

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE COMPLAINT OF VENTURE COMMUNICATIONS
COOPERATIVE AGAINST AT&T MOBILITY

SD PUC DOCKET CT20-001

PRE-FILED DIRECT TESTIMONY OF RANDY HOUDEK
ON BEHALF OF VENTURE COMMUNICATIONS COOPERATIVE

September 22, 2020



1 **Q. Please state your name, employer and business address for the record.**

2 A. My name is Randy Houdek and I am the General Manager/CEO of Venture Communications
3 Cooperative. My business address is PO Box 157, Highmore, SD 57345.

4 **Q. Briefly describe your experience with Venture.**

5 A. I have worked in the telecommunications industry for 34 years, and I have served as General
6 Manager for Venture for the last 23 years. In addition to my work for Venture, I have served
7 on numerous state and national boards and committees related to the telecommunications
8 industry, including service on the Local Exchange Carriers Association (“LECA”) and the
9 National Exchange Carrier Association (“NECA”) Boards.

10 **Q. What is the purpose of your direct testimony?**

11 A. The purpose of my direct testimony is to support the amount of damages Venture has
12 suffered as a result of AT&T Mobility’s refusal to pay bills submitted by Venture to AT&T
13 Mobility for local interconnection facilities.

14 **Q. Are you familiar with Venture’s Complaint against AT&T Mobility, Docket CT20-001?**

15 A. Yes, I am familiar with the Complaint.

16 **Q: In the Complaint, is Venture claiming that AT&T Mobility owes Venture money?**

17 A: Yes.

18 **Q. To support that claim did you review bills Venture submitted to AT&T Mobility for
19 local interconnection facilities, and also AT&T Mobility’s payment history of said
20 billings?**

21 A. Yes.

22 **Q. Can you share what you discovered in your review?**

23 A. In 2012 AT&T Mobility ordered, via Access Service Requests (“ASRs”), 3 local trunk
24 groups, each having 24 trunks for a total of 72 trunks into Venture’s network. In 2017
25 AT&T Mobility ordered 3 more local trunk groups, with 24 trunks each, adding 72 more
26 trunks and bringing their total to 6 trunk groups and 144 trunks. Eventually, AT&T Mobility
27 disconnected 2 of the 3 trunk groups (48 trunks) ordered in 2012. The remaining 4 trunk
28 groups and 96 trunks are being disputed by AT&T Mobility. Venture billed AT&T Mobility
29 for the interconnection facilities in accordance with its local price list. AT&T paid the
30 invoices for the circuits since they were implemented until 2019.

31 **Q. When did AT&T Mobility, through its agent TEOCO, dispute Venture’s bills for the**
32 **four circuits AT&T Mobility ordered from Venture to interconnect with Venture’s**
33 **local switches?**

34 A. The dispute began in 2016 and AT&T Mobility began to “short pay” in 2019.

35 **Q. Did Venture deny the disputes?**

36 A. Yes, repeatedly.

37 **Q. Ultimately, what action did AT&T Mobility take?**

38 A. Short paid and no pay.

39 **Q. Did AT&T Mobility continue to order, through ASRs, the local interconnection**
40 **facilities for which it is refusing to pay?**

41 A. 72 of the 96 trunks are still active.

42 **Q. Did Venture demand payment from AT&T Mobility or TEOCO?**

43 A. Yes

44 **Q. What was the response?**

45 A. Continued short payment.

46 **Q. What did Venture do?**

47 A. Ultimately, when it became clear that AT&T Mobility would not make payment, we filed a
48 complaint with the South Dakota Public Utilities Commission.

49 **Q. At the time Venture filed the Complaint in this docket, how much did AT&T Mobility**
50 **owe Venture for the three circuits it continues to order?**

51 A. Through the February 2020 bill, AT&T Mobility owed Venture \$76,402.06.

52 **Q. Does the amount of damages Venture is sustaining continue to grow?**

53 A. Yes.

54 **Q. What is the current outstanding amount AT&T Mobility owes Venture for the local**
55 **interconnection facilities?**

56 A: \$101,628, plus applicable interest.

57 **Q. You noted earlier in your testimony that Venture's bills for the local interconnection**
58 **facilities are based on a local price list. Can you explain why Venture's bills are based**
59 **on this document?**

60 A. Yes. As Mr. Jandreau's testimony explains, the interconnection trunks provided by Venture
61 to AT&T Mobility are used to provide for local interconnection in a way that facilitates local
62 calling (as opposed to "1+" toll calling) when Venture's customers are calling AT&T
63 Mobility's customers. These facilities are called DS0 trunks and are not offered in either of
64 the LECA or NECA access tariffs, in which Venture participates for offering non-local (i.e.,
65 access) service to interexchange carriers. Rather, they are governed by the interconnection
66 agreement between Venture and AT&T Mobility, the purpose of which is, at its heart, to
67 exchange local calls between Venture's local customers and AT&T Mobility's wireless
68 customers. As Mr. Jandreau also explains, AT&T Mobility has ordered these local facilities

69 in several Access Service Requests (“ASRs”) and Venture has fulfilled the orders from the
70 relevant document – its Local Pricing Catalog.

71 **Q. Could you please explain the nature of the local pricing catalog?**

72 A. Yes. The catalog governs pricing and availability for local exchange services. Its proper
73 name is the Venture Communications Cooperative, Inc. Telephone Tariff. The particular
74 local service at issue here appears under the heading GENERAL EXCHANGE SERVICE,
75 section H TRUNK, subsection 2d, which contains the rate for ‘Mobile Cellular Digital
76 Trunks’ service (Part V, Original Sheet 8).

77 **Q. Could you discuss the authority for pricing from this document?**

78 A. Yes. On April 4, 2004, this Commission approved the Reciprocal Interconnection
79 Agreement and Termination Agreement (“ICA”) between Venture and AT&T Mobility’s
80 predecessor. Section 5.0 of Appendix A to the ICA specifically states the Venture “. . . tariff
81 or pricing catalog . . .” as a source of pricing for these interconnection facilities. This local
82 tariff or “pricing catalog” as we term it at Venture is not regulated by the Commission, which
83 is common across the state of South Dakota, including for its largest local exchange carrier,
84 CenturyLink. I am sure that AT&T Mobility understands this as some of its ILEC affiliates
85 also have rates that are unregulated by utility commissions.

86 **Q. Does Venture use its local price list to bill all carriers for local, non-access services and
87 facilities?**

88 A. Yes.

89 **Q. Does the price list address disputes and a procedure for resolving disputes?**

90 A. No

91 **Q. Does the price list authorize a disputing party to stop paying for the services or facilities**
92 **it orders?**

93 A. No.

94 **Q. AT&T Mobility filed a Counterclaim against Venture, as part of its Answer to the**
95 **Complaint. In its Counterclaim, AT&T Mobility claims Venture owes AT&T Mobility**
96 **money. Do you agree with that contention?**

97 A. No

98 **Q. Why do you disagree with AT&T Mobility's claim?**

99 A. AT& T Mobility order a product, we delivered that product. The fact that AT&T Mobility
100 does not want to pay for a service does not remove their obligation to pay for it.

101 **Q. Does this conclude your testimony?**

102 A. Yes