

**Exhibit No.:** \_\_\_\_\_  
**Issue:** Joint Application of GTE Midwest  
Incorporated, d/b/a Verizon Midwest, &  
CenturyTel Of Missouri, LLC  
Transfer of Assets  
**Witness:** Jeffrey B. Hunt  
**Type of Exhibit:** Direct Testimony  
**Sponsoring Party:** Verizon Midwest  
**Case No.:** TM-2002-232  
**Date Testimony**  
**Prepared:** February 21, 2002

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

**FILED<sup>3</sup>**  
FEB 21 2002

**TM-2002-232**

Missouri Public  
Service Commission

GTE MIDWEST INCORPORATED  
d/b/a  
VERIZON MIDWEST

DIRECT TESTIMONY OF  
JEFFREY B. HUNT

FEBRUARY 21, 2002

Exhibit No. 1  
Date 4/25/02 Case No. TM-2002-232  
Reporter KLM

1 I. INTRODUCTION

2

3 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

4 A. My name is Jeffrey B. Hunt and my business address is Verizon Communications,  
5 600 Hidden Ridge Drive, Irving, Texas 75038-2090.

6

7 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND  
8 EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.

9 A. I received a Bachelor of Science Degree in Administrative Sciences from  
10 Southern Illinois University-Carbondale in 1976, and a Masters in Business  
11 Administration from Southern Illinois University-Carbondale in 1978. I have been  
12 employed by GTE (now Verizon) since August 1978. I have held various  
13 assignments in the Regulatory Department since 1983. In 1989 I was named to  
14 my current position of Director – Planning & Policy. This department is focused on  
15 docket management for several jurisdictions.

16

17 Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE REGULATORY  
18 COMMISSIONS?

19 A. Yes, I have sponsored testimony in Illinois, Wisconsin and Pennsylvania.

20

21 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

1 A. The purpose of my testimony is to present GTE Midwest Incorporated d/b/a  
2 Verizon Midwest's (Verizon) perspective and positions in support of the Joint  
3 Application filed in this proceeding.  
4

5 **II. SALE OF VERIZON MIDWEST**  
6 **MISSOURI PROPERTIES TO CENTURYTEL**  
7

8 **Q. PLEASE DESCRIBE THE INSTANT TRANSACTION THAT IS THE SUBJECT**  
9 **OF THE JOINT APPLICATION.**

10 A. This sales transaction is part of Verizon's announced initiative in 2001 to sell its  
11 local exchange properties in the states of Kentucky, Alabama and Missouri. This  
12 process resulted in the October 22, 2001 announcement that Verizon's properties  
13 in Missouri and Alabama had been sold to CenturyTel. In Missouri, Verizon  
14 Midwest is selling the subject properties to CenturyTel of Missouri, LLC  
15 (CenturyTel). The agreement includes all 96 local telephone exchanges and  
16 369,000 switched customer access lines (as of September 30, 2001).  
17 Approximately 500 employees involved in the provision and maintenance of  
18 wireline services will transfer over to CenturyTel at the close of the sale. The  
19 transaction does not include Verizon's long distance, Internet, wireless or  
20 Information Services businesses in Missouri. It also does not include  
21 approximately 900 employees working at the National Operator Services Center  
22 and the National Customer Contact Center in Wentzville. The current estimated  
23 date for the close of the sale is August 30, 2002.  
24

1 **Q. IS THE SUBJECT SALE OF VERIZON MIDWEST'S MISSOURI PROPERTIES,**  
2 **AS FULLY SET FORTH IN THE JOINT APPLICATION, NOT DETRIMENTAL TO**  
3 **THE PUBLIC INTEREST IN MISSOURI?**

4 **A.** The sale is not detrimental to the public interest; indeed, the sale *promotes* the  
5 public interest. As specifically set forth in the Joint Application, CenturyTel  
6 proposes no immediate changes in the rates, terms and conditions on the  
7 telecommunications service that Verizon currently provides to its Missouri  
8 customers. As noted above, CenturyTel proposes no immediate change in the  
9 operation of Verizon properties as a result of the proposed transaction and, in fact,  
10 proposes to retain Verizon's existing employees who currently provide service to  
11 these exchanges. As part of a major domestic telecommunications corporation  
12 focused on providing communications services in rural exchanges in twenty-one  
13 (21) states, it's my understanding that CenturyTel possesses the managerial,  
14 engineering and financial expertise necessary to continue to provide the quality of  
15 service that Verizon currently provides to its Missouri customers. In summary, the  
16 transaction should result in no immediate change for the customers except for who  
17 the provider is, what the bill looks like, and the locations contacted for customer  
18 service.

19  
20 **Q. IS VERIZON CURRENTLY AN ELIGIBLE TELECOMMUNICATIONS CARRIER**  
21 **IN THE STATE OF MISSOURI?**

1 A. Yes. In accordance with the Missouri Public Service Commission Rules, Verizon is  
2 currently designated as an Eligible Telecommunications Carrier in all of its Missouri  
3 exchanges.

4

5 **Q. IS VERIZON CURRENTLY SUBJECT TO PRICE CAP REGULATION IN**  
6 **MISSOURI?**

7 A. Yes. In Case No. TO-99-294, the Commission found that a CLEC was properly  
8 certificated to provide service in Verizon's service area and that the CLEC was, in  
9 fact, providing service in Verizon's service area. In addition, in Case No. TM-2000-  
10 182 (the sale and transfer of certain Verizon exchanges to Spectra  
11 Communications Group LLC) the Commission reaffirmed the price cap status of  
12 Verizon.

13

14 **Q. WHAT DOES VERIZON SEEK FROM THE COMMISSION IN THIS**  
15 **PROCEEDING?**

16 A. Verizon seeks the approvals necessary to enable it to complete the sale of its  
17 Missouri assets to CenturyTel as set forth in the Asset Purchase Agreement.  
18 Therefore, Verizon requests that the Commission (1) determine that the subject  
19 sale by Verizon to CenturyTel is not detrimental to the public interest in Missouri,  
20 and (2) authorize Verizon to discontinue providing service in the enumerated  
21 Missouri exchanges sold to CenturyTel as of the closing date of the sale. Verizon  
22 encourages the Commission to approve CenturyTel and Verizon's Joint

1           Application so the transaction can move forward to closing and the transition to  
2           service by CenturyTel can be completed.

3

4   **Q.    DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

5   **A.    Yes, it does.**

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the matter of the Joint Application of GTE )  
Midwest Incorporated d/b/a Verizon Midwest ) Case No. TM-2002-232  
And CenturyTel of Missouri, LLC )

AFFIDAVIT OF JEFFREY B. HUNT

STATE OF Texas )  
COUNTY OF Dallas ) ss.

I, Jeffrey B. Hunt, of lawful age and being duly sworn,  
state that I am presently Director-Planning Policy (Title) of  
Verizon Services Group (Company Name); state that attached herein is  
my Direct Testimony. I hereby swear and affirm my statements contained in my  
attached Testimony are true and correct to the best of my knowledge and belief.

Jeffrey B. Hunt  
Jeffrey B. Hunt

Subscribed and sworn to before me this 18<sup>th</sup> day of February 2002.

Nancy G. Brown  
Notary Public

My Commission expires: 10-8-04

