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Attorneys Representing Qwest Corporation

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IDAHO TELEPHONE ASSOCIATION, )  
CITIZEN TELECOMMUNICATIONS ) CASE NO. QWE-T-02-11  
COMPANY OF IDAHO, CENTURY TEL OF )  
IDAHO, CENTURY TEL OF THE GEM )  
STATE, POTLATCH TELEPHONE COMPANY )  
And ILLUMINET, INC. )

Complainants

vs.

QWEST COMMUNICATIONS, INC.

Respondent

**REBUTTAL TESTIMONY OF**

SCOTT A. MCINTYRE

QWEST CORPORATION

OCTOBER 18, 2002

1 IDENTIFICATION OF WITNESS

2

3 Q. PLEASE STATE YOUR NAME, TITLE, AND ADDRESS.

4 A. My name is Scott A. McIntyre. I work for Qwest  
5 Corporation as a Director for Product and Market Issues.  
6 My work address is 1600 Bell Plaza, Seattle, Washington.

7 Q. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY IN THIS  
8 PROCEEDING?

9 A. Yes, I filed Direct testimony in this proceeding on  
10 September 27, 2002.

11

12 PURPOSE

13

14 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

15 A. The purpose of my testimony is to respond to the Direct  
16 testimonies filed on September 27, 2002 by Citizens  
17 Telecommunications Company of Idaho ("Citizens"),  
18 Electric Lightwave Inc. ("ELI"), Idaho Telephone  
19 Association ("ITA"), and Illuminet, Inc.  
20 ("Complainants") in opposition to the application of new  
21 Signaling System 7 ("SS7") rate elements introduced by  
22 Qwest on June 1, 2001. Mr. Paul Florack filed testimony  
23 on behalf of Illuminet and Mr. F. Wayne Lafferty filed  
24 on behalf of Citizens, ELI, ITA, and Illuminet, Inc. I  
25 will address the issues raised by the Complainants in

1 the testimony that follows and demonstrate that  
2 Complainants should be required to comply with the terms  
3 of the Catalog.

4

5

#### BACKGROUND

6

7 Q. WHAT IS THE ALLEGED RELATIONSHIP BETWEEN THE  
8 COMPLAINANTS IN THIS CASE?

9 A. Mr. Lafferty describes Citizens and the ITA members as  
10 incumbent local exchange carriers' and ELI<sup>2</sup> as a  
11 competitive local exchange carrier ("CLEC") operating in  
12 Idaho. Mr. Lafferty also indicates that several ITA  
13 members have CLEC subsidiaries or operations in Idaho.  
14 (Lafferty, Pages 10, 11). He alleges that Illuminet is  
15 the SS7 service provider "agent" for these companies in  
16 Idaho. (Lafferty, Page 1) Mr. Florack, on the other  
17 hand, indicates that Illuminet is the SS7 provider for  
18 "certain" of the Co-Complainants in this proceeding.  
19 (Florack, Page 8, Lines 28-29)

20

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<sup>1</sup> Citizens also operates as a CLEC and has an approved Interconnection Agreement with Qwest in Idaho.

<sup>2</sup> Interestingly, although Mr. Lafferty's (and Mr. Florack's) testimony primarily positions his allegations from the CLEC perspective, ELI is the only Idaho CLEC participating in this proceeding.

1 Q. DOES QWEST AGREE WITH MR. LAFFERTY'S AND MR. FLORAK'S  
2 REPRESENTATION OF THE ALLEGED RELATIONSHIPS?

3 A. No. Qwest does not agree that Illuminet is the SS7  
4 agent of its Co-Complainants. In truth, the  
5 relationship between Illuminet and its customers has no  
6 bearing on this case. Qwest's only signaling customer  
7 in this case is Illuminet.

8 Further, Complainants would have you believe that  
9 Illuminet is the "SS7 provider agent" of all ITA  
10 members. (Lafferty p. 1 Lines 13 - 15.) In fact, the  
11 majority of ITA members are served by another third  
12 party signaling provider, Syringa, who is not a party to  
13 this case.<sup>3</sup> Only two ITA members are served by  
14 Illuminet.<sup>4</sup> See Exhibit 503.

15 Q. WHAT OPTIONS DO CARRIERS INTERCONNECTING WITH QWEST HAVE  
16 TO OBTAIN SS7?

17 A. As I demonstrated in my Direct Testimony, CLECs and  
18 wireless providers have three options:

19 1) CLECs and wireless providers may choose to  
20 purchase SS7 as an unbundled network element  
21 ("UNE") through an Interconnection Agreement.

22 2) CLECs and wireless providers may purchase SS7 as

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<sup>3</sup> Syringa, as a third party SS7 provider, should be purchasing SS7 out of Qwest's Access Services Catalog but it is not.

1 a finished service from Qwest's Idaho Access  
2 Service Catalog.

3 3) CLECs and wireless providers may purchase SS7  
4 from a third party provider.

5 Q. WOULD YOU PLEASE REVIEW THE OPTIONS INDEPENDENT LOCAL  
6 EXCHANGE CARRIERS ("ILECS") HAVE TO OBTAIN SS7?

7 A. Yes. As also explained in my Direct Testimony, ILECs  
8 also have three options:

9 1) ILECs may choose to purchase SS7 from Qwest via a  
10 negotiated SS7 Infrastructure Sharing Agreement  
11 ("ISA").

12 2) Just like CLECs and wireless providers, ILECs may  
13 purchase SS7 as a finished service from Qwest  
14 through Qwest's Idaho Access Service Catalog.

15 3) Just like CLECs and wireless providers, ILECs may  
16 purchase SS7 from a third party provider, such as  
17 Illuminet.

18 Q. HOW ARE THE COMPLAINANTS IN THIS CASE OBTAINING  
19 SIGNALING?

20 A. Mr. Lafferty represents that Illuminet is the SS7 service  
21 provider for its clients, Citizens, ELI, and ITA.

22 (Lafferty, Page 1, Lines 14, 15) Illuminet is the only

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<sup>4</sup> Further references to ITA in this testimony is limited to those members serviced by Illuminet, i.e. Fremont Telcom, and Farmers Mutual.

1 signaling customer of Qwest. None of Illuminet's  
2 carrier/customers are signaling customers of Qwest.  
3 Illuminet obtains SS7 from Qwest through the Access  
4 Services Catalog.

5

6 VOICE/DATA "TRAFFIC" VS. SIGNALING "MESSAGES"

7

8 Q. THROUGHOUT THEIR RESPECTIVE TESTIMONIES, THE  
9 COMPLAINANTS IN THIS PROCEEDING CONFUSE SIGNALING  
10 "MESSAGES" WITH VOICE AND DATA "TRAFFIC." WOULD YOU  
11 PLEASE CLARIFY?

12 A. Yes. As I explained in my Direct Testimony, "traffic"  
13 consists of voice and data calls transported over the  
14 public switched telecommunications network. Signaling  
15 "messages" occur over a special signaling network fully  
16 separate from the public voice switched network that  
17 carries the actual call. Complainants, by their own  
18 admission, recognize the separateness of the networks.  
19 Illuminet is a non-common carrier and, as such, does not  
20 carry any end user traffic of its own or of its own  
21 carrier customers. Illuminet carries SS7 messages only.  
22 (Florack p. 2, Lines 1-3.)

23

1 Complainants fail to make the distinction between  
2 signaling "messages" and voice/data "traffic," rather  
3 they use these terms interchangeably. It is critical  
4 for the Commission to understand the difference between  
5 signaling "messages" and voice and data "traffic" as it  
6 wades through the misleading and misdirected allegations  
7 of the Complainants. For example, Complainants propose  
8 that Qwest separate signaling messages by call type.  
9 (Florack, Page 22, Lines 1-11; Lafferty, Page 33, Lines  
10 15-16.) However, signaling messages **apply** without  
11 regard to the nature of the underlying voice/data  
12 traffic. There is no reason to separate messages by  
13 call type because signaling charges apply to all types  
14 of voice/data traffic.

15 The Complainants in this case also discuss various  
16 forms of billing arrangements and agreements.  
17 (Lafferty, Pages 20-23; Florack, Page 27, Lines 18-25.)  
18 This is another example of where the complainants are  
19 confusing a signaling "message" with voice/data  
20 "traffic." It is pointless to get into a discussion on  
21 how meet point billing or bill-and-keep compensation  
22 mechanisms should or should not be applied in  
23 relationship to this case, as those mechanisms are  
24 billing instruments concerning voice and data "traffic"

1           rather than signaling "messages." There is a clear  
2           distinction between voice/data "traffic" and signaling  
3           "messages."

4   **Q.**    COMPLAINANTS ALLEGE **THAT** CERTAIN SIGNALING MESSAGES ARE  
5           "NON-CHARGEABLE" WITH RESPECT TO **THE** SS7 RATES CONTAINED  
6           IN QWEST'S ACCESS CATALOG. IS THAT A VALID ALLEGATION?

7   **A.**    No.       Complainants allege that Qwest cannot charge  
8           Illuminet its SS7 rates in the Access Services Catalog  
9           for signaling associated with local and **EAS** end-user  
10          traffic, jointly provided exchange access traffic,  
11          intraMTA wireless traffic, and toll traffic exchanged  
12          between Qwest and other carriers (Lafferty, Page 4,  
13          Lines 2-7; Florack, Page 13, Lines 2-9.) Complainants  
14          assert that the voice/data traffic and the signaling  
15          **messages** are inextricably intertwined and therefore the  
16          underlying nature of the voice/data traffic should  
17          govern how charges are assessed, rather than applying  
18          the ss7 rates in the Access Services Catalog to  
19          Illuminet. (Florack, Page 19, Lines 14-25; Lafferty,  
20          Pages 19-22.)

21                As I have previously stated, the voice/data traffic  
22          network is separate from the signaling network and the  
23          nature of the underlying call does not govern how  
24          charges are assessed. There are separate costs and

1 pricing for both. Charges for signaling should be  
2 assessed to carriers and third party SS7 providers that  
3 generate the costs associated with provisioning  
4 signaling service, regardless of the type of end user  
5 services being provisioned. To do otherwise would  
6 result in discrimination among carriers.

7 Q. QWEST ASSESSES CHARGES FOR SS7 MESSAGES REGARDLESS OF  
a WHERE THE SIGNAL OR UNDERLYING CALL ORIGINATES, IS THAT  
9 CORRECT?

10 A. Yes, Qwest assesses a SS7 message charge for every  
11 message that traverses the SS7 customer's link without  
12 regard to origination or termination of the message. In  
13 other words, what customers pay for is the connectivity  
14 to terminate messages to Qwest and to receive messages  
15 from Qwest.

16

17

#### SS7 CHARGES

1a

19 Q. HAVE THE COMPLAINANTS IN THIS CASE DISPUTED THAT THERE  
20 ARE COSTS ASSOCIATED WITH THE PROVISIONING OF **SS7?**

21 A. No. This is clear not only from their **Complaint**, but  
22 also from their testimony. For example, Mr. Florack  
23 states on Page 24 of his testimony, "At least  
24 conceptually, Qwest should have apportioned its SS7

1 costs in some manner among all of its services . . . ."

2 This is an acknowledgement that there are costs  
3 associated with SS7 service.

4 **Q. HAVE THE COMPLAINANTS DISPUTED THAT ILLUMINET AND OTHER  
5 THIRD PARTY PROVIDERS UTILIZING QWEST'S SS7 NETWORK  
6 GENERATE COSTS TO QWEST?**

7 **A.** No. On Page 24, Lines 26-29, Mr. Florack states,  
8 "Likewise, where Illuminet is providing the SS7 network  
9 on behalf of one of its toll provider carrier/customers,  
10 Illuminet and its toll provider carrier/customer fully  
11 expect that Qwest will assess its SS7 signaling message  
12 charges associated with that traffic, to Illuminet."

13 **Q. DOES QWEST BILL ELI, ITA OR CITIZENS FOR SIGNALING  
14 MESSAGES, EITHER DIRECTLY OR INDIRECTLY, AS MR. LAFFERTY  
15 ALLEGES THROUGHOUT HIS TESTIMONY, ON PAGE 24 FOR  
16 EXAMPLE?**

17 **A.** No. ELI, ITA and Citizens are not Qwest's customers for  
18 SS7 signaling services - they are Illuminet's customers.  
19 Therefore, Qwest does not charge those Complainants for  
20 signaling services.

21 **Q. MR. LAFFERTY CLAIMS THAT QWEST HAS VIOLATED THE FCC'S  
22 SS7 ORDER. (LAFFERTY, PAGE 32, LINES 21-24 - PAGE 33,  
23 LINE 1.) PLEASE COMMENT.**

1 A. Mr. Lafferty alleges that Qwest is violating the FCC's  
2 Order by not separately identifying and billing SS7  
3 charges associated with local, EAS, and wireless traffic  
4 from ss7 charges associated with interstate and  
5 intrastate toll traffic. Contrary to Mr. Lafferty's  
6 assertion, Qwest is not in violation of the FCC's SS7  
7 Order.

8 In commenting on the need for incumbent LECs to  
9 install metering or other equipment necessary to measure  
10 third party usage of signaling facilities, the FCC  
11 stated:

12 Although we encourage actions that would promote  
13 disaggregation and unbundling of SS7 services, we  
14 will not require incumbent LECs to implement such an  
15 approach and incur the associated equipment costs of  
16 doing so. The record indicates that, as a general  
17 matter, the costs of mandating the installation of  
18 metering equipment may well exceed the benefits of  
19 doing so.'

20 Consistent with the FCC's Order, Qwest determined  
21 that the cost of implementing equipment to reach the  
22 level of detail suggested by the Complainants as  
23 necessary to accurately bill SS7 is unwarranted. Qwest  
24 uses the Percent Interstate Usage ("PIU") methodology to  
25 jurisdictionalize signaling messages, which is in full  
26 compliance with the FCC's Order. Mr. Lafferty's

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<sup>5</sup> <sup>5</sup> FCC First Report and Order, Access Charge Reform Docket, CC Docket No. 96-262, 12 FCC Rcd Page 15982, ¶252, released May 16, 1997.

1           allegations that Qwest is in violation of the FCC's  
2           Order on this matter are inaccurate and misleading.

3   **Q. MR. FLORACK MAINTAINS THAT THERE IS A POTENTIAL FOR**  
4           **QWEST TO DISCRIMINATE BETWEEN CUSTOMERS WREN CHARGING**  
5           **FOR SS7. WHAT IS YOUR RESPONSE?**

6   **A.** In his testimony, Mr. Florack alleges "there is a  
7           potential for anti-competitive and discriminatory  
8           treatment by Qwest in the way Illuminet and its  
9           carrier/customers are charged for SS7 signaling messages  
10          by Qwest associated with non-chargeable traffic,  
11          particularly local traffic, versus how Qwest may charge  
12          its own direct connect ss7 signaling customers."  
13          (Florack, Page 16, Lines 14-18) It is not  
14          discriminatory or anti-competitive for an ILEC to  
15          directly connect with Qwest through a SS7 Infrastructure  
16          Sharing Agreement for the purchase of SS7, or for a CLEC  
17          or wireless provider to directly connect and purchase  
18          ss7 out of its Interconnection Agreement. The  
19          Telecommunications Act of 1996 ("Act"), which was  
20          designed to foster competition, allows Qwest to enter  
21          into ss7 Infrastructure Sharing Agreements and  
22          Interconnection Agreements with ILECs and CLECs or  
23          wireless providers respectively. The fact that  
24          Illuminet is not a telecommunications carrier and cannot

1 enter into one of those agreements does not mean that  
2 Illuminet is being treated in a discriminatory or anti-  
3 competitive manner. Furthermore, Mr. Florack's  
4 allegations that Qwest may discriminate in favor of  
5 customers that connect directly to its SS7 network by  
6 not charging them are outrageous. If Mr. Florack has  
7 any evidence that supports such allegations, he should  
8 produce it and not merely speculate about the  
9 possibility.

10 Q. DO SS7 INFRASTRUCTURE **SHARING AGREEMENTS AVAILABLE** TO  
11 INDEPENDENT LOCAL **EXCHANGE** CARRIERS INCLUDE SIGNALING  
12 MESSAGE CHARGES RELATED TO LOCAL **EXCHANGE/EAS** TRAFFIC?

13 A. **no.** Qualifying ILECs may enter into a SS7 ISA with  
14 Qwest pursuant to Section 259 of the Act. An ISA  
15 includes charges for Links and Ports, but no signaling  
16 message charges because the parties to the Agreement  
17 "share" infrastructure.

18 Q. DOES **THE** USE OF **ISAs** SINGLE OUT ILECs FOR SPECIAL  
19 TREATMENT?

20 A. Yes. To the extent that ILECs receive unique treatment,  
21 this treatment is sanctioned by the Act. Section 259 of  
22 the Act specifically requires incumbent local exchange  
23 carriers to make their infrastructure available to

1           qualifying independent local exchange carriers.<sup>6</sup> The Act  
2           specifically does not extend this infrastructure sharing  
3           requirement to CLECs.       Although I am somewhat  
4           speculating, it is my guess that Congress may have  
5           wanted to provide a vehicle to preserve local inter-  
6           company arrangements that provided end user customer  
7           benefit like ILEC/RBOC EAS arrangements.

8           However, it is a mistake to think that the status  
9           of the purchaser of a service does not ordinarily affect  
10          the services and prices the purchasers pay for service  
11          in the telecommunications industry. For example, CLECs  
12          pay different prices than resellers, UNE-P purchasers  
13          pay different rates from resellers, interexchange  
14          carriers ("IXCs") pay different rates than CLECs for  
15          access to the RBOC's network to place calls. In fact,  
16          there are many examples where the status of the  
17          purchaser affects the price and terms. The fact that  
18          the Act provides for Section 259 agreements underscores  
19          that distinguishing between ILECs and others who may  
20          wish to use parts of the network is permissible.

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<sup>6</sup> In order to qualify, the carrier must lack economies of scale or scope and offer telephone exchange service, exchange access, and any other service that is included in universal service, to all consumers without preference throughout the service area for which such carrier has been designated as an eligible telecommunications carrier under Section 214(e) of the Act.

1 Q. ON PAGE 11, LINES 1-8, MR. **FLORACK** ALLEGES THAT **QWEST** IS  
2 SHIFTING ITS **SS7** COSTS TO ILLUMINET'S CARRIER/CUSTOMERS  
3 DUE TO ITS "INABILITY TO DISAGGREGATE AND BILL FOR **SS7**  
4 ON ONLY CERTAIN TYPES OF CALLS." PLEASE COMMENT.

5 A. Mr. Florack seems to imply that if the signaling  
6 messages were disaggregated, it would somehow change the  
7 manner in which Qwest assesses its signaling charges.  
8 It would not. As explained above, signaling costs are  
9 incurred on **every** type of voice/data call.

10 Qwest is not inappropriately shifting costs to  
11 anyone. **Qwest's** restructure of SS7 results in the party  
12 generating the cost to **Qwest's** SS7 network paying for  
13 that cost. Prior to the restructure, interexchange  
14 carriers paid a disproportionate amount of signaling  
15 costs. With the restructure, each SS7 customer pays for  
16 the cost it generates, resulting in a more fair and  
17 equitable allocation,

18 Furthermore, **Illuminet's** carrier/customers are not  
19 **Qwest's** signaling customers. They purchase **SS7** from  
20 Illuminet. Illuminet is **Qwest's** customer and Illuminet  
21 is the customer being billed for the **SS7** service. How  
22 Illuminet charges its customers is irrelevant in this  
23 proceeding.

1 Q. COULD QWEST **SEPARATE** SIGNALING MESSAGES BY CALL TYPE AS  
2 MR. **FLORACK** SUGGESTS ON PAGE 22, LINES **1-11** OF HIS  
3 TESTIMONY AND MR. LAFFERTY PROPOSES ON PAGE 33, LINES  
4 15-16 OF HIS TESTIMONY?

5 A. There is no reason to separate messages by call type  
6 because signaling charges apply to all types of calls.  
7 Whether or not Qwest can separate signaling messages  
8 based on voice/data call type is irrelevant as I have  
9 indicated previously. This is just another smokescreen  
10 on the part of the Complainants to confuse the issue.  
11 If Qwest were to separate signaling charges by call  
12 **type**, it would be inefficient and lead to additional  
13 costs that would require increased rates. Furthermore,  
14 the FCC does not require Qwest to implement metering  
15 equipment that would separate signals by call type.

16 Q. DO YOU AGREE WITH MR. LAFFERTY THAT QWEST IS DOUBLE  
17 RECOVERING SIGNALING COSTS UNDER **THE NEW SS7** RATE  
18 STRUCTURE?

19 A. No. Mr. Lafferty alleges that the costs associated with  
20 **SS7** message signaling associated with originating and  
21 terminating EAS traffic is included in the local  
22 exchange rate. (Lafferty, Page 17, Lines 2-6) However,  
23 Mr. Lafferty offers no factual support for this  
24 allegation. Certainly no evidence **has** been presented

1 here about what SS7 costs were recovered in any prior  
2 EAS case. To my understanding, based on discussions  
3 with Qwest's Idaho Policy and Law representatives, all  
4 that the Commission determined in a typical EAS decision  
5 was whether EAS should be granted and what rate impact,  
6 if any, would be experienced by retail customers if a  
7 former toll route was converted to local service. The  
8 costs of SS7 signaling were not discussed in any detail,  
9 if at all, in those dockets.

10 The fact that only retail rates for end user local  
11 exchange customers were affected by this Commission-%  
12 EAS orders is significant. Third party SS7 providers  
13 were not parties to those cases, and I do not believe  
14 that Illuminet can claim the Commission made any  
15 decision about their rates in those cases.

16 Further, as this Commission knows, retail service  
17 prices have never been directly tied to the cost of  
18 providing a service. Thus, there can be no showing of  
19 which SS7 costs, if any, were "recovered" in any given  
20 EAS case. It is impossible for Mr. Lafferty to  
21 affirmatively claim and prove that there is "double  
22 recovery" of those costs.

23 Q. MR. **LAFFERTY** STATES ON PAGE **17**, **LINES** 17-19, **THAT** QWEST  
24 CLAIMS IT "**SIMULTANEOUSLY** LOWERED IXC ACCESS RATES BY **AN**

1           AMOUNT EQUAL TO ONE HALF OF THE DOUBLE RECOVERY...." DID  
2           QWEST MAKE ANY SUCH STATEMENT?

3    A.    Absolutely not.    Qwest denies there is any double  
4           recovery.    In response to ITA data request Number 49,  
5           Qwest stated that it reduced the end office local  
6           switching, carrier common line and tandem switching rate  
7           elements as part of the signaling restructure.  
8           Confidential Attachment A to that response demonstrates  
9           that the reductions equaled the revenue increase  
10          expected from the SS7 restructure.    See Confidential  
11          Exhibit 504.

12   Q.    ARE THE CONCERNS VOICED BY COMPLAINANTS THAT **THE NEW SS7**  
13          **RATE STRUCTURE WILL INCREASE THEIR BUSINESS COSTS VALID**  
14          **SUPPORT FOR AN ARGUMENT OF ANTI-COMPETITIVE BEHAVIOR ON**  
15          **THE PART OF QWEST?**

16   A.    **No.**    From Illuminet's perspective, Mr. Florack indicates  
17          it is simply going to pass through these costs to its  
18          customers.    (Florack, Page 26, Lines 6-9) Mr. Florack  
19          claims that Illuminet supports the concept of unbundling  
20          (Florack, Page 27, Lines 12-13) and claims Illuminet is  
21          not trying to avoid paying the costs it imposes on  
22          **Qwest's** network (Florack, Page 24, Lines 21-23).    **HOW**  
23          can he then claim that assessing these charges is **anti-**  
24          competitive?

1           Mr. Lafferty erroneously contends that Qwest's SS7  
2 message signaling charges "...will likely impede the  
3 continued development of competition." (Lafferty, Page  
4 4, Lines 12-13) The FCC has long recognized that  
5 subsidies cannot be maintained in a truly competitive  
6 telecommunications environment. As far back as the late  
7 1970s and 1980s when the FCC deregulated customer  
8 premises equipment and inside wiring, it recognized that  
9 making the customer using the service bear the costs of  
10 services received was an integral part of fostering a  
11 fully competitive market. In fact, making the users pay  
12 and fostering a competitive telecommunications  
13 marketplace were two of the five goals articulated by  
14 the FCC in deregulating these services. What was true  
15 then for inside wiring products remains true today for  
16 SS7 service.

17 **Q. MR. FLORACK CONTENDS THAT ILLUMINET DOES NOT OBJECT TO**  
18 **RELATING THE RECOVERY OF SS7 COSTS TO A CUSTOMER'S USE**  
19 **OF THE SERVICE (PAGE 27, LINES 10-12). DOES THAT RING**  
20 **TRUE BASED UPON ITS COMPLAINT IN THIS PROCEEDING?**

21 **A.** No. Prior to Qwest restructuring its SS7 rates,  
22 Illuminet was paying for "entry" to the signaling  
23 network through link and port charges, but not "use" of  
24 the network through message usage charges. If Illuminet

1 is to be consistent, it should not balk at paying  
2 message-sensitive charges associated with network usage,  
3 rather than trying to prolong subsidization of its use  
4 of the network by other companies.

5 **Q. MR. LAFFERTY CLAIMS THAT THE SS7 RESTRUCTURE REVERSES**  
6 **THE COMMISSION'S DECISION REGARDING EAS PRICING.**  
7 **(LAFFERTY, PAGE 16, LINES 5-14) DO YOU AGREE?**

8 **A. No. Mr.** Lafferty argues that introduction of usage-  
9 sensitive rates for SS7 results in re-instituting usage-  
10 sensitive pricing for EAS traffic that is now priced on  
11 a flat-rated basis. That is simply not the case. The  
12 **EAS** rate structure, which concerns voice/data traffic,  
13 has not changed. Flat rate local exchange customers  
14 still enjoy expanded local calling as part of their  
15 flat-rated local service. Measured service customers,  
16 of course, pay for any local call on an incremental  
17 basis once they have used their monthly minute  
18 allowance.

19 The relevant price change here is not for **EAS**  
20 calling, it is for **SS7** signaling. And Illuminet is the  
21 only party in this case that purchases SS7 signaling  
22 from **Qwest**. Since Illuminet deals in signaling  
23 messages, not voice/data traffic, the **EAS** decision that

1 expanded the local calling areas of local exchange  
2 customers does not affect Illuminet.

3 Q. **BUT** ISN'T IT THE CASE THAT WHEN EAS WAS IMPLEMENTED, THE  
4 ILECs DID NOT FACE A PER MESSAGE **SS7** CHARGE ASSOCIATED  
5 WITH AN EAS CALL AND NOW THEY DO TO THE EXTENT, AS  
6 ALLEGED, THAT **ILLUMINET** PASSES ON THE PER MESSAGE CHARGE  
7 TO ITS CARRIER/CUSTOMERS?

8 A. No. ILECs who purchase SS7 from third party providers  
9 like Illuminet may experience an increase in what they  
10 pay to their SS7 provider as a result of Qwest  
11 restructuring its Access Services Catalog if the  
12 contract between Illuminet and its carrier/customers  
13 directs Illuminet to pass through its SS7 costs to its  
14 carrier/customers. Of course, they may experience  
15 increases and decreases in any number of expenses  
16 associated with their operations. Illuminet's  
17 carrier/customers need to make the business decision as  
18 to whether Illuminet's contractual obligation to pass  
19 through its ss7 costs justifies looking for other  
20 alternatives for acquiring SS7.

21 Q. IS THERE A SIGNALING OPTION **FOR ILECs** THAT DOES NOT  
22 INCLUDE SIGNALING MESSAGE CHARGES RELATED TO LOCAL  
23 **EXCHANGE/EAS** TRAFFIC?

1 A. Yes. To the extent that the ILECs in this case wish to  
2 return to an arrangement that is more similar in expense  
3 to what they experienced when EAS was originally  
4 implemented, the ISA may be the answer. However, I  
5 emphasize that this is their business decision, since  
6 they may have other compelling reasons to want to  
7 continue with Illuminet.

8 Q. MR. LAFFERTY STATES THAT THE INTRODUCTION OF **SS7** MESSAGE  
9 RATES IS A CHANGE IN "LONG STANDING REGULATORY POLICY  
10 AND INDUSTRY PRACTICES IN THE STATE OF IDAHO."  
11 **(LAFFERTY, PAGE 3, LINES 7-8.)** ISN'T THIS A  
12 **MISCHARACTERIZATION?**

13 A. Yes. In his testimony, Mr. Lafferty alleges that Qwest  
14 "should not be allowed to change public policy in the  
15 state of Idaho (or anywhere else) without providing the  
16 Commission an opportunity to properly investigate the  
17 implications of the **changes.**" Significantly, Mr.  
18 Lafferty does not enumerate the "long standing  
19 regulatory policy and industry practices" he alleges are  
20 being violated. Certainly there is nothing in Idaho  
21 statute or regulation that would suggest that Qwest  
22 cannot charge users of its network for that use. In  
23 fact, in Idaho, the only time the Commission regulates  
24 the level of that charge for Qwest is when the service

1 provided is "basic local exchange service" as that term  
2 is defined in Idaho Code §62-603(1) or when CLECs are  
3 seeking unbundled network elements and the Commission is  
4 asked to set total element long run incremental costs  
5 for those elements. The provision of SS7 to a third  
6 party does not fall within one of these categories. To  
7 put it bluntly, there is no Commission policy or  
8 industry practice on this subject in Idaho. What **does**  
9 signal an attempted policy shift here is the effort of  
10 the Complainants to persuade this Commission to take  
11 jurisdiction over a dispute about the application of  
12 charges for a deregulated service.

13 **Q.** IS MR. LAFFERTY'S CONTENTION THAT THE SS7 SIGNALING  
14 CHARGES ARE "REGULATED" UNDER TITLE 62 ACCURATE?

15 A. No. The services Qwest offers under its Access Services  
16 Catalog are deregulated under Title 62 in Southern  
17 Idaho. Qwest is not required to obtain Commission  
18 approval prior to implementing **any** Access Services  
19 Catalog revision. Nor does the Commission **regulate** the  
20 level of charges for services offered under Title 62.

21 **Q.** MR. LAFFERTY ALLEGES THAT QWEST ENGAGED IN A "CLEAR AND  
22 **UNWARRANTED** SUBSIDY OF UNREGULATED **IXC TRAFFIC** BY  
23 REGULATED INDUSTRY PARTICIPANTS AND THEIR CUSTOMERS."

24 (LAFFERTY, PAGE **17, LINES 18-20**) PLEASE COMMENT.

1 A. There is no subsidy issue between regulated and  
2 deregulated (or "unregulated") entities in this case.  
3 Mr. Lafferty apparently reached this conclusion based on  
4 his "assumption" that Qwest lowered deregulated access  
5 rates and placed the costs on "regulated" carriers, but  
6 Illuminet is not a regulated carrier.

7 The revenue neutrality of this filing was attained  
8 by lowering switched access charges and implementing a  
9 usage-based component to SS7 service. Both Switched  
10 Access and SS7 are deregulated services. Therefore, Mr.  
11 Lafferty's allegations are unfounded. The only  
12 "subsidy" issue that is present in this proceeding is  
13 the subsidy Illuminet and other third party providers  
14 had been receiving from IXCs and others who were paying  
15 for signaling message costs as part of their switched  
16 access rates prior to Qwest restructuring its SS7 rates.  
17 Qwest's restructure was implemented to put a stop to  
18 that inappropriate subsidy and to assess costs  
19 associated with using the SS7 network upon all those who  
20 use it - including Illuminet and other third party  
21 signaling providers.

22

23

**AGENCY STATUS**

24

1 Q. ON PAGES 19 AND **20** OF HIS TESTIMONY, MR. FLORACIZ ALLEGES  
2 THAT ILLUMINET IS AN AGENT OF ITS CARRIER/CUSTOMERS FOR  
3 THE PURCHASE OF SS7. IS HE CORRECT?

4 A. NO. Illuminet is not an agent of its carrier/customers  
5 for SS7. In response to Qwest's Interrogatory Number  
6 40, Citizens and ELI both stated that the Letters of  
7 Agency (LOA) authorized Illuminet to use their point  
8 codes. See Exhibits 505 and 506. The LOAs, however, go  
9 no further. The LOAs provide no additional  
10 authorization to Illuminet for the purchase of signaling  
11 on their behalf. See Exhibits 507 and 508.

12 Q. DO COMPLAINANTS FAIRLY **CHARACTERIZE** THE SCOPE OF  
13 ILLUMINET'S **AUTHORITY GRANTED** IN THE **LOAs**?

14 A. No. Mr. Florack would like Qwest to expand. the  
15 authority provided under the Letters of Agency (LOA) to  
16 allow Illuminet to take advantage of the billing  
17 arrangements its customers have with Qwest for  
18 voice/data traffic, such as ELI's Interconnection  
19 Agreement.

20 Q. WHAT IS THE BASIS FOR STATING **THAT** COMPLAINANTS HAVE  
21 MISCHARACTERIZED **THE** SCOPE OF **ILLUMINET'S** AUTHORITY?

22 A. As Mr. Lafferty correctly points out in Lines 18-19 on  
23 Page 11 of his testimony, the LOA was initiated by  
24 Qwest. Qwest witness Joe Craig explained in his Direct

1           Testimony that Qwest requires proof from Illuminet that  
2           its customers have authorized its use of their point  
3           codes. (Qwest only requires LOAs from its third party  
4           provider signaling customers.) In actuality, Qwest  
5           never requested Illuminet provide proof it was  
6           authorized to purchase SS7 services for its  
7           carrier/customers. Illuminet has never negotiated with  
8           Qwest for signaling services, nor does Illuminet have an  
9           Interconnection Agreement with Qwest. Illuminet  
10          purchases SS7 services from Qwest's Access Services  
11          Catalog, and as stated elsewhere, Qwest does not  
12          negotiate the terms of its Catalog. At no time has  
13          Illuminet negotiated with Qwest, on behalf of ELI or any  
14          other CLEC or wireless provider, SS7 message rates as  
15          part of an Interconnection Agreement. Rather,  
16          Illuminet's customer, ELI, negotiated its own  
17          Interconnection Agreement with Qwest and elected to  
18          purchase SS7 from Illuminet rather than out of its  
19          Interconnection Agreement.

20   **Q.**   DOES MR. LAFFERTY MAINTAIN **THAT THE LOA'S AUTHORIZE**  
21           **ILLUMINET**    TO    **PURCHASE**    ss7    **SERVICES**    **THROUGH**  
22           **INTERCONNECTION**   **AGREEMENTS?**

23   A.    Yes. For example, in Mr. Lafferty's testimony at Page  
24          11, Lines 11-19, he states:

1 Many LECs have entered into a contract with a third  
2 party provider, such as Illuminet, to serve as their  
3 agent with respect to SS7 signaling services  
4 contemplated under the ICA (Interconnection  
5 Agreement) with Qwest.  
6

7 On Page 12, Mr. Lafferty further alleges:

8 ELI believes that as its agent, Illuminet  
9 stands in the shoes of ELI for SS7 message  
10 signaling pursuant to the ICA ...

11 **Q. DOES QWEST HAVE AN INTERCONNECTION AGREEMENT WITH**  
12 **ILLUMINET OR ANY OTHER THIRD PARTY SIGNALING PROVIDER?**

13 A. No, because third party providers such as Illuminet are  
14 not local service providers and as such, do not qualify  
15 for Section 251 interconnection treatment. Illuminet is  
16 not a telecommunications carrier as defined under the  
17 Act and, thus, cannot enter into an Interconnection  
18 Agreement with Qwest. Similarly, it does not qualify  
19 for infrastructure sharing under Section 259 of the Act.  
20 Thus, Illuminet is not entitled to purchase SS7 as an  
21 Unbundled Network Element ("UNE") at wholesale rates  
22 approved by the Idaho Commission. Illuminet must  
23 purchase SS7 out of Qwest's Access Services Catalog.

24 **Q. DOES QWEST HAVE INTERCONNECTION AGREEMENTS WITH OTHER**  
25 **PARTIES IN THIS CASE?**

1 A. Yes, Qwest has an Interconnection Agreement with ELI,<sup>7</sup>  
2 however, ELI chose to purchase ss7 from Illuminet,  
3 rather than Qwest. As a result, terms of the ELI  
4 Interconnection Agreement and other billing arrangements  
5 such as reciprocal compensation or bill-and-keep, do not  
6 apply. Illuminet's Co-Complainants are not Qwest's  
7 customers for SS7 services.

8 Q. DOES MR. LAFFERTY CLAIM THAT SIGNALING ASSOCIATED WITH  
9 LOCAL SERVICE **SHOULD** BE COVERED BY THE TERMS OF **CLECS'**  
10 **(SUCH AS ELI)** INTERCONNECTION AGREEMENTS?

11 A. Yes. Mr. Lafferty refers several times in his testimony  
12 to the fact that he believes ELI's Interconnection  
13 Agreement should apply for signaling associated with  
14 local calls rather than the SS7 rates which appear in  
15 the Access Services Catalog.

16 Q. DOES ELI'S **INTERCONNECTION** AGREEMENT WITH QWEST CONTAIN  
17 A SIGNALING PROVISION?

18 A. Yes. Section (E)15 provides the signaling provision.  
19 It provides the terms and conditions, rate elements and  
20 ordering information. The signaling charges, including  
21 per message usage charges, are set forth in part 1 of  
22 the Agreement. See Exhibit 509.

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<sup>7</sup> Qwest also has an Interconnection Agreement with the CLEC affiliate of Citizens, not a party to this case.

1 Q. DO THE SIGNALING RATES SET FORTH IN PART I OF ELI'S  
2 INTERCONNECTION AGREEMENT APPLY IN THIS CASE, AS MR.  
3 LAFFERTY CONTENDS?

4 A. No. As stated previously, ELI has chosen not to  
5 purchase SS7 from its Interconnection Agreement with  
6 Qwest, but from Illuminet instead.

7 Q. DOES THE ELI INTERCONNECTION AGREEMENT ALLOW ILLUMINET  
8 TO ACT AS ELI'S AGENT FOR THE PURCHASE OF SS7 SERVICES?

9 A. No. Section (A)3.23 of ELI's Interconnection Agreement  
10 with Qwest excludes third party beneficiaries.  
11 Specifically, third parties are afforded no "remedy,  
12 claim, liability, reimbursement, cause of action, or  
13 other privilege." See Exhibit 510.

14 Q. DOES ILLUMINET'S ATTEMPT TO UTILIZE ITS  
15 CARRIER/CUSTOMERS' INTERCONNECTION AGREEMENTS POSE  
16 PROBLEMS UNDER THE ACT?

17 A. Yes. Conveying authority to Illuminet as ELI describes  
18 in Mr. Lafferty's testimony (Lafferty, Page 11, Lines  
19 11-19) is contrary to the intents and purposes of the  
20 Act. In order to do so, the Commission would have to  
21 carve out a special class of customer simply to  
22 circumvent application of a valid Catalog. As indicated  
23 elsewhere in this testimony, Illuminet is not entitled  
24 to Section 251 Interconnection Agreement status.

1           Furthermore, granting Illuminet this status would force  
2           Qwest to discriminate between customers in the same  
3           class, i.e. those other customers purchasing out of the  
4           Catalog. That would be inequitable.

5           ELI cannot circumvent the Act by simply claiming  
6           that Illuminet is acting on its behalf for the purpose  
7           of purchasing signaling services. The fact of the  
8           matter is that Qwest does not have a relationship with  
9           ELI for SS7 services and Illuminet is not authorized to  
10          purchase SS7 on its behalf from the Interconnection  
11          Agreement.

12   **Q.    ARE THERE OTHER PROBLEMS WITH THE AGENCY RELATIONSHIP AS**  
13   **ALLEGED BY MR. FLORACK?**

14   **A.**   Yes, there are several additional reasons that Mr.  
15   Florack's agency allegations should be dismissed. Mr.  
16   Florack is apparently making the assumption that just  
17   because a CLEC or wireless provider has an  
18   Interconnection Agreement with Qwest, it must purchase  
19   SS7 signaling out of that Interconnection Agreement.  
20   This is certainly an option, but as stated earlier in  
21   this testimony, as well as in my Direct Testimony, **CLECs**  
22   and wireless providers may also purchase signaling as a  
23   finished service out of **Qwest's** Access Services Catalog,  
24   or from a third party provider such as Illuminet.

1           Additionally, Mr. Florack overlooks the fact that  
2       **Illuminet** is Qwest's customer. Illuminet's **customers**,  
3       such as Complainants ELI, Citizens and the ITA in this  
4       case, are not Qwest's customers for SS7 service. They  
5       have chosen to purchase SS7 from Illuminet, and thus  
6       Qwest has no relationship with them regarding SS7.  
7       CLECs such as ELI certainly have the option of having an  
8       SS7 relationship with Qwest by purchasing SS7 out of  
9       their Interconnection Agreements, but are under no  
10      obligation to do so. For **Illuminet** to infer that Qwest  
11      should utilize the Interconnection Agreement to bill a  
12      CLEC or wireless provider for a service they have not  
13      ordered from Qwest out of that Agreement is  
14      inappropriate.

15 Q.   MR. **FLORACK** SUGGESTS A COMPLEX PROCESS BY **WHICH** QWEST  
16       **MAY IDENTIFY** ILLUMINET'S CLEC CARRIER/CUSTOMERS SO **THAT**  
17       **CHARGES MAY BE ASSESSED DIRECTLY TO THOSE CLECS THROUGH**  
18       **THEIR RESPECTIVE INTERCONNECTION AGREEMENTS. PLEASE**  
19       **COMMENT.**

20 A.   In addition to the fact that Illuminet's  
21       carrier/customers are not Qwest's customers for SS7  
22       services, as explained above, there is no need to go  
23       through all of the gyrations suggested by Mr. Florack,

1 as the existing options available to CLECs are fully  
2 sufficient to allow accurate billing for SS7.

3 Q. SHOULD INTERCONNECTION AGREEMENTS BE A CONSIDERATION IN  
4 THIS CASE?

5 A. No. In this case, Illuminet is Qwest's customer for SS7  
6 services. - not ELI or Citizens or ITA. Illuminet is not  
7 a CLEC or a wireless provider; therefore, it cannot  
8 purchase out of an Interconnection Agreement.  
9 Furthermore, Illuminet is not an agent of its customers  
10 and, as such, cannot stand in the shoes of its customers  
11 for the purpose of purchases signaling out of an  
12 interconnection agreement.

13 Illuminet and other third party signaling providers  
14 purchase services out of Qwest's Access Services  
15 Catalog. Because Illuminet purchases out of the  
16 Catalog, it is required to pay Catalog rates. ELI has  
17 chosen not to purchase SS7 out of its Interconnection  
18 Agreements. Thus, the Interconnection Agreements are  
19 not applicable.

20 Q. THE COMPLAINANTS IN THIS CASE DISCUSS VARIOUS FORMS OF  
21 BILLING ARRANGEMENTS AND AGREEMENTS. (E.G., MR.  
22 LAFFERTY ON PAGES 20-23 AND MR. **FLORACK** ON PAGE **27**,  
23 LINES **18-25**.) IS THIS APPROPRIATE CONSIDERATION?

1 A. No, that discussion is entirely irrelevant to the key  
2 issues at hand: 1) Illuminet is Qwest's customer for  
3 SS7 services; 2) Illuminet purchases SS7 services out of  
4 the Access Services Catalog; 3) the Access Services  
5 Catalog is valid; and 4) Illuminet should pay for the  
6 services it receives from Qwest. Previously, Illuminet  
7 was not paying for SS7 costs to the degree it was using  
8 the service. The new rate structure appropriately  
9 assigns costs to the cost causer. If CLECs want to  
10 purchase SS7 out of their Interconnection Agreements,  
11 they certainly have that option and Qwest is more than  
12 willing to enter into some sort of mutual billing  
13 relationship with them for SS7 services. The terms of  
14 the mutual billing arrangement, of course, would have to  
15 be negotiated as part of the Interconnection Agreement.  
16 Furthermore, as explained above, Illuminet is not a  
17 party to the Interconnection Agreements between Qwest  
18 and the CLEC Complainants. Therefore, any arrangements  
19 made through those respective Interconnection Agreements  
20 would not apply to Illuminet.

21 **Q. ACCORDING TO MR. FLORACK ON PAGE 10, LINES 20-29 - PAGE**  
22 **11, LINES 1-2, QWEST REALIZES BENEFITS FROM THE**  
23 **EXISTENCE OF THIRD PARTY SS7 PROVIDERS SUCH AS**  
24 **ILLUMINET. PLEASE COMMENT.**

1 A. This statement is simply another smokescreen designed to  
2 confuse the central issue in this proceeding. Illuminet  
3 is not acting on Qwest's behalf as a signaling  
4 aggregator. Illuminet's customers in this case are ELI,  
5 Citizens and the ITA. Illuminet offers no perceivable  
6 benefit to Qwest. If Illuminet was not in business, SS7  
7 messages would still set up and take down, calls would  
8 still be completed, and end **users** would still have  
9 telephone service. Illuminet is, to be very frank, in  
10 the business to make money and it has done so in the  
11 past by capitalizing on a rate structure that allowed it  
12 to use the SS7 network without being appropriately  
13 charged. Illuminet has utilized Qwest's signaling  
14 network without paying rates commensurate for services  
15 received. There is no benefit to Qwest in that.

16  
17 REVENUE **NEUTRALITY**

18  
19 Q. DO **THE** COMPLAINANTS CONFUSE THE ISSUE OF **REVENUE**  
20 **NEUTRALITY** ASSOCIATED WITH **QWEST'S** RESTRUCTURE OF ITS  
21 SS7 **RATES?**

22 A. Yes. Mr. Lafferty confuses the issue of revenue  
23 neutrality for Qwest overall with the issue of revenue  
24 neutrality for a particular customer: Qwest has made no

1 claim that the establishment of discrete SS7 rates would  
2 be revenue neutral with respect to individual customers.  
3 The rate impacts felt by individual customers is  
4 determined by how they connect with Qwest and by what  
5 services they purchase. The overall bill will go up for  
6 some customers and down for others. (At this point in  
7 time, Illuminet has not and is not paying Qwest for SS7  
8 services rendered.)

9 Qwest also can make no claim as to the effect of  
10 customers changing their network connections as a result  
11 of business decisions they may make as a result of these  
12 changes. Qwest does, however, attest that the revenues  
13 generated by the new rate elements have been offset by  
14 reductions in switching rate elements, i.e., local  
15 switching and tandem switching, as well as carrier  
16 common line minutes of use rates. Qwest is not double  
17 billing for these rate elements and is not double  
18 recovering any costs. The revenue neutral nature of  
19 **Qwest's** action in Idaho is consistent with the revenue  
20 neutral filing at the federal level. The data request  
21 responses provided by Qwest' clearly show the **SS7** Access  
22 Services Catalog revisions were revenue neutral, which I  
23 have described above.

1 Q. IS THE **SS7** RESTRUCTURE REVENUE **NEUTRAL** WITHIN THE STATE  
2 OF IDAHO? (LAFFERTY, PAGE 17, LINES **12-14**)

3 A. Yes. Qwest utilized Idaho-specific demand in its  
4 revenue neutral calculation. Qwest demonstrated this to  
5 Complainants in its response to ITA Request No. 49,  
6 specifically Confidential Attachment A to that response.  
7 The SS7 restructure is revenue neutral.

8

9

**ACCESS CATALOG**

10

11 Q. **MR. FLORACK** PROVIDES A DESCRIPTION OF **QWEST'S** SOUTHERN  
12 IDAHO ACCESS CATALOG. (**FLORACK**, PAGE 14, **LINES 5-8.**)  
13 IS HIS DESCRIPTION ACCURATE?

14 A. No. Qwest's Access Services Catalog applies to Carrier  
15 Common Line, Switched Access, Expanded Interconnection  
16 Service, and **other miscellaneous services** (emphasis  
17 added).<sup>9</sup> Qwest's SS7 product is not an "exchange access"  
18 product (i.e., toll). Qwest specifically denied this  
19 allegation by Complainants in its response to data  
20 request Number 28. (See Exhibit 511.) Qwest's **SS7**  
21 product is an "access" product, meaning **that** it  
22 facilitates "**access**" into **Qwest's** SS7 network.

---

<sup>9</sup> see, for example, Qwest's response to ITA 01-049.

1 Q. WHY IS IT APPROPRIATE FOR SS7 CHARGES TO APPEAR IN  
2 QWEST'S ACCESS SERVICES CATALOG?

3 A. The FCC defined SS7 as an access service (in Part 69  
4 rules) and it was therefore implemented in the FCC  
5 Access Services Tariff, and similarly implemented in the  
6 Southern Idaho Access Services Catalog. The Catalog  
7 contains services that are offered on a wholesale rather  
8 than a retail basis. Non-exchange access (non-toll)  
9 services such as DS1 and DS3 are also available through  
10 the Idaho Access Services Catalog. Feature Group  
11 services are billed via access minutes of use rates for  
12 all traffic that goes over the trunks regardless of  
13 whether it is local, EAS, intraLATA/intrastate or  
14 interLATA/intrastate. The Idaho Access Services Catalog  
15 is not limited to toll providers, nor their provision of  
16 toll services, as Mr. Florack interprets.

17 Q. THE COMPLAINANTS PROTEST THAT QWEST, IN ESTABLISHING THE  
18 SS7 CHARGES, DID NOT NEGOTIATE THE NEW SS7 CHARGES WITH  
19 ELI<sup>10</sup> PRIOR TO IMPLEMENTATION. (LAFFERTY, PAGE 24, LINES  
20 4-7 ) SHOULD QWEST HAVE DONE SO?

---

<sup>9</sup> Qwest Corporation Access Services Catalog, Section 1, Page 1, Effective 9-21-01.

<sup>10</sup> In his testimony, Mr. Lafferty indicated he references the Interconnection Agreement between U S WEST and ELI to "help illustrate the implications of Qwest's new SS7 message signaling charges for CLECs." (Lafferty, Footnote 4.)

1 A. **No.** Illuminet purchases SS7 services out of the Access  
2 Services Catalog. The Catalog sets out standard  
3 pricing; it is not negotiated with carriers. Qwest  
4 negotiated ss7 rates with ELI as part of the  
5 Interconnection Agreement negotiations. However,  
6 because ELI chose to purchase SS7 services from a third  
7 party, i.e., Illuminet, rather than from its  
8 Interconnection Agreement, these negotiated rates do not  
9 apply.

10 The Complainants' testimony in this proceeding is  
11 filled with misleading allegations and assertions  
12 designed to camouflage the true issue at hand.  
13 Illuminet has been benefiting from an outdated and  
14 archaic rate structure and has shared that benefit with  
15 its carrier/customers. Illuminet is now faced with  
16 paying charges aligned with services received. It's as  
17 simple as that.

18

19

#### CONCLUSION

20

21 **Q. WOULD YOU PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY?**

22 A. **Yes.** Illuminet is Qwest's customer for the purchase of  
23 ss7. Illuminet provides SS7 services to certain of the  
24 other Complainants in this case. 'Qwest lawfully

1 revised its Catalog to establish discrete SS7 rate  
2 elements to ensure that the customers using SS7 services  
3 were paying for them. Illuminet should not be allowed  
4 to circumvent these charges.

5 Billing arrangements and Interconnection Agreements  
6 Qwest may have with CLECs and wireless providers have  
7 absolutely no bearing in this proceeding, as ELI, the  
8 only Idaho CLEC participating in this proceeding, chose  
9 not to purchase SS7 services out of its Interconnection  
10 Agreement. Instead, ELI chose to purchase SS7 from  
11 Illuminet and Illuminet. is not a party to the billing  
12 arrangements and Interconnection Agreement between ELI  
13 and Qwest. Illuminet has purchased SS7 services out of  
14 Qwest's Access Services Catalog, the charges within that  
15 Catalog are valid, and Illuminet should be required to  
16 pay for signaling services provided by Qwest and denied  
17 any refund. The Commission should find that the  
18 application of Qwest's Idaho Access Services Catalog is  
19 fair and equitable.

20 Q. **DOES** THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

21 A. Yea.

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14  
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16

17  
18 BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION  
19  
20

21  
22 IDAHO TELEPHONE ASSOCIATION, )  
23 CITIZEN TELECOMMUNICATIONS ) CASE NO. QWE-i-02-11  
24 COMPANY OF IDAHO, CENTURY TEL OF )  
25 IDAHO, CENTURY TEL OF THE GEM )  
26 STATE, POTLATCH TELEPHONE COMPANY )  
27 And ILLUNINET, INC. )

28  
29 Complainants  
30

31 vs.

32  
33 QWEST COMMUNICATIONS, INC.  
34

35 Respondent  
36

37  
38 EXHIBITS TO THE REBUTTAL TESTIMONY OF  
39

40  
41 SCOTT A. MCINTYRE  
42

43  
44 QWEST CORPORATION  
45

46  
47 OCTOBER 18, 2002

TABLE OF EXHIBITS

<u>Topic</u>	<u>Exhibit Number</u>
ITA Interrogatory Response No. 3	503
Qwest Response to ITA Interrogatory No. 49 <b>CONFIDENTIAL</b>	504
Citizens Response to Qwest Interrogatory No. 40	505
ELI's Response to Qwest Interrogatory No. 40	506
Citizens/Illuminet Letter of Agency	507
ELI/Illuminet Letter of Agency	508
Excerpt - ELI/Qwest Interconnection Agreement	509
Excerpt - ELI/Qwest Interconnection Agreement	510
Qwest Response to ITA Interrogatory No. 28	511

**EXHIBIT NO. 503**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

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**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IDAHO TELEPHONE ASSOCIATION,  
CITIZENS TELECOMMUNICATIONS  
COMPANY OF IDAHO, CENTURYTEL OF  
IDAHO, CENTURYTEL OF THE GEM STATE,  
POTLATCH TELEPHONE COMPANY and  
ILLUMINET, INC.

Complainants

vs.

QWEST COMMUNICATIONS, INC.,

Respondent.

CASE NO. QWE-T-02-11

COMPLAINANT, IDAHO TELEPHONE  
ASSOCIATION'S RESPONSES TO  
RESPONDENT'S FIRST SET OF  
INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

Idaho Telephone Association ("ITA"), by and through its attorneys of record Givens Pursley LLP, hereby submits the following responses to Respondent's First Set of Interrogatories and Request for Production of Documents. All answers were prepared by Conley Ward, attorney for the ITA.

**INTERROGATORY NO. 1:** Identify each member of ITA and describe whether each member operates as an ILEC or as a CLEC in the state of Idaho.

**RESPONSE TO INTERROGATORY NO. 1:** Silver Star Telephone Company, Inc. (ILEC); Columbine Telephone Company, Inc., d/b/a Teton Telecom (ILEC); Project Mutual Telephone Cooperative Association, Inc. (ILEC & CLEC); Custer Telephone Cooperative, Inc. (ILEC); Mud Lake Telephone Cooperative Association, Inc. (ILEC); Fremont Telcom Co.

(ILEC); Farmers Mutual Telephone Company, Ltd. (ILEC); Inland Telephone Company (ILEC); Filer Mutual Telephone (ILEC); Midvale Telephone Exchange, Inc. (ILEC); Direct Communications Rockland, Inc. (ILEC); Rural Telephone Company (ILEC); Albion Telephone Company (ILEC); and Cambridge Telephone Company (ILEC).

**INTERROGATORY NO. 2:** To the extent that any ITA member operates as both an ILEC and a CLEC please identify each corporate entity operating within Idaho and explain which entity(s) operate as ILEC's and which as CLECs.

**RESPONSE TO INTERROGATORY NO. 2:** Project Mutual's ILEC and CLEC operations are conducted by one entity. In addition, the following companies have CLEC affiliates or sister companies operating in Idaho: Fremont Telcom (Fretel Communications, LLC), Cambridge Telephone (CTC Telecom, Inc.), and Midvale Telephone (Rural Network Services, Inc.).

**INTERROGATORY NO. 3:** For each ITA member explain how it provides SS7 signaling to its end use customers.

**RESPONSE TO INTERROGATORY NO. 3:** Fremont Telcom uses Illuminet for SS7 services. Farmers Mutual uses Illuminet for its wireless traffic only. Filer Mutual uses Qwest. Inland Telephone is located in northern Idaho and is therefore not relevant to this proceeding. All other ITA members use Syringa Networks LLC for SS7 signaling.

**INTERROGATORY NO. 4:** Referencing paragraph 17 of the Complaint, identify each CLEC referenced therein and identify the exact provision in each interconnection agreement that is alleged violated.

**RESPONSE TO INTERROGATORY NO. 4:** The ITA does not know how many interconnection agreements exist between Qwest and Idaho CLECs, nor is it privy to the

language included in those contracts, all of which are presumably in Qwest's possession. With respect to interconnection agreements with ITA members or affiliates, the ITA believes that direct or indirect billing for SS7 signaling for local or EAS calls is a violation of paragraphs 5.1 and 5.4.1.1 of the attached interconnection agreements between Qwest and Project Mutual Telephone Cooperative Association, Inc. (Exhibit A), CTC Telecom, Inc. (Exhibit B), and Rural Network Services, Inc. (Exhibit C). To the extent that similar provisions are contained in other interconnection agreements between Qwest and Idaho CLECs, the ITA believes that direct or indirect billing for SS7 signaling for local or EAS calls is likewise a violation of those agreements.

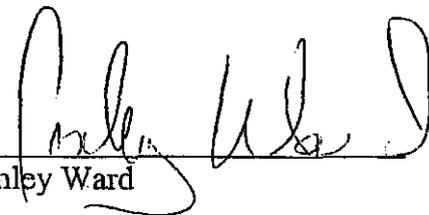
### **REQUEST FOR PRODUCTION OF DOCUMENTS**

**REQUEST FOR PRODUCTION NO. 1:** Produce each document ITA intends to offer in evidence at the hearing in this case.

**RESPONSE TO REQUEST FOR PRODUCTION NO. 1:** The Complainants will file with the Commission, and serve upon Qwest, their pre-filed testimony and exhibits they intend to offer at hearing on this matter, their rebuttal/responsive testimony and exhibits required in light of Qwest's pre-filed testimony and any hearing exhibits that support the allegations contained in the Complaint that initiated this proceeding. In addition, please see the attached contracts identified in Response to Interrogatory No. 4 (above).

Respectfully submitted this 6th day of September 2002.

GIVENS PURSLEY LLP

  
Conley Ward

**EXHIBIT NO. 504**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

Idaho  
Case No. QWE-T-02-11  
ITA, et al. 01-049

INTERVENOR: IDAHO TELEPHONE ASSOC, CITIZENS TELECOM CO OF ID, CENTURYTEL OF ID, CENTURYTEL OF THE GEM STATE, POTLATCH TELEPHONE CO and ILLUMINET, INC.

REQUEST NO: 049

Did Qwest reduce its access rates and revenues in Idaho when it unbundled SS7 signaling from its existing access rates? If so, identify which rate elements were reduced, how Qwest selected the rate elements to be reduced, and how Qwest calculated the reductions (including, but not limited to, the demand calculations used by Qwest).

RESPONSE:

Yes.

Qwest reduced the end office local switching, carrier common line and tandem switching rate elements. These elements were selected because the signaling before unbundling was recovered on a minute of use-basis and reducing these elements was appropriate from that respect:

Please see Confidential Attachment A which is the pricing spreadsheet that was used to calculate revenue neutrality.

Confidential Attachment A will be provided upon execution of an appropriate protective agreement.

Respondent: Herb Ruprecht

Case No. QWE-T-02-11  
ATTACHMENT A  
TO EXHIBIT 504 OF S. McINTYRE REBUTTAL TESTIMONY  
**CONFIDENTIAL**

**EXHIBIT NO. 505**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

Conley Ward, ISB No. 1683  
GIVENS PURSLEY LLP  
227 North 6<sup>th</sup> Street, Suite 200  
Post Office Box 2720  
Boise, ID 83701  
Telephone: (208) 388-1200  
Facsimile: (208) 388-1300

Morgan W. Richards, ISB No. 1913  
MOFFATT, THOMAS, BARRETT, ROCK  
& FIELDS, CHARTERED  
101 S. Capitol Boulevard, 10th Floor  
Post Office Box 829  
Boise, Idaho 83701  
Telephone: (208) 345-2000  
Facsimile: (208) 385-5384

Thomas J. Moorman  
KRASKIN, LESSE & COSSON, LLP  
2120 L Street, N.W., Suite 520  
Washington, D.C. 20037  
Telephone: (202) 296-8890  
Facsimile: (202) 296-8893

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<p>IDAHO TELEPHONE ASSOCIATION, CITIZENS TELECOMMUNICATIONS COMPANY OF IDAHO, CENTURY TEL OF IDAHO, CENTURY TEL OF THE GEM STATE, POTLATCH TELEPHONE COMPANY and ILLUMINET, INC.</p> <p>Complainants</p> <p>QWEST CORPORATION,</p> <p>Respondent.</p>	<p>CASE NO. QWE-T-02-11</p> <p><b>CITIZENS TELECOMMUNICATIONS COMPANY OF IDAHO'S RESPONSES TO QWEST'S FIRST SET OF INTERROGATORIES</b></p>
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**GENERAL OBJECTIONS:** Citizens Telecommunications Company of Idaho ("CTC-Idaho") generally objects to Qwest Corporations' ("Qwest") first set of interrogatories (the "Interrogatories") on the grounds that the Interrogatories are vague,

**CITIZENS TELECOMMUNICATIONS COMPANY OF IDAHO'S RESPONSES TO QWEST'S  
FIRST SET OF INTERROGATORIES - 1**

**RESPONSE TO INTERROGATORY NO. 39:** See General Objections which are incorporated by reference. Without waiving said objections, Qwest is referred to paragraph 15 which references Illuminet's customers, not customers of CTC-Idaho.

**INTERROGATORY NO. 40:** Do you contend that Illuminet is your agent? If so, describe the scope of authority you granted to Illuminet, the instrument granting agency, the date of date and the date when such agency will expire.

**RESPONSE TO INTERROGATORY NO. 40:** See General Objections which are incorporated by reference. Without waiving said objections, the answer to the first question is yes. As Qwest is aware, Qwest requires Illuminet to provide Letters of Agency ("LOA") from CTC-Idaho and to file such LOAs with Qwest prior to Qwest loading within its network the necessary point code information that specifically identifies CTC-Idaho's switches. See Illuminet's Response to Qwest Interrogatory No. 28.

**INTERROGATORY NO. 41:** Please describe in detail and with particularity the action taken by you, including but not limited to discussions had with any federal or state commissions or regulatory staff and comments or other pleading submitted, relating to the Federal Communications review and adoption of FCC Tariff No. 5. (*See In re US West Petition to Establish Part 69 Rate Elements for SS7 Signaling*, Order, DA 99-1474, CCB/CPD 99-37 (re. Dec. 23, 1999).

**RESPONSE TO INTERROGATORY NO. 41:** See General Objections which are incorporated by reference. CTC-Idaho objects to this Interrogatory as ambiguous and

**EXHIBIT NO. 506**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

Conley Ward, ISB No. 1683  
GIVENS PURSLEY LLP  
227 North 6<sup>th</sup> Street, Suite 200  
Post Office Box 2720  
Boise, ID 83701  
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Facsimile: (208) 388-1300

Morgan W. Richards, ISB No. 1913  
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2120 L Street, N.W., Suite 520  
Washington, D.C. 20037  
Telephone: (202) 296-8890  
Facsimile: (202) 296-8893

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<p>IDAHO TELEPHONE ASSOCIATION, CITIZENS TELECOMMUNICATIONS COMPANY OF IDAHO, CENTURYTEL OF IDAHO, CENTURY TEL OF THE GEM STATE, POTLATCH TELEPHONE COMPANY and ILLUMINET, INC.</p> <p>Complainants</p> <p>QWEST CORPORATION,</p> <p>Respondent.</p>	<p>CASE NO. QWE-T-02-11</p> <p><b>ELECTRIC LIGHTWAVE, INC.'S RESPONSES TO QWEST'S FIRST SET OF INTERROGATORIES</b></p>
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**GENERAL OBJECTIONS:** Electric Lightwave, Inc. ("ELI") generally objects to Qwest Corporations' ("Qwest") first set of interrogatories (the "Interrogatories") on the grounds that the Interrogatories are vague, ambiguous, irrelevant, unduly

**ELECTRIC LIGHTWAVE, INC.'S RESPONSES TO QWEST'S FIRST SET OF INTERROGATORIES - 1**

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Exhibit 506  
Case No. QWE-T-02-11  
S. McIntyre; Qwest Corporation

**INTERROGATORY NO. 39:** Referencing paragraph 15 of the Complaint, identify all competitors of your customers that are placed at a competitive advantage by Qwest's application of SS7 signaling charges to intrastate traffic and describe the alleged "prejudice or competitive disadvantage" that is suffered by your customers.

**RESPONSE TO INTERROGATORY NO. 39:** See General Objections which are incorporated by reference. Without waiving said objections, Qwest is referred to paragraph 15 which references Illuminet's customers, not customers of ELI.

**INTERROGATORY NO. 40:** Do you contend that Illuminet is your agent? If so, describe the scope of authority you granted to Illuminet, the instrument granting agency, the date of date and the date when such agency will expire.

**RESPONSE TO INTERROGATORY NO. 40:** See General Objections which are incorporated by reference. Without waiving said objections, the answer to the first question is yes. As Qwest is aware, Qwest requires Illuminet to provide Letters of Agency ("LOA") from ELI and to file such LOAs with Qwest prior to Qwest loading within its network the necessary point code information that specifically identifies ELI's switches. See Illuminet's response to Qwest Interrogatory No. 28.

**INTERROGATORY NO. 41:** Please describe in detail and with particularity the action taken by you, including but not limited to discussions had with any federal or state commissions or regulatory staff and comments or other pleading submitted, relating to the Federal Communications review and adoption of FCC Tariff No. 5. (*See In re US*

**EXHIBIT NO. 507**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**



1999 MAY 27 E

1 44

**NETWORK ENGINEERING**

Three North Park East  
8800 N. Central Expressway  
Dallas, Texas 75231  
214-365-3000  
FAX: 214-365-4000

**TO:** US WEST  
**FROM:** CITIZENS COMMUNICATIONS  
**DATE:** 05-27-99  
**SUBJ:** LETTER OF AGENCY-

CITIZENS COMMUNICATIONS is authorizing ILLUMINET to conduct all negotiations and issue orders for ISUP TRUNKING for point codes listed below in all US WEST LATA's.

**POINT CODES**

**218-190-002**

This letter will remain in effect until rescinded in writing by CITIZENS COMMUNICATIONS.

Sincerely, Steven C. Hatfield.

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



**NETWORK ENGINEERING**  
5600 Head Quarters Dr.  
Plano, Texas 75025  
469-365 3000  
FAX: 469-365-4059

**TO: US WEST**  
**FROM: CITIZENS COMMUNICATIONS**  
**DATE: 01-04-01**  
**SUBJ: LETTER OF AGENCY**

**CITIZENS COMMUNICATIONS** is authorizing **ILLUMINET** to conduct all negotiations and issue orders for **ISUP TRUNKING** for **point codes** listed below in all US WEST **LATA & POINT CODES**

**18-235.001; 218235002; 218.235.003; 218.235.004; 218.235.005; 218.235.006; 218.235.007; 18.235.008; 218.235.009; 218.235.011**

This letter will remain in effect until rescinded in writing by **CITIZENS COMMUNICATIONS**.

Sincerely, Steven C. Hatfield.

Signature On File

**EXHIBIT NO. 508**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

'99 DEC 2 PM 2 26



Mailing Address:  
Electric Lightwave, Inc.  
4400 N.E. 77th Avenue  
Vancouver, Washington 98662  
O60: 816-3000 Fax: (360) 816-8924

TO: U S West  
FROM: Electric Lightwave, Inc.  
DATE: December 2, 1999  
SUBJECT: Letter of Agency

Electric Lightwave, Inc. is authorizing Illuminet to conduct all negotiations and issue orders for ISUP services for the point codes listed below for all U S West LATAs.

005-007-009  
005-011-194  
218-242-202  
218-242-201  
005-015-098  
005-015-099  
218-220-201  
218-170-202  
005-011-192  
005-011-193  
005-015-096  
005-015-097  
005-007-008  
005-007-010

This letter of Agency will remain in effect until rescinded in writing by Electric Lightwave, Inc.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl Pratt".

Cheryl Pratt  
ELI - Long Distance Network Planning

**EXHIBIT NO. 509**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

**LOCAL INTERCONNECTION  
AGREEMENT**

**BETWEEN**

**U S WEST COMMUNICATIONS, INC.**

**AND**

**ELECTRIC LIGHTWAVE, INC.**

**FOR**

**IDAHO**

- (E)14.2.4 ELI must place the associated trunk orders prior to the establishment or deployment of Line Class Codes.
- (E)14.2.5 Line Class Codes are deployed in specific End Offices.

**(E)14.3 Billing**

- (E)14.3.1 Development of a Line Class Code is billed on an individual case basis for each switch in which a new Line Class Code is installed.
- (E)14.3.2 Installation of a Line Class Code is billed on an individual case basis for each switch in which it is installed.

**(E)14.4 Ordering Process**

- (E)14.4.1 ELI must issue a Service Inquiry form detailing the routing and facility requirements for Customized Routing prior to a pre-order meeting with USW. Refer to the New Customer Questionnaire for a copy of the Service Inquiry.
- (E)14.4.2 After the Service Inquiry form is completed and provided to USW, the pre-order meeting will be established to provide USW with the comprehensive network plan, specific custom routing requirements and desired due dates.
- (E)14.4.3 USW will provide ELI a detailed time and cost estimate thirty (30) business days after the pre-order meeting. After the time and cost estimate is provided and any appropriate trunk orders are issued, ELI will issue an LSR for Line Class Code development and implementation. Refer to the Interconnect & Resale Resource Guide.

**(E)15. Common Channel Signaling Capability/SS7**

**(E)15.1 Description**

- (E)15.1.1 Common Channel Signaling Capability/SS7 (CCSAC/SS7) provides multiple pieces of signaling information via the SS7 network. This signaling information includes, but is not limited to, specific information regarding calls made on associated Feature Group D trunks and/or LIS trunks, Line Information Database (LIDB) data, Local Number Portability (LNP), Custom Local Area Signaling Services (CLASS), 8XX set up information, Call Set Up information and transient messages.
- (E)15.1.2 The signaling information is used by ELI for:
  - Faster call set-up and tear down
  - Holding times reduced

Development of unique routing and control information

Leaving voice path open while using the signaling path for call set-up as well as network management data.

- (E)15.1.3 Optional Features of CCSAC/SS7 are dependent on specific ELI design requirements as well as the existence of adequate transport facilities. Transport facilities must be in place to accommodate Call Set Up of related Feature Group D and/or LIS messages, transient messages, and other ancillary services (e.g., LIDB data and 8XX set up information).

#### (E)15.2 Terms and Conditions

- (E)15.2.1 All elements of the unbundled CCSAC/SS7 arrangement will be developed on an individual case basis based on ELI's design requirements. All of ELI's unbundled design elements are subject to facility requirements identified below.

- (E)15.2.2 At a minimum, transport facilities must exist from ELI's Point of Presence or Signaling Point of Interface (SPOI) to the identified USW STP location. Unbundled transport facilities to accommodate CCSAC/SS7 signaling may be developed using UNEs defined in this Part E above.

- (E)15.2.3 ELI's CCSAC/SS7 design requirements will include, but are not limited to:

- (E)15.2.3.1 STP Port - This element is the point of termination to the signal switching capabilities of the STP. Access to a USW STP Port is required at a DS0 level.

- (E)15.2.3.2 Specific Point Code detail including the identification of ELI's Originating, Destination and Signaling Options (i.e., ISDN User Part [ISUP] or Transaction Capabilities Application Part [TCAP]) requirements.

- (E)15.2.3.3 All signaling routing requirements must be identified in ELI's design. Information will include industry standard codes identifying USW end offices, tandems, sub-tending end offices and STPs to be included in the designed unbundled signaling arrangement.

- (E)15.2.4 The CCSAC/SS7 unbundled arrangement must meet the following requirements:

- (E)15.2.4.1 Both USW and ELI are obligated to follow existing industry standards as described in Telcordia

documents including but not limited to GR-905 CORE, GR-954-CORE, GR-394-CORE and USW Technical Publication 77342.

(E)15.2.4.2 ELI's switch or network SS7 node must meet industry and USW certification standards.

(E)15.2.4.3 Transport as identified above must be provisioned at a minimum DS1 capacity at ELI's Point of Presence or SPOI. This facility must be exclusively used for the transmission of network control signaling data.

(E)15.2.4.4 CPN will be delivered by ELI to USW in accordance with FCC requirements.

(E)15.2.4.5 Carrier Identification Parameter (CIP) will be delivered by ELI to USW in accordance with industry standards, where technically feasible.

(E)15.2.4.6 Provisions relating to call related databases (i.e. 8XX, LIDB, Advanced Intelligent Network (AIN), etc.) are contained in Part F of this Agreement.

### (E)15.3 Rate Elements

Rates for the unbundled CCSAC/SS7 elements designed by ELI will be on an individual case basis (ICB) based on ELI's specific design requirements. Both nonrecurring and monthly recurring rates may be applicable. Message rating applies to all messages traversing the USW signaling network. Messages which are transient in nature (not destined for USW databases) will be assessed message rates. Pricing detail is provided in Part I of this Agreement. Possible rate elements for unbundled CCSAC/SS7 elements could include, but are not limited to:

#### (E)15.3.1 Nonrecurring Rates

CCSAC Option Activation Charge – Assessed for adding or changing a point code in the signaling network. The specific application being requested determines the specific charge application of either basic or database. In addition, this charge will be billed based on the first and each additional point code requested on the same order.

#### (E)15.3.2 Recurring Rates

(E)15.3.2.1 STP Port - a monthly recurring charge, per connection into the STP.

(E)15.3.2.2 Signal Formulation Charge - assessed per call set-up request (ISUP), for formulating signaling messages at

the USW end office or USW tandem in association with call set-up.

(E)15.3.2.3 Signal Transport Charge - assessed per call set-up request (ISUP) that is transported between the USW STP and a USW end office or tandem switch associated with call set-up. Also assessed per data request (TCAP) transported to or from a USW STP and destined for a foreign database.

(E)15.3.2.4 Signal Switching Charge - assessed per call set-up request (ISUP) that is switched at the USW STP. Also assessed per data request (TCAP) switched at the USW STP and destined for a foreign network or database.

#### (E)15.4 Ordering

(E)15.4.1 CCSAC/SS7 unbundled ELI-designed elements will initially require design information from ELI. Ordering for CCSAC/SS7 will be handled on an individual case basis, using service activation meetings between ELI and USW. ELI will provide a Translation Questionnaire, Link Data Sheet and ASR during the service activation meetings.

(E)15.4.2 USW will provide jeopardy notification, Design Layout Reports, Completion Notification, and Firm Order Confirmation in a non-discriminatory manner.

(E)15.4.3 Due date intervals for CCSAC/SS7 will be established on an individual case basis.

(E)15.4.4 The service order interval will begin when a complete and accurate ASR is received by USW.

#### (E)16. Additional Unbundled Elements

ELI may request nondiscriminatory access to, and where appropriate, development of additional UNEs not covered in this Agreement pursuant to the Bona Fide Request Process.

CLASS - Selective Call Rejection	1.28 <sup>3,6</sup>	12.50 <sup>3,6</sup>	P.U.C. Oregon No. 26, Section 10, p. 14
CLASS - Anonymous call Rejection	1.28 <sup>3,6</sup>	12.50 <sup>3,6</sup>	P.U.C. Oregon No. 26, Section 10, p. 14
Call Park (Store & Retrieve)	0.0005 <sup>3</sup>	8.52 <sup>3</sup>	Iowa Tariff No. 5, Section 10, p. 8
Message Waiting Indication AV	0.0056 <sup>3</sup>	8.52 <sup>3</sup>	Iowa Tariff No. 5, Section 10, p. 10
Subsequent Order Charge		\$6.375 <sup>4</sup>	
Digital Line Side Port (Supporting BRI ISDN)	\$8.565 <sup>4</sup>		
First Port		\$138.565 <sup>4</sup>	
Each Additional Port		\$138.565 <sup>4</sup>	
Digital Trunk Ports			
DS1 Local Message Trunk Port		\$168.98 <sup>4</sup>	
Message Trunk Group, First Trunk		\$139.455 <sup>4</sup>	
Message Trunk Group, Each		\$4.32 <sup>4</sup>	
DS1 PRI ISDN Trunk Port	\$17.13	\$164.10 <sup>4</sup>	
Local Usage, per Minute of Use	\$0.0029		
Shared Transport			
Per Minute of Use-TELRIC	\$0.00134 <sup>4</sup>		Iowa Tariff No. 5, Section 10, p. 3
Minute of Use - Market Based Rate	Under Development		
- Customized Routing	N/A		
- Development of Custom Line Class Code - Directory Assistance or Operator Service Routing Only	N/A		ICB
- Installation Charge, per switch Code - Directory Assistance or Operator Service Routing Only	N/A		ICB
- All Other Custom Routing	ICB		ICB
- Common Channel Signaling/SS7			
- STP Port -per Signaling Message	\$0.00020		ICB
- CCSAC Options Activation Charge			
- Basic Translations			
- First Activation, per order	N/A	\$53.59 <sup>4</sup>	
- Each Additional Activation, per order	N/A	\$3.66 <sup>4</sup>	

- CCSAC Options Database Translations		
- First Activation, per order	N/A	\$60.91 <sup>4</sup>
- Each Additional Activation, per order	N/A	\$21.98 <sup>4</sup>
- Signal Formulation, ISUP, per call set-up request	\$0.00099 <sup>4</sup>	N/A
- Signal Transport, ISUP, per call set-up request	\$0.00073 <sup>4</sup>	N/A
- Signal Transport, TCAP, per data request	\$0.00024 <sup>4</sup>	N/A
- Signal Switching, ISUP, per call set-up request	\$0.00073 <sup>4</sup>	N/A
- Signal Switching, TCAP, per data request	\$0.00024 <sup>4</sup>	N/A
<b>Interim Number Portability</b>		
Remote Call Forwarding – First Number	\$2.43 <sup>4</sup>	
Remote Call Forwarding – Each Additional Number	\$1.80 <sup>4</sup>	
Number Port Remote Call Forward Service Establishment, per Route, per Switch		\$27.93 <sup>4</sup>
Number Port Remote Call Forward Service Establishment, Additional Number Ported (or Changes to Existing Numbers)		\$14.00 <sup>4</sup>
Number Port Direct Inward Dial per Number Ported	ICB	
Number Port Direct Inward Dial Set-up Charge per Route, per Switch		ICB
Number Ported Directory Number Route Index per Number Ported	ICB	
Number Ported Directory Number Route Index Set-Up Charge per Route Switch		ICB
Number Ported Directory Number Route Index per Number Ported		\$2.18 <sup>4</sup>
Coordinated Out of Hours Cut - non Sunday/Holiday		\$29.86 per Hr. per Person <sup>4</sup>
Coordinated Out of Hours Cut - Sunday/Holiday		\$36.87 per Hr. per Person <sup>4</sup>
<b>LNP (Local Number Portability)</b>		
- LNP Queries	See FCC Tariff #5	
<b>911/E911</b>	No Charge	

**EXHIBIT NO. 510**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

**LOCAL INTERCONNECTION  
AGREEMENT**

**BETWEEN**

**U S WEST COMMUNICATIONS, INC.**

**AND**

**ELECTRIC LIGHTWAVE, INC.**

**FOR**

**IDAHO**

Denver, CO 80202

ELI  
Government and Industry Affairs  
4400 N.E. 77th Avenue  
Vancouver WA, 98662

Each Party shall inform the other of any changes in the above addresses.

### **(A)3.22 Responsibility of Each Party**

Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of all employees assisting in the performance of such obligations. Each Party will be solely responsible for all matters relating to payment of such employees, including compliance with social security taxes, withholding taxes and all other regulations governing such matters. **Each Party will be solely responsible for proper handling, storage, transport and disposal at its own expense of all (i) substances or materials that it or its contractors or agents bring to, create or assume control over at work locations or, (ii) waste resulting therefrom or otherwise generated in connection with its or its contractors' or agents' activities at the work locations.** Subject to the limitations on liability and except as otherwise provided in this Agreement, each Party shall be responsible for (i) its own acts and performance of all obligations imposed by applicable law in connection with its activities, legal status and property, real or personal and, (ii) the acts of its own affiliates, employees, agents and contractors during the performance of that Party's obligations hereunder.

### **(A)3.23 No Third Party Beneficiaries**

This Agreement does not provide and shall not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other privilege.

### **(A)3.24 Referenced Documents**

All references to Sections shall be deemed to be references to Sections of this Agreement unless the context shall otherwise require. Whenever any provision of this Agreement refers to a technical reference, technical publication, ELI practice, USW practice, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement, it will be deemed to be a reference to the most recent version or edition (including any amendments, supplements, addenda, or successors) of such document that is in effect, and will include the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document incorporated by reference in such a technical reference, technical publication, ELI practice, USW practice, or publication of industry standards. The existing configuration of either Party's network may not

**EXHIBIT NO. 511**  
**CASE NO. QWE-T-02-11**

**S. McIntyre; Qwest Corporation**

Idaho  
Case No. QWE-T-02-11  
ITA, et al. 01-028

INTERVENOR: IDAHO TELEPHONE ASSOC, CITIZENS TELECOM CO OF ID, CENTURYTEL OF ID, CENTURYTEL OF THE GEM STATE, POTLATCH TELEPHONE CO and ILLUMINET, INC.

REQUEST NO: 028

Does Qwest consider the offering of access to its SS7 facilities under the Service Catalog to be "exchange access" as that term is defined in 47 U.S.C. § 153(16)?

RESPONSE:

Qwest objects to this request on the grounds that it is vague, overbroad, and not reasonably calculated to lead to the discovery of admissible evidence. Qwest also objects to this request as it calls for a legal conclusion., Notwithstanding these objections, Qwest answers NO.

Respondent: Don Lewis, Manager

CERTIFICATE OF SERVICE

I hereby certify that on this 18<sup>th</sup> day of October, 2002, I served QWEST CORPORATION'S REBUTTAL TESTIMONY OF SCOTT A. MCINTYRE as follows:

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