BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE COMPLAINT OF KENNEBEC TELEPHONE COMPANY, INC. AGAINST ALLTEL COMMUNICATIONS, INC. FOR NONPAYMENT OF TRANSITING CHARGES

CT08-031

AFFIDAVIT OF ROD BOWAR

STATE OF SOUTH DAKOTA)
	: SS
COUNTY OF LYMAN)

COMES NOW Rod Bowar, after first being duly sworn, and deposes and states as follows:

- 1. I am the President and General Manager of Kennebec Telephone Company, Inc. ("Kennebec Telephone") and have held that position at all times relevant herein.
- 2. I am familiar with the terms of the interconnection agreement that Kennebec Telephone entered into with WWC License n/k/a Alltel Communications, Inc. which became effective on January 1, 1999 (the "1999 Agreement").
- 3. The 1999 Agreement provided that transit service would be provided at an agreed upon per minute rate of \$.0005 per mile. <u>Id.</u>
- 4. Under the 1999 Agreement, Kennebec Telephone provided Alltel with transiting service from Kennebec's central office in Presho, South Dakota, to a meet point with Golden West Telecommunications Cooperative, Inc. along the White River.
- 5. The 1999 Agreement was later terminated and Kennebec Telephone entered into a new interconnection agreement with Alltel. This interconnection agreement had an effective date of January 1, 2003 (the "2003 Agreement"). I was and am familiar with the terms of the 2003 Agreement and the services provided under it.
- 6. The 2003 Agreement did not discuss transiting service nor was it intended to do so.
- 7. In the spring of 2004, Kennebec Telephone asked its consultant, Consortia Consulting, Inc. to engage in negotiations with Alltel for the development of an agreement to specifically address transiting. The negotiations occurred between Darrell Gomarko of Consortia Consulting and Ron Williams of Alltel.
- 8. During the negotiations, Kennebec Telephone continued to provide Alltel with transiting service as described in Paragraph 4 above. Kennebec Telephone also

continued to invoice Alltel on a monthly basis for the fees associated with transiting its traffic. The rate remained identical to that set forth in the 1999 Agreement. Alltel continued to pay the amounts invoiced to it.

- 9. Alltel has a direct connection available to it for the traffic that Kennebec Telephone has transited, but Alltel has not utilized this connection.
- 10. In April 2007, Alltel stopped making payments on the amounts billed to it for transiting. Despite demands made by Kennebec Telephone for payment, Alltel has refused to make payment of the amounts billed in those invoices.
- 11. To date and despite demand, Alltel has not paid any of the amounts due for transiting. The total amount currently owed to Kennebec Telephone is \$266,491.26. See attached hereto as Exhibit A, a true and correct copy of a spreadsheet prepared by Kennebec Telephone Company, which details those amounts owed by Alltel for the relevant time period of this dispute.
- 12. The amounts owed to Kennebec Telephone by Alltel are significant. Alltel cannot be allowed to continue its pattern of failure to pay on this matter as it results in significant prejudice to Kennebec Telephone, which is providing a service to Alltel which Alltel is currently using free of charge.

Further you Affiant sayeth naught.

Dated this 5th day of May, 2009.

Rod Bowar

Subscribed and sworn to before me this 5 day of May, 2009.

Notary Public South Dakota

My commission expires: 11-4-13

EXHIBIT A

Wireless and Special Circuits Accounts Receivable				
1	oice Date		nvoice Amount	Total
Alltel Communications	3/1/2006	623.27		623.27
	4/1/2006	1,062.33		1,062.33
	5/1/2006	2,050.90		2,050.90
	6/1/2006	2,129.45		2,129.45
	7/1/2006	1,941.03		1,941.03
	8/1/2006	1,977.71		1,977.71
	10/1/2006	4,119.84		4,119.84
	1/1/2007	714.94		714.94
	2/1/2007	383.51		383.51
	3/1/2007	702.11		702.11
	4/1/2007		10,363.22	10,363.22
	5/1/2007		11,238.12	11,238.12
	7/1/2007		12,544.29	12,544.29
	8/1/2007		10,301.60	10,301.60
	9/1/2007		11,706.38	11,706.38
	10/1/2007		11,307.94	11,307.94
	11/1/2007		10,808.63	10,808.63
	12/1/2007		12,275.80	12,275.80
	1/1/2008		10,848.46	10,848.46
	2/1/2008		12,607.11	12,607.11
	3/1/2008		12,172.16	12,172.16
	4/1/2008		11,725.24	11,725.24
	5/1/2008		8,048.44	8,048.44
	6/1/2008		11,350.80	11,350.80
	7/1/2008		10,663.54	10,663.54
	8/1/2008		10,608.87	10,608.87
	9/1/2008		10,514.62	10,514.62
	10/1/2008		9,852.93	9,852.93
	11/1/2008		11,111.22	11,111.22
	12/1/2008		10,942.97	10,942.97
	1/1/2009		10,197.31	10,197.31
	2/1/2009		12,053.72	12,053.72
	3/1/2009		11,265.45	11,265.45
	4/1/2009		10,181.88	10,181.88
Total Due from Alltel				280,395.79
Less pre Dec 2006				(13,904.53)
Jan 07- Dec 08 amount Du	e			266,491.26

<u>-</u>