# EXHIBIT C

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

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|---|---|
| IN THE MATTER OF THE PETITION OF ALLIANCE COMMUNICATIONS COOPERATIVE, INC., BERESFORD MUNICIPAL TELEPHONE COMPANY, MCCOOK COOPERATIVE TELEPHONE COMPANY, SANTEL COMMUNICATIONS COOPERATIVE, INC., AND WEST RIVER COOPERATIVE TELEPHONE COMPANY FOR ARBITRATION PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996 TO RESOLVE ISSUES RELATING TO AN INTERCONNECTION AGREEMENT WITH ALLTEL COMMUNICATIONS, LLC. | Docket Nos. TC 07-111 TC 07-112 TC 07-113 TC 07-114 TC 07-115 TC 07-116 |

**REBUTTAL TESTIMONY OF RON WILLIAMS**

**Q: PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.**

A. My name is Ron Williams. I am the Vice President – Interconnection and Compliance for Alltel Communications, LLC. My business address is 3650 131st Avenue S.E., Suite 600, Bellevue, Washington 98006.

**Q: ON WHOSE BEHALF ARE YOU TESTIFYING?**

A. I am testifying on behalf of Alltel Communications, LLC ("Alltel").

**Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

A: The purpose of this testimony is to respond to the direct testimony filed on behalf of Petitioners by Larry Thompson and Dan Davis. I will comment on Thompson testimony with respect to factors associated with Issue 2. I will comment on Davis testimony with respect to rates and compensation methodology associated with Issue 2 as well as Issues 3, 5, and 7.

**Issue 2: What is the appropriate Percent of InterMTA Use Factor to be applied to non-IntraMTA traffic exchanged between the parties?**

**Sub Issue: Mobile-to-Land InterMTA Factor**

**Q: HAVE YOU REVIEWED THE LARRY THOMPSON TESTIMONY ON BEHALF OF PETITIONERS REGARDING INTERMTA TRAFFIC FACTOR DERIVATION?**

A: Yes I did. The testimony of Larry Thompson is based on a 2004 study and deals only with traffic in the mobile-to-land direction (i.e., traffic originating from Alltel and terminating to a Petitioner). While I do not agree that an NPANXX methodology produces an accurate representation of interMTA traffic volume, I believe I understand the methodology employed in producing the study.

**Q: WHY DON'T YOU BELIEVE AN NPANXX METHODOLOGY PRODUCES AN ACCURATE DEPICTION OF INTERMTA TRAFFIC.**

A: The primary reason has to do with the mobility of wireless users. While an NPANXX assigned for incumbent LEC users is, for the most part, fixed to a specific geographic origination point, it is not the case with telephone numbers assigned to wireless users.

**Q: IN THOMPSON'S TESTIMONY AND EXHIBITS THE PETIONERS PROVIDED THEIR CALCULATIONS OF MOBILE-TO-LAND INTERMTA FACTORS. DO YOU CONCUR IN THEIR RESULTS?**

A: No. The Petitioners used data from 2004 and did not account for substantial changes in the network and method that traffic is exchanged between Alltel and each of the Petitioners. Since 2004 Alltel has:

- Divested operations in Minnesota to RCC Holdings which were included in the study.
- Divested operations in Nebraska to US Cellular which were included in the study.
- Modified routing translations in the Sioux Falls switch for traffic terminating to Alliance, Beresford, and West River
- Modified routing translations in the Rapid City switch for traffic terminating to Alliance, Beresford, Kennebec, McCook, Santel, and Venture.

These changes affect both interMTA and intraMTA traffic classifications used in the Petitioner study.

**Q: IS THERE ENOUGH DETAIL AVAILABLE IN THE PETITIONER STUDY TO MAKE ADJUSTMENTS THAT REFLECT CURRENT NETWORK CONDITIONS?**

A: Yes. The data provided in the last page of Thompson's interMTA exhibits[1] show the NPANXX of traffic originating from Alltel. By adjusting for traffic that is subject to network changes made since the time of the study, the study results will reflect the currently prevailing traffic exchange conditions using the traffic volumes from 2004.

**Q: PLEASE DESCRIBE YOUR ADJUSTMENTS TO THE PETITIONER STUDIES?**

A: The adjustments to Petitioner studies necessary to remove inconsistencies with current conditions are reflected in Exhibit RW5. The complete data from each Petitioner InterMTA Exhibit was replicated in my exhibit. A column was added to identify the line item volume of traffic adjustment and the revised value for that line item. Other columns were added to identify the wireless switch originating traffic and the routing associated with traffic from that switch to each Petitioner. Changes from 2004 conditions are highlighted. For example, traffic excluded from the study as a result of Alltel's divestiture of certain Minnesota operations to RCC Holdings is highlighted showing 'RCC' as the switch and 'N/A' (not applicable), since traffic originating from RCC is not applicable to a study of Alltel traffic. A similar notation is made for certain Nebraska operations divested to USCellular ('USCC'). A change in the 'Current Routing' column indicates whether the primary routing has changed from local to 'IXC' (interexchange carrier). In addition, a correction was made to the Alliance data set to remove duplicate data reported by Petitioner as interMTA traffic in two categories ('DSnotinSD' and 'DENinSD')

**Q: CAN YOU SUMMARIZE THE ADJUSTED RESULTS OF THE PETITIONER STUDIES?**

[1] Thompson narrative testimony is substantially the same for each Petitioner but the associated Exhibits for each Petitioner are numbered differently. Refer to the last page of Exhibit H for Beresford, Exhibit I for Santel, Exhibit J for Alliance, McCook, and West River, and Exhibit K for Kennebec.

A: Yes, the table below shows, for each Petitioner, the original study result and the result incorporating my adjustments.

| Petitioner | Initial Result | Adjusted Result |
|---|---|---|
| Alliance Communications | 7.76 % | 2.7 % |
| Beresford Municipal | 70.72 % | 11.6 % |
| Kennebec Telephone | 11.64 % | 2.1 % |
| McCook Cooperative | 5.2 % | 3.2% |
| SanTel | 9.3 % | 5.2% |
| West River Cooperative | 26.6 % | 4.4% |

**Q: DO YOU BELIEVE THE ADJUSTED RESULTS OF THE PETITIONER STUDIES REFLECT AN ACCURATE FACTOR FOR INTERMTA COMPENSATION.**

A: No, but these results eliminate known inaccuracies in the Petitioner data and provide guidance on a more accurate ceiling for a ratio of Alltel traffic terminating to Petitioners that may be interMTA in nature.

**Issue 2: What is the appropriate Percent of InterMTA Use Factor to be applied to non-IntraMTA traffic exchanged between the parties?**

**Sub Issue: Compensation Rate Applicable to InterMTA Traffic**

**Q: IN YOUR EXPERIENCE, HOW ARE INTERMTA COMPENSATION RATES NORMALLY DEVELOPED?**

A: Rates applicable to interMTA traffic are negotiated. Sometimes the negotiations have resulted in the rates being the same as reciprocal compensation rates for intraMTA traffic, sometimes interMTA rates reflect a specified nominal rate that is identified in an agreement, and sometimes the interMTA rate is established as a reference to other existing rates, for example, interstate access rate elements.

**Q: ARE YOU AWARE OF LEC-CMRS INTERCONNECTION AGREEMENTS THAT SET COMPENSATION FOR INTERMTA TRAFFIC BASED ON LEC ACCESS CHARGES?**

A: Yes, but such agreements are based on business negotiations and compromises rather than a requirement or on FCC regulations or the Telecommunications Act. The FCC has failed to specify how, or even if, compensation should be paid for interMTA traffic.

**Alliance**
**InterMTA Factor**
**Based on Updates to Petitioner Study**

**Exhibit RW5 - Alliance**

**IntraMTA Traffic**

| Petitioner Classification | Calling Number | Minutes | Adjustment | Revised Minutes | Alltel Switch | Current Routing |
|---|---|---|---|---|---|---|
| MNinSD | 605200 | 37 | | 37 | Sioux Falls | Local |
| MNinSD | 605201 | 24,140 | | 24,140 | Sioux Falls | Local |
| MNinSD | 605203 | 660 | | 660 | Sioux Falls | Local |
| MNinSD | 605204 | 35 | | 35 | Sioux Falls | Local |
| MNinSD | 605207 | 20 | | 20 | Sioux Falls | Local |
| MNinSD | 605208 | 0 | | 0 | Sioux Falls | Local |
| MNinSD | 605216 | 1,343 | | 1,343 | Sioux Falls | Local |
| MNinSD | 605230 | 2 | | 2 | Sioux Falls | Local |
| MNinSD | 605233 | 39 | | 39 | Sioux Falls | Local |
| MNinSD | 605265 | 9 | | 9 | Sioux Falls | Local |
| MNinSD | 605268 | 25 | | 25 | Sioux Falls | Local |
| MNinSD | 605280 | 1,387 | | 1,387 | Rapid City | IXC |
| MNinSD | 605295 | 31 | | 31 | Rapid City | IXC |
| MNinSD | 605350 | 1,879 | | 1,879 | Sioux Falls | Local |
| MNinSD | 605360 | 24,347 | | 24,347 | Sioux Falls | Local |
| MNinSD | 605380 | 1,576 | | 1,576 | Sioux Falls | Local |
| MNinSD | 605460 | 1,068 | | 1,068 | Sioux Falls | Local |
| MNinSD | 605480 | 2,244 | | 2,244 | Sioux Falls | Local |
| MNinSD | 605491 | 453 | | 453 | Sioux Falls | Local |
| MNinSD | 605520 | 787 | | 787 | Sioux Falls | Local |
| MNinSD | 605530 | 2,477 | | 2,477 | Sioux Falls | Local |
| MNinSD | 605690 | 4,663 | | 4,663 | Sioux Falls | Local |
| MNinSD | 605730 | 396 | | 396 | Sioux Falls | Local |
| MNinSD | 605750 | 40 | | 40 | Sioux Falls | Local |
| MNinSD | 605770 | 4,084 | | 4,084 | Sioux Falls | Local |
| MNinSD | 605881 | 2,576 | | 2,576 | Sioux Falls | Local |
| MNinSD | 605933 | 182 | | 182 | Sioux Falls | Local |
| MNinSD | 605940 | 23,997 | | 23,997 | Sioux Falls | Local |
| MNinSD | 605941 | 18,141 | | 18,141 | Sioux Falls | Local |
| MNinSD | 605949 | 252 | | 252 | Sioux Falls | Local |
| MNinSD | 605987 | 203 | | 203 | Sioux Falls | Local |
| | | 117,092 | | 117,092 | | |
| MNnotinSD | 218469 | 4 | | 4 | Fargo | Local |
| MNnotinSD | 218686 | 85 | | 85 | Fargo | Local |
| MNnotinSD | 218790 | 51 | | 51 | Fargo | Local |
| MNnotinSD | 320220 | 48 | 48 | 0 | RCC | N/A |
| MNnotinSD | 320579 | 27 | 27 | 0 | RCC | N/A |
| MNnotinSD | 320699 | 34 | 34 | 0 | RCC | N/A |
| MNnotinSD | 320841 | 41 | 41 | 0 | RCC | N/A |
| MNnotinSD | 507221 | 164 | 164 | 0 | RCC | N/A |
| MNnotinSD | 507230 | 56 | 56 | 0 | RCC | N/A |
| MNnotinSD | 507240 | 4 | 4 | 0 | RCC | N/A |
| MNnotinSD | 507290 | 422 | 422 | 0 | RCC | N/A |
| MNnotinSD | 507339 | 39 | 39 | 0 | RCC | N/A |
| MNnotinSD | 507340 | 7 | 7 | 0 | RCC | N/A |
| MNnotinSD | 507370 | 478 | 478 | 0 | RCC | N/A |
| MNnotinSD | 507420 | 125 | 125 | 0 | RCC | N/A |
| MNnotinSD | 507530 | 1,274 | 1,274 | 0 | RCC | N/A |
| MNnotinSD | 507531 | 133 | 133 | 0 | RCC | N/A |
| MNnotinSD | 507760 | 33 | 33 | 0 | RCC | N/A |
| MNnotinSD | 507820 | 869 | 869 | 0 | RCC | N/A |
| MNnotinSD | 507830 | 115 | 115 | 0 | RCC | N/A |
| MNnotinSD | 507840 | 179 | 179 | 0 | RCC | N/A |
| MNnotinSD | 701218 | 3 | | 3 | Fargo | Local |
| MNnotinSD | 701220 | 112 | | 112 | Fargo | Local |
| MNnotinSD | 701290 | 16 | | 16 | Fargo | Local |
| MNnotinSD | 701302 | 1 | | 1 | Fargo | Local |
| MNnotinSD | 701308 | 17 | | 17 | Fargo | Local |
| MNnotinSD | 701320 | 544 | | 544 | Fargo | Local |
| MNnotinSD | 701351 | 63 | | 63 | Fargo | Local |
| MNnotinSD | 701360 | 1 | | 1 | Fargo | Local |
| MNnotinSD | 701391 | 76 | | 76 | Fargo | Local |
| MNnotinSD | 701400 | 207 | | 207 | Fargo | Local |
| MNnotinSD | 701527 | 30 | | 30 | Fargo | Local |
| MNnotinSD | 701541 | 41 | | 41 | Fargo | Local |
| MNnotinSD | 701652 | 6 | | 6 | Fargo | Local |
| MNnotinSD | 701653 | 14 | | 14 | Fargo | Local |
| MNnotinSD | 701710 | 78 | | 78 | Fargo | Local |
| MNnotinSD | 701720 | 29 | | 29 | Fargo | Local |
| MNnotinSD | 701721 | 107 | | 107 | Fargo | Local |
| MNnotinSD | 701730 | 94 | | 94 | Fargo | Local |
| MNnotinSD | 701739 | 11 | | 11 | Fargo | Local |
| MNnotinSD | 701740 | 180 | | 180 | Fargo | Local |
| MNnotinSD | 701741 | 167 | | 167 | Fargo | Local |
| MNnotinSD | 701793 | 57 | | 57 | Fargo | Local |
| MNnotinSD | 701799 | 221 | | 221 | Fargo | Local |
| MNnotinSD | 701870 | 178 | | 178 | Fargo | Local |
| MNnotinSD | 701899 | 134 | | 134 | Fargo | Local |
| | | 6,575 | | 2,527 | | |
| Total IntraMTA | | 123,667 | | **119,619** | | |

**InterMTA Traffic**

| Petitioner Classification | Calling Number | Minutes | Adjustment | Revised Minutes | Alltel Switch | Current Routing |
|---|---|---|---|---|---|---|
| DSinSD | 605202 | 258 | | 258 | Sioux Falls | Local |
| DSinSD | 605205 | 15 | | 15 | Sioux Falls | Local |
| DSinSD | 605661 | 2,339 | | 2,339 | Sioux Falls | Local |
| DSinSD | 605677 | 692 | | 692 | Sioux Falls | Local |
| | | 3,304 | | 3,304 | | |
| DSnotinSD | 605206 | 43 | 43 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605209 | 386 | 386 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605210 | 69 | 69 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605347 | 53 | 53 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605381 | 635 | 635 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605391 | 851 | 851 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605440 | 87 | 87 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605441 | 258 | 258 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605641 | 523 | 523 | 0 | Rapid City | Duplicate |
| DSnotinSD | 605863 | 118 | 118 | 0 | Rapid City | Duplicate |
| | | 3,023 | | 0 | | |
| DENinSD | 605206 | 43 | 43 | 0 | Rapid City | IXC |
| DENinSD | 605209 | 386 | 386 | 0 | Rapid City | IXC |
| DENinSD | 605210 | 69 | 69 | 0 | Rapid City | IXC |
| DENinSD | 605347 | 53 | 53 | 0 | Rapid City | IXC |
| DENinSD | 605381 | 635 | 635 | 0 | Rapid City | IXC |
| DENinSD | 605391 | 851 | 851 | 0 | Rapid City | IXC |
| DENinSD | 605440 | 87 | 87 | 0 | Rapid City | IXC |
| DENinSD | 605441 | 258 | 258 | 0 | Rapid City | IXC |
| DENinSD | 605641 | 523 | 523 | 0 | Rapid City | IXC |
| DENinSD | 605863 | 118 | 118 | 0 | Rapid City | IXC |
| | | 3,023 | | 0 | | |
| DENnotinSD | 307267 | 0 | 0 | 0 | Casper | IXC |
| DENnotinSD | 307290 | 2 | 2 | 0 | Casper | IXC |
| DENnotinSD | 307660 | 27 | 27 | 0 | Casper | IXC |
| | | 28 | | 0 | | |
| OMnotinSD | 308383 | 7 | 7 | 0 | USCC | N/A |
| OMnotinSD | 308571 | 10 | 10 | 0 | USCC | N/A |
| OMnotinSD | 402270 | 6 | 6 | 0 | USCC | N/A |
| OMnotinSD | 402300 | 7 | 7 | 0 | USCC | N/A |
| OMnotinSD | 402310 | 161 | 161 | 0 | Omaha | IXC |
| OMnotinSD | 402314 | 3 | 3 | 0 | Omaha | IXC |
| OMnotinSD | 402459 | 79 | 79 | 0 | USCC | N/A |
| OMnotinSD | 402560 | 24 | 24 | 0 | Omaha | IXC |
| OMnotinSD | 402580 | 133 | 133 | 0 | Omaha | IXC |
| OMnotinSD | 402640 | 205 | 205 | 0 | USCC | N/A |
| OMnotinSD | 402841 | 228 | 228 | 0 | USCC | N/A |
| OMnotinSD | 402890 | 168 | 168 | 0 | USCC | N/A |
| | | 1,031 | | 0 | | |
| Total InterMTA | | 10,410 | | **3,304** | | |

| | | |
|---|---|---|
| Total Traffic | 122,924 | 100.0% |
| IntraMTA Traffic | 119,619 | 97.3% |
| **InterMTA Traffic** | **3,304** | **2.7%** |