

August 9, 2012

#### VIA HAND DELIVERY

Ms. Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 COMMISSION

Re: Docket No. 090538-TP - AMENDED COMPLAINT OF QWEST COMMUNICATIONS COMPANY, LLC AGAINST MCIMETRO ACCESS TRANSMISSION SERVICES (D/B/A VERIZON ACCESS TRANSMISSION SERVICES); TW TELECOM OF FLORIDA, L.P.; GRANITE TELECOMMUNICATIONS, LLC; BROADWING COMMUNICATIONS, LLC; BIRCH COMMUNICATIONS, INC.; BUDGET PREPAY, INC.; BULLSEYE TELECOM, INC.; DELTACOM, INC.; ERNEST COMMUNICATIONS, INC.; FLATEL, INC.;; NAVIGATOR TELECOMMUNICATIONS, LLC; PAETEC COMMUNICATIONS, INC.; SATURN TELECOMMUNICATIONS SERVICES, INC. D/B/A EARTHLINK BUSINESS; US LEC OF FLORIDA, LLC; WINDSTREAM NUVOX, INC.; AND JOHN DOES 1 THROUGH 50, FOR UNLAWFUL DISCRIMINATION.

Dear Ms. Cole:

Enclosed for filing in the above referenced docket matter is the original and fifteen (15) copies of CenturyLink QCC's Rebuttal Testimony for the following:

- 1. Derek Canfield(Redacted) 05436-12
- 2. William R. Easton (Redacted) 0543-12
- 3. Dennis L. Weisman (Redacted) 05438- 12

**ECO** Copies are being served upon the parties in this docket pursuant to the attached certificate of service.

GCÎ Sincerely, IDM TEL CLK ct usan S. Masterton

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Enclosures

**FPSC-COMMISSION CLERK** 

#### CERTIFICATE OF SERVICE DOCKET NO. 090538-TP

I hereby certify that a true and correct copy of the foregoing has been served upon the following by hand delivery<sup>\*</sup> or Overnight Mail on this  $9^{th}$  day of August, 2012.

Florida Public Service Commission *Theresa Tan Office of General Counsel 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 <u>ltan@psc.state.fl.us</u> Ernest Communications, Inc. 5275 Triangle Parkway, Suite 150 Norcross, GA 30092-6511 <u>lhaag@ernestgroup.com</u>	Division of Regulatory Analysis *Jessica Miller Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 JEMiller@psc.state.fl.us Broadwing Communications, LLC Greg Diamond c/o Level 3 Communications 1025 Eldorado Blvd.
BullsEye Telecom, Inc. David Bailey 25925 Telegraph Road, Suite 210 Southfield, MI 48033-2527 dbailey@bullseyetelecom.com	Broomfield, CO 80021-8869 <u>Greg.Diamond@level3.com</u> *Broadwing Communications, LLC Rutledge Law Firm Marsha E. Rule 119 South Monroe Street, Suite 202 Tallahassee, FL 32302 <u>marsha@reuphlaw.com</u>
Granite Telecommunications, LLC 100 Newport Avenue Extension Quincy, MA 02171-1734 rcurrier@granitenet.com	<ul> <li><i>Confidential Documents provided in</i> <i>accordance with signed Protective Agreement</i></li> <li>Flatel, Inc.</li> <li>c/o Adriana Solar</li> <li>Executive Center, Suite 100</li> <li>2300 Palm Beach Lakes Blvd.</li> <li>West Palm Beach, FL 33409-3307</li> </ul>
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Shorn S. mg 17 Susan S. Masterton

In re: Amended Complaint of Qwest Communications Company, LLC against MCImetro Access Transmission Services (d/b/a Verizon Access Transmission Services); tw telecom of florida, l.p.; Granite Telecommunications, LLC; Broadwing Communications, LLC; Budget Prepay, Inc.; BullsEye Telecom, Inc.; DeltaCom, Inc.; Ernest Communications, Inc.; Flatel, Inc.; Navigator Telecommunications, LLC; PaeTec Communications, Inc.; Saturn Telecommunications Services, Inc. d/b/a EarthLink Business; US LEC of Florida, LLC; Windstream Nuvox, Inc.; and John Does 1 through 50, for unlawful discrimination.

DOCKET NO. 090538-TP

### REDACTED

## REDACTED

#### **REBUTTAL TESTIMONY OF DEREK CANFIELD**

#### **ON BEHALF OF**

#### **QWEST COMMUNICATIONS COMPANY, LLC**

Filed: August 9, 2012

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DOCUMENT NUMBER-DATE 05436 AUG-9 ≌ FPSC-COMMISSION CLERK

### I. INTRODUCTION

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1	Q.	PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION.
2		My name is Derek Canfield. I am employed by TEOCO Corporation (TEOCO) as
3		Executive Director of Usage Audit and Analysis. My business address is 10955
4		Lowell Ave Ste 705, Overland Park, KS, 66210.
5	Q.	DID YOU FILE DIRECT TESTIMONY IN THIS PROCEEDING?
6		Yes, I did.
7		II. PURPOSE OF REBUTTAL TESTIMONY
8	Q.	WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?
9	A.	I submit this testimony to briefly respond to the Direct Testimony of Joint CLEC witness
10		Don J. Wood. The respondent CLECs did not provide quantitative analyses in their
11		Direct Testimony. Therefore, I am not in a position to provide rebuttal on the issue of
12		how those CLECs' overcharges of QCC were calculated.
13		III. REBUTTAL TO TESTIMONY OF DON WOOD
14	Q.	WHAT PORTION OF MR. WOOD'S TESTIMONY DO YOU SEEK TO REBUT?
15	А.	My rebuttal to Mr. Wood will be fairly limited. At pages 45-46 of his Direct Testimony,
16		Mr. Wood criticizes QCC's methodology for calculating the CLECs' overcharges. He
17		states in part:
18		In response to discovery, however, Qwest has produced a
19		number of "preliminary" damages calculations for some CLECs.
20		Based on my review, these preliminary calculations are puzzling
21		at best, because they do not represent any of the options
22		available to Qwest. It appears that it in its calculations, Qwest
23		has simply calculated the difference between the rates in the

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CLEC's price list and the rates for switched access service

contained in CLEC-IXC contracts.

# 3 Q. DOES MR. WOOD APPEAR TO UNDERSTAND QCC'S METHODOLOGY 4 FOR CALCULATING THE CLEC OVERCHARGES?

5 A. He does not. First, and this may have simply been advocacy, but he repeatedly refers to 6 the relief QCC is seeking as "damages." To be clear, QCC is not seeking civil damages, 7 and my testimony does not attempt to calculate civil damages. Instead, as OCC 8 explained in the discovery responses to which Mr. Wood alludes, my testimony provides 9 a refund analysis whereby I simply compare the amount QCC paid the CLEC for 10 intrastate switched access in Florida to the amount it would have paid the CLEC for the 11 identical services had QCC received the rate treatment enjoyed by those IXCs favored through the CLEC's secret switched access agreements. 12

13 In addition, Mr. Wood seems to misunderstand how that calculation was performed. Mr. 14 Wood incorrectly states that "Qwest has simply calculated the difference between the 15 rates in the CLEC's price list and the rates for switched access service contained in 16 CLEC-IXC contracts." That is not true. QCC compared the CLEC's actual billing data 17 with the contract rates. QCC did not merely look at the CLEC's price list rates; it looked 18 at what the CLEC actually billed QCC. Specifically, using the same minutes at the 19 secret agreement rate, I calculated what QCC would have been charged under the 20 contract. Subtracting that number from what the CLEC actually billed QCC, I calculated 21 the overcharge, and thus the principal amount of the refund owing to QCC.

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# Q. DOES MR. WOOD MAKE ANY OTHER OBSERVATIONS ABOUT QCC'S CALCULATIONS METHODOLOGY?

- A. He does. In footnote, page 46, Mr. Wood states (without much explanation) that "[i]n
  cases where Qwest has its own agreement with a CLEC, the calculation appears to ignore
  the benefit that Owest received under such agreement."
- 6 Q. IS THIS ACCURATE?
- A. No, at least as I understand what he is saying. As best as I can tell, Mr. Wood is
  claiming that, to the extent QCC has agreements with CLECs that relate to switched
  access, QCC is relying only upon the rates from the CLEC price lists and ignoring those
  agreements in reaching its calculations. That is false.
- 11 As explained in QCC's discovery responses, in my Direct Testimony and above, QCC's
- 12 calculations are based on the CLEC's actual billings to QCC. To the extent a respondent
- 13 CLEC provided QCC
- 14 it is reflected in my calculations. Again, QCC
- 15 did not (as Mr. Wood seems to suggest) base its overcharge analysis on the CLEC's
- 16 published rates. It based its analysis on the CLEC's actual billings to QCC.
- 17 Thus, Mr. Wood is not correct in assuming that QCC ignored the effect of its settlement 18 agreements when calculating the CLECs' overcharges.
- 19 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 20 A. Yes, it does.
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