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May 30, 2006

**VIA EMAIL TO:** [Patty.VanGerpen@state.sd.us](mailto:Patty.VanGerpen@state.sd.us)  
**FEDERAL EXPRESS NEXT DAY DELIVERY**

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

RE: Alltel Communications and its wholly owned subsidiary WWC License, LLC –  
Arbitration consolidation  
SDPUC Docket File Numbers TC 06-036 thru TC 06-042

Dear Ms. Van Gerpen:

Enclosed for filing in the above matter, please find the original and ten copies of WWC's Response to the Petitions for Arbitration:

1. Armour Independent Telephone Company;
2. Bridgewater-Canistota Independent Telephone Company;
3. Golden West Telecommunications Cooperative, Inc.;
4. Kadoka Telephone Company;
5. Sioux Valley Telephone Company;
6. Union Telephone Company of Hartford; and
7. Vivian Telephone Company.

Because these matters have been consolidated, WWC is providing one response addressing all the petitions. These documents have been sent you to via electronic mail in PDF form as well as by Federal Express Overnight Delivery.

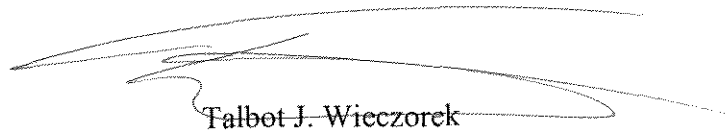
WWC is in the process of having Stephen Rowell admitted Pro Hac Vice and will file a copy of the Circuit Court's Order with the Commission once it has been signed by the Circuit Court.

GUNDERSON, PALMER, GOODSSELL & NELSON, LLP

Patty Van Gerpen  
May 30, 2006  
Page 2

If you have any questions, please call me.

Sincerely,



Talbot J. Wiczorek

TJW:klw

Enclosures

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Clients

**STATE OF SOUTH DAKOTA**  
**PUBLIC UTILITIES COMMISSION**

Petition of Armour Independent Telephone Company of	)	Docket Nos.
Hartford, Bridgewater-Canistota Telephone Company	)	
of Hartford, Golden West Telecommunications	)	TC06-036
Cooperative, Inc., Kadoka Telephone Company, Sioux	)	TC06-037
Valley Telephone Company, Union Telephone	)	TC06-038
Company of Hartford, and Vivian Telephone Company	)	TC06-039
of Hartford (Collectively the "Golden West	)	TC06-040
Companies") for arbitration to resolve issues relating to	)	TC06-041
interconnection agreements with WWC License L.L.C.	)	TC06-042
	)	

**RESPONSE OF WWC LICENSE L.L.C. TO PETITIONS FOR ARBITRATION  
OF THE GOLDEN WEST COMPANIES**

WWC License L.L.C. ("Alltel") hereby files this Response to the Petitions of the Golden West Companies for resolution of issues relating to negotiation of an interconnection agreement under the terms of the Telecommunications Act of 1996.

1. On May 3, 2006, seven local exchange carriers ("Golden West Companies") filed Petitions with the South Dakota Public Utilities Commission ("Commission") to arbitrate unresolved issues (the Petitions) after very limited communications between the parties with respect to an interconnection agreement between these companies and Alltel pursuant to Section 252 of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) (codified at 47 U.S.C. § 151 *et seq.*) ("Act"). Statements in the Petitions not expressly admitted herein are denied.

2. Alltel is a commercial mobile radio service ("CMRS") provider serving South Dakota. Alltel holds licenses to provide cellular telecommunications service in SD1, SD2, SD3,

SD4, SD5, SD6, SD7, SD8, and SD9 Rural Service Areas ("RSAs") as well as the Rapid City and Sioux Falls Metropolitan Service Areas ("MSAs") within the state of South Dakota.

3. Alltel is filing this Response to the Golden West Companies' Petition pursuant to 47 U.S.C. § 252(b)(3). In this Response, Alltel will clarify its position on the issues identified by the Petitions and identify additional open issues not included in the Petitions.

### **JURISDICTION**

4. Alltel agrees that the Commission has jurisdiction to consider petitions for arbitration pursuant to the Act, to resolve disputed issues related to arbitration, and to approve interconnection agreements between Alltel and each Golden West Company in accordance with 47 U.S.C. § 252(c).<sup>1</sup> Under the Act, the Commission is a deputized federal regulator in accordance with the role and the standards identified by Congress and the FCC. *Pacific Bell v. Pac West Telecom, Inc.*, 325 F.3d 1114, 1126 fn.10 (9th Cir. 2003). The Commission's authority is and must be carried out in accordance with the Act and the FCC rules adopted pursuant to the Act.

5. The Act and the Federal Communications Commission's ("FCC") rules impose interconnection and compensation obligations on local exchange carriers ("LECs") and CMRS providers, and establish standards to apply to interconnection arbitration proceedings. Among others, the following sections of the Act and FCC rules govern interconnection arrangements between the Golden West Companies and Alltel:

- Section 251(a) of the Act requires all telecommunications carriers, including both CMRS carriers and local exchange companies, "to interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers."

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<sup>1</sup> As discussed below, Alltel does not agree that in this instance the Commission has authority to award compensation prior to the effective date of any interconnection agreement ultimately approved.

- Section 251(b)(5) of the Act imposes on all local exchange companies the "duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications."
- Section 252(d)(2)(A) of the Act provides that "for the purposes of compliance by incumbent local exchange carriers with section 251(b)(5), a State commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless (i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier, and (ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls."
- FCC Rule 20.11(a) provides that "a local exchange carrier must provide the type of interconnection reasonably requested by a mobile service licensee or carrier, within a reasonable time after the request, unless such interconnection is not technically feasible or economically reasonable."
- FCC Rule 20.11(b)(1) requires that "a local exchange carrier shall pay reasonable compensation to a commercial mobile radio service provider in connection with terminating traffic that originates on facilities of the local exchange carrier."
- FCC Rule 51.701(e) defines the reciprocal compensation required by the Act to mean an arrangement "in which each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network facilities of telecommunications traffic that originates on the network facilities of the other carrier."
- FCC Rule 51.701(b) imposes reciprocal compensation obligations on "telecommunications traffic between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in § 24.202(a) of this chapter."
- FCC Rule 51.703(a) states that "each LEC shall establish reciprocal compensation arrangements for transport and termination of telecommunications traffic with any requesting telecommunications carrier."
- FCC Rule 51.703(b) provides that "a LEC may not assess charges on any other telecommunications carrier for telecommunications traffic that originates on the LEC's network."
- The FCC has forbidden the imposition of access charges as compensation for the transport and termination of telecommunications traffic subject to reciprocal compensation: "We reiterate that traffic between an incumbent LEC and a CMRS network that originates and terminates within the same MTA (defined based on the parties' locations at the beginning of the call) is subject to transport and termination rates under section 251(b)(5), rather than interstate or intrastate access

charges." *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket 96-98, First Report and Order, FCC 96-325, 11 FCC 15499, ¶ 1043 (1996) ("*First Report and Order*").

- FCC Rule 51.711(a) provides:

Rates for transport and termination of telecommunications traffic shall be symmetrical, except as provided in paragraphs (b) and (c) of this section.

(1) For purposes of this subpart, symmetrical rates are rates that a carrier other than an incumbent LEC assesses upon an incumbent LEC for transport and termination of telecommunications traffic equal to those that the incumbent LEC assesses upon the other carrier for the same services.

- FCC Rule 51.207 provides:

A LEC shall permit telephone exchange service customers within a local calling area to dial the same number of digits to make a local telephone call notwithstanding the identity of the customer's or the called party's telecommunications service provider.

#### **SUMMARY OF THE NEGOTIATION HISTORY**

6. Alltel provided bona fide requests for negotiation of interconnection arrangements with each of the Petitioners on October 21, 2005. Only limited communications occurred between the parties related to a future interconnection agreement. Subsequently, Alltel made several requests to the Petitioners to engage in direct negotiations and in February 2006, Alltel was contacted by Dan Davis, who identified himself as a consultant to the Golden West companies for the purpose of negotiating an interconnection agreement with Alltel. During March 2006 Alltel and Petitioners exchanged limited communications with respect to certain interconnection issues. No response was received by Alltel with respect to its proposals and positions on certain key interconnection issues.

7. Alltel does not concur in the Petitioners' statement that "negotiations proceeded based upon the understanding that a form of interconnection agreement with terms common to

Telco and its affiliated local exchange companies would be utilized to govern interconnection and reciprocal compensation between the Golden West Companies and WWC, except that each agreement between a specific Golden West Company and WWC would contain individual rates and specific provisions to address circumstances unique to such company.” A separate and specific agreement may not be warranted because the Golden West Companies are largely operated as a single telecommunications network with little or no unique physical interconnect circumstances.

8. Prior to December 31, 2005, all but one of the Petitioners<sup>2</sup> and Alltel have exchanged traffic under the terms of interconnection agreements which were effective for the period from January 1, 2003 to December 31, 2005.

9. The Petitioners attached an interconnection agreement template to their Petitions and represent it approximates the status of negotiations between the parties. This is simply not the case. Attachment A to the Petitions is not representative of final terms between the parties or even agreement among the Parties that it is the form of interconnection agreement from which to negotiate. The parties’ limited communications simply did not proceed to the point of identifying specific agreed language. Attachment A appears to be the parties’ prior interconnection agreement with modifications to reflect, among others, Petitioners’ position on the three issues identified by them in the Petition as unresolved. During the limited communications between the parties and in response to Petitioners apparent suggestion that the former agreement be the basis of a future agreement, Alltel responded and identified a number of issues with respect to many of the terms and conditions of the prior interconnection agreement between the parties and indicated it desired to include additional terms and conditions in a new

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<sup>2</sup> Kadoka Telephone never executed nor filed a negotiated interconnection agreement with WWC License L.L.C. A previous agreement did exist between Kadoka and WWC, but that agreement was terminated December 31, 2002.

agreement. Although the limited communications between the parties did not advance to a mutual or reciprocal exchange of suggested draft agreements or negotiation of language, attached to this response as Exhibit 1 is Alltel's proposed interconnection agreement (the "Alltel Proposed Agreement"). The Alltel Proposed Agreement reflects, among others, its proposed language with respect to the issues which Alltel identified during the limited communications between the parties. To the extent the Alltel Proposed Agreement differs from the Petitioners' proposed agreement, Alltel is not in agreement with Petitioners' proposed agreement. As the Petition and the above illustrate, due to the lack of negotiation between the parties, this arbitration is premature and the identification of issues for arbitration may be incomplete or poorly defined.

**ARBITRATION ISSUES RAISED BY THE GOLDEN WEST COMPANIES**

10. The three unresolved issues identified by the Petition, while too narrow in scope as characterized by Petitioners, are generally consistent with how Alltel would categorize certain aspects of those disputed issues. The following further clarifies the three issues raised by the Petitioners and the later sections of this Response identifies other issues upon which agreement has not been reached:

**Issue 1: Are the Golden West Companies' proposed reciprocal compensation rates appropriate pursuant to 47 U.S.C. § 252(d)(2)?**

11. No. Alltel's position is that the compensation between the parties should be bill and keep as discussed below, and in the event it is necessary for the parties to bill a reciprocal compensation rate, which Alltel believes they are not, then the Petitioners' proposed reciprocal compensation rates are not appropriate and not compliant with applicable law. Rates for the transport and termination of telecommunications traffic must be set based on: 1) the forward



looking costs of transport and termination on the ILEC's network (or in certain instances, asymmetric rates based on each party's costs) or 2) bill-and-keep.<sup>3</sup>

12. FCC regulations specify that a bill and keep arrangement is the appropriate method of reciprocal compensation in certain instances. For example, one such instance is the FCC determination that bill and keep is appropriate with respect to all Section 251(b)(5) traffic to the extent that a local exchange carrier is not billed or does not pay, has a bill and keep relationship, with respect to internet service provider ("ISP") traffic that originates on its network. The FCC requires parity for 251(b)(5) traffic and therefore, in the event Petitioners are using bill and keep or paying a rate lower than its offered reciprocal compensation rates with respect to its originated ISP traffic then it is also necessary to use bill and keep or the lower ISP termination rate paid by Petitioners with respect to all 251(b)(5) traffic, including Alltel CMRS traffic, terminated by Petitioners when they bill the originating carrier.

13. In the event the bill and keep or ISP rate parity requirements are not required (which must be proven by Petitioners) and it is necessary to determine a reciprocal compensation rate, then FCC rules require that an incumbent LEC "must prove to the state commission that the rates [for call termination] do not exceed the forward-looking economic cost per unit of providing [call termination] using a cost study that complies with the [FCC's TELRIC] methodology."<sup>4</sup> The applicable statutes and rules require that a LEC's transport and termination rate be reciprocal and symmetrical.<sup>5</sup> Section 252(d)(2)(A) of the Act provides that:

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<sup>3</sup> 47 C.F.R. § 51.705

<sup>4</sup> 47 C.F.R. § 51.505(e)

<sup>5</sup> 47 C.F.R. § 51.711

for the purposes of compliance by incumbent local exchange carriers with section 251(b)(5), a State commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless (i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier, and (ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls. (emphasis added).

14. The Petitioners did not provide Alltel cost study information with respect to Petitioners' proposed rates until April 24, 2006, literally days prior to the filing of the Petitions. Alltel has not had the opportunity for a thorough review of the individual Golden West Companies' latest cost studies. Therefore, a detailed assessment and response with respect to the Petitioners' proposed rates is not possible. However, even cursory review of the latest proposed rates by Petitioners, reveals that they substantially exceed the cost justifications presented in an arbitration conducted in 2002/2003.<sup>6</sup> In that arbitration, Alltel, after review of cost data provided by the Petitioners, determined that the following reciprocal compensation rates, at most, were appropriate:

<u>Petitioner</u>	<u>Rate</u>
Armour Independent Telephone Company	\$.002805
Bridgewater-Canistota Telephone Company	\$.007668
Golden West Telecommunications Cooperative	\$.002142
Kadoka Telephone Company	\$.000865
Sioux Valley Telephone Company	\$.002574
Union Telephone Company	\$.002047
Vivian Telephone Company	\$.002510

Alltel's earlier assessments are more closely representative of appropriately calculated forward looking rates than those derived from the Petitioners' recently provided cost studies.

15. It is clear that the rates now proposed by the Petitioners cannot be justified under a forward-looking methodology. Petitioners are proposing higher forward looking costs in this proceeding than were put forth in Petitioners' testimony in an arbitration more than three years

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<sup>6</sup> See docket TC 02-176

ago and are seeking reciprocal compensation rates that exceed those which they voluntarily negotiated more than three years ago. Petitioners have not satisfied their burden to prove that the costs put forth in their petition comply fully with the FCC rules imposed on ILEC transport and termination costs.

16. Alltel also has the option under FCC rules of billing a reciprocal rate based on the local exchange carriers' rates, or of proving its own forward-looking rates.<sup>7</sup> Alltel is evaluating whether to propose its own rates and, because the Parties did not conduct meaningful negotiations prior to the initiation of this arbitration, Alltel has and reserves the right to produce those in this matter.

17. Section 6 of the Alltel Proposed Agreement reflects proposed language which implements bill and keep as the compensation mechanism for exchange of 251(b)(5) traffic and, . will propose rates in this proceeding upon completion of its review and preparation of costs studies that alternatively would be applicable.

**Issue 2: What is the appropriate interMTA use factor to be applied to interMTA traffic exchanged between the Parties?**

18. The Golden West Companies propose the parties use a factor developed based on an interMTA study that utilized limited October 2005 traffic data, was acknowledged to be flawed and examined only interMTA traffic sent from Alltel's network to each of the Petitioners' networks. Petitioners' proposed factor is not appropriate. Additionally, if an equivalent amount of interMTA traffic is sent from Petitioners' networks to Alltel's network, the appropriate net interMTA traffic factor should be zero. Further, the agreement should provide that Alltel be paid compensation for the termination of interMTA traffic originated by Petitioners. Petitioners

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<sup>7</sup> 47 C.F.R. § 51.711.

utilize Alltel's network to terminate traffic for their customers to Alltel customers and, therefore, Petitioners receive a service from Alltel. Petitioners should be required to compensate Alltel with respect to their originated interMTA traffic just as Alltel is willing to compensate Petitioners for Alltel's originated interMTA traffic. Like Petitioners, Alltel is entitled to compensation for services rendered. Alltel proposes to utilize Petitioners' interMTA traffic rate or, alternatively, may establish its own rates, but in either case it is clearly due compensation as it is providing a service that is utilized by Petitioners.

19. The Golden West Companies further propose that the rate for non-local traffic be derived from each Petitioner's applicable access tariff for the transport mileage between their end office and the meet point with Alltel plus the local switching element. While Alltel agrees the interstate access tariff rate elements could be appropriate for this rating, the Golden West Companies' intrastate access tariffed rates are not appropriate. Intrastate access rates and tariffs do not comport with federal rules for the derivation of tariffs applicable to traffic under federal jurisdiction, the interMTA traffic is not routinely or easily identified by jurisdiction and the intrastate access rates that are substantially higher than interstate rates, are not cost based and contain implicit subsidies of other services. Regardless of the rate, however, Alltel is entitled to be compensated for the termination of any interMTA traffic that is delivered by the Petitioners and the same rate assessed by Golden West is appropriate. Section 6.2 of the Alltel Proposed Interconnection Agreement reflects Alltel's proposed language.

**Issue 3: What is the appropriate manner by which the minutes of use of intraMTA traffic should be calculated and billed?**

20. The Petitioners' have framed this issue as a broad question, but limited their statement of position on the issue to a relatively narrow component of the broad question. Specifically, the Petitioners' have characterized this issue as how billing usage should be gathered: "Telco proposes that each party measures the Local Traffic minutes of use terminated

by the other party to its network...". Alltel's position is that the interconnection agreement should follow industry standard and allow for a 'net billing' approach or a 'factor billing' method. Agreement language that sets out this method is provided in Section 7.8 of the attached Alltel Proposed Agreement. This method is necessary to support reciprocal compensation billing by Alltel should reciprocal compensation rates rather than bill and keep be appropriate as described above.

#### **ADDITIONAL UNRESOLVED ISSUES RAISED BY ALLTEL**

21. Alltel, pursuant to 47 U.S.C. §252(b)(3) and 4 CSR 240-36.040(7), below identifies additional unresolved issues for arbitration:

**Issue 4: What traffic should be subject to reciprocal compensation in accordance with applicable FCC Rules?**

22. FCC Rule 51.701(b)(2) defines the term "telecommunications traffic" to mean "traffic exchanged between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area."<sup>8</sup> All land-to-mobile and mobile-to-land traffic that originates and terminates in the same Major Trading Area ("MTA") is traffic that will be subject to the provisions of the agreement that imposes either bill and keep or reciprocal compensation rates, depending on the circumstances, as discussed above. Alltel requests that language be adopted in the agreement consistent with this scope of traffic as imposed by federal law.

23. Alltel believes that while the Petitioners agree that mobile-to-land traffic that originates and terminates within the same MTA is subject to the reciprocal compensation provisions, Petitioners take the position that only land-to-mobile traffic that originates and terminates within their landline local exchange calling areas is subject to the reciprocal

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<sup>8</sup> 51 C.F.R. § 701(b)(2).

compensation provisions. In other words, Petitioners assert that switched access rates would be applicable to such traffic and no compensation would be due the CMRS services provider. The Golden West Companies' position is contrary to FCC rules governing reciprocal compensation and recent decisions.

24. Under FCC Rule 51.701(b)(2), the MTA determines what traffic between CMRS providers and LECs is subject to reciprocal compensation. The FCC has reiterated this MTA requirement in its *First Report and Order*: "We reiterate that traffic between an incumbent LEC and a CMRS network that originates and terminates within the same MTA (defined based on the parties' locations at the beginning of the call) is subject to transport and termination rates under section 251(b)(5), rather than interstate or intrastate access charges."<sup>9</sup> The Commission should resolve this issue by ordering that all traffic exchanged between the parties that is originated and terminated within an MTA is subject to reciprocal compensation obligations (either bill and keep, or the lower of the Petitioners' ISP rate or new rates determined in accordance with FCC rules.

25. Section 6.1 of the Alltel Proposed Agreement, attached hereto, includes language that is consistent with this Alltel position. The Commission should determine that reciprocal compensation applies to all intraMTA traffic and order the parties to implement this ruling.

**Issue 5: What should be the effective date of the Interconnection Agreement?**

26. The Golden West Companies propose an effective date for these arbitrated agreements as December 31, 2005. Alltel believes the effective date should be the date of final commission approval of the arbitrated agreement. Neither Alltel or the Golden West Companies requested or is paying interim compensation and neither has sought such as part of the Petition or

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<sup>9</sup> *First Report and Order*, ¶ 1043.

this Response. Interim compensation is governed by FCC rules.<sup>10</sup> In this instance, because a timely request for interim compensation was not made and no interim compensation provided, there is no basis to adopt a final rate and apply it retroactively.

**Issue 6: What is the appropriate term of the Interconnection Agreement?**

27. The Golden West Companies propose a three year term for the interconnection agreements. However, in light of the present significant FCC, federal legislative and industry activities with respect to intercarrier compensation, interconnection methods, and local competition and the likely dramatic changes to the present intercarrier compensation regimes, it is clear that a three year term is too long and limiting. The agreements that will result from this arbitration should be no more than 2 years in duration and contain an appropriate change of law provision to allow either party to modify the agreement to reflect the anticipated dramatic changes.

28. As reflected in the attached Alltel Proposed Agreement, Alltel recommends a two year agreement term with continuing monthly renewal until such time as either party terminates the agreement upon sixty days notice.

**Issue 7: What method of dispute resolution should be incorporated into the interconnection agreement?**

29. Alltel believes the interconnection agreement should be explicit and identify how disputes are to be resolved between the parties. Section 34 of the attached Alltel Proposed Agreement reflects a proposed dispute resolution provision which is intended to provide the parties guidance to resolve disputes without further litigation or arbitration or at least only as a final resort. As the Petitioners did not include any such language, Alltel has assumed the Petitioners oppose such a provision.

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<sup>10</sup> See 47 C.F.R. §51.715

**Issue 8: How should interconnection facilities be priced, and how should charges be shared by the parties?**

30. The Golden West Companies propose interconnection facilities be priced in accordance with their applicable tariff rates based on the nature of the traffic carried on such facilities. If the Golden West Companies tariffed rates for interconnection facilities, those rates should be based on the forward looking cost of the facilities. An ILEC is required to price interconnection facilities for CMRS providers at the lowest rates that are economically reasonable.

31. In spite of this obvious oversight and the premium associated with facilities priced at access rates, Alltel would accept the RLEC Companies' proposed language if the facilities rates are interim and subject to change to forward looking cost based rates in one year. One year should be sufficient time for the RLEC Companies to perform forward looking cost studies to support a rate for interconnection facilities and to establish a tariff based on those rates. This concept is reflected in Section 6.3 of the attached Alltel Proposed Agreement.

32. The Alltel Proposed Agreement also includes language that the recurring or non-recurring costs of any direct facilities between the parties must be shared on pro rata basis consistent with the ratio of terminating traffic between the parties. This proposal is consistent with industry standards. As the Petitioners have not included such a provision in their attached agreement, it is assumed they would oppose sharing of costs based on use.

**Issue 9: Whether Dialing Parity obligations should be specified in the agreement?**

33. Alltel has proposed a provision, Section 5.4, requiring the Golden West Companies to provide Alltel local dialing parity. Dialing parity means that Petitioners are required to allow their end users to call Alltel assigned numbers on the same basis as they are able to call their own numbers. Dialing parity means that the Petitioners' end users are not



required to dial additional digits to reach Alltel end user numbers or to pay additional charges for calls to Alltel telephone numbers as calls to a landline telephone number assigned to the same rate center. For example, traffic exchanged on a Petitioners' EAS route between two wireline end users should be dialed and rated no differently whether the end user is a wireline or wireless customer. As the Petitioners have not included language reflecting this requirement, it is assumed they oppose the provision of dialing parity to Alltel. FCC rules, however, require Petitioners to provide dialing parity. The attached Alltel Proposed Agreement includes language consistent with Alltel's right to dialing parity.

**Issue 10: Whether 'N-1 Carrier' requirements should be specified?**

34. Alltel proposes that language be included in the final interconnection agreement which requires the parties to fulfill their 'N-1 Carrier' routing obligations for traffic terminating to ported numbers on the other party's network. "N-1 Carrier" routing obligations stem from the North American Numbering Council rules adopted as a result of the implementation of local number portability. While the Petitioners have thus far avoided LNP implementation and, therefore, do not have to port their own numbers to other carriers, they have not been relieved of the obligation to properly route their originated traffic to the ported numbers of other carriers. When the Petitioners' customer originates a call to another carrier's ported number, the Petitioner is the N-1 Carrier, and it is necessary for it to dip the LNP data base in order to determine if the called number is ported and to what carrier the call should be delivered. When the N-1 Carrier does not dip the data base itself, it forces the terminating carrier to do the dip in order to receive the call. The terminating carrier then incurs the data base dip charge as well as costs associated with transporting and terminating the call to the appropriate carrier. Section 5.4 of the attached Alltel Proposed Agreement includes language that would require the originating carrier to perform the data base dip for its originated traffic. As the Petitioners have failed to

implement appropriate 'N-1 Carrier' routing obligations and have not proposed language to address this obligation, therefore, it is assumed they oppose the inclusion of such language as proposed by Alltel.

**Issue 11: Recognition of Alltel NPA-NXXs with Separate Rating and Routing Points**

35. Alltel is licensed to provide wireless service in areas that overlap the Petitioners certificated service areas. To best serve customers in South Dakota, Alltel wants to offer consumers access to phone numbers that can be locally dialed by Petitioners' customers. Such an arrangement does not require a direct connection to every exchange in which Alltel wants to provide competitive service. It is inefficient and impractical for Alltel to establish direct connections to all Golden West Company exchanges. To provide the greatest consumer benefit, Alltel plans to obtain numbers that would be rated as local to each Golden West Company end office and establish a "routing point" for those numbers without establishing a direct connection. This would simply require each Golden West Company to program its switch to recognize the calls as local, and to send those calls to Alltel's point of interconnection at a designated tandem switch. By establishing these local numbers, land-to-mobile calls would be efficiently routed, and landline customers would not incur unnecessary toll usage charges. Alltel has included appropriate language in Section 5.4 of the Alltel Proposed Agreement to reflect this requirement. As the Petitioner's did not include such language, it is assumed they do not agree to such.

**Issue 12: Location of the Point of Interconnection (POI) for Direct Connection Facilities**

36. The Golden West Companies proposed that if Alltel maintains existing or establishes a new direct connection, the point of interconnection, or POI, must be at the Golden West Company end office switch even though the Petitioners operate a ubiquitously interconnected network within the single LATA. Alltel has included language in Section 4.2.1 of

the Alltel Proposed Agreement that will allow it to interconnect at any technically feasible point within a Golden West Company's service territory, including the option for a single interconnection point per LATA for all traffic destined to any exchange served by a Golden West Company. Alltel's proposed language is consistent with FCC rules<sup>11</sup> and should be adopted in the final arbitrated agreement. Further, when one of the Petitioners requests direct interconnection with Alltel, Alltel would agree to accept a point of interconnection at a technically feasible point on its network. If this symmetry is not imposed, the Petitioner could circumvent its obligation to interconnect indirectly with Alltel by demanding direct interconnection and then forcing Alltel to establish facilities to a point on the ILEC's network.

**Issue 13: Is Alltel entitled to a tandem compensation rate on all calls that pass through its mobile switching center?**

37. Under the FCC's rules, Alltel is entitled to be paid a tandem interconnection rate on all calls terminated through a switch that covers the same geographic area as an ILEC tandem.<sup>12</sup> Alltel's mobile switching center serving area meets this test. Therefore, to the extent that the Golden West Companies establish a rate element equivalent to tandem compensation, that rate element would be applied, along with other rate elements to all traffic terminated by the Golden West Companies to Alltel's network. Attachment A of the attached Alltel Proposed Agreement includes language to reflect this requirement. As the Petitioners did not include such language in their proposal, it is assumed they oppose this proposal.

**Issue 14: Whether the Petitioners must allow resale of retail services?**

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<sup>11</sup> 47 C.F.R. §51.305(a)(2)

<sup>12</sup> 47 C.F.R. §51.711

38. As incumbent local exchange carriers under the Act, Petitioners are required by Section 251 to allow the resale of their retail services. Alltel has included the Attachment C resale language in the Alltel Proposed Interconnection Agreement. As Petitioners have not included any such language in their proposed agreement, it is assumed they oppose the resale obligation.

**Issue 15: Whether Petitioners should allow Alltel to connect to any selective routers of Petitioner for the purpose of implementation of E911?**

39. Alltel will be required to implement E911 within certain FCC imposed deadlines and as requested by PSAPs. In order to provide enhanced 911 it is necessary to have access to any selective routers of local exchange companies. Alltel has included the Attachment D language in the Alltel Proposed Interconnection Agreement to set forth this requirement. As the petitioners have not included any such language in their proposal, it is assumed they may oppose.

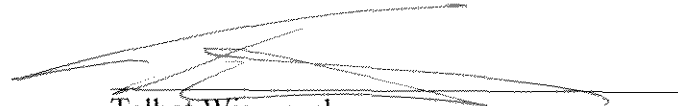
**REQUEST FOR RELIEF**

*Alltel respectfully requests that the Commission:*

1. Arbitrate the unresolved issues between Alltel and the Golden West Companies;
2. At the conclusion of this proceeding, issue an Order approving an Interconnection Agreement between Alltel and each Golden West Company, to be effective upon approval, and reflecting Alltel's position with respect to the unresolved issues as described above; and
3. Issue such other orders as are just and proper.

Respectfully submitted,

Dated: May 30, 2006



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