BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Delta Phones, Inc.,)	
C	omplainant,)	
v.)) Ca	se No. TC-2004-0064
Southwestern Bell Telephone Compan d/b/a Southwestern Bell Telephone Co		
R	espondent.)	
<u>AFFIDAVI</u>	T OF JERRY W. GI	<u>LMORE</u>
STATE OF TEXAS)	
CITY OF DALLAS) SS	

COMES NOW Jerry W. Gilmore, being duly sworn on his oath, and states as follows:

- 1. My name is Jerry W. Gilmore. My business address is Four SBC Plaza, Dallas, Texas 75202. I am the Director-Major and Emerging Accounts (Southwest) for SBC Management Services, L.P. My responsibilities include serving as the director of an account team that manages the business relationship between incumbent local exchange companies affiliated with SBC Communications and various competitive local exchange carriers (CLECs). One of the CLEC customers served by my account team is Delta Phones, Inc. ("Delta Phones").
- 2. In my position as Director-Major and Emerging Accounts, I am responsible for and familiar with the status of the business relationship between Delta Phones and Southwestern Bell Telephone, L.P. d/b/a SBC Missouri (SBC Missouri in Missouri) in the states of Missouri, Texas, Oklahoma, Kansas and Arkansas. I have personal knowledge regarding the Interconnection Agreement between SBC Missouri and Delta Phones, the relationship between SBC Missouri and Delta Phones as governed by its Interconnection Agreement, and the regulatory proceedings involving Delta Phones in Southwestern Bell Telephone, L.P. region over the past few months. I am also generally familiar with similar regulatory proceedings involving Delta Phones in other states.
- 3. Delta Phones has engaged in a pattern of refusing to pay for telecommunications services provided to it by Southwestern Bell Telephone, L.P. including SBC

- Missouri, as required by the comprehensive Interconnection Agreement between Southwestern Bell Telephone, L.P. and Delta Phones. This Interconnection Agreement was approved by the Missouri Commission on December 23, 2002.
- 4. In the State of Oklahoma, in Cause No. PUD 2003000392, the Oklahoma Corporation Commission ordered Delta Phones to pay \$400,000 into an appropriate escrow account, no later than noon, Tuesday, August 5, 2003, as a condition of continuing to receive service from SBC Oklahoma. Delta Phones did not do so, and on August 8, 2003, the Oklahoma Corporation Commission granted Delta Phones request to dismiss its Complaint.
- 5. In the State of Kansas, in Docket No. 04-SWBT-013-COM, on July 25, 2003, the Kansas Corporation Commission ordered Delta Phones to place \$352,336.53 into an escrow account by August 6, 2003, as required under the parties' Interconnection Agreement. Delta Phones did not make its required escrow payment, and instead, on August 8, 2003, filed a motion to dismiss its Kansas Action.
- 6. In the State of Arkansas, in Docket No. 03-100-C, on August 12, 2003, the Arkansas Public Service Commission ordered Delta Phones to pay all undisputed amounts within 10 days (i.e., by August 22, 2003), and pay all disputed amounts into an appropriate escrow account within 30 days (i.e., by September 11, 2003). Delta Phones has failed to comply with the August 22, 2003, payment date for undisputed amounts.
- 7. In the State of Texas, in PUC Docket No. 28041, in their August 15, 2003, Arbitration Award, the PUC's arbitration panel rejected the merits of nearly all of Delta Phones' substantive claims, and found that Delta Phones' billing disputes "lacked credibility and merit." The Texas PUC ordered Delta Phones to pay SBC Texas \$662,222.64 no later than August 20, 2003. Delta Phones has not complied with the Texas PUC's arbitration panel's award.
- 8. One of Delta Phones' allegations in Missouri and other states is that it did not receive additional discounts for resold services as required by the terms of the SBC/Ameritech Merger Conditions approved by the Federal Communications Commission (FCC). However, Delta Phones was never eligible to receive the SBC/Ameritech merger discount, because Delta Phones never executed the amendment to its Resale Agreement that was required to receive this discount. The SBC/Ameritech Merger Conditions were contained in Appendix C to the FCC Order approving the merger. Paragraph 47 of Appendix C (the Merger Conditions) provides for an additional resale discount, but requires any carrier seeking such a discount to execute a standard Merger Conditions amendment to its Interconnection Agreement with SBC Missouri to receive the additional discount. Delta Phones never executed this amendment, and the Missouri Commission never approved any such amendment to the Interconnection

Agreement it approved between Delta Phones and SBC Missouri during the period which is the subject of Delta Phone's dispute.

9. Another major component of Delta Phones' Complaint involves Delta Phones' allegations that it did not receive Carrier Access Billing System (CABS) data, which Delta Phones claims it would have used to bill interexchange carriers for access charges on long distance calls to and from Delta Phones end user customers served via the unbundled network element platform or UNE-P. Prior to filing its Complaint on July 25, 2003, Delta Phones never raised this allegation with SBC Missouri, nor did it utilize the dispute resolution process contained in the parties' Commission-approved Interconnection Agreement for the CABS data Complaint.

Jerry W. Gilmore

Subscribed and sworn to before me this 25th day of August, 2003.

Brenda Hannah Grant
Katary Public, State of Toxas
My Centrelision Expires
OCTOBER 04, 2004

Brenda Hannah grant Notary Public