

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE COMPLAINT OF SOUTH DAKOTA NETWORK, LLC,) DOCKET NUMBER TC 09-098
AGAINST SPRINT COMMUNICATIONS)
COMPANY LP)
IN THE MATTER OF THE THIRD PARTY COMPLAINT OF SPRINT COMMUNICATIONS COMPANY L.P. AGAINST SPLITROCK PROPERTIES, INC., NORTHERN VALLEY COMMUNICATIONS, INC., SANCOM, INC., AND CAPITAL TELEPHONE COMPANY))))))))))))

SPRINT COMMUNICATIONS COMPANY L.P.'s ANSWERS TO SANCOM, INC.'S FIRST INTERROGATORIES

TO: Sancom, Inc. and its lawyers Ross A. Buntrock, David Carter, ARENT FOX LLP, 1050 Connecticut Ave, NW, Washington, DC 20036 and Jeffrey S. Larson, LARSON & NIPE, P.O. Bo 277, Woonsocket, SD.

For its answers and objections to the First Interrogatories of Sancom, Inc. ("Sancom"), Sprint Communications Company L.P. ("Sprint") hereby states as follows:

GENERAL OBJECTIONS

- 1. Sprint objects to the Interrogatories, including the instructions and definitions, to the extent that Sancom purports to impose upon Sprint discovery obligations that are inconsistent with and/or exceed the discovery obligations under the South Dakota Rules of Civil Procedure. Sprint will comply with its discovery obligations under the South Dakota Rules of Civil Procedure.
- 2. Sprint objects to the Interrogatories to the extent that they seek discovery of information that is outside the scope of the referral to the Commission by the United States

District Court for the District of South Dakota, including, but not limited to Sancom's unjust enrichment claim, which was not referred by the District Court.¹

3. Sprint objects to the Interrogatories to the extent they seek discovery of information related to Sancom's unjust enrichment claim in this case, which is the subject of a pending motion to dismiss, and which Sancom previously indicated it would withdraw.

ANSWERS AND SPECIFIC OBJECTIONS

All of the answers set forth below are subject to the foregoing general objections (which are expressly incorporated by reference into each such answer), in addition to any specific objections set forth in particular answers.

<u>INTERROGATORY NO. 1.:</u> State all factual and legal bases upon which You rely to support your claim that Calling Service Providers are not "end users."

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence insofar as the Interrogatory is not limited to Calling Service Providers doing business in the past or currently with Sancom in the state of South Dakota. Sprint further objects to this Interrogatory as premature to the extent that discovery is continuing and facts regarding Sancom's past or current relationship with Calling Service Providers are in the possession, custody, or control of Sancom, Calling Service Providers with whom Sancom does or did business, and/or other third parties. Sprint also objects to this Interrogatory to the extent it seeks any information protected by the attorney-client privilege, joint defense or common interest privilege, and/or the attorney work product doctrine.

¹ Sprint and Sancom have reached an understanding (but which has not yet been finally agreed to) that discovery in this case will encompass matters within the scope of the Federal District Court's referral to the FCC, and Sprint's productions in response to these requests will honor that understanding.

Subject to and without waiving its objections, Sprint states that the information produced by Sancom and Calling Service Providers and developed in discovery—including the contracts, understandings, relationships, payment streams, and course of dealing between Sancom and Calling Service Providers—will show conclusively that Calling Service Providers were not and are not end users of Sancom local exchange service or end users of its access services. Sprint will present its case in its prefiled testimony.

<u>INTERROGATORY NO. 2.:</u> State all factual and legal bases upon which You rely in asserting that Sancom is not entitled to payment from Sprint in accordance with Sancom's tariffed rates for terminating switched access calls from Sprint's customers. To the extent that your analysis varies based on the applicable tariff, set forth your analysis with regard to each relevant tariff.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, Sprint objects to this Interrogatory on the grounds that it is vague, ambiguous, and misleading insofar as it implies (incorrectly) that Sancom terminated or terminates switched access calls to Calling Service Providers. Sprint also objects to this Interrogatory as premature to the extent discovery is continuing and facts regarding Sancom's past or current relationship with Calling Service Providers are in the possession, custody, or control of Sancom, Calling Service Providers with whom Sancom does or did business, and/or other third parties.

Subject to and without waiving its objections, Sprint states that the information produced by Sancom and Calling Service Providers and delivered in discovery—including the contracts, understandings, relationships, payment streams, and course of dealing between Sancom and Calling Service Providers—will show conclusively that tariffed switched access charges were not and are not due under the terms of Sancom's tariffs. Sprint will present its case in its prefiled testimony.

<u>INTERROGATORY NO. 3.:</u> Identify all LECs from whom Sprint has withheld, or is currently withholding, payment of invoiced terminating switched access charges associated with calls made to and/or terminated with Calling Service Providers. For each of these LECs, identify:

- a. the LEC from whom payment was withheld;
- b. the time period during which such payments were withheld;
- c. the amount of switched access charges that have been billed to Sprint but for which Sprint has withheld or otherwise refused payment; and
- d. Sprint's reason(s) therefor.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, harassing and oppressive, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, the Interrogatory is not properly limited to information relating to Sancom's invoices to Sprint for call traffic to Calling Service Providers. Sprint further objects to this Interrogatory on the grounds that it is vague, ambiguous, and misleading insofar as it implies (incorrectly) that Sancom terminated or terminates switched access calls to Calling Service Providers.

INTERROGATORY NO. 4.: Identify all LECs to whom Sprint has paid, or currently does pay, terminating switched access charges associated with calls made to and/or terminated with Calling Service Providers. For each of these LECs, identify:

- a. the LEC to whom payment was made;
- b. the time period during which such payments were made;
- c. whether Sprint made such payments pursuant to one or more tariffs, contracts, settlement agreements, or otherwise; and
- d. whether Sprint has made any objections or taken any action to recoup these payments.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, the Interrogatory is not properly limited to information relating to any payments by Sprint for South Dakota call traffic to Calling Service Providers. Sprint further objects to this Interrogatory insofar as its seeks information that is confidential pursuant to agreements with third parties and

is subject to production only pursuant to court or administrative order or via subpoena. Sprint also objects to this Interrogatory on the grounds that it is vague, ambiguous, and misleading insofar as it implies (incorrectly) that Sancom or other LECs terminated or terminate switched access calls to Calling Service Providers.

Subject to and without waiving its objections, and answering as to the state of South Dakota, Sprint states that it does not knowingly pay terminating access charges to any LECs for pumped traffic without disputing those charges.

<u>INTERROGATORY NO. 5.:</u> State whether You or any affiliate or subsidiary has provided, currently provides, or sought to provide or discussed providing any free calling services similar, when viewed from the perspective of the consumer, to those services offered by the Calling Service Providers (e.g., free conference calls or chat-lines), and, if so, identify:

- a. the individuals involved in evaluating the potential services, including the negotiation of any contracts; and
- b. all companies with which Sprint or its affiliate negotiated, discussed, contracted, engaged or engages to provide these services to Sprint or its affiliates' customers, including strategic partners, conference service operators, web-based companies, equipment manufacturers or any other individuals or companies.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is vague, ambiguous, and misleading insofar as the identities of the "Calling Service Providers" are unknown, and the phrase "free calling services similar, when viewed from the perspective of the consumer, to those services offered by Calling Services Provides" is unclear and undefined. Sprint further objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, oppressive and harassing, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.

Subject to and without waiving its objections, Sprint states that it does not provide any free conference call or chat line services to its customers.

<u>INTERROGATORY NO. 6.:</u> For the period January 1, 2005 to the present, identify all instances where Sprint blocked or otherwise refused to accept traffic bound for any LEC because

Sprint believed the calls were made to and/or terminated with Calling Service Providers. For each instance identified:

- a. describe all Communications among Sprint personnel regarding the decision to block traffic:
- b. provide the date or time frame of the Communications;
- c. describe the particular action or actions taken to block or otherwise refuse to accept the traffic.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, the Interrogatory is not properly limited to information relating to Sprint purportedly blocking or refusing to accept call traffic bound for Sancom in South Dakota.

Subject to and without waiving its objections, Sprint states that it has never blocked or refused to accept any traffic destined for numbers associated with Sancom in South Dakota, and that Sprint has never declined to accept traffic for calls that callers intended to deliver to telephone numbers associated with Sancom in South Dakota.

<u>INTERROGATORY NO. 7.:</u> For each month from January 1, 2005 to the present, set forth (a) the total volume of minutes; and (b) gross revenues that Sprint has collected from its long distance customers as a result of calls placed to and/or terminated at any telephone numbers that Sprint contends have been assigned to Calling Service Providers by Sancom.

For all Sprint long-distance customers who made calls to CSPs during this period who pay a flat, non-usage-sensitive fee (unlimited long distance plans) for Sprint's long-distance service, set forth the number of such customers each month, the average price(s) they paid for such long-distance service, and the percentage of such customers' long-distance calls to CSPs vis-à-vis their total long-distance usage under those unlimited-calling plans.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, harassing and oppressive, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible. In particular, but without limitation, this Interrogatory improperly seeks information related to Sancom's unjust enrichment claim which is not properly before the Commission. Furthermore, the Interrogatory improperly seeks

information that Sprint does not maintain in the ordinary course of business, and generating responsive information would be enormously expensive and time consuming, as it would require individual evaluation of millions of CDRs.

<u>INTERROGATORY NO. 8.</u>: For the period January 1, 2005 to the present, set forth the gross revenues associated with being selected to deliver traffic on behalf of other carriers as a result of Least Cost Routing for each month for the traffic delivered to Sancom by Sprint.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, this Interrogatory improperly seeks information related to Sancom's unjust enrichment claim which is not properly before the Commission. Sprint further objects to this Interrogatory as vague and ambiguous as the phrase "being selected to deliver traffic on behalf of other carriers as a result of Least Cost Routing" is unclear and undefined.

<u>INTERROGATORY NO. 9.:</u> For the period January 1, 2005 to the present, identify all instances where Sprint has increased the price charged to other carriers for delivering traffic to Sancom under the terms available for Least Cost Routing. For each instance identified:

- a. describe all Communications among Sprint personnel regarding the decision to increase the price;
- b. describe all Communications between Sprint personnel and employees or representatives of the other carrier;
- c. provide the date or time frame of the Communications;
- d. describe the reason or bases for the increase; and
- e. produce all Documents and Communications relating to the increases.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, harassing and oppressive, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, this Interrogatory improperly seeks information related to Sancom's unjust enrichment claim which is not properly before the Commission. Furthermore, this Interrogatory improperly seeks information relating to "all" communications among Sprint personnel

internally and between Sprint Personnel and representatives of "other" carriers, and seeks information on all price "increases" over a nearly five year period. Sprint further objects to this Interrogatory on the grounds that the phrase "terms available for Least Cost Routing" is vague and ambiguous.

<u>INTERROGATORY NO. 10.:</u> Identify the Sprint personnel or individuals acting on behalf of Sprint including, but not limited to, employees of third-party auditing firms, involved in or with personal knowledge of the process of investigating and deciding whether to pay switched access charges associated with calls made to and/or terminated with Calling Service Providers invoiced by Sancom. For each Person identified:

- a. describe all non-privileged Communications regarding the investigation of the decision whether to pay invoiced terminating switched access charges;
- b. provide the date or time frame of the Communications; and
- c. produce all Documents evidencing or relating to the Communications.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, harassing and oppressive, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, this Interrogatory improperly seeks information related to Sancom's unjust enrichment claim which is not properly before the Commission. Furthermore, this Interrogatory improperly seeks information relating to "all" Sprint employees that may have some knowledge of Sprint's investigation of and decision whether or not to pay Sancom, regardless of the level of knowledge, and improperly seeks a description of "all" non-privileged communications relating in any way to Sprint's investigation of and decision whether or not to pay Sancom. Subject to and without waiving its objections, Sprint states that the following individuals have responsive information relating to Sprint's investigation and decision whether to withhold payment on calls to Call Servicing Providers invoiced by Sancom: Julie Walker, Regina Roach, and Amy Clouser.

<u>INTERROGATORY NO. 11.:</u> For each invoice that Sancom has sent to Sprint that Sprint has not paid in full, identify:

- a. the amount of minutes of traffic that Sprint attributes to calls to Calling Service Providers; and
- b. the amount of minutes of traffic that Sprint acknowledges terminated in Sancom's local service territory to Sancom end-users.

ANSWER:

THE FOLLOWING ANSWER IS CONFIDENTIAL IN ACCORDANCE WITH THE PARTIES' PROTECTIVE AGREEMENT

The number of terminating minutes billed by Sancom in each month of Sprint's dispute period to date (February 2007 through July 2010) is available to Sancom. Sprint estimates that between 97% and 99% of the terminating minutes billed by Sancom have been for calls to Calling Service Providers and the remaining 1% to 3% have been for calls to end users.

Sprint's estimate is based on traffic studies performed by Sprint for traffic in January 2007, July 2007, and May 2010.

<u>INTERROGATORY NO. 12.:</u> Identify all Calling Service Providers to which Sprint provides telecommunications services.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is overly broad, unduly burdensome, harassing and oppressive, and seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. In particular, but without limitation, this Interrogatory improperly seeks information about Sprint's own provision of telecommunications services to Calling Service Providers which is not at issue in this case. Sprint further objects to this Interrogatory as vague insofar as the particular Calling Service Providers and/or telecommunications services are not identified.

<u>INTERROGATORY NO. 13.:</u> With regard to each person whom You expect to call as an expert witness at trial, state:

- a. the individual's name;
- b. the subject matter on which the expert is expected to testify;
- c. the substance of the facts and opinions to which the expert is expected to testify; and
- d. a summary of the grounds for each opinion.

ANSWER: Sprint objects to this Interrogatory on the grounds that it is premature as Sprint has not yet identified any expert testimony it will present at the hearing. Subject to and without waiving its objections, Sprint will present its case in its prefiled testimony in accordance with a prehearing schedule set by the Commission.

AS TO OBJECTIONS

Dated: May 23, 2011

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ATTORNEYS FOR SPRINT COMMUNICATIONS COMPANY L.P.

VERIFICATION

Information in Sprint Communications Company L.P.'s Answers to Sancom Communications, LLC's First Interrogatories was provided by me and/or gathered at my direction from corporate records and personnel. I have reviewed the answers. I declare under penalty of perjury under the laws of the United States that the foregoing answers as to Sprint Communications Company L.P. are true and correct to the best of my knowledge and belief, based on my review of such information.

Executed on May 23, 2011, in Oscarland Park, RS.

Signature: Regina Roach

Name (print): Regina Roach

Title: Manager, Access Verification

CERTIFICATE OF SERVICE

The undersigned attorney for Sprint Communications Company, LP hereby certifies that on the 23rd day of May 2011, a true and correct copy of the foregoing Sprint Communications Company L.P.'s Answers to Sancom Communications, LLC's First Interrogatories was sent via electronic means to:

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