LAW OFFICES RITER, ROGERS, WATTIER & BROWN, LLP

Professional & Executive Building 319 South Coteau Street P.O. Box 280 Pierre, South Dakota 57501-0280 www.riterlaw.com

ROBERT C. RITER, Jr. DARLA POLLMAN ROGERS JERRY L. WATTIER JOHN L. BROWN TELEPHONE 605-224-5825 FAX 605-224-7102

OF COUNSEL: Robert D. Hofer E. D. Mayer

MARGO D. NORTHRUP, Associate

September 14, 2006

SEP 1 4 2006 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Patty Van Gerpen South Dakota Public Utilities Commission Captiol Building, 1st Floor 500 East Capitol Avenue Pierre, SD 57501-5070

Re:

Petition for Arbitration – Docket No.

Venture Communications Cooperative and

Alltel Communications, Inc.

Dear Ms. Van Gerpen:

Enclosed for filing in the above-referenced matter, please find the original and ten (10) copies of Venture Communications Cooperative's Petition for Arbitration.

Thanking you for your professional courtesies, and with kind regards, I am

Very truly yours,

Darla Pollman Rogers

Darla Pollman Rogers

DPR/mdb Enclosures

cc: Ron Williams, Alltel

Ben H. Dickens, Jr.

Mary J. Sisak

Randy Houdek, Venture Communications Larry Thompson, Vantage Point Solutions

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

SEP 1 4 2006
SOUTH
UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF)	UTILITIES CC
VENTURE COMMUNICATIONS COOP-)	a green () () ()
ERATIVE FOR THE ARBITRATION)	
PURSUANT TO TELECOMMUNI-)	DOCKET NO
CATIONS ACT OF 1996 TO RESOLVE)	
ISSUES RELATING TO AN INTER-)	PETITION FOR ARBITRATION
CONNECTION AGREEMENT WITH)	
ALLTEL COMMUNICATIONS INC.)	

Venture Communications Cooperative (Venture), by and through undersigned counsel, petitions the South Dakota Public Utilities Commission (Commission) to arbitrate unresolved terms and conditions of the proposed Interconnection and Reciprocal Compensation Agreement (Agreement) between Venture and Alltel Communications, Inc. (Alltel), pursuant to Section 252 of the Communications Act of 1934, as amended (the Act) (47 U.S.C. §252), SDCL § 49-31-81, and Commission Rule 20:10:32:29. In support of its Petition, Venture states as follows:

- 1. Venture is an incumbent local exchange carrier engaged in the provision of telephone exchange service in portions of the State of South Dakota pursuant to a certificate of convenience and necessity granted by the Commission.
- 2. Exhibit 1 attached hereto is the Agreement negotiated to date between Venture and Alltel. The Agreement sets forth the terms and conditions to which the Parties have agreed, as well as the terms and conditions that are unresolved and for which Venture requests arbitration.
- 3. Venture and Alltel previously operated under an interconnection agreement approved by the Commission. By letter dated October 21, 2005, Alltel

notified Venture that it was terminating the existing agreement. By that letter, Alltel also requested negotiation of a new interconnection agreement pursuant to Section 252 of the Act. (See, Exhibit 2)

Parties and Their Representatives

4. Pursuant to Commission Rule 20:10:32:29(1), the names, addresses telephone and facsimile numbers of the parties and their representatives are:

For Venture:
Randy W. Houdek
Venture Communications Cooperative
218 Commercial Avenue S.E.
P.O. Box 157
Highmore, SD 57345
Tel. 605-852-2224
Fax. 605-852-2404

Represented by:
Darla Pollman Rogers
Riter, Rogers, Wattier & Brown, LLP
P. O. Box 280
319 S. Coteau
Pierre, SD 57501
Tel. 605-224-5825
Fax. 605-224-7102

Ben H. Dickens, Jr.
Mary J. Sisak
Blooston, Mordkofsky, Dickens,
Duffy & Pendergast
2120 L St., NW Suite 300
Washington, D.C. 20037
Tel. 202-659-0830
Fax. 202-828-5568

For Alltel: Ron Williams Alltel 3650 131st Avenue, S.E. Bellevue, WA 98006 Tel. 425-586-8360 Fax.425-586-8118 Venture does not know the identity of Alltel's legal representative.

Summary of Negotiation History

5. Pursuant to Commission Rule 20:10:32:29(2), the date of the initial request for negotiation was by letter dated October 21, 2005, in which Alltel requested that Venture enter into negotiations to establish a new interconnection agreement for the transport and termination of telecommunications traffic. Thereafter, the Parties agreed to extend the negotiation period a number of times. The Parties agreed to a final extension of the negotiation period by letter dated August 29, 2006. Pursuant to that letter, the Parties agreed that Alltel requested interconnection on December 15, 2005 and that the period for filing an arbitration request, pursuant to Section 252(b)(1) of the Act, would expire on September 14, 2006. A copy of the original interconnection request and the letter agreements to extend the negotiation period are attached as Exhibit 2.

Unresolved Issues to Be Arbitrated

6. Pursuant to Commission Rule 20:10:32:29(3), Venture provides a detailed list of the unresolved issues that Venture asks the Commission to arbitrate. Venture also provides its position on each issue and its understanding of Alltel's position on each issue, to the extent that it is known. The overriding issue in the Agreement, and one which affects a number of the disputed Agreement provisions, concerns whether Venture's customers will be required to subsidize Alltel and its customers. This issue is the root of the dispute over various definitions in Section 1; parts of Section 3 concerning the scope of the Agreement; parts of Section 4 concerning Interconnection Methods and Facilities; parts of Section 5 concerning routing of traffic; Section 6 concerning Compensation; and parts of Section 7 concerning Billing and Payment. Some of these

issues may be impacted by a recent decision released by the U.S. Court of Appeals for the Eighth Circuit. Accordingly, Venture will file, in the near future, a Petition for Suspension or Modification of Sections 251(b)(3) and 251(b)(5) showing how Alltel's proposed resolution of a number of the Agreement provisions in dispute will have a significant adverse economic impact on users of telecommunications services generally and would impose requirements that are unduly economically burdensome. Venture also will request an immediate temporary suspension or modification of Sections 251(b)(3) and 251(b)(5) in order to maintain the status quo until the proceeding examining Venture's Petition for Suspension or Modification is concluded. Venture's proposed Agreement language will preserve the status quo pending the outcome of the Suspension proceeding. To the extent Alltel raises additional issues, Venture reserves the right to present evidence and argument regarding such issues.

- 7. Venture identifies each section of the Agreement in dispute as below:
- 8. **Issue 1: Section 1.11, the definition of InterMTA Traffic.** Venture's proposed language states that a call will be classified as interMTA based on the location of the initial cell site serving the wireless end user at the start of the call and the location of the end office serving the wireline end user. Due to the nature of mobile service, in the *First Report and Order*, the FCC found that the location of a mobile user should be based on the location of the initial cell site serving the wireless end user at the start of the call. Venture's proposed language makes clear how the Parties will determine whether a call is interMTA, which is a necessary component to determine whether a particular call is subject to reciprocal compensation or access charges.

¹ In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, 11 F.C.C.R. 15499, at ¶1044, (1996) (First Report and Order).

- 9. Alltel objects to this language because it maintains that it should not be required to determine the originating location of its customers in any manner. This, apparently, is part of Alltel's argument that all traffic, interMTA, intraMTA and local, should be compensated at the same rate and that Alltel should not be required to pay Venture its tariffed interstate or intrastate access charge rates for any traffic.
- 10. In light of Alltel's apparent intent to use ambiguity in the Agreement to avoid the payment of lawful access charges, the Commission should eliminate any ambiguity and confirm that interMTA calls will be determined based on the location of the initial cell site serving the wireless end user at the start of the call and the location of the end office serving the wireline end user.
- 11. Issue 2: Section 1.13, the definition of Local Traffic, Section 1.25, the definition of Telecommunications Traffic and Section 1.27, the definition of Third Party Provider. The Parties' dispute with respect to these definitions is part of the overriding dispute that will be the subject of the forthcoming Petition for Suspension or Modification. It is Venture's position that Section 1.13 Local Traffic should be defined for wireline to wireless calling as traffic exchanged between Venture and Alltel that originates with a landline Venture customer and terminates to an Alltel NXX that has its rate center within the same Venture exchange or within the Wireline Local Calling Area of the Venture Exchange. This definition encompasses calls originated by a Venture wireline customer that Venture routes and rates as local calls, whether the call terminates to another Venture customer or to the customer of another carrier. When a Venture landline customer calls another Venture landline customer, or the customer of another carrier, outside of the Wireline Local Calling Area, however, the call is dialed as 1+ and

it is routed to an interexchange carrier for completion. Calls routed to an interexchange carrier are access calls and are subject to access charges.

- 12. It is Alltel's position that it is entitled to reciprocal compensation on all calls that originate and terminate within the same MTA, even if the call is routed to the originating customer's presubscribed interexchange carrier. It also is Alltel's position that Venture's customers should be allowed to call all Alltel customers using seven digit dialing, even for calls outside of the Venture customer's local calling area.
- 13. It is Venture's position that Section 1.25 concerning the definition of Telecommunications Traffic and Section 1.27 concerning the definition of Third Party Provider, should make clear that reciprocal compensation is not to be paid for calls routed to an interexchange carrier. Rather, Venture is entitled to originating access charges for calls it routes to an interexchange carrier and it is entitled to terminating access charges for calls routed to Venture by an interexchange carrier.
- 14. It is Alltel's position that all calls that originate and terminate within the MTA, even calls that are routed to the subscriber's pre-selected interexchange carrier, should be considered local calls subject to reciprocal compensation.
- 15. These definitions are important for determining the calls subject to reciprocal compensation and the calls subject to local dialing parity. Venture's proposed definition in Section 1.13 would continue to provide Venture's customers with the same dialing pattern and call rating that they receive today. In addition, this definition would ensure that a call from a Venture customer and to any other particular end user would be rated and routed the same, no matter the identity of the carrier serving that end user. Accordingly, pursuant to Venture's proposed definition, Alltel would be treated the same

as Venture treats itself and the same as Venture treats all other carriers. Further, the definitions in Section 1.13, 1.25 and 1.27 will provide reciprocal compensation on the same calls for which reciprocal compensation is paid today. As indicated, Venture will file in the near future a Petition asking the Commission to suspend or modify Section 251(b)(3) concerning dialing parity and Section 251(b)(5) concerning reciprocal compensation to the extent that these sections may require a different result. Venture's proposed definitions would maintain the status quo pending the outcome of its forthcoming Suspension Petition.

- 16. Issue 3: Section 1.30, the definition of Wireline Local Calling Area. Venture defines this term because it is used in the definition of Local Traffic (Section 1.13. Alltel disputes the need for this definition if its proposed definition of Local Traffic is adopted. Accordingly, Venture asks the Commission to adopt its definition of Local Traffic in Section 1.13 and its definition of Wireline Local Calling Area in 1.30.
- 17. **Issue 4: Section 3.2, ISP bound traffic.** Section 3.2 states that the Agreement does not apply to ISP-bound traffic and that ISP-bound traffic shall not be exchanged pursuant to the Agreement. It is Venture's position that no ISP-bound traffic is currently exchanged between the parties and that Venture does not intend to exchange ISP-bound traffic with Alltel.
- 18. It is Alltel's position that Venture exchanges ISP-bound traffic with other carriers and, therefore, Venture's reciprocal compensation rate should be capped at \$.0007. It appears that Alltel's objection is a back-handed attempt to limit the amount of reciprocal compensation that Venture can assess.

- 19. Alltel's position on this issue is not entirely clear to Venture. Accordingly, once Alltel provides its answer to this Petition and, hopefully, explains its position, Venture may need to supplement this Petition or file an additional Petition for Suspension or Modification of Section 251(b)(5) concerning reciprocal compensation.
- 20. **Issue 5:** Section 3.4, Resale of Services. Venture will comply with Section 251(b)(1) of the Act and resell its telecommunications services to Alltel pursuant to its tariffs and price lists at retail rates. Alltel's proposed language and its proposed Attachment B would require Venture to resell its retail services at wholesale rates.
- 21. Alltel's proposed language and its proposed Attachment B presume a request for interconnection pursuant to Section 251(c) of the Act. Alltel, however did not request interconnection pursuant to Section 251(c) of the Act. This is supported by the fact that Alltel did not comply with this Commission's rules concerning a Section 251(c) request. Accordingly, its resale request falls under Section 251(b)(1) of the Act which does not require resale at wholesale rates. For this reason, Alltel's proposed language and its proposed Attachment B should be rejected. In addition, Venture has terms and conditions that apply to its provision of services and, therefore, Alltel's proposed Attachment B is not necessary.
- 22. Issue 6: Section 4.2.1, concerning interconnection facilities between the Parties. Although Alltel has indicated that it would like to establish one point of interconnection (POI) for the termination of all traffic to Venture, it has not identified its proposed POI. Because Alltel has not identified a specific POI in its proposed Agreement language, Venture proposes that the Parties maintain their current interconnection points. Under the current arrangement, there is a two-way facility

establishing a direct connection between the Parties' networks in the Highmore, Sisseton,
Britton and Gettysburg rate center. Alltel also indirectly connects through Qwest for the
termination of traffic.

- Venture will be billed pursuant to Venture's local pricing guide and that rates for entrance facilities and transport purchased from Venture are contained in Venture's Intrastate Access Service Tariff or Intrastate pricing catalog. Venture proposes that the charges for shared facilities shall be shared at the same ratio as shown in Attachment A, Section 2.
- 24. Alltel has proposed language that would allow Alltel to establish one POI for termination of all traffic to Venture's network and which would require Venture to pay for the transport of such traffic from the POI to the termination point. Alltel also proposes that any facilities purchased from Venture must be provided at Venture's Interstate Access Tariff rates. Alltel proposes that the charges for shared facilities will be shared by the Parties on a proportional basis subject to true-up.
- 25. Venture contends that Alltel should specify where it wants to interconnect so as to make the Agreement certain. Interconnection agreements should be definite and the obligations of the Parties should be clearly established. Since Alltel has not specified its intended POI(s), it is not clear that the POI(s) Alltel may subsequently designate would comply with the Act or that Venture would be able to economically or technically comply with the request.
- 26. Further, Venture is not required to provide Alltel one POI for the termination of Alltel traffic to Venture, pursuant to Section 251(a) of the Act and,

because of the configuration of Venture's network, the Commission should not order it in connection with this Agreement. Currently, Venture's network consists of two distinct, non-contiguous networks. The Venture exchanges located in central South Dakota are not connected to the Venture exchanges located in northeastern South Dakota. Venture network in central South Dakota interconnects Highmore, Harrold, Blunt, East and West Onida, Onida, Gettysburg, Hoven, Tolstoy, Seneca, Onaka, Selby, Bowdle, Roscoe, Ree Heights, Tulare, Hitchcock, Wessington, and Wessington Springs. The Venture network in northeastern South Dakota interconnects Sisseton, Rosholt, Britton, Langford, Pierpont, and Roslyn. The northeast South Dakota network relies on leased capacity or facilities from other entities in order to complete the network. Venture must purchase transport services from a third party to exchange traffic between these two networks. If Alltel were to have a single POI for the termination of traffic to Venture, then Venture would have to either construct facilities or lease capacity from another party to transport traffic between its network in central South Dakota and its network in northeastern South Dakota. Either of these options would result in a significant cost to Venture. No other carrier has a single POI with Venture.

27. The POI(s) selected by Alltel for termination also may impact the reciprocal compensation rate. The existing FLEC study assumes the existing network and interconnection conditions, including the Qwest indirect connections at Wessington, Wessington Springs, Sisseton, Britton, and Roslyn. The FLEC study also considered the Alltel direct connections at Highmore, Sisseton, Gettysburg, and Britton. If the number of POIs, the location of the POIs, or routing of the traffic were to change, it is likely that the FLEC study would have to be modified to accommodate these changes.

- 28. With respect to whether facilities are priced pursuant to Venture's interstate or intrastate access tariffs and/or price list, because the facilities would be for local traffic, Venture's local pricing catalog charges apply. Based on an analysis of actual Call Detail Records (CDRs) received from Western Wireless (Alltel) for the period of October 1-15, 2004, it was determined that approximately 1.5% of the traffic terminated by Alltel over the facilities in question was interstate traffic. Facilities are not priced at interstate rates unless 10% of the traffic is interstate. Accordingly, there is no lawful basis for Alltel's proposal that the facilities be priced using Venture's interstate tariff. Further, it appears that Alltel's proposal stems from its belief that the charges in Venture's local pricing catalog are too high. Venture notes, however, that Alltel is not required to purchase any Venture facilities. Rather, if it believes Venture's charges are too high, Alltel is able to provide its own facilities or it is able to purchase or lease facilities from others.
- 29. With respect to the shared facilities factor, Venture proposes to charge a minimum charge to Alltel when it orders shared facilities, in order to ensure that facilities intended to be shared are in fact utilized by Alltel. Venture believes that this condition is necessary due to its current experience with Alltel where Alltel has ordered shared facilities but does not utilize them. Under Alltel's proposed language, Alltel could order shared facilities and not utilize the facilities, thereby requiring Venture to pay 100% of such facilities.
- 30. Issue 7: Section 4.4, SS7 Messages. This Section sets forth the information that will be populated in the SS7 messages in connection with calls

transmitted between the Parties. The purpose of the information is to allow the Parties to appropriately identify traffic in compliance with SDCL 49-31-110 and SDCL 49-31-111.

- 31. Alltel wants the Parties to agree to require no more than industry standards in connection with SS7 messages. This language is very vague as it is not clear to which industry standard Alltel refers. In addition, it appears that the purpose of Alltel's proposal may be to deny Venture the benefit of SDCL 49-31-110 and SDCL 49-31-111. Clearly, the Commission should not require Venture to forego its rights under South Dakota law in an arbitration proceeding.
- 32. Issue 8: Section 5.3.1 and 5.3.2, concerning land to mobile traffic-direct interconnection. Section 5.3.1 provides that Venture shall deliver Telecommunications Traffic to the appropriate Alltel POI(s) within the same Wireline Local Calling Area as the Venture end user. Section 5.3.2 states that Venture shall deliver Telecommunications Traffic to the Alltel POI provided the POI is in the same Wireline Local Calling Area as the Venture customer and the call is to an Alltel NPA-NXX residing within a rate center that is part of the Wireline Local Calling Area.
- 33. Alltel argues that the POI is already defined and Section 5.3.1 is unnecessary. Alltel also argues that Venture must deliver all traffic bound for Alltel to the appropriate POI.
- 34. Alltel must have a POI in the Wireline Local Calling Area for Venture to deliver traffic from its customers to Alltel as a 7 digit-dialed local call. Where Alltel does not have a POI in the Wireline Local Calling Area, Venture routes traffic from its customer to the customer's presubscribed interexchange carrier. Venture's forthcoming Suspension Petition will request a suspension or modification of any requirement to route

traffic as proposed by Alltel. Venture's proposed language will maintain the status quo pending the outcome of the Suspension proceeding.

- 35. **Issue 9: Section 5.4, Dialing Parity.** Venture proposes to route all land-to-mobile Telecommunications Traffic to Alltel utilizing End User dialing patterns undifferentiated from those provided to itself or any other carrier's number assigned to the same Venture rate center.
- 36. Alltel proposes language that would require Venture to perform the local number portability query as the N-1 carrier. Venture opposes this language because it would require Venture to implement LNP even though this Commission has granted a suspension of intermodal LNP to Venture and, at this time, the Court has stayed the obligation of carriers like Venture to provide intermodal LNP. In addition, Alltel's request is not necessary as the FCC allows carriers that are not LNP capable to rely on another carrier to perform the LNP query.
- 37. Alltel also proposes additional language that would require Venture to route to Alltel as local calls all calls to NPA-NXX's assigned to Alltel that have a rate center associated with a Local, EAS, ELC, MCA exchange. Venture believes this language is confusing and that its purpose is to require Venture to route calls as local calls that normally would be toll calls routed via an interexchange carrier. Venture's forthcoming Suspension Petition will request a suspension or modification of any requirement to route traffic as proposed by Alltel. Venture's proposed language will maintain the status quo pending the outcome of the Suspension proceeding.
- 38. **Issue 10: Section 6.1 Telecommunications Traffic.** Venture proposes that compensation for Telecommunications Traffic should not be symmetrical because it

appears that the forward-looking cost of Venture's network is far greater than the forward-looking cost of Alltel's network. Venture contends that Alltel should prepare a forward-looking cost study to demonstrate the appropriate compensation rate for the transport and termination of traffic. Venture will file a Petition requesting a Suspension or Modification of Section 251(b)(5) to support its position that compensation should not be symmetrical.

- 39. Issue 11: Section 6.2, InterMTA Traffic. Venture proposes language to make clear that Alltel shall compensate Venture for InterMTA traffic at Venture's tariffed access charge rates. Alltel proposes to compensate Venture on the basis of "net" interMTA traffic at Venture's interstate access rate. Alltel seeks to avoid paying Venture's lawful intrastate access charges by this language. In addition, it is not clear what Alltel intends by "net" interMTA traffic. Because Venture is entitled to assess its intrastate access charges for intrastate access traffic, Alltel's proposed language should be rejected.
- 40. Issue 12: Section 6.3, Venture Provided Direct Interconnection Facilities. It appears that this section repeats language in Section 4.2.1. Accordingly, Venture contends that the section should be deleted.
- 41. **Issue 13: Section 6.4, Bill and Keep**. Alltel proposes to include a provision whereby the Parties would agree to exchange <u>all</u> traffic as Bill and Keep if the traffic exchanged between the Parties is within plus or minus 10 percentage points of fifty percent of the traffic originated by both Parties. As an initial matter, Venture objects to this proposal because any discussion of Bill and Keep is only appropriate in connection with the exchange of local traffic. It appears that Alltel's proposal would require Venture

to forego its interstate and intrastate access charges if the ratio of total two-way traffic was within plus or minus 10 percentage points of fifty percent. In addition, even with respect to local traffic, Alltel's proposed percentages are not appropriate because Bill and Keep is only appropriate where traffic is balanced and, as a result, reciprocal compensation payments between the Parties are balanced. Under Alltel's proposal, Venture could be required to forego a significant amount of reciprocal compensation to which it is lawfully entitled. Further, there is no evidence that the exchange of traffic between the Parties will become balanced any time soon. Accordingly, the Commission should reject Alltel's proposed Bill and Keep provision.

- 42. **Issue 14: Section 7, Billing and Payment.** The Parties agree to Sections 7.1 and 7.2 that require each Party to bill the other Party for reciprocal compensation based on actual usage. However, Alltel has proposed additional language in Section 7.2 that would allow Alltel to elect to use a Reciprocal Compensation Credit in lieu of submitting invoices to Venture for Reciprocal Compensation. Venture opposes this language because it essentially would require Venture to perform billing on behalf of Alltel. Venture has no obligation under the Act to perform billing for its competitors and it would provide a competitive advantage to Alltel by allowing it to transfer the cost of performing billing to Venture. Accordingly, each party should be responsible for its own billing and collection functions.
- 43. Venture's proposed language at Section 7.3 would require Alltel, if it elects to utilize a Transiting Carrier, to be responsible for any charges associated with obtaining billing records from the transiting carrier and to provide said billing records to Venture. These records are necessary to ensure that Venture can correctly assess

reciprocal compensation to Alltel for call termination when Alltel elects to use a Transiting Carrier. Moreover, it is in accordance with SDCL 49-31-110 and SDCL 49-31-111. It is not clear to Venture why Alltel opposes this language.

- 44. As stated above, each Party should be responsible for paying for their own costs associated with billing. If Alltel elects to utilize a Transiting Carrier, it will need to obtain records from that Carrier to perform billing. Further, to support its bill to Venture, Alltel should be required to provide the records on which it relies. Alltel's objection to this language is simply another attempt to shift the cost of billing to Venture.
- 45. Section 7.8, Reciprocal Compensation. Alltel proposes to be able to use a Reciprocal Compensation Credit billing method. Venture opposes this request for the reasons stated in paragraph 42.
- 46. Issue 15: Section 17, Regulatory Approval. The Parties agree to this section except that Alltel proposes to add language requiring the Parties to "covenant and agree" to fully support approval of the Agreement to the Commission. Because Venture disputes a number of the provisions in the Agreement and wishes to preserve all of its legal options in connection with any Commission action on this Agreement, Venture opposes this language. Venture contends that the Commission should not require Venture to forego any of its legal rights in connection with this arbitration.
- 47. Issue 16: Attachment A, Rates and Factors. Venture's proposed reciprocal compensation rate is \$0.049133. Venture developed the proposed reciprocal compensation rates for transport and termination of Alltel-originated calls based upon the results of a FLEC study that was conducted by Venture's consultant, Vantage Point Solutions, pursuant to Section 252(d)(2) of the Act (47 U.S.C. §252(d)(2)) and Section

- 51.505 of the FCC's rules (47 CFR §§51.505). Venture proposes that compensation for Telecommunications Traffic should not be symmetrical (see Paragraph 38), and Venture does not know what rates Alltel proposes.
- 48. Venture proposes a Traffic Factor of 30% Land to Mobile and 70% Mobile to Land, and a shared facility factor of 30% Land to Mobile and 70% Mobile to Land. Venture does not know the factors Alltel proposes.
- The Reciprocal Compensation Credit Factor. Venture opposes the use of a Reciprocal Compensation Credit Factor as discussed in paragraph 42.
- 50. The proposed InterMTA Factor is 9%. The proposed interstate portion of the InterMTA factor is 13.8% of the InterMTA traffic. Venture developed these proposed factors based on a traffic study performed by its consultant, Vantage Point Solutions, using Alltel CDR data from the period of October 1-15, 2004. This data represents the best available information from which the InterMTA factor can be determined. Venture does not know what factors Alltel proposes.
- 51. Pursuant to Commission Rule 20:10:32:29(4), a copy of the proposed Agreement that includes the issues resolved by the Parties is attached hereto at Exhibit 1.
- 52. Pursuant to Commission Rule 20:10:32:29(5), there are no unresolved issues that are not being submitted to the Commission for arbitration.
- 53. Pursuant to Commission Rule 20:10:32:29(6), the contract language proposed by Venture and Alltel (where known) is reflected in Exhibit 1.
- 54. Pursuant to Commission Rule 20:10:32:29(7), the documentation in Venture's possession or control that is relevant to this arbitration proceeding consists of the letter from Alltel to Venture requesting interconnection and the subsequent letter

agreements extending the negotiation period (Exhibit 2); the Interconnection and Reciprocal Compensation Agreement (Exhibit 1); the reciprocal compensation FLEC study (Exhibit 3); the traffic study (Exhibit 4); and a series of electronic mail messages exchanged between the Parties, which have not been provided.

Request for Relief

WHEREFORE, Venture respectfully requests that the Commission grant the following relief:

- 1. Order arbitration of the unresolved issues identified in this Petition between Venture and Alltel;
- 2. Issue an order directing Venture and Alltel to submit to the Commission for approval an interconnection agreement reflecting: (i) the agreed upon language in Exhibit 1 and (ii) the resolution in this arbitration proceeding of the unresolved issues in accordance with the recommendations made by Venture herein, at the hearing on such issues, and in Exhibit 1;
- 3. Order the Parties to pay interim compensation for transport and termination of telecommunications traffic from January 1, 2006 (the Effective Date set forth in Exhibit 1) to the date on which the Commission approves the Parties' executed Agreement in accordance with Section 252(e) of the Act;
- 4. Retain jurisdiction of this arbitration until the Parties have submitted an executed interconnection agreement for approval by the Commission; and
 - 5. Take such other and further action as it deems necessary and appropriate.

 Dated this 14th day of September, 2006.

Riter, Rogers, Wattier & Brown, L. L. P. Attorneys at Law

Darla Pollman Rogers

319 S. Coteau

P. O. Box 280

Pierre, SD 57501

Tel: 605-224-5825

Fax. 605-224-7102

and

Blooston, Mordkofsky, Dickens, Duffy & Pendergast

Ben H. Dickens, Jr.

Mary J. Sisak

2120 L St., NW Suite 300

Washington, D.C. 20037

Tel. 202-659-0830

Fax. 202-828-5568

Attorneys for Venture Communications Cooperative, Inc.