

GUNDERSON, PALMER, GOODSSELL & NELSON, LLP

ATTORNEYS AT LAW

J. CRISMAN PALMER
G. VERNE GOODSSELL
JAMES S. NELSON
DANIEL E. ASHMORE
TERENCE R. QUINN
DONALD P. KNUDSEN
PATRICK G. GOETZINGER
TALBOT J. WIECZOREK
JENNIFER K. TRUCANO
DAVID E. LUST
THOMAS E. SIMMONS

ASSURANT BUILDING
440 MT. RUSHMORE ROAD
POST OFFICE BOX 8045
RAPID CITY, SOUTH DAKOTA 57709-8045
TELEPHONE (605) 342-1078 • FAX (605) 342-0480
www.gundersonpalmer.com
ATTORNEYS LICENSED TO PRACTICE IN
SOUTH DAKOTA, NORTH DAKOTA, IOWA, NEBRASKA
COLORADO, CALIFORNIA, WYOMING & MINNESOTA

TERRI LEE WILLIAMS
SARA FRANKENSTEIN
AMY K. KOENIG
JASON M. SMILEY
SHANE C. PENFIELD
JONATHAN M. OOSTRA
MATTHEW E. NAASZ
MATTHEW R. MCGOVERN
QUENTIN L. RIGGINS
JEFFREY R. CONNOLLY
WYNN A. GUNDERSON
Of Counsel

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E-FILING at PUCDOCKETFILINGS@state.sd.us

Ms. Patricia Van Gerpen
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre SD 57501-5070

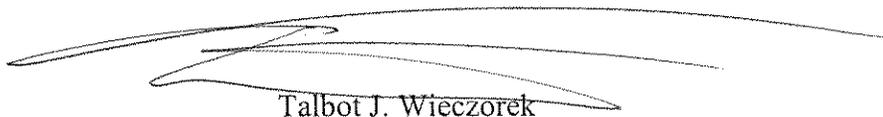
RE: IN THE MATTER OF THE PETITION OF VENTURE COMMUNICATIONS
COOPERATIVE FOR SUSPENSION OR MODIFICATION OF LOCAL DIALING
PARITY RECIPROCAL COMPENSATION OBLIGATIONS
SDPUC Docket File Number TC 06-181
GPGN File No. 5925.060537

Dear Ms. Van Gerpen:

Enclosed for filing please find Response of Alltel Communications, Inc. to Venture's Motion to Strike and Motion in Limine in the above-entitled matter. By copy of same, parties have been served.

If you have any questions, please call me.

Sincerely,



Talbot J. Wieczorek

TJW:klw

Enclosure

c: Darla Rogers/Margo Northrup
Ben Dickens/Mary Sisak
Harlan Best
Rolayne Wiest
Clients

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

IN THE MATTER OF THE PETITION OF)	
VENTURE COMMUNICATIONS)	
COOPERATIVE FOR SUSPENSION OR)	Docket No. TC06-181
MODIFICATION OF LOCAL DIALING)	
PARITY AND RECIPROCAL)	
COMPENSATION OBLIGATIONS)	

**RESPONSE OF ALLTEL COMMUNICATIONS, INC. TO
VENTURE MOTION TO STRIKE AND MOTION IN LIMINE**

COMES NOW, Alltel Communications, Inc. (“Alltel”) and submits this Response to the Venture Motion to Strike and Motion in Limine to exclude portions of the individual testimonies of Alltel witnesses Ron Williams and Bob Keeger filed on September 5, 2007. Simply put Venture is incorrect. The parties agreed to submission of additional testimony as a condition of moving the matter back to the Commission – Venture cannot now prevent the admission of additional relevant testimony by Alltel, especially in light of the fact that Venture has ample opportunity and a negotiated right to respond to such relevant testimony.

BACKGROUND

On October 24, 2006, Venture filed the current Petition for suspension of its local dialing parity and reciprocal compensation obligations as currently imposed under the 1996 Telecommunications Act. (the “Act”). Pursuant to section 251(f)(2) of the Act, extraordinary suspension relief is only appropriate upon Venture’s affirmative demonstration that such relief is necessary to (i) avoid a significant adverse economic impact on users of telecommunications services generally; or (ii) avoid imposing a requirement that is unduly economically burdensome;

and such relief is consistent with the public interest, convenience and necessity. 47 U.S.C. § 251(f)(2).

In support of its Petition, Venture filed testimony that purports to demonstrate the increased costs of transport that result from affording dialing parity to wireless carriers who assert rights to receive indirectly routed traffic from Venture at points of interconnection (“POIs”) that are not within Venture’s service area – distant POIs. Specifically, Venture witness Larry Thompson put forth three traffic routing and resulting cost scenarios that purport to estimate the increased costs if Venture was required to provide dialing parity and route Venture originated traffic to five wireless carriers, including Alltel, that demand distant POIs. Additionally, Venture witness Jo Shotwell offered testimony on Venture’s estimate of increased costs and the public interest considerations involved when carriers demand local dialing parity through the use of distant POIs. Finally, Venture witness Randy Houdek also attempts to illustrate the increased costs and resulting harms from affording local dialing parity treatment to providers who demand distant POIs. It is quite evident that each of the Venture witnesses attempts to justify suspension relief upon the assumption that all wireless carriers, including Alltel, will demand distant POIs, rather than continuing to maintain or establish mutually agreed upon, cost effective and efficient interconnection arrangements.

In response, Alltel witness Ron Williams submitted testimony initially that demonstrated Venture’s routing scenarios and resulting cost projections are fundamentally flawed and grossly overstated. Venture’s cost projections are based upon a highly improbable worst case scenario. In short, Venture took an unrealistic “sky is falling” approach in its cost projections and made assumptions that in no way justifies the extraordinary relief of suspension. In fact, Venture’s

testimony assumes various wireless carriers will change their existing network if no suspension is granted.

Alltel's initial testimony was filed prior to its recent concession to Venture in the arbitration proceeding wherein Alltel agreed to support direct POIs on Venture's network - A broad ranging concession to Venture that necessarily affects each of the contested issues and costs projections previously discussed in the parties' testimony. Prior testimony by both parties was submitted without the benefit of taking into account Alltel's recent very significant concession in the Arbitration to support two direct POIs on Venture's network. In that prior testimony, each Venture witness addresses not only the corresponding costs involved in supporting distant POIs but also the corresponding impacts on the consumers from a public policy perspective. Alltel's concession to support direct POIs on the Venture network, rather than maintain the option of using distant POIs, necessarily and dramatically undercuts and changes those scenarios and impacts. This is why Alltel as part of the agreement to return the proceeding to the Commission and give the concession in the arbitration made sure it had a right to provide additional testimony. Alltel's additional testimony filed on September 5, 2007 is directly relevant to, and appropriately addresses, the issues as they now stand after Alltel's concession.

DISCUSSION

In agreeing to Venture's request to move resolution of this matter back to the Commission, Alltel specifically sought the right and ability to submit additional testimony. Venture expressly agreed to that and negotiated its own right to respond to any additional Alltel testimony. Venture initially drafted and circulated a proposed Joint Motion to Transfer and Set Hearing Date. Within the initial draft, Venture proposed to limit the submission of testimony to

“clarification” testimony. In editing the agreement, Alltel specifically struck and Venture agreed to delete the limitation to “clarification” testimony and substituted in the broad term “additional” testimony. (See Attachment 1, e-mail from Darla Rogers, Esq. agreeing to red-line changes of Joint Motion from Alltel and red-lined version of Joint Motion). Venture agreed to the change from “clarification” testimony to “additional” testimony without argument or objection. *Id.* Venture’s present attempt to limit the testimony to “clarification” testimony must be rejected as inconsistent with the parties’ previous and specific agreement on the issue, as well as against the public interest which necessitates the production of this relevant testimony to build a full and complete factual record as the basis of a decision on this broad request for relief by Venture.

Venture’s reliance on the prior decision of the OHE is irrelevant and wholly inappropriate as the parties specifically agreed to the submission of additional testimony by Alltel, as evidenced by the Joint Motion to Transfer, based on Alltel’s concession in the arbitration. Although the prior ruling of the OHE foreclosed further testimony by the parties, the parties subsequently agreed that in moving the matter back in front of the Commission, both parties would have the opportunity to submit additional testimony.

Alltel’s decision and agreement in the context of the parties’ arbitration proceeding to exclude the use of distant POIs has a deep and broad impact on *all* contested issues in the current suspension proceeding. Any prior testimony discussing all contested issues was done without the benefit of that broad ranging decision – a decision that necessarily affects each contested issue and any corresponding cost/benefit analysis. Therefore, as the parties agreed, additional testimony was necessary. The entire testimonies of Bob Keeger¹ and Ron Williams are relevant

¹ The fact that Bob Keeger is a “new witness” as argued by Venture is irrelevant. There was no limitation or other prohibition on “new” or additional witnesses to provide testimony. That fact that Alltel chose an additional witness to provide relevant testimony is Alltel’s prerogative.

and appropriate as they address the contested issues specifically in light of Alltel's decision to support two direct POIs on Venture's network.

Specifically, Mr. Keeger and Mr. Williams, introduce the fact that Alltel made the decision and filed an Amendment to Alltel's Response to the Venture Arbitration Petition and that such Amendment provides that Alltel will support two direct POIs rather than a distant POI as projected by Venture. Alltel's direct POI decision eliminates all of Venture's cost projections attributable to Alltel in Scenarios 1, 2 and 3. (A total sum which accounts for over half of all cost projections in the three Venture cost scenarios).

Mr. Keeger's testimony demonstrates that as a result of Alltel's decision to support 2 direct POIs, Venture is left to speculate that the cost projections in Scenarios 1, 2 and 3 are still valid because the remaining wireless carriers may abandon their current efficient interconnection arrangements or otherwise demand local dialing parity treatment that necessitates the traffic routing and cost scenarios advanced by Venture and its witnesses. However, as Mr. Keeger's testifies, such traffic routing demands and corresponding cost projections for the remaining wireless carriers are entirely speculative and unrealistic given the inefficiencies involved in Venture's proposed traffic routing scenarios. Mr. Keeger, a seasoned network planning professional provides a valuable assessment of how Venture should address its routing issues and provides less costly alternatives that remaining carriers and Venture could easily employ, rather than the distant POIs as advanced by Venture. It is quite clear Mr. Keeger's entire testimony is directly relevant to the contested issues and also relevant in light of Alltel's subsequent decision to amend its Arbitration Response to support two direct POIs on Venture's network.

Mr. Williams's testimony is equally relevant and appropriate. As explained by Mr. Williams, the purpose of his subsequent testimony is to identify and explain the impact of

Alltel's decision to support two (2) direct points of interconnection (POI) on Venture's existing network – one direct POI in the Central Region and one direct POI in the Northeast region. Specifically, the decision by Alltel to utilize two direct points of interconnection on Venture's network, rather than demanding indirect interconnection, absolutely eliminates any and all increased costs of transport related to the use of distant POIs by Alltel in Venture cost Scenarios 1, 2 and 3.

Mr. Williams also refutes Venture's claim that eliminating indirect connection obligations, to which Alltel is now agreeable, will simply maintain the status quo. He refutes Ventures claim that granting the suspension relief in order to preserve the status quo will not harm customers. To the contrary, as explained in Mr. William's testimony, granting Venture's relief and preserving the status quo as advanced by Venture will further harm customers despite Alltel's subsequent agreement to support the direct POIs. Mr. Williams must be allowed to explain that even with Alltel's agreement to continue to support direct POIs, and thus maintain Venture's version of the "status quo", this is far short of what is needed by customers and has other negative impacts on competitors like Alltel. The "status quo" as advocated by Venture would deny customers the benefits that are available if dialing parity is properly implemented by Venture within its local calling areas. Venture is currently denying certain rights of unserved and unsatisfied customers who should be able, but currently cannot, make a local call to a wireless phone within an area where they can call a land line phone at the same location on a local non-toll basis. For example, as demonstrated in Mr. Williams' additional testimony, there are at least three instances in which customers are today deprived of legitimate local calling to certain wireless numbers due to Venture's refusal to comply with its dialing parity obligations. It is essential that the Commission understand that this prior injustice is not made right despite

Alltel's decision to support direct POIs. Such testimony is certainly relevant and must be allowed.

Additionally, although Alltel's agreement to support direct POIs eliminates a vast majority, if not all, of Venture cost projections, it also essential that the Commission know that even with such change the remaining costs identified by Venture continue to be entirely speculative and unrealistic. Further and very importantly, the decision in this matter has far reaching consequences for customers and competition. Even assuming Venture's cost projections at least come close to being realistic, which they do not, Venture continues to fall short of meeting its statutory burden of proof for suspension relief under 47 U.S.C. § 251(f)(2). Even its worst case scenario of cost increases can be absorbed by a cash rich company such as Venture, without any significant impact on its customers or its provision of service. The Telecommunications Act of 1996 did not shield Venture from all cost increases or from competition. To be sure, the Act assumed that with competition there would be some level of increased costs or loss of revenue to incumbents in the name of more and better choices for consumers.

It is hard to imagine how the testimony of Mr. Williams and Mr. Keeger could be found irrelevant and somehow inadmissible in light of the parties' clear agreement to submit additional testimony. Exclusion of such relevant testimony is especially inappropriate in light of Venture's clear right to submit its own responsive testimony. The right of Venture to submit responsive testimony of its own clearly eliminates any prejudice to Venture as the petitioning party. It is clear from the parties Joint Motion to Transfer that Venture has the right and opportunity to submit its own testimony in response to that of Mr. Keeger and Mr. Williams. The reasonable approach is to simply allow Venture to exercise its negotiated right to submit responsive

testimony. Simply excluding relevant testimony that would provide this Commission with a well developed factual record on all contested issues seems to be a draconian, inappropriate and unnecessary approach in light of Venture's ability to respond with its own testimony.

By seeking to exclude relevant testimony rather than defend its claims, Venture is merely seeking to inappropriately restrict the factual record in this matter to exclude those facts that it does not like, facts that demonstrate Venture has not met its burden of proof necessary for suspension relief – such a result is not in line with the parties' prior agreement on the submission of additional testimony, nor is it in the public's interest to needlessly restrict/prohibit the admission and evaluation of relevant testimony.

CONCLUSION

For all the above stated reasons, Alltel respectfully requests that the Commission deny the Venture Motion to Strike Testimony and Motion in Limine in its entirety and allow the admission of relevant testimony of both Alltel witnesses, Bob Keeger and Ron Williams.

Dated this 14th day of September, 2007.



Talbot Wiczorek
Gunderson, Palmer, Goodsell & Nelson, LLP
440 Mt Rushmore Road
Rapid City, South Dakota 57701
605-342-1078
Fax: 605-342-0480

Stephen B. Rowell
Alltel Communications, Inc.
One Allied Drive
Little Rock, Arkansas 72202

ATTORNEYS FOR ALLTEL COMMUNICATIONS,
INC.

From: Darla Rogers [mailto:dprogers@riterlaw.com]
Sent: Tuesday, August 28, 2007 4:35 PM
To: Sean Simpson; Talbot J. Wiczorek; Kara.VanBockern@state.sd.us; richcoit@sdtaonline.com; mjs@bloostonlaw.com
Cc: Randy H.; Randy O.; Larry Thompson
Subject: Venture Suspension Docket

All:

Please find attached a revised Joint Motion for Transfer and to Set Hearing Date, to be filed with the Commission. The only revisions are to paragraph 5: I changed one word upon the suggestion of Sean Simpson, and I added language to accommodate a schedule conflict of SDTA. For your convenience, I have attached a red-lined version and a final version. Please sign the final version and either fax or email your signature page to me. I need to get this Joint Motion filed with the Commission so an Ad Hoc meeting can be scheduled. Thank you for your prompt cooperation.

Darla

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ATTACHMENT 1

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

IN THE MATTER OF THE PETITION OF)	JOINT MOTION FOR
VENTURE COMMUNICATION COOPERATIVE)	TRANSFER AND TO
FOR SUSPENSION OR MODIFICATION OF)	SET HEARING DATE
LOCAL DIALING PARITY RECIPROCAL)	TC06-181
COMPENSATION OBLIGATIONS)	

Come now the above named parties, Venture Communications (“Venture”), Alltel Communications, Inc. (“Alltel”), Rural Cellular Corporations (“RCC”), South Dakota Telecommunications (“SDTA”), and Staff (collectively referred to as “Parties”), by and through their respective counsel, and submit the following Joint Motion to transfer the docket to the Public Utilities Commission (“Commission”), and to set a hearing date in the docket. For good cause the parties request an Order from the Commission pursuant to the following Stipulation:

Stipulation and Motion

1. On October 24, 2006, the Commission received an application from Venture for suspension or modification of local dialing parity and certain reciprocal compensation obligations.
2. The Commission granted motions to intervene filed by SDTA, RCC and Alltel.
3. On February 6, 2007, this Commission granted Alltel’s request to use the Office of Hearing Examiners (“OHE”).
4. The parties no longer desire to use the OHE in this docket, and the parties agree that the hearing in this docket should be before the Commission.
5. The parties further agree to a hearing date of October 3rd and 4th, as discovery is completed, and all prefiled testimony has been filed, with the possible exception of ~~clarification~~ additional pre-filed testimony that may result from amendment of Alltel’s response to Venture’s Petition for Arbitration (Docket TC06-159), and responses by Venture thereto. However, SDTA’s agreement is conditioned on its being allowed to complete presentation of its testimony on October 3, 2007, due to an unavoidable schedule conflict. The parties agree that the hearing may be conducted in such a manner as to allow SDTA to complete presentation of its testimony on October 3, 2007.

Accordingly, for good cause, the parties to this Joint Motion request an Order from the Commission transferring the case from the OHE to the Commission, and setting a hearing date of October 3 and 4, 2007.

Dated this ____ day of August, 2007.

Darla Pollman Rogers
Riter, Rogers, Wattier, Brown &
Northrup, LLP
P. O. Box 280
Pierre, South Dakota 57501
Telephone: 605-224-5825
Fax: 605-224-7102
E-mail: m.northrup@riterlaw.com

and

**Blooston, Mordkofsky, Dickens,
Duffy & Prendergast, LLP**
Benjamin H. Dickens, Jr.
Mary J. Sisak
2120 L St., NW Suite 300
Washington, D.C. 20037
Tel. 202-659-0830
Fax. 202-828-5568

Attorneys for Venture Communications
Cooperative, Inc.

Dated this ____ day of August, 2007.

Sean Simpson
Counsel for Alltel Communications, Inc
2000 Technology Drive
Mankato, MN 56001
Telephone:
Fax:
E-mail: sean.simpson@alltel.com

Dated this ____ day of August, 2007.

Talbot J. Wieczorek
Gunderson, Palmer, Goodsell & Nelson
PO Box 8045
Rapid City, SD 57709
Phone:
Fax:
E-mail: tjw@gpgnlaw.com

Dated this ____ day of August, 2007.

Rich Coit
SDTA
320 East Capitol Avenue
Pierre, SD 57501
Phone: 605-224-7629
Fax: 605-224-1637
E-mail: richcoit@sdtaonline.com

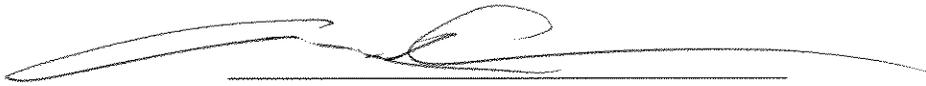
Dated this ____ day of August, 2007.

Kara Van Bockern
Staff Attorney
Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501
Phone: 605-773-3201
Fax: 605-773-3809
E-mail: kara.vanbockern@state.sd.us

CERTIFICATE OF SERVICE

I hereby certify that on the 14th day of September 2007, a true and correct copy of **Alltel Communication, Inc.'s Response to Venture's Motion to Strike and Motion in Limine**, was sent electronically to:

<p>dprogers@riterlaw.com MS DARLA POLLMAN ROGERS ATTORNEY AT LAW RITER ROGERS WATTIER & BROWN LLP PO BOX 280 PIERRE SD 57501-0280</p>	<p>bhd@bloostonlaw.com MR BEN H DICKENS JR ATTORNEY AT LAW BLOOSTON MORDKOFKY DICKENS DUFFY & PENDERGAST 2120 L STREET NW SUITE 300 WASHINGTON DC 20037</p>
<p>m.northrup@riterlaw.com MS MARGO D NORTHRUP ATTORNEY AT LAW RITER ROGERS WATTIER & BROWN LLP PO BOX 280 PIERRE SD 57501-0280</p>	<p>mjs@bloostonlaw.com MS MARY J SISAK ATTORNEY AT LAW BLOOSTON MORDKOFKY DICKENS DUFFY & PENDERGAST 2120 L STREET NW, SUITE 300 WASHINGTON DC 20037</p>
<p>richcoit@sdtaonline.com RICH COIT SDTA PO BOX 57 PIERRE SD 57501-0057</p>	<p>harlan.best@state.sd.us HARLAN BEST STAFF ANALYST SOUTH DAKOTA PUBLIC UTILITIES COMMISSION 500 EAST CAPITOL PIERRE SD 57501</p>
<p>Rolayne.wiest@state.sd.us MS ROLAYNE WIEST STAFF ATTORNEY SOUTH DAKOTA PUBLIC UTILITIES COMMISSION 500 EAST CAPITOL PIERRE SD 57501</p>	<p>Kara.vanbockern@state.sd.us KARA VAN BOCKERN STAFF ATTORNEY SDPUC 500 EAST CAPITOL PIERRE SD 57501</p>



Talbot J. Wiczorek