

Exhibit No.:
Issue: Suspension and Modification
of LNP
Requirements
Witness: William J. Warinner
Type of Exhibit: Direct Testimony
Sponsoring Party:
KLM Telephone Company
Date: June 4, 2004

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. TO 2004-0401

**DIRECT TESTIMONY
OF
WILLIAM J. WARINNER**

FILED

JUL 29 2004

ON BEHALF OF:

**Missouri Public
Service Commission**

KLM TELEPHONE COMPANY

Exhibit No. 4
Case No(s) TO-2004-0401
Date 7-21-04 Rptr KF

In the matter of the Petition of KLM Telephone)
Company for the Suspension of the FCC's)
Requirement to Implement Local Number)
Portability)

Case No. TR-2004 - 0401

County of Johnson)
State of Kansas)

AFFIDAVIT OF

WILLIAM J. WARINNER

William J. Warinner, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony entitled "Direct Testimony of William J. Warinner," that said testimony and schedules attached thereto was prepared by him and/or under his direction and supervision; that if inquiries were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge, information and belief.

William J. Warinner
William J. Warinner

Subscribed and sworn to before me this 2nd day of June, 2004.

Kathleen T. Coyte
Notary Public

My Commission expires:

7/7/2004



TABLE OF CONTENTS

DIRECT TESTIMONY

OF

WILLIAM J. WARINNER

LOCAL NUMBER PORTABILITY

CASE NO. TO 2004-0401

Introduction	2
Local Number Portability	4
KLM's Request of the Missouri Public Service Commission	9
Summary and Conclusion	11

INTRODUCTION

2

3 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

4 A. My name is William J. Warinner. My business address is 10561 Barkley Street,
5 Suite 550, Overland Park, Kansas, 66212-1835.

5 Suite 550, Overland Park, Kansas, 66212-1835.

6

7 Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

8 A. I am the managing principal in the firm of Warinner, Gesinger & Associates,
9 LLC, Certified Public Accountants.

9 LLC, Certified Public Accountants.

10

11 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL**
12 **BACKGROUND.**

BACKGROUND.

A. I am a 1975 graduate of Rockhurst College in Kansas City, Missouri whereby I received a Bachelor of Science degree in Business Administration with a major in Accounting. In 1975, I was employed by the certified public accounting firm of Troupe Kehoe Whiteaker & Kent (TKWK) to assist in the preparation of income tax returns and certified financial audits. In 1976, I transferred to the Firm's regulated utility department where I was responsible for preparing rate case support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

I am a 1975 graduate of Rockhurst College in Kansas City, Missouri whereby I received a Bachelor of Science degree in Business Administration with a major in Accounting. In 1975, I was employed by the certified public accounting firm of Troupe Kehoe Whiteaker & Kent (TKWK) to assist in the preparation of income tax returns and certified financial audits. In 1976, I transferred to the Firm's regulated utility department where I was responsible for preparing rate case support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

Accounting. In 1975, I was employed by the certified public accounting firm of Troupe Kehoe Whiteaker & Kent (TKWK) to assist in the preparation of income tax returns and certified financial audits. In 1976, I transferred to the Firm's regulated utility department where I was responsible for preparing rate case support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

Troupe Kehoe Whiteaker & Kent (TKWK) to assist in the preparation of income tax returns and certified financial audits. In 1976, I transferred to the Firm's regulated utility department where I was responsible for preparing rate case support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

tax returns and certified financial audits. In 1976, I transferred to the Firm's regulated utility department where I was responsible for preparing rate case support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

regulated utility department where I was responsible for preparing rate case support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

support and division of revenue cost studies for telephone company clients of the Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

Firm. In 1978, I became manager of telecommunications regulatory services at TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

TKWK. In 1983, I joined the consulting firm of Drees Dunn & Company as manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

manager of regulatory services where my responsibilities included preparation of certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

certified financial audits of independent telephone companies, preparation of toll cost studies, preparation of access charge tariff filings, business planning and

cost studies, preparation of access charge tariff filings, business planning and

1 economic modeling. In 1988, I co-founded the certified public accounting firm of
2 Frederick & Warinner (F&W). F&W was formed specifically to address the
3 financial needs of rural independent telephone companies. At F&W, I developed
4 *Revenue Management Systems*, a Part 36/69 cost allocation software system
5 designed for use with personal computers. On January 1, 1995, I organized
6 Frederick & Warinner, L.L.C. of which I am currently the managing principal. In
7 April of 1999, the firm became Warinner, Gesinger & Associates, LLC.

8
9 I am a Certified Public Accountant and member of the American Institute of
10 Certified Public Accountants. I currently hold a license to practice in the States of
11 Kansas, Louisiana, Minnesota, Missouri, New York, Oklahoma, Texas, Wyoming
12 and Washington, D.C.

13
14 My resume, presented as Schedule WJW-1, contains descriptions of the major
15 engagements I have managed and provides the names of clients with whom I have
16 worked.

17
18 **Q. ON WHOSE BEHALF DO YOU PRESENT THIS TESTIMONY?**

19 A. My testimony is presented on behalf of KLM Telephone Company (KLM).

20
21 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS**
22 **PROCEEDING?**

1 A. The purpose of my direct testimony is to provide support for KLM's request for a
2 two-year suspension of the Local Number Portability (LNP) requirements
3 imposed by the Federal Communications Commission (FCC) and to explain the
4 reasons for this request.

5
6 **LOCAL NUMBER PORTABILITY**
7

8 **Q. PLEASE DESCRIBE YOUR UNDERSTANDING OF KLM'S**
9 **RESPONSIBILITY REGARDING LOCAL NUMBER PORTABILITY.**

10 A. Section 251 (b) of the Telecommunications Act requires local exchange carriers
11 to provide LNP, to the extent technically feasible, in accordance with
12 requirements prescribed by the FCC. Local Number Portability is defined as "the
13 ability of users of telecommunications to retain, at the same location, existing
14 telecommunications numbers without impairment of quality, reliability or
15 convenience when switching from one telecommunications carrier to another."
16 47 CFR 52.21 (l) (Emphasis added.)
17

18 Initially, implementation of LNP was required within the top one hundred (100)
19 largest Metropolitan Statistical Areas (MSA), (which are defined in terms of
20 whole counties) upon receipt of a Bona Fide Request by November 24, 2003. The
21 FCC also required implementation of LNP for LECs serving outside the MSAs
22 within six (6) months after receipt of a Bona Fide Request. State Commissions
23 were delegated authority, on a case-by-case basis, to suspend the requirements of

1 LNP where specified conditions were met, even when a Bona Fide Request had
2 been received.

3
4 KLM was included in the Kansas City MSA when the Kansas City MSA was
5 expanded to include Bates County by the Office of Management and Budget upon
6 designation of forty-nine (49) new MSAs on June 3, 2003.¹

7
8 KLM personnel, as well as most people in the telecommunications industry,
9 assumed that LNP services would be required only when the porting of numbers
10 was truly "at the same location". This assumption was based upon the belief that
11 LNP would promote competition between competing telecommunications
12 companies operating in the same geographical local area.

13
14 Subsequently, the FCC's Order² of November 2003 was modified on January 16,
15 2004 to delay the required implementation of LNP for all LECs with less than two
16 percent (2%) of the nation's subscriber lines who had not received a Bona Fide
17 Request from a wireless carrier prior to May 24, 2003. Thus, qualifying LECs,
18 such as KLM, have six (6) months after receiving a Bona Fide Request to become
19 LNP capable, but no earlier than May 24, 2004.

20

¹ From the release dated June 3, 2003, 2003-18.

² See Memorandum Opinion and Order and Further Notice of Proposed Rulemaking, CC Docket No. 95-116, released November 10, 2003.

1 The FCC order of November 10, 2003 allows consumers to transfer/port their
2 numbers from a traditional wireline phone to a wireless phone if the exchange
3 falls within the same coverage area. The FCC's order further clarified that the
4 LNP requirement will be limited to porting within the LATA where the wireless
5 carrier's point of interconnection is located "and does not contemplate porting
6 outside of LATA boundaries."³
7

8 **Q. WHAT IS THE SIGNIFICANCE OF THE TERM "COVERAGE AREA"**
9 **AS IT RELATES TO NUMBERS PORTED BETWEEN WIRELINE AND**
10 **WIRELESS CARRIERS?**

11 A. The coverage area of an ILEC is entirely different than that of a wireless carrier.
12 Part of KLM's coverage area is included in only one of the twenty-three counties
13 of the Kansas City MSA.
14

15 KLM's Certificate of Convenience and Necessity issued by the MPSC allows
16 KLM to provide service within its designated operating territory, but not outside
17 that territory. Services which are provided outside of KLM's operating territory
18 (or local exchanges) involve other telecommunications providers and such
19 arrangements are authorized through approved tariffs and/or negotiated
20 agreements.
21

³ See Memorandum Opinion and Order and Further Notice of Proposed Rulemaking, CC Docket 95-116, Id. At fn 75, released November 10, 2003.

1 LNP is “the ability to retain, at the same location, existing telecommunications
2 numbers.” 47 CFR 52.21 (l) The FCC’s Order provides for wireline to wireless
3 porting, yet wireless phones are mobile and can operate in many locations while
4 wireline phones operate in fixed locations. The wireless and wireline coverage
5 areas do not equate to the same location.

6
7 In addition, if the wireless carrier has no facilities interconnecting with KLM, this
8 requirement would be economically burdensome to KLM because KLM does not
9 have facilities or arrangements in place that would allow it to transport a local call
10 outside of its local exchange area.

11
12 The FCC has yet to resolve the responsibilities of the carriers to transport local
13 traffic between one another when no interconnection facilities exist. In fact, there
14 are Court challenges pending to examine various aspects of the FCC’s Orders
15 imposing wireline to wireless LNP on small carriers.⁴

16
17 **Q. DO ANY WIRELESS CARRIERS HAVE NUMBERS RESIDING IN KLM**
18 **EXCHANGES?**

19 A. No. KLM does not have any wireless carriers directly connected to KLM’s
20 facilities, nor do any wireless carriers have any telephone numbers associated
21 with or assigned to KLM’s rate centers. In order for KLM’s customers to call the

⁴ See e.g. United States Court of Appeals, D.C. Circuit, US Telecom. Ass’n et al. v. FCC, Case No. 03-1414 and Nat’l Telecom Coop. Ass’n et al. v. FCC, Case No. 03-1443.

1 customer of a wireless carrier, they must dial a 1+ (toll) call and use their
2 presubscribed interexchange carrier.

3
4 **Q. HAS KLM RECEIVED ANY INQUIRES OR REQUESTS TO PORT**
5 **WIRELINE NUMBERS FROM WIRELESS CARRIERS?**

6 A. No. KLM has not received a request to port wireline numbers to any wireless
7 carrier, including Western Wireless. However, KLM did receive an inquiry from
8 Verizon requesting company information.

9
10 **Q. ARE YOU AWARE OF THE NUMBER OF NATIONWIDE REQUESTS**
11 **TO PORT NUMBERS FROM THE WIRELINE CARRIER TO THE**
12 **WIRELESS CARRIER?**

13 A. It is my understanding that approximately 229,000⁵ out of approximately
14 117,500,000 ILEC and Competitive LEC (CLEC) access lines that were LNP
15 capable were ported as of May 21, 2004. This represents about 0.19% of all
16 nationwide LNP capable access lines as of May 21, 2004. LNP capable access
17 lines are estimated using total ILEC and CLEC access lines of 187,523,916⁶ less
18 approximately 70,000,000⁷ rural ILEC and CLEC lines expected to become LNP
19 capable on May 24, 2004.

20

⁵ Estimate derived from statements of Chairman Powell in Schedule WJW-2 attached.

⁶ Trends in Telephone Service report, issues May 6, 2004, Table 7.1, Page 7 – 3.

⁷ Estimate derived from statements of Chairman Powell in Schedule No. WJW-2 attached.

1 **Q. IF KLM'S CUSTOMER REQUESTS ARE CONSISTENT WITH THE**
2 **CURRENT NUMBER OF PORTED NUMBERS NATIONWIDE, HOW**
3 **MANY NUMBERS WOULD KLM EXPECT TO PORT?**

4 A. If nineteen-hundredths of one percent (.19%) of KLM's customers requested to
5 port their numbers, consistent with nationwide statistics, KLM could expect to
6 port three (3) of its wireline numbers to wireless carriers.

7
8 **Q. CAN KLM PROVIDE LOCAL NUMBER PORTABILITY?**

9 A. No, KLM is not currently LNP capable, as explained by Mr. Bruce Copsey in his
10 Direct Testimony filed in this case.

11
12 **Q. DID KLM REQUEST A SUSPENSION FROM THE MPSC REGARDING**
13 **THE MAY 24, 2004 LNP IMPLEMENTATION DATE?**

14 A. Yes. KLM requested a suspension and was granted an interim, temporary
15 suspension of the LNP requirements until August 7, 2004.

16
17
18 **KLM'S REQUEST OF THE MPSC**

19
20 **Q. WHAT IS KLM REQUESTING OF THE MPSC?**

21 A. KLM is requesting a two-year suspension for the implementation of LNP. This
22 will allow KLM to pursue the required Mitel switch replacement and will allow
23 sufficient time to determine and obtain the best equipment available. This will

1 also postpone the charges to KLM's customers and by then, the industry will have
2 a much better idea of the demand for porting wireline numbers to wireless
3 carriers.

4
5 **Q. DOES THE MPSC HAVE THE AUTHORITY TO GRANT A**
6 **SUSPENSION OF THE FCC REQUIREMENTS TO IMPLEMENT LNP?**

7 A. Yes. State regulatory commissions are allowed to grant suspensions of the FCC's
8 LNP requirements under Section 251(f) of the Federal Act. Under Section 251(f)
9 of the Act dealing with exemptions, suspensions and modifications, it states that:

10 A local exchange carrier with fewer than two percent of the Nation's subscriber
11 lines installed in the aggregate nationwide may petition a State commission for a
12 suspension or modification of the application of a requirement or requirements of
13 subsection (b) or (c) of this section to telephone exchange service facilities
14 specified in such petition. The State commission shall grant such petition to the
15 extent that, and for such duration as, the State commission determines that such
16 suspension or modification –

17 (A) is necessary –

- 18 (i) to avoid a significant adverse economic impact on users of
19 telecommunications services generally;
20 (ii) to avoid imposing a requirement that is unduly economically
21 burdensome; or
22 (iii) to avoid imposing a requirement that is technically infeasible; and
23

24 (B) is consistent with the public interest, convenience, and necessity.
25
26

27 **Q. DOES KLM QUALIFY FOR SUSPENSION OR MODIFICATION OF THE**
28 **FCC'S LNP REQUIREMENTS UNDER SECTION 251(f) OF THE ACT?**

29 A. Yes. KLM has already demonstrated in its verified petition and supporting
30 pleadings that it serves less than two percent of all nationwide subscriber lines;

1 that implementation of LNP by KLM is currently technically infeasible with its
2 Mitel switches; that replacing the Mitel switches would be unduly economically
3 burdensome on KLM at this time; and that KLM subscribers may suffer adverse
4 economic impact if KLM is required to build or arrange for transport facilities
5 from a third party in order to facilitate the termination of local calls to wireless
6 customers in distant rate centers.

8 SUMMARY AND CONCLUSION

9
10 **Q. WILL YOU PLEASE SUMMARIZE YOUR DIRECT TESTIMONY?**

11 **A.** Yes. KLM is requesting a two-year suspension, until May 24, 2006, when KLM
12 will replace the exiting Mitel switches and become LNP capable. KLM has not
13 yet received any Bona Fide Requests from wireless carriers for LNP, and KLM
14 does not believe it is in the public's best interest to incur costs today for an
15 unknown demand since KLM is required to replace the existing Mitel switches by
16 December 31, 2007.

17
18 KLM also requests that the suspension of the FCC's LNP requirements be subject
19 to further extension beyond the current date of August 7, 2004 until the FCC
20 addresses the issue of carrier responsibility for the transport of local calls to
21 carriers with rate centers outside the local exchange areas of KLM. This issue
22 could cause significant adverse economic impact to KLM customers if KLM must

1 bear the cost of transporting local calls to various rate centers throughout the
2 LATA and MSA.

3

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

5 **A. Yes.**

William J. Warinner, CPA

Schedule WJW-1

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.

Within the past year Mr. Warinner has 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.

William J. Warinner, CPA

Page Two

Specific Work Experience

- 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 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.
- 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.

William J. Warinner, CPA

Page Three

- 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 traffic measurement systems using real time 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.
- 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

William J. Warinner, CPA

Page Four

- 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

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

William J. Warinner, CPA

Page Five

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

Principal

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

Presentations

"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

William J. Warinner, CPA

Page Six

Industry Involvement

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

Publications

"Warinner, Gesinger & Associates, LLC Report", Quarterly newsletter published through TeleInfoSystems, Inc.



NEWS

News media information 202 / 418-0500

TTY 202 / 418-2555

Fax-On-Demand 202 / 418-2830

Internet: <http://www.fcc.gov>

<ftp.fcc.gov>

Federal Communications Commission

445 12th Street, S.W.

Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCJ v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE:

May 21, 2004

NEWS MEDIA CONTACTS:

David Fiske, (202) 418-0513

Richard Diamond, (202) 418-0506

FCC Chairman Powell: Another 70 Million Americans to Have Freedom to Switch Wireless Carriers and Keep Their Phone Number on Monday

Washington, D.C.—Beginning Monday, May 24, the ability of consumers to change their wireless telephone provider and keep their number expands to cover the entire country as Federal Communications Commission number portability rules take effect in smaller markets, covering an additional 70 million Americans.

“Now all Americans can enjoy the benefits of competition,” said FCC Chairman Michael Powell. “These changes will bring lower prices, more innovation and better service to everyone. Wireless carriers will now, more than ever, deliver for rural America.”

Last November, the FCC required wireless carriers in only the 100 largest cities to start allowing customers to switch and keep their numbers. Over 3.5 million numbers have been switched. Most of these—approximately 3.34 million—involved wireless customers switching from one wireless carrier to another. Approximately 229,000 involved landline customers taking their landline number to a wireless carrier. Just over 7,000 people transferred a wireless number to a landline phone.

“Your phone number belongs to you, and you can take it with you—no matter where you live,” said Powell.

Additional information is available at www.fcc.gov/cgb/NumberPortability/

-FCC-

News about the Federal Communications Commission can also be found on the Commission's web site www.fcc.gov.