

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE COMPLAINT OF)
SOUTH DAKOTA NETWORK, LLC, AGAINST)
SPRINT COMMUNICATIONS COMPANY LP)
)
IN THE MATTER OF THE THIRD PARTY)
COMPLAINT OF SPRINT COMMUNICATIONS)
COMPANY LP AGAINST SPLITROCK)
PROPERTIES, INC., NORTHERN VALLEY)
COMMUNICATIONS, INC., SANCOM, INC.,)
AND CAPITAL TELEPHONE COMPANY)

TC 09-098

**AFFIDAVIT OF REGINA ROACH
IN SUPPORT OF SPRINT'S
OPPOSITION TO SDN'S MOTION
FOR SUMMARY JUDGMENT**

STATE OF KANSAS)
) ss
COUNTY OF JOHNSON)

1. My name is Regina Roach and I am employed by Sprint/United Management Company, a wholly-owned subsidiary of Sprint Nextel Corporation. My title is Manager, Access Verification, and I provide services for various subsidiaries of Sprint Nextel Corporation, including the plaintiffs in this case (collectively "Sprint"). I make this affidavit in support of Sprint's Opposition to South Dakota Network, LLC's ("SDN") Amended Motion for Summary Judgment.

2. In my position as Manager, Access Verification, I am familiar with the disputes that Sprint has with the parties in this case over compensation for traffic associated with traffic pumping. I am also familiar SDN's South Dakota Tariff No. 2 and with the accounting mechanism Sprint is using to pay undisputed charges billed by SDN under this tariff.

3. Since June 2007, SDN has issued switched access bills that include charges for intrastate minutes of use that are subject to SDN's South Dakota Tariff No. 2, and for intrastate minutes of use that are not subject to SDN's South Dakota Tariff No. 2, which are those minutes of use associated with pumped traffic. The charges are not separately designated on the invoices.

4. On or about June 11, 2009, Sprint submitted a dispute and request for refund to SDN with respect to switched access charges assessed by SDN for traffic delivered from Sprint, through SDN, to Sancom, Splitrock, Northern Valley, and Capital. That dispute was for time periods between June 2007 and April 2009, and Sprint demanded a refund in the amount of \$1,704,262.08. SDN has refused to issue a refund. When the dispute for prior periods was created, it resulted in a debit balance on this Account Payable, correctly reflecting in Sprint's records that a refund is due on the account.

5. Beginning with SDN's bills dated May 2009 through current, Sprint has disputed its obligation to pay SDN's switched access charges for traffic delivered to Sancom, Splitrock, Northern Valley, and Capital. Sprint has disputed its obligation to pay SDN's switched access charges for traffic delivered to Native American Telecom since December 2009. When reviewing SDN's bills, Sprint has identified the charges associated with pumped traffic, and the charges associated with non-pumped traffic.

6. After reducing the bill amount by the amount of the unlawful charges, Sprint has approved compensation for the charges for non-pumped traffic each month. The approved amounts are applied to reduce the account payable debit balance created by Sprint's refund claim for prior amounts unlawfully billed by SDN. Instead of sending a check to SDN for the charges associated with non-pumped traffic, Sprint has held those amounts and reduced on its books the payable that was generated when it filed its refund claim.

7. For example, for the May 2009 invoice, SDN billed Sprint \$85,923.47 for interstate and intrastate usage charges. Sprint determined that \$52,153.95 was attributable to pumped traffic. Sprint then did the following calculation:

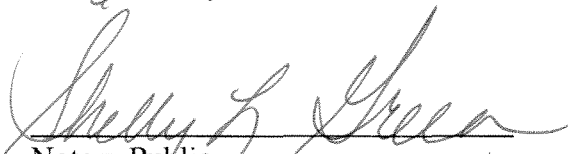
- \$1,704,262.08 (AP Debit Balance) - \$33,769.51 (total approved charges) =
\$1,670,492.57 (new AP Debit Balance)

8. This process has reduced but not extinguished SDN's liability to Sprint on its refund claim. Most recently, SDN's September 1, 2011, invoice billed Sprint \$89,767.89 for usage charges. Sprint disputed \$51,717.31, and Sprint applied the remaining \$38,050.58 to reduce its AP Debit Balance to \$177,879.70. This means that as of September 1, 2011, Sprint has withheld \$177,869.70 less than the total amount in dispute.

9. If and when it has held the entire disputed amount it will begin remitting checks to SDN for any portion of SDN's invoices attributable to non-pumped traffic.


Regina Roach

Subscribed and sworn to before me
this 12th day of October, 2011.


Notary Public

