

Exh. No. _____
Andy Heins Direct
Alma Telephone Co.
IO-2005-0468

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In the Matter of the Petition of)	
Alma Telephone Company)	
for Arbitration of Unresolved)	Case No. IO-2005-0468, et al.
Issues Pertaining to a Section 251(b)(5))	(consolidated)
Agreement with T-Mobile USA, Inc.)	

FILED

AUG 18 2005

DIRECT TESTIMONY

OF

Missouri Public
Service Commission

ANDY HEINS

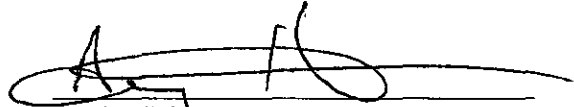
Jefferson City, Missouri
July 21, 2005

Exhibit No. 7
Date 8/11/05 Case No. IO-2005-0468
Reporter SUKM

AFFIDAVIT OF ANDY HEINS

STATE OF MISSOURI)
) ss.
COUNTY OF _____)

Andy Heins, of lawful age, on my oath states, that I have participated in the preparation of the foregoing direct testimony in question and answer form, consisting of 7 pages, to be presented in this case; that the answers in the foregoing testimony were given by me; that I have knowledge of the matters set forth in such answers; and that such matters are true to the best of my knowledge and belief.


Andy Heins

Subscribed and sworn to before me this 14th day of
July, 2005.


Notary Public

My Commission Expires:



1 **Q. Please state your name, capacity, and business address.**

2 A. My name is Andy Heins. I am the general manager for Alma Communications
3 Company d/b/a Alma Telephone Company. My business address is 206 South County
4 Road, Alma, MO 640001.

5 **Q. On whose behalf are you testifying.**

6 A. I am testifying on behalf of petitioner Alma Telephone Company (Alma).

7 **Q. What topics will you address in this testimony?**

8 A. In this testimony I will address the amounts of past T-Mobile traffic terminating
9 to Alma that Alma is willing to consider all T-Mobile traffic as being intraMTA traffic,
10 the amount of compensation commensurately due Alma from T-Mobile, the rates
11 applicable to such traffic, the amount of compensation due Alma, and my views as to
12 whether Alma should be responsible to compensate T-Mobile for landline to mobile
13 traffic provisioned by interexchange carriers (IXCs).

14 Mr. Schoonmaker will be presenting cost support for the prospective intraMTA
15 rate, and will also address whether mobile to landline IXC carried traffic is properly
16 reciprocal compensation traffic.

17 **Past Traffic**

18 **Q. What amount of T-Mobile traffic does Alma show as being uncompensated?**

19 A. 589,398 minutes of use.

20 **Q. What period did that traffic terminate?**

21 A. This traffic terminated after Alma's Wireless Termination Tariff became effective
22 in February of 2001, up to and including March 12, 2005. Alma had been paid for
23 terminating T-Mobile traffic prior to the effective date of its Wireless Termination Tariff.

1 **Q. Why were those dates selected?**

2 A. These are the inclusive dates during which Alma's records indicate
3 uncompensated T-Mobile traffic terminated. March 12, 2005 was selected as the end
4 date because it was the most recent billing period reflecting uncompensated traffic used
5 in the negotiations with T-Mobile prior to filing the arbitration petition.

6 **Q. What records was this traffic volume taken from?**

7 A. Up until sometime in the summer of 2004, we used SBC provided Cellular
8 Terminating Usage Summary Records (CTUSRs). After SBC terminated the CTUSR,
9 we have used electronic records SBC provides to us. Both types of record identified the
10 T-Mobile traffic by volume, but not by call jurisdiction. On a monthly basis Alma
11 converted the SBC provided information into invoices which have been billed to T-
12 Mobile, but which have not been paid.

13 **Jurisdiction of Past Traffic**

14 **Q. Have you performed traffic studies to determine the proportions of traffic**
15 **that are interMTA and intraMTA in jurisdiction?**

16 A. No. Prior to the inception of TC-2002-57, Alma decided it made more business
17 sense to assume that all T-Mobile traffic was intraMTA rather than perform a traffic
18 study. The traffic volumes were not large enough to justify a study. Alma's intrastate
19 access rate is \$0.0657. Since 2001 Alma's wireless termination tariff rate was \$0.0608.
20 These volumes and rate differentials did not justify the time and expense of a traffic
21 study.

22 **Q. Is Alma willing to accept an interMTA factor of 0.0%?**

23 A. Yes, that is what we offered prior to arbitration.

1 **Q.** As there would be no interMTA traffic, is it necessary to have an
2 interstate/intrastate division of interMTA traffic for Alma?

3 A. No.

4 **Rates to Apply**

5 **Q.** What rates are you requesting be applied to this past traffic?

6 A. For simplicity purposes Alma is requesting that its terminating wireless tariff rate
7 of \$0.0608 be applied to all uncompensated traffic. That rate would be less than the
8 intrastate access rate.

9 **Compensation Due**

10 **Q.** Taking that rate and traffic volume, what would the amount due Alma from
11 T-Mobile be?

12 A. The total would be \$35,835, and does not include penalties or late charges.

13 **Q.** What amount are you requesting the Arbitrator award?

14 A. \$29,676. In the negotiations preceding the arbitration petition, Alma offered to
15 accept this amount from T-Mobile. Alma therefore is requesting that this lesser amount
16 be awarded, consistent with its obligation to negotiate in good faith. I believe this is a
17 reasonable amount.

18

19 **Landline to Mobile IXC Traffic**

20 **Q.** In its response to the arbitration petition, T-Mobile claims Alma should be
21 responsible to pay T-Mobile reciprocal compensation when Alma customers make a
22 1+ call to call a T-Mobile customer. Do you agree?

1 A. No. T-Mobile has chosen to directly interconnect with SBC, and send its traffic
2 to Alma indirectly. Without a T-Mobile facility connected to Alma, Alma does not offer
3 its subscribers the ability to dial T-Mobile customers on a "local" basis. Alma does not
4 own the facilities to do this, does not desire to purchase the use of other carriers'
5 facilities, and therefore does not offer T-Mobile NPA/NXXs as part of the local calling
6 scope of Alma local subscribers.

7 Alma local subscribers must dial a "1+" in order to reach T-Mobile customers.
8 As an ILEC under federal and state rules, Alma is required to route all such "1+" calls to
9 the facilities of the customers chosen interexchange carrier (IXC). These calls are the
10 provisioning and compensation responsibility of the chosen IXC, not Alma. The IXC
11 gets the end user revenue, pays Alma originating compensation, and to my understanding
12 is obligated to pay T-Mobile terminating compensation.

13 It is the IXC, not the LEC, that is deemed to have "originated" such calls, and
14 pays Alma for using Alma facilities to originate the call.

15 **Q. T-Mobile characterizes this as a situation where Alma is attempting to**
16 **exempt itself from reciprocal compensation obligations by choosing to send calls**
17 **Alma originates but then sends to an intermediate carrier. Do you agree?**

18 A. No. Alma is not required to provide local calling that includes the expense of
19 purchasing other carriers' facilities. Alma's tariffs determine its customer's local calling
20 scope. The local NPA NXXs do not include T-Mobile numbers. Our rate structure is
21 based upon local calling within the areas set forth in Alma tariffs.

22 If receiving reciprocal compensation for these calls is important to T-Mobile, T-
23 Mobile should do what it did with larger ILECs such as SBC. It should order and provide

1 a direct connection to Alma facilities. Calls going to T-Mobile would thereafter not have
2 to leave Alma exchange facilities, and could be delivered to T-Mobile as locally dialed
3 calls without having to be routed to interexchange facilities.

4 **Q. Do you believe T-Mobile is losing compensation rights if this traffic is not**
5 **reciprocal compensation traffic?**

6 A. No. It is my understanding that the IXC delivering these calls to T-Mobile is
7 obligated to compensate T-Mobile, so T-Mobile should be receiving intercarrier
8 compensation for this traffic. I believe it is also true that T-Mobile gets paid by its end
9 users for receiving these calls. If Alma were responsible to pay reciprocal compensation
10 as well, you could argue T-Mobile is getting paid three times for this traffic; twice by
11 intercarrier compensation and once by end user compensation.

12 **Q. Does that conclude your direct testimony?**

13 A. Yes.