
13 CenturyLink's equipment in Glencoe. CenturyLink can mux [multiplex]  
14 the facilities down to DS1 in Glencoe, and cross-connect as many DS1s  
15 as needed to your existing Osseo system."

16 **Q. WAS THE INFORMATION CONVEYED BY THE CENTURYLINK ATTORNEY MISLEADING?**

17 A. Yes. A statement that a system is 'at capacity' or has "no spare" capacity might lead one to  
18 conclude that interconnection isn't feasible. However, capacity constraints can be eliminated by  
19 changing the electronics on at each end, or alternatively it can be worked around as I suggested on  
20 the call. Since CenturyLink is not holding DS1 service requests for its own Glencoe customers, e.g.,  
21 an ATT DS1 order to a CenturyLink Glencoe customer, clearly there is no facility shortage between  
22 Glencoe and Osseo.

23 **Q. AND IF THERE TRULY WERE A GLENCOE-OSSEO FACILITY SHORTAGE, WOULD CENTURYLINK STILL  
24 BE OBLIGED TO ACCOMMODATE THE HTI MEET POINT INTERCONNECTION REQUESTED?**

25 A. Yes. The Local Competition Order states the Section 251(c)(2) and (c)(3) obligations imposed on  
26 ILECs " ... include modifications to incumbent LEC facilities to the extent necessary to accommodate

1 interconnection or access to network elements.”<sup>20</sup> In theory CenturyLink would be required to find  
2 a way to provide the interconnection requested, even if that included upgrading its facilities.

3 **Q. WAS THERE SUBSEQUENT DISCUSSION OF INTERCONNECTION IN GLENCOE?**

4 A. Yes. On February 14<sup>th</sup> CTL asked for a meeting to discuss the technical aspects of HTI’s  
5 interconnection request. CTL network and product management Subject Matter Experts (“SMEs”)  
6 were in attendance. I attended, as did the HTI attorney and a regulatory employee of NU-Telecom,  
7 the parent company of Hutchinson Telecommunications, Inc.

8 **Q. WAS THE HTI MIDSPAN MEET POINT REQUEST DISCUSSED?**

9 A. Not at all. CenturyLink was not responsive to the HTI interconnection method requested. Rather,  
10 the CenturyLink network SME suggested that HTI gain access to the Glencoe central office through  
11 the use of a Hutchinson Telephone Company (HTC) OC3 facility between Hutchinson and Glencoe.  
12 HTC is an affiliate company of HTI under the ownership of NU-Telecom.

13 **Q. WERE YOU AWARE OF THE HTC OC3 SYSTEM?**

14 A. I didn’t recall the existence of the OC3 system at the time,<sup>21</sup> nor did the NU-Telecom employee who  
15 attended the call. I asked CenturyLink the location of the meet point on facility. The CTL SME  
16 responded there was no meet point, that HTC owned the system all the way into the Glencoe  
17 central office. When asked, the CTL SME said there is spare capacity on the facility.

18 **Q. WHAT DID YOU DISCOVER ABOUT THE HTC OC3?**

19 A. A 1994 contract indicates HTC paid United Telephone Company (predecessor to  
20 Sprint/Embarq/CenturyLink) to build an OC3 system to be used for 911 circuits. Subsequently the  
21 system was used by HTC and CenturyLink for Hutchinson-Silver Lake Extended Area Service trunking.  
22 Under the terms of the agreement HTC pays a monthly lease to CenturyLink plus an annual  
23 maintenance fee on the system.

---

<sup>20</sup> *Local Competition Order* ¶198

<sup>21</sup> While researching responses to CenturyLink’s information requests, I found the Hutchinson Glencoe system was discussed during the interconnection negotiations for Grove City Litchfield EAS (1999). The system was not used in that instance because Sprint claimed there was no spare Glencoe-Osseo capacity.

1 **Q. HAS HTI AGREED TO USE OF THE HTC HUTCHINSON-GLENCOE FACILITY AS AN ALTERNATIVE TO**  
2 **THE FIBER MEET POINT ARRANGEMENT IT REQUESTED?**

3 A. No, but would consider that option along with the Glencoe mid-span meet request CenturyLink has  
4 denied and other facility options which may become available should CenturyLink be required  
5 provide to disclose the locations where it has established interconnection with other carriers.

6 **Q. HAS CENTURYLINK BEEN RESPONSIVE TO HTI'S REQUESTED METHOD OF MEET POINT**  
7 **INTERCONNECTION?**

8 A. No. CenturyLink rejected and sidelined the fiber meet point interconnection, in what HTI believes is  
9 a clear violation of FCC rule 51.321(a) (requirement to provide meet point interconnection at a point  
10 on CenturyLink's network upon request). CenturyLink subsequently supplanted HTI's request with  
11 its own proposed method of interconnection (HTI's use of the HTC OC3) and shifted the POI from  
12 Glencoe to Osseo. CenturyLink then suggests the use of third party facilities (HTC OC3) is a "non-  
13 standard" interconnection method, and therefore HTI's interconnection request must first go  
14 through a "bona fide request" ("BFR") process which included in its response to the HTI arbitration  
15 petition. I discuss CTL's proposed BFR process below.

16

17 **Q. HAS HTI ASKED CENTURYLINK ABOUT FACILITIES IN THE 511 BUILDING<sup>22</sup> IN MINNEAPOLIS?**

18 A. A. Yes. Although negotiations never proceeded into that detail, HTI submitted an Information  
19 Request – HTI's First Set of Information Requests, Request No. 26 – in the context of this arbitration  
20 to attempt to obtain this information. Unfortunately, CTL objected to the Request claiming, among  
21 other things, that the Request was irrelevant.<sup>23</sup> Although HTI's attorney is continuing to attempt to  
22 obtain this information, as of the date of this testimony, those efforts have not been successful. The  
23 same information should be made available for the CenturyLink QC (Qwest) Minneapolis Downtown  
24 office, and the NorthStar Building, all of which are common carrier interconnection points in  
25 Minneapolis.

26 **Q. DOES THE LANGUAGE CENTURYLINK HAS PROPOSED ACKNOWLEDGE THE EXISTING**  
27 **INTERCONNECTION ARRANGEMENT IN ST. CLOUD?**

28 A. No. I attempted different tacks in getting some form of documentation for the existing meet point  
29 interconnection arrangement inserted into the agreement, if only an exhibit declaring the POI

---

<sup>22</sup> Cologix, Inc. operates a 'carrier hotel' at 511 11<sup>th</sup> Ave S., Minneapolis, MN 55415 which is the largest carrier interconnection point in the Minnesota.

<sup>23</sup> CenturyLink's responses to HTI's first set of information request are attached to my testimony as Exhibit TGB-3.



1 location. All attempts were immediately rejected by the negotiator. This was one area where the  
2 negotiator had been empowered to address an HTI request. At one point the negotiator opined that  
3 CenturyLink would not change or begin billing of an existing facility arrangement [if the new  
4 agreement were to become effective using template language]. To the best of my recollection, her  
5 comment was: “They’re not going to *start* billing for in-place circuits - something that was in place  
6 before this agreement.” Of course, this assurance is not reflected in any of the contract language  
7 that CTL has proposed. To the contrary, if CTL’s proposed language were accepted, I believe that CTL  
8 would start billing for facilities for which it has not charged previously.

9 **Q. HAS HTI SUBMITTED INFORMATION REQUESTS TO ATTEMPT TO DETERMINE HOW CTL BELIEVES**  
10 **THE NEW CONTRACT PROVISIONS WILL APPLY TO THE PARTIES’ CURRENT INTERCONNECTION IN**  
11 **ST. CLOUD?**

12 A. Yes, Information Request No. 22 of HTI’s First Set of Information Requests relates to this issue.  
13 Unfortunately, CTL did not answer the question directly. HTI’s counsel has sought clarification of  
14 CTL’s response but, as of the date of this testimony, no clarification has been provided. My  
15 interpretation of the response is that CTL does indeed intend to begin charging for facilities for  
16 which it does not charge currently.

17 **Q. IS IT YOUR EXPERIENCE THAT CENTURYLINK WOULD IGNORE A NETWORK CONFIGURATION AND**  
18 **ITS ASSOCIATED COMPENSATION ARRANGEMENT WHEN THE AGREEMENT GOVERNING THE**  
19 **ARRANGEMENT EXPIRES OR IS REPLACED?**

20 A. To the contrary, CenturyLink routinely reviews agreements when replaced or expired. Also, most  
21 agreements “boiler plate” language, sometimes listed as ‘Entire Agreement’, which states ‘this  
22 agreement supersedes all prior agreements.’ I believe the negotiator’s comment was an attempt to  
23 mislead HTI into believing the compensation for the existing interconnection arrangement would  
24 not be affected after the new agreement in place.

1 **Q. PARAGRAPH 553 OF THE LOCAL COMPETITION ORDER PROVIDES:**

....In a meet point arrangement, the "point" of interconnection for purposes of sections 251(c)(2) and 251(c)(3) remains on "the local exchange carrier's network"<sup>1346</sup> (e.g., main distribution frame, trunk-side of the switch), and the limited build-out of facilities from that point may then constitute an accommodation of interconnection.<sup>24</sup>

**DOES THIS TEXT IMPLY THE MEET POINT OR POINT OF INTERCONNECITON MUST BE LOCATED AT THE ILEC SWITCH?**

2 A. No. A correct reading of the above means an ILEC's limited build out in accommodation of meet  
3 point interconnection request satisfies the ILEC's obligations under Sections 251(c)(2) and (c)(3) to  
4 interconnect, as would accommodating interconnection at, for example, the main frame or the  
5 trunk side of the switch.

6 **Q. IS AN ILEC REQUIRED TO PROVIDE INTERCONNECTION AT "ANY TECHNICALLY FEASIBLE POINT" ON**  
7 **ITS NETWORK?**

8 A. Yes, and onus is on the ILEC to prove to the state commission that the requested interconnection is  
9 not technically feasible.<sup>25</sup>

10 **Q. ARE ILEC ECONOMIC COSTS A CONSIDERATION WHEN DETERMINING TECHNICAL FEASIBILITY?**

11 A. No. The Local Competition Order the FCC states:

Competitive carriers ...will be permitted to request interconnection at any technically feasible point, and the determination of feasibility must be conducted without consideration of the cost of providing interconnection at a particular point.<sup>26</sup>

12 **Q. IF A METHOD OF INTERCONNECTION IS USED BETWEEN TWO CARRIERS' NETWORKS, IS IT**  
13 **TECHNICALLY FEASIBLE ELSEWHERE?**

14 A. Yes, the FCC has determined a rebuttable presumption of technical feasibility is created when a  
15 method of interconnection is used, for the interconnection of substantially similar network  
16 architectures. The ILEC bears the burden of proving the technical infeasibility of a particular method  
17 of interconnection or access at any individual point.<sup>27</sup>

**Issue 24 - POI Locations presumed to be technically feasible/Disclosure of POI Locations**

---

<sup>24</sup> Ibid

<sup>25</sup> Local Competition Order ¶1549 "Section 251(c)(2) imposes an interconnection duty at any technically feasible point; it does not limit that duty to a specific method of interconnection or access to unbundled elements."

<sup>26</sup> Local Competition Order ¶1373; also 47 C.F.R. 51.5 Definition of Technical Feasibility

<sup>27</sup> Local Competition Order ¶1554.

1 **Q. WHAT TERMS HAS HTI PROPOSED TO ENSURE IT CAN OBTAIN NETWORK INTERCONNECTION ON**  
2 **SUBSTANTIALLY SIMILAR TERMS AND CONDITIONS THAT CENTURYLINK HAS PROVIDED TO OTHER**  
3 **CARRIERS?**

4 A. HTI has proposed the following language, which is found at Issue No. 24 of the disputed issues  
5 matrix:

6 39.1 POI Locations. CLEC shall be entitled to establish a POI at any Technically Feasible point on  
7 the CenturyLink network, including but not limited to:

- 8 a. CenturyLink hand holes or man holes;  
9 b. CenturyLink controlled environment vaults;  
10 c. CenturyLink Central Offices;  
11 d. Third Party locations, e.g., carrier hotels, where CenturyLink has established facilities for  
12 the purpose of interconnecting with other carriers;

13 39.1.1 CenturyLink shall disclose to CLEC all locations within a LATA where CenturyLink has  
14 established facilities interconnection with a third party carrier. This existing POI location  
15 information shall be provided within 15 business days of CLEC's written request.

16 39.1.2 This Section describes the trunk group requirements for the transmission and routing of  
17 Switched Access Traffic, Non Access Telecommunications Traffic, Transit Traffic and Jointly  
18 Provided Switched Access Service Traffic.

19 CTL has proposed that this language should be omitted in its entirety.

20 **Q. PLEASE DISCUSS THE LIST OF CROSS-CONNECT POINTS WHICH HTI ASSERTS ARE TECHNICALLY**  
21 **FEASIBLE FOR MEET POINT INTERCONNECTION ARRANGEMENTS**

22 A. HTI asserts there is a rebuttable presumption that network interconnection is technically feasible at  
23 certain points on the CenturyLink network. Those points are:

- 24 • CenturyLink handholes and manholes;  
25 • CenturyLink controlled environment vaults  
26 • CenturyLink central offices  
27 • Third party locations where CenturyLink owns or controls facilities for the purpose of  
28 interconnecting with other carriers (e.g., carrier hotel)

### Impermissible limitations on meet point interconnection

1 **Q. HAS CENTURYLINK PROPOSED TO MANDATE THAT HTI ESTABLISH A POI AT CENTURYLINK'S**  
2 **SWITCH?**

3 A. Yes. This is addressed in Issue 38. HTI asserts CTL is not entitled to preordain the POI location when  
4 the CLEC will be placing trunk orders, especially if the CLEC has opted to use a meet point  
5 interconnection arrangement.

#### Issue 38 – Impermissible Constraint on POI location - ACTL – Location mandated at Switch

##### CTL Proposed Language:

39.7 CLEC shall be required to establish a CLLI Code for the message/switch ACTL, at the CenturyLink Tandem or End Office switch where the Interconnection trunk terminates. [Emphasis Added]

##### HTI Proposed Language:

39.7 CLEC shall be required to establish a CLLI Code for the ACTL.

6 **Q. HAS CENTURYLINK PROPOSED TO MANDATE THAT HTI ESTABLISH A POI WITHIN ITS LOCAL**  
7 **CALLING AREA**

8 A. Yes. HTI asserts CTL should not be allowed to preordain the geographic area of a meet point  
9 interconnection arrangement.

#### Issue 39 – Impermissible constraint on POI Location – Local Calling Area

##### CTL Proposed Language:

39.9.2.1.1 The Mid Span Fiber Meet, as proposed, must be at a mutually agreeable, economically and technically feasible point between CenturyLink's Serving Wire Center End Office and CLEC's Premises, and will be within the CenturyLink Local Calling Area.

##### HTI Proposed Language:

39.9.2.1.1 A Mid Span Fiber Meet is a form of Meet Point Interconnection Arrangement where fiber optic facilities are spliced at Meet Point which is logically located between the Parties' premises.

- 1 **Q. ARE MEET POINT INTERCONNECTION ARRANGEMENTS LIMITED TO MID-SPAN MEET POINTS?**  
 2 A. No, as evidenced by the Sprint-US West EAS meet point interconnection arrangement at St. Cloud,  
 3 meet point interconnection arrangements may occur at any transmission level, need not occur at a  
 4 splice point, within the CenturyLink local calling area, or even within the CenturyLink EQ service  
 5 area.  
 6 **Q. ARE YOU AWARE OF OTHER INSTANCES WHERE CTL ESTABLISHED A POI AT THIRD PARTY**  
 7 **LOCATION?**  
 8 A. Yes. CTL and Federated Telephone Cooperative established a meet point in the “Benson Hut” a  
 9 third party locations for the exchange of Benson-Danvers EAS. A trunk group is required between  
 10 the Benson end office and the Chokio host switch as shown in the following network diagram.

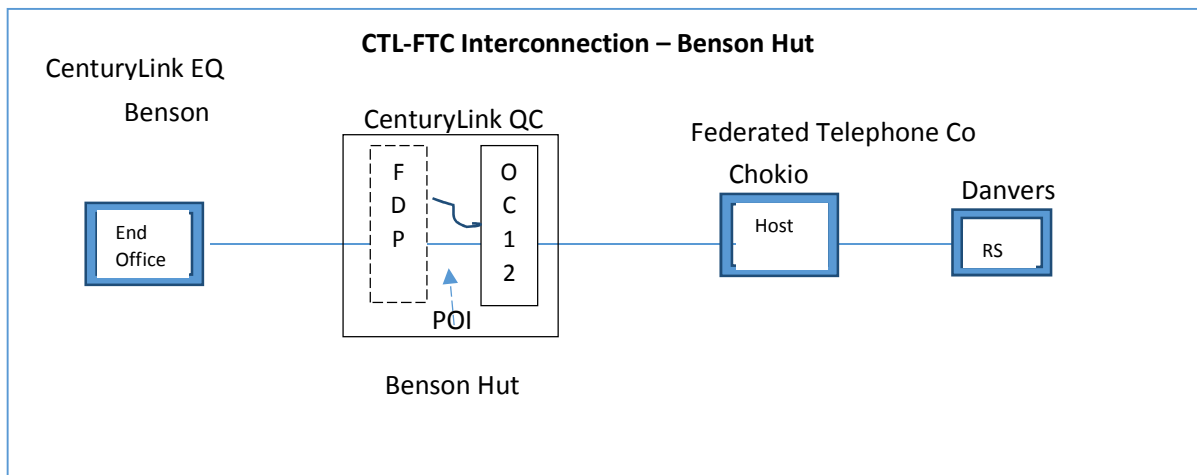


Figure 12 CTL-Federated Telephone Meet Point – Third Party Location

- 11 CTL meets Federated at the fiber level in the Benson Hut to create a Benson Hut-Benson CTL optical  
 12 system. The network architecture of this arrangement, but the network interconnection at a third  
 13 party location is technically feasible.

**Discriminatory terms and conditions - Interconnection at CenturyLink Remote Central Office**

- 14 **Q. ARE YOU AWARE OF ANY INSTANCE WHERE CTL HAS ESTABLISHED A POI AT A CTL LOCATION**  
 15 **OTHER THAN ITS END OFFICE OR HOST SWITCH?**  
 16 A. Yes. CTL established a meet point interconnection arrangement with Hutchinson Telephone  
 17 Company (HTC) in its Glencoe central office for the exchange of Glencoe-Silver Lake EAS.  
 18 **Q. PLEASE DESCRIBE THE CTL-HTC POI FOR GLENCOE-SILVER LAKE EAS.**

- 1 A. HTC has a Hutchinson-Glencoe OC3 facility which was established for private line transport. CTL and  
2 HTC agreed to use this facility for Hutchinson-Silver Lake EAS with the POI in Glencoe. See the  
3 following network diagram:

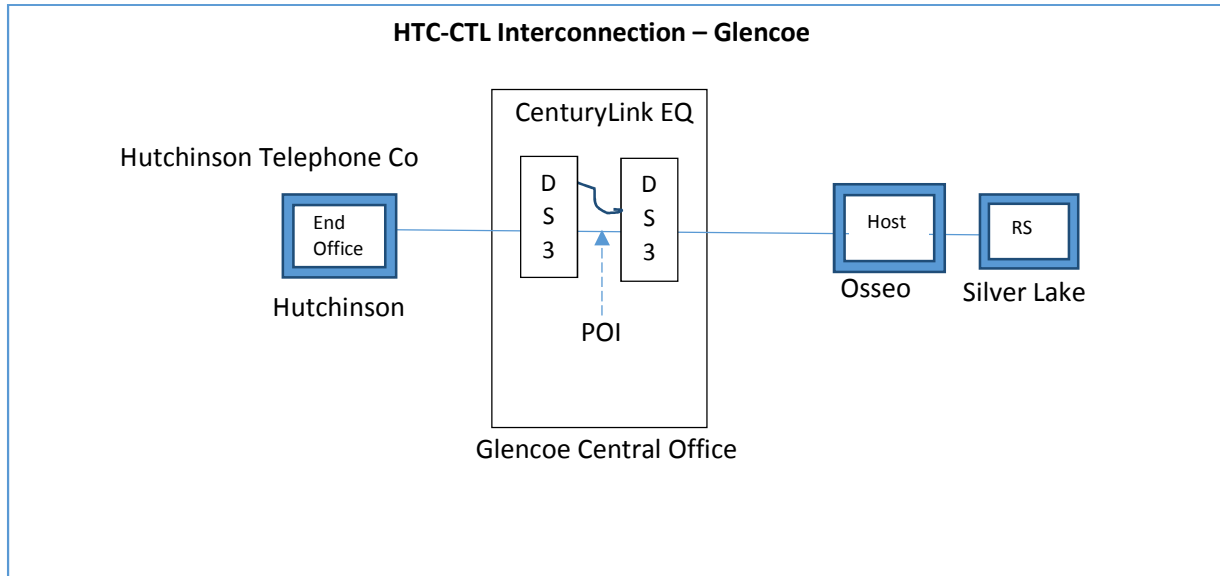


Figure 13 CTL-Hutchinson Telephone Company Meet Point – CenturyLink Central Office

- 4 I became aware of this EAS arrangement while researching my response to one of CTL's Information  
5 Requests in this proceeding.
- 6 **Q. IS THE NETWORK ARCHITECTURE USED FOR HUTCHINSON-SILVER LAKE EAS SUBSTANTIALLY**  
7 **SIMILAR TO THAT WHICH CTL PROPOSED IN ITS RESPONSE TO HTI'S ARBITRATION REQUEST?**
- 8 A. Not just substantially similar, the network architecture is identical, right down to the same switch  
9 pair and facilities connecting them. I will discuss that in greater detail while discussing Virtual  
10 Collocation and Bona Fide Request process.
- 11 **Q. ARE YOU AWARE OF OTHER INSTANCES WHERE CTL ESTABLISHED A POI AT THIRD PARTY**  
12 **LOCATION?**
- 13 A. Yes. CTL and Federated Telephone Cooperative established a meet point in the "Benson Hut" a  
14 third party locations for the exchange of Benson-Danvers EAS. A trunk group is required between  
15 the Benson end office and the Chokio host switch as shown in the following network diagram.

1 **Q. ARE YOU AWARE OF INSTANCES WHERE OTHER ILECS THAT HAVE USED THIRD PARTY MEET POINT**  
2 **FACILITIES FOR LOCAL INTERCONNECTION?**

3 A. Yes. I have negotiated numerous interconnection arrangements with Verizon and Mediacom on  
4 behalf of rural ILECs. In instances where the CLEC or CMRS provider wants to establish a direct  
5 interconnection with a rural LEC, it is more common than not to use a third party meet point facility  
6 for the interconnection. CenturyLink QC is the most common third party carrier.

7 **Q. WHAT PROCESS DID THE CLEC USE TO ORDER THIRD PARTY LEC-LEC MEET POINT TRANSPORT?**

8 A. The competitor (CLEC or CMRS provider) placed an order for a meet point private line DS1 with both  
9 the rural ILEC and CenturyLink QC for a circuit that terminates in the ILEC's central office. An  
10 example of such an arrangement is in the Paul Bunyan-Verizon interconnection agreement which  
11 was approved by the Commission in Docket No. P-6163,423/IC-12-999 and is attached as Exhibit  
12 TGB-2 in this proceeding. The agreement documents the arrangement and specifies the ILEC will  
13 not bill the competitor for the ILEC portion of the transport. The relevant portion of the Exhibit B to  
14 that agreement provides follows:

The Parties agree to directly connect their networks as follows:

**1. Direct Connection.** The Parties agree to directly connect their networks at a POI established at the existing Carrier-CenturyLink meet point between the BMDJMNAS Carrier Central Office Switch and the WADNMNWA Central Office Switch. Consistent with Section 4.2 of the Agreement, each Party is responsible for all recurring and nonrecurring charges associated with providing facilities from its respective Central Office Switch or Mobile Switching Center to the POI. CMRS is responsible for submitting a meet point billed private line/special access order to CenturyLink and Carrier for BMDJMNAS - WADNMNWA transport in DS1 increments. CMRS is also responsible for submitting a trunk order to Carrier in DS1 increments.

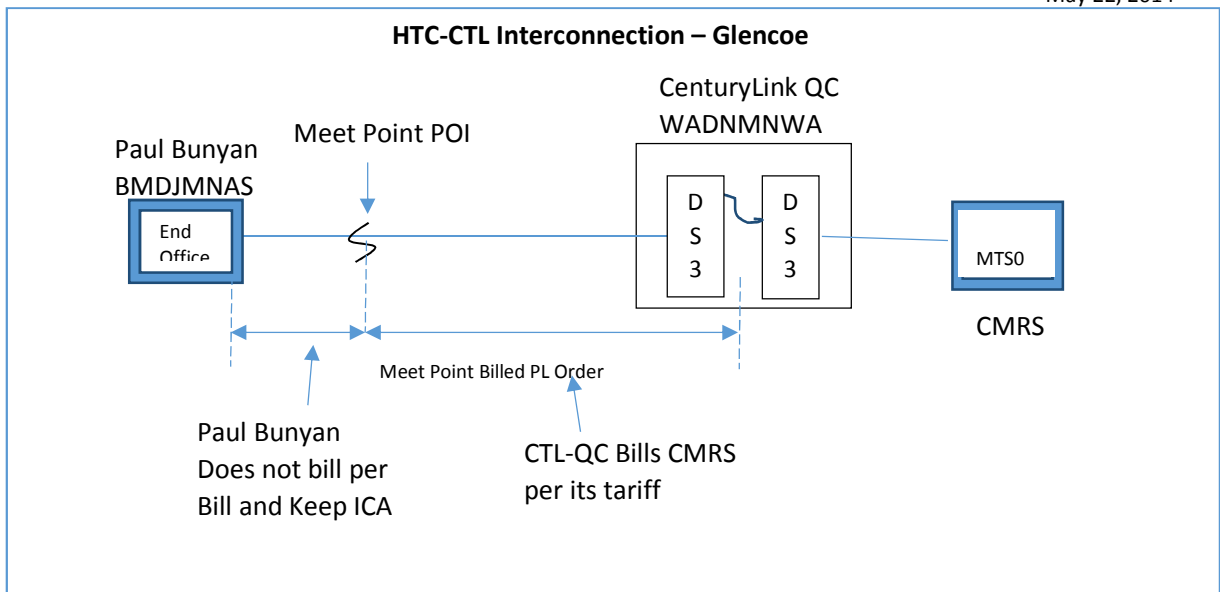


Figure 14 Third Party LEC Meet Point Facility

1

## RATES AND RATE RELATED ISSUES

2 **Q. PLEASE DISCUSS THE RATES AND COST SUPPORT NECESSARY FOR THE RATES**

3 A. The various agreement versions CenturyLink proposed reference obtaining transport at CenturyLink  
 4 state access tariff rates. Only during the arbitration filings did CenturyLink remove tariff references.  
 5 I understand that CTL has provided some sort of cost support but I haven't seen it.

6 **Q. CAN YOU COMMENT ON THE RATES CENTURYLINK PROPOSED IN THE AGREEMENT?**

7 A. Yes. The FCC has required pricing be developed using Total Element Long Run Incremental Cost  
 8 (TELRIC) methodology. As stated, I understand that CTL has provided some cost support, but I  
 9 haven't seen it.

10 **Q. ARE THERE ANY SPECIFIC RATES WHICH DREW YOUR ATTENTION?**

11 A. Yes. The Transit Service, Common Transport, Entrance Facility, and Dedicated Trunked Transport  
 12 rate elements.



1 **Transit Rate Element**

2 **Q. CAN YOU COMMENT ON THE TRANSIT RATE? `**

3 A. Yes. CenturyLink has included Transit Service under a section Non-251 Services of the Agreement.  
4 We apparently have reached agreement that the Commission has jurisdiction over Transit Service,  
5 however the rate level is concerning.

6 **Q. HAS THE MINNESOTA COMMISSION ADDRESSED TRANSIT RATES IN INTERCONNECTION**  
7 **AGREEMENTS PREVIOUSLY?**

8 A. Yes. Qwest interconnection agreements include Transit Service as the composite of Tandem  
9 Switching and Tandem Transmission. The CTL Transit Rates were also addressed indirectly in a 2008  
10 complaint filed by Frontier Citizens of Minnesota against Qwest.<sup>28</sup>

11 **Q. WHAT IS THE QWEST TRANSIT RATE FROM THE ATT ARBITRATED AGREEMENT?**

12 A. The Qwest Transit Rate is \$0.00164, the aggregate of the Tandem Switching \$0.00112 and Tandem  
13 Transmission \$0.00052 rate elements.

14 **Q. WHAT WAS THE CONTEXT OF FRONTER'S COMPLAINT AGAINST QWEST?**

15 A. Frontier filed a complaint against Qwest with the Minnesota Commission for Qwest's unilateral  
16 imposition of Transit Service charges for Extended Area Service (local) traffic. Qwest had imposed a  
17 \$0.0045/Minute Transit Service rate on Frontier and other LECs without first having the rate  
18 approved by the Commission in a tariff or interconnection agreement. Frontier argued "Qwest's  
19 proposed rate of \$.0045/minute for transiting is not fair or reasonable."

20 **Q. WHAT ACTION DID THE COMMISSION TAKE IN THE FRONTIER COMPLAINT?**

21 A. In an Order issued December 29, 2008 the Commission determined it did have jurisdiction over this  
22 dispute and determined no Transit Service rate was appropriate until approved by the Commission  
23 in a tariff or interconnection agreement.

24 **Q. PLEASE COMMENT ON THE CENTURYLINK TRANSIT SERVICE RATE IN THIS ARBITRATION.**

25 A. CenturyLink included Transit Service in the pricing Table One. As previously stated, Transit Service is  
26 a composite of Tandem Switching and Tandem Transmission. In this agreement CenturyLink has not  
27 filed a Tandem Switching rate element Tandem Transmission. The Transit Service Rate CenturyLink  
28 has proposed is \$0.005/Min, a rate more than twice the comparable state or federal access tariff

---

<sup>28</sup> PUC Docket No. P-407, 405,421/C-08-1056

1 rate (\$0.002478/min using 40 miles of transport), more than three times that of CenturyLink QC  
2 (\$0.00164/min), and higher than the rate Frontier and other LECs rejected.

### 3 **Transport Rate Elements**

#### **Common Transport Rate Element**

4 **Q. PLEASE COMMENT ON THE COMMON TRANSPORT RATE ELEMENT.**

5 A. The Common Transport rate element is defined in the agreement as:

6 "Common Transport" provides a local interoffice transmission path between End Office  
7 Switches, between End Office Switches and Tandem Switches and between Tandem Switches in  
8 CenturyLink's network. Common Transport is shared between multiple customers and is  
9 required to be switched at the Tandem Switch.

10

11 The Common Transport rate is listed in Table One is \$0.000340.

12 **Q. WHAT LANGUAGE CHANGES DOES HTI PROPOSE FOR COMMON TRANSPORT**

13 A. None.

14 **Q. WHAT CHANGES DOES HTI PROPOSE FOR COMMON TRANSPORT**

15 A. HTI Proposes the Common Transport rate on Table One is \$0.00

#### **Tandem Switching Rate Element**

16 **Q. DOES THE EXISTING AGREEMENT INCLUDE A TANDEM SWITCHING RATE?**

17 A. No, there is no Tandem Switching rate element in the existing agreement.

18 **Q. HAS CENTURYLINK PROPOSED TANDEM SWITCHING RATE ELEMENT IN THE NEW AGREEMENT?**

19 A. Yes, the application of a Tandem Switching rate element is discussed in the agreement.

20 **Q. HAS CENTURYLINK PROPOSED LANGUAGE ON THE APPLICATION OF A TANDEM SWITCHING RATE**  
21 **ELEMENT?**

22 A. Yes. The text of the agreement includes a Tandem Switching rate element which is applied to  
23 Reciprocal Compensation Traffic as well as Transit Traffic.

1 **Q. WHAT LANGUAGE CHANGES DOES HTI PROPOSE FOR TANDEM SWITCHING RATE ELEMENT**

2 A. The language in Table One should clarify the application of Tandem Switching as it relates to Transit  
3 Service:

4	<b>HTI Proposes:</b>	Tandem Switching (terminating to CenturyLink End Office)	\$0.00
5		<b>Tandem Switching</b> (used in Transit Service)	\$TBD

## TERMS NOT SUPPORTED BY THE ACT, FCC, OR COMMISSION RULES

6 **Q. HAS CENTURYLINK ATTEMPTED TO IMPOSE TERMS WHICH ARE SELF SERVING AND UNSUPPORTED**  
7 **BY FCC OR STATE COMMISSION RULES?**

8 A. Yes. CenturyLink has proposed a number of provisions which are inserted into the agreement which  
9 have no foundation in FCC or State Commission rules.

10 **Q. PLEASE PROVIDE EXAMPLES OF SUCH “SELF HELP” TERMS?**

### Issue 30 – Limitations on Number Portability

11 A. The FCC has established rules which govern the administration of numbering resources<sup>29</sup>. The  
12 Central Office Code Assignment Guidelines (COAG) have been developed with input from the  
13 industry at the in an effort to make the most efficient use of numbering resources.

14 The FCC rules regarding NANPA assignment of NPANXXs for the first time in a rate center:  
*Initial numbering resources.* Applications for initial numbering resources shall include  
evidence that:

- (i) The applicant is authorized to provide service in the area for which the numbering resources are being requested; and
- (ii) The applicant is or will be capable of providing service within sixty (60) days of the numbering resources activation date.

15 NANPA, per the COAG requires carriers applying for numbering resources for the first time in a  
16 rate center to produce any one of the following:

- 1) Proof of an executed interconnection agreement with the ILEC in the rate center;

---

<sup>29</sup> [47 CFR § 52.15 - Central office code administration](#)

- 2) Proof the carrier has state commission authority to provide service in the rate center;
- 3) The Service Provider business plan/pre-planning checklist which projects readiness within 60 days
- 4) A confirmation letter or letter of intent provided by the LEC with which the requesting SP will interconnect
- 5) A letter from the requesting SP identifying a block/code in service in another rate center which uses the same facilities and CLLI code that will be used to serve the new rate center

The CTL language is located in the POI section of the Agreement as organized by CenturyLink. As I have stated elsewhere in my testimony, CTL has misused the term POI where the term trunk group is intended. The following paragraph should be interpreted to reflect CTL's intent, i.e., that HTI will not be able to port numbers (offer service to customers) away from CTL, if HTI does not establish a trunk group at the CTL switch for the exchange of Non-Access Telecommunications Traffic.

**CTL Proposed Language:**

- 39.1e CLEC may be required to establish additional POIs to comply with the limitations on porting to carriers having facilities or numbering resources in the same Rate Center, or to carriers who have partnered with a wireline carrier for numbering resources where the partnering carrier has facilities or numbering resources in the same Rate Center, pursuant to Section 49.

**HTI Proposed Language:**

- 39.1e CLEC satisfies any limitations CenturyLink might place on number portability due to lack of interconnection facilities or numbering resources by: 1) establishing a trunk group the Tandem Switch serving the rate center or 2) establishing at trunk group to the CenturyLink switch serving the rate center; and 3) establishing an Location Routing Number (LRN) in the LATA.

- 1 There are no FCC or State Commission rules which exempt CTL from providing number portability to
- 2 a carrier that is: 1) authorized to provide service in the rate center; and 2) has an interconnection
- 3 agreement with the incumbent LEC. Beyond those requirements, the parties may exchange Non-
- 4 Access Telecommunications Traffic at the access tandem.

1 **Q. WHY SHOULD THE COMMISSION ADOPT HTI'S LANGUAGE**

2 A. HTI may obtain numbering resources from NANPA without having to first establish a direct  
3 connection to the CTL network. HTI need only follow the FCC and Commission rules: Obtain  
4 authority; get approval of a 911 plan, file tariffs as required, and obtain an interconnection  
5 agreement with the ILEC. Direct connectivity isn't a FCC or Commission requirement. Consider the  
6 metro. Most carrier DO NOT have direct connections.

7 The language proposed by HTI accommodate the exchange of traffic indirectly, i.e., through a  
8 tandem serving the rate center.

[Issue 32 Transit Traffic same as Issue 67](#)

**CTL PROPOSED LANGUAGE:**

39.3 POI Thresholds

- a. When the total volume of traffic exchanged between the Parties at a CenturyLink End Office exceeds 200,000 MOU per month, or the one-way traffic from either Party exceeds 100,000 MOU per month, CLEC must establish a POI with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days of when the traffic exceeds the MOU per month threshold. In situations where CenturyLink's network contains host and remote End Offices, any traffic from remote End Offices will be included in the MOU determination of the traffic from the host End Office.
- b. Notwithstanding any other provision to the contrary, if either Party is assessed transiting costs by a third party and such charges associated with a single traffic exchange route between the Party and the Tandem owner exceed two hundred dollars (\$200.00) for one month, CLEC must establish a POI with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days.

**HTI PROPOSED LANGUAGE:**

39.3 POI Thresholds

- a. When the total volume of traffic exchanged between the Parties at a CenturyLink End Office exceeds ~~200,000 MOU per month, or the one-way traffic from either Party exceeds 100,000 MOU~~ 3 DS1 per month, CLEC must establish a POI with CenturyLink's End Office for the mutual exchange of traffic within thirty (30) Days of when the traffic exceeds the MOU per month threshold. In situations where CenturyLink's network contains host and remote End Offices, any traffic from remote End Offices will be included in the MOU determination of the traffic from the host End Office.
- b. <Deleted>.

**Issue 32**

**1 CTL PROPOSED LANGUAGE:**

55.5 Notwithstanding any other provision to the contrary, once the volume of Transit Traffic exchanged between CLEC and a third party exceeds the equivalent of three (3) DS1s of traffic, CenturyLink may, but shall not be obligated to require CLEC to establish a direct connection with the parties to whom they are sending traffic. CenturyLink also reserves the right to require CLEC to establish a direct connection to the third party if, the tandem is at or approaching capacity limitations. These limitations may include but are not limited to a lack of trunk port capacity or processor capacity based on the then existing tandem and network configuration. Within sixty (60) Days after CenturyLink notifies CLEC of the requirement to direct connect, CLEC shall establish a direct interconnection with such third party. **After sixty (60) Days, if CLEC has not established a direct interconnection, CenturyLink may thereafter charge CLEC for such transit service at double the transit rate set forth in Table One, or discontinue providing transit service to CLEC, at the sole discretion of CenturyLink, provided however, that CenturyLink shall exercise such discretion in a non-discriminatory manner.** [Emphasis added]

**2 HTI Proposed Language:**

55.5 Notwithstanding any other provision to the contrary, once the volume of Transit Traffic exchanged between CLEC and a third party exceeds the equivalent of three (3) DS1s of traffic, CenturyLink may, but shall not be obligated to require CLEC to establish a direct connection with the parties to whom they are sending traffic. CenturyLink also reserves the right to require CLEC to establish a direct connection to the third party if, the tandem is at or approaching capacity limitations. These limitations may include but are not limited to a lack of trunk port capacity or processor capacity based on the then existing tandem and network configuration. Within sixty (60) Days after CenturyLink notifies CLEC of the requirement to direct connect, CLEC shall establish a direct interconnection with such third party. **After sixty (60) Days, if CLEC has not established a direct interconnection, CenturyLink may thereafter follow the process outlined in Section 24 Dispute resolution.** [Emphasis added]

**3 Q. HAS CENTURYLINK PROPOSED TERMS WHICH FAIL TO RECOGNIZE AUTHORITY OF THE**  
**4 COMMISSION?**

5 A. Yes. There are a few issues, generally relating to local calling scope, where CTL proposes “as defined  
6 in CenturyLink tariffs” or similar language, and HTI proposes to refer to the Local calling area “as  
7 mandated by the Commission.” HTI is concerned that permitting this reference solely to CTLs tariff  
8 presents a risk for HTI, since CenturyLink could unilaterally change local calling scope in certain  
9 instances. [.Commission Rule 7812.0900](#) makes certain aspects of local calling scope mandatory,  
10 therefore allowing HTI some certainty regarding the calling scope being reference.

### Issue 3 – Commission Mandated Local Calling Scope – IntraLATA Toll Traffic

**CTL proposed language:**

Telecommunication Traffic between two locations within one LATA where one of the locations lies outside of the originating or terminating CenturyLink Local Calling Area.

**HTI Proposed language:**

Telecommunications traffic between two locations within one LATA where one of the locations lies outside of the originating or terminating CenturyLink Local Calling Area as defined by the Commission.

### Issue 4 – Commission Mandated Local Calling Area

**CTL proposed language:**

Telecommunication Traffic between two locations within one LATA where one of the locations lies outside of the originating or terminating CenturyLink Local Calling Area.

**HTI Proposed language:**

Local Calling Area means a local exchange area, or mandatory Extended Area Service (EAS) exchanges, as required by a State Commission.

1 **Q. HAS CENTURYLINK SOUGHT UNSPECIFIED DAMAGES IN THE EVENT EITHER PARTY MISROUTES**  
2 **TRAFFIC?**

3 A. Yes, HTI agrees either party should be able to seek injunctive relieve, however, HTI cannot agree to  
4 pay unspecified damages, without limitation.

### Issue 19 - Injunctive relieve and damages

**CTL proposed language:**

In the event either Party routes any traffic to the other in violation of this Agreement, the injured Party shall be entitled to seek injunctive relief and to recover damages.

**HTI Proposed language:**

In the event CLEC either Party routes any traffic to CenturyLink the other in violation of this Agreement, CenturyLink the injured Party shall be entitled to seek injunctive relief.

1 **Q. HAS CENTURYLINK PROPOSED THAT HTI BE RESPONSIBLE FOR THE THIRD PARTY TRANSIT COSTS IT**  
2 **INCURS, AND PAY CENTURYLINK FOR CENTURYLINK TRANSPORT HTI HAS NOT USED?**

3 A. Yes. This disagreement relates to the penalties CenturyLink’s propose HTI pay to CenturyLink,  
4 should HTI fail to establish a direct trunk group (not POI) between within the timeframes CTL  
5 specifies. CTL does not have the right or authority to impose such penalties on HTI. In addition, CTL  
6 demands reimbursement for any transport “costs” (revenues) CTL might have earned for the direct  
7 connection facility.

### Issue 50 – Reimbursement to CTL for CTL Third Party Transit Costs

#### CTL proposed language:

If CLEC has not established a POI within thirty (30) Days after exceeding the triggers in Sections 42.3 or 42.4, CLEC will reimburse CenturyLink for any transit charges billed by an intermediary carrier after the thirty (30) Day period for traffic originated by CenturyLink. CLEC will also reimburse CenturyLink for any transport costs that would be CLEC’s responsibility under the Direct Interconnection terms.

#### HTI Proposed language:

CTL will notify HTI that traffic triggers in Sections 42.3 or 42.4 triggers have been met or exceeded. HTI will agree to issue ASRs to establish interconnection within thirty (30) days of receiving such notice.

8 **Q. HAS CENTURYLINK PROPOSED THAT HTI INDEMNIFY CENTURYLINK AGAINST ANY AND ALL THIRD**  
9 **PARTY CHARGES FOR HTI TRAFFIC, ATTORNEYS FEES AND EXPENSES?**

10 A. Yes. Transit Service Providers may occasionally be challenged LECs receiving such traffic. HTI does  
11 not agree to indemnify and hold CenturyLink for such traffic without limitation.

### Issue 65 – Indemnification

#### CTL proposed language:

CLEC shall be responsible for payment of Transit Service charges on Transit Traffic routed to CenturyLink by CLEC and for any charges assessed by the terminating carrier. CLEC agrees to enter into traffic exchange agreements with third-parties prior to routing any Transit Traffic to CenturyLink for delivery to such third parties, and CLEC will indemnify, defend and hold



harmless CenturyLink against any and all charges levied by such third-party terminating carrier with respect to Transit Traffic, including but not limited to, termination charges related to such traffic and attorneys' fees and expenses.

**HTI Proposed language:**

<Deleted>

## VIRTUAL COLLOCATION

1 **Q. IF HTI WERE TO CHOOSE TO LEASE THE HTC FACILITY, WOULD THAT RESOLVE THE MEET POINT**  
2 **DISPUTE WITH CENTURYLINK?**

3 A. Setting aside CTL offers is not what the method of interconnection HTI requested, leasing the HTC  
4 facility could resolve the meet point dispute if CTL agreed to a POI in the Glencoe central office with  
5 each party responsible for its costs on its side of the POI. CTL's proposal, as structured, simply adds  
6 additional layers of controversy to the mix, specifically: 1) CenturyLink's use of a bona fide request  
7 process solely because it deems the meet point arrangement is "nonstandard" and 2) BFR  
8 application fees and space rental fees which HTI asserts constitute double recovery; and 3) the  
9 imposition of flat rated transport charges on CenturyLink's side of the actual meet point, in what the  
10 FCC requires be a Bill and Keep reciprocal compensation arrangement absent mutual agreement.

11 **Q. IS THE NETWORK ARCHITECTURE CENTURYLINK PROPOSES SUBSTANTIALLY SIMILAR TO THAT**  
12 **WHICH CENTURYLINK PROVIDES TO ITSELF, ITS AFFILIATES OR OTHER CARRIERS?**

13 A. Yes, the network architecture is identical to that which CTL provides to itself and other carriers. See  
14 the following diagram.

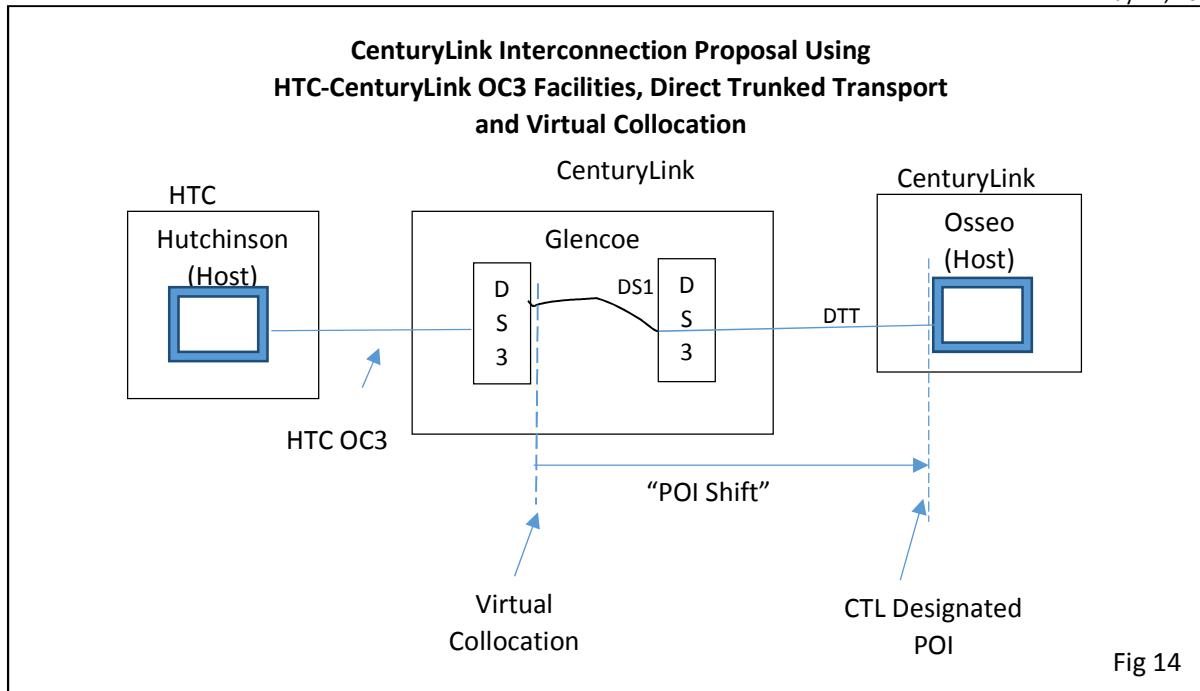


Figure 15 Virtual Collocation

1 The Network architecture CenturyLink is not merely substantially similar, it is identical to that used  
 2 by CenturyLink and Hutchinson Telephone Company for Hutchinson-Silver Lake EAS. The same pair  
 3 of switches are interconnected using the same facility. The carriers' networks interconnect at what  
 4 is presumably a DSX cross-connect in that office. CenturyLink is responsible for its costs on its side of  
 5 the Glencoe POI (Glencoe-Osseo transport). There are no additional charges to HTC - a true Bill and  
 6 Keep arrangement. The CTL identification of such POI location provided by CenturyLink to HTC is  
 7 the key to the bill and keep arrangement and the "POI shift" CTL proposes, enables this  
 8 discriminatory treatment which if followed through to completion would be a clear violation of FCC  
 9 rule 51.321(a) which requires ILECS to provide meet point interconnection arrangements on a  
 10 nondiscriminatory basis, and [MN Statue 237.12 Subd. 1](#) which also requires interconnection is  
 11 provided on a nondiscriminatory basis.

12 **Q. WHAT IS THE SIGNIFICANCE OF A "SUBSTANTIALLY SIMILAR" INTERCONNECTION METHOD**  
 13 **WHICH HAS BEEN SUCCESSFULLY DEPLOYED FOR INTERCONNECTION BETWEEN TWO NETWORKS?**

14 A. If the network architecture and method of interconnection is substantially similar to that  
 15 successfully employed by CenturyLink or other carriers it is presumed to be technically feasible. The  
 16 FCC has set the bar for technical feasibility as follows:

Finally, in accordance with our interpretation of the term "technically feasible," we conclude that, if a particular method of interconnection is currently employed between two networks, or has been used successfully in the past, a rebuttable presumption is created that such a method is technically feasible for substantially similar network architectures. Moreover, because the obligation of incumbent LECs to provide interconnection or access to unbundled elements by any technically feasible means arises from sections 251(c)(2) and 251(c)(3), we conclude that incumbent LECs bear the burden of demonstrating the technical infeasibility of a particular method of interconnection or access at any individual point.<sup>30</sup>

1 **Q. SHOULD A CLEC'S REQUEST FOR A METHOD OF INTERCONNECTION BE SUBJECTED TO A BONA**  
2 **FIDE REQUEST PROCESS WHEN THE METHOD IS CLEARLY TECHNICALLY FEASIBLE BUT NOT**  
3 **CENTURYLINK'S PREFERENCE?**

4 A. No. If the technical feasibility of the method of interconnection is not in question, and ILEC  
5 (CenturyLink) must provide the requested method of interconnection on a nondiscriminatory basis.

6 **Q. IS THE CENTURYLINK BONA FIDE REQUEST PROCESS APPROPRIATE FOR AN INTERCONNECTION**  
7 **REQUEST PURSUANT TO SECTION 251(C)(2) OF THE ACT?**

8 A. Not at all. The FCC has determined meet point interconnection arrangements are technically  
9 feasible methods of interconnection, therefore the BFR process is not required. The FCC's discussion  
10 around bona fide requests addressed technical feasibility, and then generally only the access to  
11 UNEs. The FCC rejected ILECs' suggestion that a BFRs be required from all CLECs as a condition of  
12 negotiating in good faith. The FCC noted that Section 251(c) of the Telecom Act does not impose any  
13 bona fide request requirement:

Moreover, we note that section 251(c) does not impose any bona fide request requirement.<sup>31</sup>

14 **Q. WHAT LANGUAGE HAS HTI PROPOSED RELATIVE TO CENTURYLINK'S BONA FIDE REQUEST**  
15 **PROCESS?**

16 A. HTI has proposed to delete references to BFR conditions related to the interconnection methods  
17 requested. See the following:

**CTL Proposed Language:**

"Point of Interconnection" ("POI") is the physical point that establishes the technical interface, the test point, and the operational responsibility hand-off between CLEC and CenturyLink for local interconnection of their networks. For POIs not established through the Bona Fide Request ("BFR") process in Section 59,

---

<sup>30</sup> Local Competition Order ¶1554 [Emphasis added]

<sup>31</sup> Local Competition Order ¶156

each POI also establishes the demarcation point to delineate each Party's financial obligations for facility costs.

**HTI Proposed Language:**

"Point of Interconnection"- is the physical point that establishes the technical interface, the test point, and the operational responsibility hand-off between CLEC and CenturyLink for local interconnection of their networks. Each POI also establishes the demarcation point to delineate each Party's financial obligations for facility costs.

1 **Q. WHAT IS "VIRTUAL COLLOCATION" AND HOW WOULD CENTURYLINK PROPOSE IT IS USED?**

2 A. Under the FCC rules virtual collocation requires the ILEC to install, maintain, and repair CLEC-  
3 designated equipment. CLEC employees do not have access to the CLEC equipment in the ILEC  
4 central office. CenturyLink proposes that HTI lease space in its Glencoe central office as a condition  
5 of allowing HTI to use a third party carrier's facilities.

6 **Q. DOES HTC LEASE SPACE FOR ITS EQUIPMENT LOCATED IN CENTURYLINK'S CENTRAL OFFICE?**

7 A. Yes, HTC makes a monthly lease payment to CenturyLink, presumably for floor space and power.

8 **Q. DOES CENTURYLINK SEEK COMPENSATION IN ADDITION TO THAT HTC PAYS?**

9 A. Yes. CenturyLink proposes:

HTI must purchase the electronic and peripheral equipment that meets applicable FCC requirements, and in consideration of \$1 and the other benefits derived by HTI from such Virtual Collocation arrangement, HTI will lease such equipment to CenturyLink for the sole purpose of having CenturyLink install and maintain the equipment in accordance with terms and conditions of this Agreement. Upon termination of the Virtual Collocation arrangement, HTI is responsible for the cost of removing the equipment from the Premises.

10 **Q. WHAT "ELECTRONIC AND PERIFERAL EQUIPMENT" IS BEING REFERENCED IN THE ABOVE?**

11 A. I cannot conceive any "equipment" necessary, certainly none that would warrant a recurring charge  
12 (lease). The connectivity required is simple cross-connect at a DSX bay.

13 **Q. IS VIRTUAL COLLOCATION TYPICAL WHEN A CARRIER WISHES TO SUBLEASE A THIRD PARTY'S**  
14 **FACILITIES?**

15 A. No. Subleased facility arrangements and assignment information is commonly conveyed through  
16 the use of standard fields on ordering forms (Access Service Requests or ASRs). A Letter of  
17 Authorization (LOA) along with the Connecting Facility Assignment (CFA) are conveyed using  
18 industry standard ordering forms. The presence of the LOA and CFA on the ASR alert the service  
19 provider (CTL-EQ) there is a sublease arrangement, allowing the service provider to validate the

1 availability of the facility slot for assignment. See the following diagram identified as a  
 2 “Hypothetical Proposal” because this interconnection arrangement was not requested by HTI, but is  
 3 being considered by HTI:

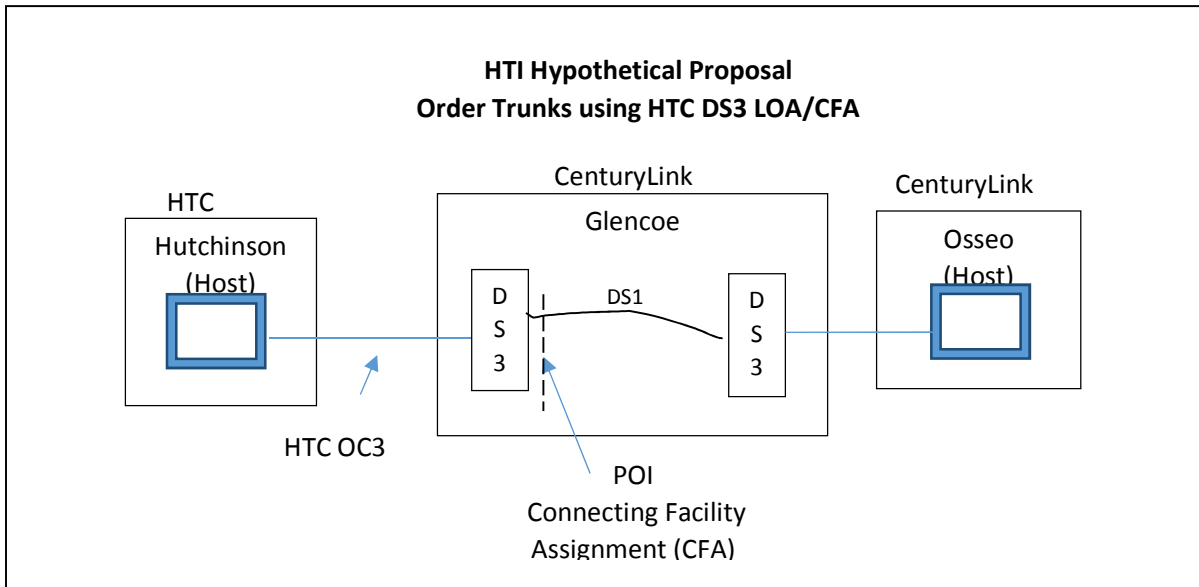


Figure 16 HTI Hypothetical Use of HTC DS3

4 **Q. ARE THERE SUBSTANTIVE DIFFERENCES BETWEEN SUBMITTING AN ORDER WITH LOA/CFA AS**  
 5 **OPPOSED TO SUBMITTING A BFR; ESTABLISHING A VIRTUAL COLLOCATION; AND SUBSEQUENTLY**  
 6 **PLACING THE ORDER?**

7 A. Yes. The CenturyLink BFR process: 1) introduces delay; 2) introduces unnecessary expense  
 8 \$1,585.07);<sup>32</sup> and in keeping with ongoing theme; 3) requires the HTI to pay for flat rated transport  
 9 on CenturyLink’s side of the POI.

10 **Q. HOW DOES HTI PROPOSE TO ADDRESS ITS CONCERNS REGARDING THE BONA FIDE REQUEST**  
 11 **PROCESS AND THE IMPOSITION OF A VIRTUAL COLLOCATION REQUIREMENT FOR “NON**  
 12 **STANDARD” INTERCONNECTION.**

13 A. HTI proposes to delete the CenturyLink Exhibit C in its entirety, and delete references to the Bona  
 14 Fide Request process that are contained throughout the agreement.

<sup>32</sup> CenturyLink Response to HTI Complaint – Table One.

## BONA FIDE REQUEST PROCESS

1 **Q. CAN YOU COMMENT ON THE BFR PROCESS**

2 A. The circumstances surrounding CTL's proposal of its BFR process should be examined. First, HTI  
3 requested a meet point interconnection arrangement at Glencoe and CTL rejected that request.  
4 Next, CTL, (not HTI) proposes the use of an HTI affiliate facility as an alternative to the mid-span  
5 meet requested. CTL took the position that that method of interconnection was "non-standard"  
6 and, therefore, required a Bona Fide Request process. CTL attached conditions to the BFR: 1) that  
7 HTI must establish a Virtual Collocation; and 2) HTI must lease Glencoe-Osseo facility. HTI  
8 researched the facility which CTL has proposed be used, and discovered CTL has provided a meet  
9 point interconnection arrangement to HTI's affiliate between the same two switches. HTI asserts CTL  
10 has offered discriminatory terms by: 1) proposing a method of interconnection it claims is non-  
11 standard, so it might foist an unwarranted BFR process and its associated expenses on its  
12 competitor, and require that transport be billed beyond the POI granted to the HTI affiliate.

13 **Q. WHAT DOES HTI PROPOSE REGARDING THE BFR PROCESS**

14 A. HTI proposed the BFR process , attachment, and all references are deleted throughout the  
15 agreement. Further, CTL should be required to make the meet point interconnection arrangement  
16 that is enjoyed by HTI's affiliate available to HTI. offered , that CTL is ordered by the Commission to  
17 grant the meet point interconnection HTI requested, and amodest changes into the BFR process,  
18 attempting to mirror terms in the ATT-US West arbitrated agreement but all HTI proposed changes  
19 were rejected.

## GOOD FAITH NEGOTIATIONS

20 **Q. DO YOU BELIEVE CENTURYLINK FAILED TO NEGOTIATE IN GOOD FAITH?**

21 A. Yes. Among the items the FCC gives as examples of a failure to negotiate in good faith<sup>33</sup> are: 1) a  
22 party's failure to designate a representative with the authority to make binding representations on  
23 behalf of the party;<sup>34</sup> 2) refusal to provide the information necessary to reach an agreement such as

---

<sup>33</sup> Local Competition Order ¶148-156.

<sup>34</sup> 47 C.F.R. 51.301(c)(7)

1 information about its network<sup>35</sup>; 3) intentionally misleading another party into reaching an  
2 agreement it would not otherwise have made<sup>36</sup>; and 4) refusal to provide cost support that would  
3 be relevant to setting rates if the parties were in an arbitration.

4 **Q. PLEASE DISCUSS THE CENTURYLINK NEGOTIATOR'S AND CENTURYLINK'S SUBJECT MATTER EXPERT**  
5 **PARTICIPATION IN NEGOTIATIONS.**

6 A. The negotiator CenturyLink assigned had no authority to make decisions. Probably more accurately  
7 put, the negotiator was empowered to say "No" with little or no justification, but virtually all  
8 discussions that deviated from the template language was rejected simply because a term or  
9 concept was not used in the template. All proposed changes required consultation prior to  
10 feedback, and negotiations sessions were limited to once weekly (if that) after negotiations hit the  
11 shoals in the POI matter. CenturyLink subject matter experts did not participate in any calls prior to  
12 those in February 2014. In the February meeting which CenturyLink SMEs attended, their focus was  
13 not to address what HTI had requested, rather to suggest an CenturyLink counter proposal. As a  
14 result, negotiations have been delayed, and HTI's market entry have been delayed.

15 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

16 A. Yes, It does.

17

18

19

GP:3689557 v1

---

<sup>35</sup> 47 C.F.R. 51.301(c)(8)(i)

<sup>36</sup> 47 C.F.R. 51.301(c)(5)