

**William J. Warinner, CPA**

Managing Principal

*Mr. Warinner, the managing principal in the firm of Warinner, Gesinger and Associates, LLC (formerly Frederick & Warinner, L.L.C.), has over twenty-five years of experience in all aspects of financial reporting and modeling for regulated telecommunications service providers. In engagements directed by Mr. Warinner on behalf of telecommunications service providers, he performed one or more of the following activities: certified financial audits, business valuations, development of cost allocation and earnings reporting systems including cost allocation manuals (CAM's), development of affiliated interest cost allocation and reporting systems and multi company cost allocation manuals, designed and implemented affiliate interest contracts for billing of inter company services between affiliates, jurisdictional cost allocation studies, development of toll access charge tariffs including tariff structure, rate development, earnings reporting and rate of return monitoring, revenue requirement development and rate design in conjunction with rate proceedings before state regulators and the Federal Communications Commission, development of management reporting systems using cost of service analysis models, development of management efficiency standards, and price analysis with earnings forecasting.*

*As a leading expert in the area of telecommunications, Mr. Warinner has sponsored testimony and presented on issues involving jurisdictional cost separations, interconnection billing issues, competition, toll access billings, wireless communications, business valuations, management reporting systems and business planning before organizations including the National Exchange Carriers Association (NECA), the Organization for the Preservation and Advancement of Small Telephone Companies (OPASTCO), State Independent Telephone Association of Kansas (SITA) and the Alaska Public Utilities Commission.*

*Mr. Warinner developed the first telecommunications jurisdictional cost reporting system for use with portable computers and licensed the software to over two hundred telephone utilities across the United States. The copyrighted software, titled Revenue Management Systems (RMS), is designed to provide jurisdictional cost separations, revenue requirement development and rate of return monitoring for telecommunications service providers. RMS has been certified by the National Exchange Carriers Association (NECA) for use in determining interstate revenue requirements for division of revenue settlements between NECA participants.*

*Mr. Warinner has directed, managed or conducted over two hundred jurisdictional cost allocation studies for telecommunications clients. He has performed as a lead auditor in the focused management audits of seven utilities and has managed or assisted in the performance of rate cases and earnings investigations of over twenty telephone utilities. Mr. Warinner has represented the interests of both consumers and companies in rate cases before regulatory agencies. As a consultant to consumers, he has assessed operational efficiencies of major telecommunication service providers, analyzed cost allocations between regulated and nonregulated services, analyzed jurisdictional allocations between state and interstate regulated services and assessed business practices for compliance with regulatory statutes. As a consultant to utility companies, he has testified and sponsored adjustments relating to normalization of test period costs, cost allocations, jurisdictional cost separations, income taxes, property records, customer service, rates and tariffs and interconnection billing issues.*

*Recently, Mr. Warinner had a lead role in the planning and preparation of six rate cases for the largest local exchange service provider in the state of Alaska. He designed the overall work plan implemented by the utility to analyze test period investments, revenues and expenses, identify and determine pro forma adjustments, review and implement nonregulated cost allocations, review and implement jurisdictional cost allocations, determine comparative industry cost benchmarking and assess revenue deficiencies on rates in a competitive marketplace. Mr. Warinner presented testimony before the Kansas Corporation Commission and the Missouri Public Service Commission concerning the development of intrastate revenue requirements for ratemaking purposes, earnings monitoring and jurisdictional cost allocations, the need to establish a state high-cost fund to provide an alternative recovery mechanism for state access reform and intrastate access costing and pricing procedures applicable to rural telephone companies.*

*Within the past year Mr. Warinner has presented testimony before the Regulatory Commission of Alaska concerning the focused audit of AT&T's Message Recording and Processing Systems in Alaska and the reporting of toll access minutes by AT&T Alascom to local exchange carriers in Alaska. He also performed a network feasibility study for the implementation of a statewide fiber network in Illinois and presented the business case to the Illinois Independent Network Partners.*

## **William J. Warinner, CPA (Continued)**

### **Specific Work Experience**

- Directed focused audit of AT&T's Message Recording and Processing Systems in Alaska on behalf of the Alaska Exchange Carriers Association. Responsible for analyzing the systems and processes used by AT&T to record toll calls and convert the usage to billed access records. Provided testimony before the Regulatory Commission of Alaska (RCA) concerning billing issues arising from the analysis of AT&T billing systems and processes.
- Engagement director for the development of a business case for a statewide fiber network in Illinois. Determined network feasibility using Discounted Cash Flow (DCF) analysis based on estimated network lease and construction costs, estimated network revenues and network expenses.
- Provided testimony before the Kansas Corporation Commission (KCC) in response to the KCC's analysis of the Kansas Universal Service Fund (KUSF) and order for an earnings investigation of a rural telephone company for the purpose of reducing contributions provided by the KUSF.
- Provided valuation of local exchange and long distance carrier in the state of Kansas.
- Prepared Cost Allocation Manual (CAM) for a nationwide provider of telephone and video relay services for the hard of hearing. Assisted in the filing of cost support material before the Federal Communications Commission.
- Provided testimony before the Missouri Public Service Commission to address intrastate access costing and price reforms proposed by a contractor to the Commission. Provided recommendations for alternative costing and pricing methodologies to increase value of services provided to customers in rural areas.
- Provided testimony before the Missouri Public Service Commission to support the implementation of a Missouri Universal Service Fund (MoUSF) to provide assistance to low income ratepayers and to provide an alternative cost recovery mechanism for state access costing and price reforms to be addressed by the Commission in a separate proceeding.
- Provided testimony before the Regulatory Commission of Alaska in support of the local service revenue requirement and jurisdictional cost allocation studies of five local exchange carriers providing local exchange and private line services in Alaska.
- Provided testimony before the Regulatory Commission of Alaska in support of the intrastate access revenue requirement and jurisdictional cost allocation studies of five local exchange carriers providing intrastate access services in Alaska.
- Provided testimony before the Kansas Corporation Commission about deficiencies in current billing practices for the reporting of terminating minutes-of-use for billing between communications carriers in the state of Kansas.
- Provided testimony and exhibits in conjunction with earnings investigations of four independent telephone companies before the Missouri Public Service Commission.
- Testified as an expert witness before the Arkansas Public Service Commission about deficiencies in inter-company terminating MOU billing practices. Recommended alternative billing procedures more suited for a competitive telecommunications market place.
- Performed role as a lead auditor in compliance reviews of the Standards of Competitive Conduct by electric utilities in the State of New Jersey.
- Testified as an expert witness before the Public Utility Board of Puerto Rico on matters concerning the implementation of dialing parity and carrier access billing systems by competitive local exchange carriers.
- Testified as an expert witness before the Public Utility Commission of Texas about inherent problems in the current inter-company settlements process which utilizes Southwestern Bell's Category 92 originating records exchange procedures. Recommended alternative consistent with the competitive telecommunications environment which are in compliance with Texas Rules.

## William J. Warinner, CPA (Continued)

- Provided litigation support to Puerto Rico Telephone Company for case involving dial around compensation to payphone service providers.
- Performed analysis of billing systems and procedures for billing of interconnection traffic for Puerto Rico Telephone Company and negotiated settlement agreement for billing disputes with competitive service providers.
- Presented as an expert witness for the adoption of alternative switching equipment allocation methodology before the Regulatory Commission of Alaska.
- Designed toll resale business cases for independent telephone companies in states of Missouri and Kansas.
- Led strategic planning initiative for large local exchange carrier.
- Testified as an expert witness about dialing parity and terminating compensation issues concerning small telephone companies before the Missouri Public Service Commission.
- Performed an evaluation of a Minnesota Local Exchange Carrier.
- Project director for tariff services provided to Anchorage Telephone Utility.
- Performed cost separation services for Fairbanks Municipal Utilities System.
- Project director for valuation of \$300 million municipal utility.
- Project director for affiliate interest review of Illinois Bell Telephone Company.
- Lead consultant in the affiliate interest review of Pennsylvania Bell Telephone Company.
- Project director for tariff services provided to statewide equal access provider.
- Developed multi-company cost allocation system for the reporting of affiliate transactions of several local exchange carriers.
- Project director for the audit of Percent Interstate Use (PIU) factors on behalf of two regional Bell operating companies.
- Project director for the audit of Common Line Usage Credits of NYNEX.
- Project director for the preparation of business office studies of Century Telephone.
- Performed valuation of a Minnesota Local Exchange Carrier.
- Designed *Revenue Management Systems (RMS)*, to facilitate the processing of FCC Parts 36 and 69 cost allocations and projections on a microcomputer.
- Designed and implemented a software model for the development and reporting of access rates using the FCC's "Price Cap" methodology.
- Assisted in the development of telecommunications traffic measurement systems using real time switch measurements.

Mr. Warinner directed or actively participated in engagements for the following companies:

- NYNEX
- U.S. West
- Sprint
- AT&T
- Puerto Rico Telephone Company
- Alaska Communications Systems
  - ACS of Anchorage
  - ACS of Fairbanks
  - ACS of the Northland
  - ACS of Alaska
- Michigan Exchange Carriers Association
- Iowa Network Services, Inc.

## William J. Warinner, CPA (Continued)

- Arvig Communications Systems
  - Callaway Telephone Company
  - East Otter Tail Telephone Company
  - Twin Valley-Ulen Telephone Company
  - Tekstar Cablevision, Inc.
- Anchorage Telephone Utility
- Kansas Independent Networks, Inc.
- Fairbanks Municipal Utilities System
- Century Telephone Enterprises, Inc.
- Citizens Utilities Company of Arizona
- Citizens Utilities Company of California
- SJI, Inc.
  - Lafourche Telephone Company
  - MobileTel, Inc.
  - CSI, Inc.
  - SOLA Communications, Inc.
- Matanuska Telephone Association, Inc.
- Townes Telecommunications, Inc.
  - Walnut Hill Telephone Company
  - Haxtun Telephone Company
  - Tatum Telephone Company
  - Electra Telephone Company
  - MoKan Dial, Inc.
- Golden Wheat Inc.
  - Wheat State Telephone Company
  - Wheat State Telecable, Inc.
- Lynch Communications, Inc.
  - JBN Telephone Company
  - Haviland Telephone Company
  - Western New Mexico Telephone Company
- RBJ, Inc.
  - Holway Telephone Company
  - KLM Telephone Company
- CLR Video, L.L.C.
- MJD Communications, Inc.
- Mid-South Telecommunications, Inc.
  - Ontonagon Telephone Company
  - Midway Telephone Company
  - S&A Telephone Company
  - Kingsgate Telephone Company
- Northeast Florida Telephone Company
- GT Communications, Inc.
- Alma Telephone Company
- Gulf Telephone Company
- Vista United Telephone Company
- Project Mutual Telephone Company
- IAMO Telephone Company
- Green Hills Telephone Corporation
- Oregon Farmers Mutual Telephone Company
- Rock Port Telephone Company
- Rainbow Telephone Cooperative Association, Inc.
- Rural Telephone Service Company
- Northeast Missouri Rural Telephone Company
- Modern Telephone Company
- Mid-Missouri Telephone Company
- Fidelity Telephone Company
- Bourbeuse Telephone Company

## **William J. Warinner, CPA (Continued)**

Mr. Warinner directed or actively participated in engagements for the following regulatory agencies:

- Illinois Commerce Commission
- Alaska Public Utility Commission
- Pennsylvania Public Utility Commission
- New Jersey Board of Public Utilities

Mr. Warinner has presented or testified before the following regulatory agencies:

- Illinois Commerce Commission
- Alaska Public Utility Commission
- Regulatory Commission of Alaska
- Texas Public Utility Commission
- Arkansas Public Service Commission
- Kansas Corporation Commission
- Missouri Public Service Commission
- Ohio Public Utilities Commission
- Indiana Utility Regulatory Commission
- Oklahoma Corporation Commission

## **Business Experience**

### **Warinner, Gesinger & Associates, LLC**

Certified Public Accountants  
Managing Principal

### **Frederick & Warinner**

Certified Public Accountants  
Partner

### **Drees, Dunn & Company**

Partner and Public Utility Consultant

### **Troupe, Kehoe, Whiteaker & Kent**

Certified Public Accountants  
Manager, Regulated Services

## **Education**

### **Rockhurst University, Kansas City**

Bachelor of Science in Business Administration, Major - Accounting

## **Licensed CPA**

States of Kansas, Louisiana, Minnesota, Missouri, North Dakota, Oklahoma, Texas, Wyoming and Washington D.C.

## **Professional Memberships**

American Institute of Certified Public Accountants

## **William J. Warinner, CPA (Continued)**

### **Presentations**

- "OIG/USAC USF Audits – What to Expect and Plan For", SITA, 2005
- "Intercarrier Compensation Restructure", WGA Annual Seminar, 2004
- "Local Number Portability", SITA, 2004
- "Voice Over IP Hot Topics", WGA Annual Seminar, 2003
- "Access Reform – The Next Step", WGA Annual Seminar, 2002
- "Rural Broadband Financing", Kansas Rural Broadband Conference, 2002
- "Telecommunications Act '96 Fallout", Indiana Telecommunications Association, Inc. 1997
- "Regulatory Update Forum", OPASTCO 1997
- "Valuing Telephone Companies", OPASTCO 1994
- "Wireless Communications", NECA 1993
- "Separations Reforms", SITA 1992

### **Industry Involvement**

- Member of the OPASTCO Separations and Access Committee which follows industry and regulatory proposals for telecommunications separations access reform.