
BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE PETITION OF
VENTURE COMMUNICATIONS
COOPERATIVE FOR SUSPENSION OR
MODIFICATION OF LOCAL DIALING
PARITY AND RECIPROCAL
COMPENSATION OBLIGATIONS

TC06-181

Additional Testimony of Randy Houdek

On Behalf of Venture Communications Cooperative

September 25, 2007

1 **Q1. What is your name and address?**

2 A. My name is Randy Houdek. My business address is 218 Commercial Street, Highmore,
3 South Dakota 57345-0157.

4 **Q2. By whom are you employed and in what capacity?**

5 A. I am the General Manager of Venture Communications Cooperative (“Venture”).

6 **Q3. On whose behalf are you testifying?**

7 A. I am testifying on behalf of Venture.

8 **Q4. What is the purpose of your testimony?**

9 A. Alltel amended its response in the arbitration docket, TC06-159, and therein states that
10 Alltel will establish two direct points of interconnection (“POIs”) within the Venture
11 network, one in the Central Region and one in the Northwest Region. As a result of that
12 amendment, Larry Thompson has amended his original cost exhibits. The purpose of my
13 testimony is to address the economic impact of the revised costs resulting from Alltel’s
14 amended arbitration response on Venture and its subscribers.

15 **Q5. In your Rebuttal Testimony previously submitted in this docket, you testified that a**
16 **financial impact in a minimum amount of \$1.54 per line, per month, as**
17 **demonstrated by Mr. Thompson’s cost exhibits, “would have a significant adverse**
18 **economic impact on our subscribers” and that the “increase in cost and loss of**
19 **revenue also would impose an unduly economically burdensome requirement on**
20 **Venture.” (Rebuttal Testimony, page 3, lines 17-21). In Mr. Thompson’s Response**
21 **Testimony submitted September 25, 2007, Mr. Thompson states, “for Scenario 1,**
22 **the financial impact to Venture due to jurisdictional costs shifts would decrease**

1 **from \$0.68 per access line per month to \$0.60.” Does this change your previous**
2 **testimony?**

3 A. No. A minimum increase in costs of \$0.60 per line per month would still have a
4 significant adverse economic impact on our subscribers. As I already noted, this is
5 particularly true of our elderly subscribers for whom any added charge is a burden.

6 The increase in cost described in Mr. Thompson’s revised cost exhibits and in his
7 testimony also would impose an unduly economically burdensome requirement on
8 Venture. Any increase in costs and loss of revenue curtails Venture’s ability to invest in
9 its network, which results in Venture subscribers being served by a substandard network.
10 Not only is this bad for Venture’s customers, it is ultimately bad for Venture, if our
11 customers abandon our service.

12 **Q6. Do the other reasons you gave in your rebuttal testimony that the cost increases and**
13 **revenue losses result in a significant adverse economic impact on your subscribers**
14 **and impose an unduly economically burdensome requirement on Venture still**
15 **apply, even with Mr. Thompson’s amended cost projections?**

16 A. Yes. The reasons are still applicable.

17 **Q7. Does this conclude your testimony?**

18 A. Yes. However, I wish to reserve the opportunity to amend this testimony in the future, if
19 necessary.