



Writer's Direct Dial Number: 850-521-1708
Writer's E-Mail Address: MFeil@gunster.com

June 14, 2012

VIA HAND DELIVERY

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

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12 JUN 14 PM 3:05
COMMISSION
CLERK

Re: Docket No. 090538-TP - Amended Complaint of Qwest Communications Company, LLC against MCI metro Access Transmission Services (d/b/a Verizon Access Transmission Services); XO Communications Services, Inc.; tw telecom of florida, l.p.; Granite Telecommunications, LLC; Broadwing Communications, LLC; Access Point, Inc.; Birch Communications, Inc.; Budget Prepay, Inc.; Bullseye Telecom, Inc.; DeltaCom, Inc.; Ernest Communications, Inc.; Flatel, Inc.; Lightyear Network Solutions, LLC; Navigator Telecommunications, LLC; PaeTec Communications, Inc.; STS Telecom, LLC; US LEC of Florida, LLC; Windstream Nuvox, Inc.; and John Does 1 through 50, for unlawful discrimination.

Dear Ms. Cole:

Enclosed for filing on behalf of PAETEC Communications, Inc., US LEC of Florida, LLC d/b/a US LEC Business Services, and Windstream Nuvox, Inc., are the original and 20 copies of the Prefiled Direct Testimony of Mr. Stephen B. Weeks. There are no exhibits to Mr. Weeks' Prefiled Direct. Also enclosed is a diskette containing a PDF version of Mr. Weeks' Prefiled Direct.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance with this filing.

Sincerely,

Matthew Feil

- COM 5 (testimony only)
- APA _____
- ECR _____
- Enclosure GCL 1 (cover letter) (3 testimonies) + CD
- MJF RAD 1 (cover letter) (testimony)
- SRC _____
- ADM _____
- OPC _____
- CLK _____
- CtRep 1 (testimony only)

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served upon the following by email, and/or U.S. Mail this 14th day of June, 2012.

Lee Eng Tan Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 ltan@psc.state.fl.us	Eric J. Branfman/Philip J. Macres Bingham Law Firm 2020 K Street, NW Washington, DC 20006 eric.branfman@bingham.com Philip.macres@bingham.com
Mr. Chris Bunce Birch Communications, Inc. 2300 Main Street, Suite 600 Kansas City, MO 64108-2415 Chris.bunce@birch.com	Mr. Greg Diamond Broadwing Communications, Inc. c/o Level 3 Communications 1025 Eldorado Boulevard Broomfield, CO 80021-8869 Greg.Diamond@level3.com
Richard Brown Access Point, Inc. 1100 Crescent Green, Suite 109 Cary, NC 27511 Richard.brown@accesspointinc.com	Mr. David Bailey BullsEye Telecom, Inc. 25925 Telegraph Road, Suite 210 Southfield, MI 48033-2527 dbailey@bullseyetelecom.com
Adam C. Gold, P.A. 1501 Sunset Drive, 2 nd Floor Coral Gables, FL 33143 agold@acgoldlaw.com	Paula W. Foley Earthlink Business 5 Wall Street Burlington, MA 01803 pfoley@corp.earthlink.com
Ernest Communications, Inc. 5275 Triangle Parkway, Suite 150 Norcross, GA 30092-6511 lhaag@ernestgroup.com	Flatel, Inc. c/o Adriana Solar Executive Center, Suite 100 2300 Palm Beach Lakes Blvd. West Palm Beach, FL 33409-3307 asolar@flatel.net
Granite Telecommunications, LLC 100 Newport Avenue Extension Quincy, MA 02171-1734 rcurrier@granitenet.com	Andrew M. Klein/Allen C. Zoracki Klein Law Group 1250 Connecticut Ave. NW, Suite 200 Washington, DC 20036 AKlein@kleinlawPLLC.com azoracki@kleinlawpllc.com

<p>John Greive Lightyear Network Solutions, LLC 1901 Eastpoint Parkway Louisville, KY 40223-4145 john.greive@lightyear.net</p>	<p>Michael McAlister Navigator Telecommunications, LLC P.O. Box 13860 North Little Rock, AR 72113-0860 mike@navtel.com</p>
<p>Adam L. Sherr Qwest Communications Company, LLC 1600 7th Avenue, Room 1506 Seattle, WA 98191 Adam.Sherr@centurylink.com</p>	<p>Susan S. Masterton, Esq. CenturyLink QCC 315 S. Calhoun Street, Suite 500 Tallahassee, FL 32301 susan.masterton@centurylink.com</p>
<p>Budget PrePay, Inc. Lakisha Taylor 1325 Barksdale Blvd., Suite 200 Bossier City, LA 71111-4600 davidd@budgetprepay.com</p>	<p>Marsha Rule Rutledge Law Firm Post Office Box 551 Tallahassee, FL 32302 marsha@reuphlaw.com</p>
<p>Ms. Kristin U. Shulman XO Communications 810 Jorie Blvd., Suite 200 Oak Brook, IL 60523 kris.shulman@xo.com</p>	<p>Laura King Division of Regulatory Analysis Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 lking@psc.state.fl.us</p>
<p>Dulaney L. O'Roark III Verizon Florida, LLC 5055 North Point Parkway Alpharetta, GA 30022 678-259-1657 (phone) 678-259-5326 (fax) de.oroark@verizon.com</p>	<p>Ms. Carolyn Ridley tw telecom of florida l.p. 2078 Quail Run Drive Bowling Green, KY 42104 Carolyn.Ridley@twtelecom.com</p>
<p>Pennington Law Firm Howard Adams P.O. Box 10095 Tallahassee, FL 32302 gene@penningtonlaw.com</p>	<p>Ms. Rebecca A. Edmonston Verizon Access Transmission Services 106 East College Avenue, Suite 710 Tallahassee, FL 32301-7721 rebecca.edmonston@verizon.com</p>

Ed Krachmer Windstream NuVox, Inc. 4001 Rodney Parham Road MS: 1170-B1F03-53A Little Rock, AR 72212 Edward.Krachmer@windstream.com	James White Windstream NuVox, Inc. 4651 Salisbury Road, Suite 151 Jacksonville, FL 32256-6187 Bettye.j.willis@windstream.com
Jane J. Whang Davis Wright Tremaine, LLP 505 Montgomery Street, Suite 800 San Francisco, CA 94111-6533 janewhang@dwt.com	Ms. Bettye Willis 13560 Morris Rd., Suite 2500 Milton, GA 30004 Bettye.j.willis@windstream.com

By: 
Matthew Feil, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 090538-TP

DIRECT TESTIMONY OF STEPHEN B. WEEKS

ON BEHALF OF

PAETEC COMMUNICATIONS, INC., US LEC OF FLORIDA, LLC D/B/A US LEC BUSINESS SERVICES, AND WINDSTREAM NUVOX, INC.

June 14, 2012

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1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Stephen Weeks. My business address business address is 4001
3 Rodney Parham Road, Little Rock, Arkansas 72212.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by Windstream Communications as Director – Wholesale
7 Services.

8

9 **Q. ON WHO'S BEHALF ARE YOU TESTIFYING?**

10 A. PAETEC Communications, Inc. ("PAETEC"), US LEC of Florida, LLC d/b/a US
11 LEC Business Services ("US LEC"), and Windstream Nuvox, Inc. ("Windstream
12 NuVox") (together, "Windstream CLECs").

13

14 **Q. ARE YOU THE ONLY WITNESS TESTIFYING ON BEHALF OF THE**
15 **WINDSTREAM CLEC'S?**

16 A. No. Direct testimony of Mr. Don J. Wood is being filed on behalf of the
17 Windstream CLECs, as well as a number of other CLECs today.

18

19 **Q. PLEASE EXPLAIN HISTORY OF OWNERSHIP OF THE WINDSTREAM**
20 **CLECS WITH REGARD TO THEIR OPERATIONS IN FLORIDA.**

21 A. Windstream Corporation acquired PAETEC and US LEC effective December 1,
22 2011 through acquisition of their corporate parent. PAETEC's corporate parent
23 had previously acquired US LEC's corporate parent on February 28, 2007.

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Windstream Corporation acquired NuVox Communications, Inc. (now known as Windstream NuVox, Inc.) through the acquisition of NuVox Communication’s, Inc.’s corporate parent effective February 8, 2010. Previously, NuVox Communications, Inc. had merged with Florida Digital Network, Inc. (with NuVox Communications, Inc. surviving) as a result of the transaction involving the former’s parent company’s acquisition of the latter’s parent company effective December 6, 2007. NuVox Communications, Inc. had previously merged with NewSouth Communications Corp. (with NuVox Communications, Inc. surviving) as a result of the transaction involving the former’s parent company’s acquisition of the latter’s parent company effective May 21, 2004.

I should mention that Windstream Corporation has an incumbent local exchange carrier (“ILEC”) affiliate operating in Florida – Windstream Florida, Inc. – which neither owns nor is owned by the Windstream CLECs. Windstream Florida, Inc. is not a respondent in this proceeding.

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.

A. I received a Masters of Business Administration from Georgia Southern University in 1994. I then began my telecommunications career in 1994 with ALLTEL Corporation, serving in various managerial positions in wireless field operations, including Vice President/General Manager. Since 1999, I have served

1 in various managerial positions at corporate headquarters including negotiating
2 interconnection agreements and managing intercarrier relationships, all within the
3 wholesale services organization. I was named Director – Wholesale Services in
4 2003, and my responsibilities in this position include management of intercarrier
5 relationships.

6

7 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE FLORIDA**
8 **PUBLIC SERVICE COMMISSION (“COMMISSION”)?**

9 A. No.

10

11 **Q. PLEASE DESCRIBE THE PURPOSE OF YOUR TESTIMONY.**

12 A. The purpose of my testimony is to provide background regarding the Windstream
13 CLECs, how intercarrier compensation disputes are resolved, and how such
14 resolutions are reduced to writing.

15

16 **Q. PLEASE DESCRIBE IN FURTHER DETAIL THE INTERCARRIER**
17 **COMPENSATION ASPECTS OF YOUR DUTIES.**

18 A. I perform a number of duties regarding intercarrier compensation for both
19 Windstream’s ILEC and CLEC (together, “Windstream”) operations on a national
20 basis. These most pertinently include managing Windstream’s tariffs, price lists,
21 providing statistical information (and analysis of the same) to Windstream
22 management, advocating Windstream’s interests as a witness in state proceedings,
23 and negotiating settlements of intercarrier compensation disputes.

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Q. PLEASE DESCRIBE IN MORE DETAIL HOW THE NEGOTIATION OF SETTLEMENTS OF INTERCARRIER COMPENSATION DISPUTES WORKS.

A. Over the course of time, interexchange carriers (“IXCs”) may dispute a local exchange carrier’s (“LEC’s”) switched (and special) access invoices on a number of bases. These often include complex matters such as how traffic is jurisdictionalized (such as traffic involving wireless networks or Internet Protocol), the applicability of particular rates, and quantity computation (such as minutes of use in the case of switched access and channel terminations/cross connections in the case of special access). These disputes, particularly if timely raised, frequently pertain to ongoing practices.

Q. PLEASE EXPLAIN WHAT YOU MEAN BY “ONGOING PRACTICES.”

A. Let’s take the example of the jurisdictionalization of traffic for intercarrier billing purposes. Sometimes factors are applied to traffic to determine how much is intrastate versus interstate because for one reason or another, it is otherwise difficult or impossible to determine. Carriers may dispute the manner in which such factors are calculated and the manner in which they are applied. If such a dispute were to arise in June 2012 regarding a factor that was applied to traffic exchanged from January through May of 2012, most likely, that factor is still being applied in June 2012 and would be applied in July 2012 and in future months. Thus, the practice is “ongoing.”

1

2 **Q. DO ALL DISPUTES RESULT IN FORMAL SETTLEMENTS?**

3 A. No. Sometimes the Windstream CLEC grants such disputes and credits the IXC,
4 and sometimes we deny such disputes based on the relevant facts, applicable
5 tariffs, price lists, and contracts, and pertinent law and regulation. When we deny
6 an IXC's dispute(s), sometimes the IXC accepts this denial (and if they were
7 withholding, pay any withheld amount) and sometimes it does not. In this final
8 case, when the IXC does not accept our denial of its dispute, formal settlements
9 are sometimes necessary.

10

11 **Q. PLEASE DESCRIBE THE PROCESS OF REACHING FORMAL**
12 **SETTLEMENTS?**

13 A. When an intercarrier compensation dispute becomes my responsibility, it has
14 usually already been subject to discussions between the IXC and the Windstream
15 CLEC billing personnel. At such point, there are usually multiple complex
16 disputes between the IXC and the Windstream CLEC. Some may be related to
17 intrastate switched access and some for interstate switched access, but, in
18 addition, some disputes may also pertain to intrastate or interstate special access
19 or even the Windstream CLEC's purchase of wholesale interexchange service
20 from the IXC. These disputes may involve one state or multiple states.

21

22 **Q. YOU STATED EARLIER THAT DISPUTES TYPICALLY REQUIRE**
23 **RETROSPECTIVE AND PROSPECTIVE SOLUTIONS. PLEASE**

1 **DESCRIBE HOW THAT WORKS AS PART OF THE SETTLEMENT**
2 **PROCESS.**

3 A. As I mentioned previously, disputes often involve ongoing practices. Through the
4 gives and takes of the negotiation process, the retrospective resolution to
5 intercarrier disputes is not always the same as the prospective resolution. Quite
6 often the retrospective solution is a lump sum payment or credit. Prospective
7 resolution, however, is more complicated because it entails more than such a
8 simple payment. I know from my years of experience negotiating carrier dispute
9 settlements that one cannot, however, analyze the retrospective or the prospective
10 aspects of a settlement from each other because they together represent the deal to
11 which the parties agreed.

12
13 **Q. ULTIMATELY, WHY DO THE WINDSTREAM CLECS ENTER INTO**
14 **SUCH SETTLEMENTS?**

15 A. Most significantly, to provide certainty. At some point, the Windstream CLECs'
16 need resolution for business purposes. In addition, the Windstream CLECs may
17 seek to avoid the time and cost of litigation depending on the value of the issue.
18 Further, the Windstream CLECs prefer to resolve prospective treatment of
19 disputed matters as soon as possible so as to avoid future misunderstandings that
20 lead to, among other things, unlawfully withheld payments. To the extent that a
21 settlement agreement results in the Windstream CLEC issuing credits, we are not
22 necessarily agreeing with the position espoused by the IXC, but are instead

1 accounting for the considerations discussed above. In fact, typical settlement
2 agreements explicitly state that neither party is admitting fault.

3

4 **Q. WHY IS IT IMPORTANT THAT THE COMMISSION UNDERSTAND**
5 **THE RESOLUTION PROCESS THAT YOU JUST DESCRIBED?**

6 A. Because it is appropriate to preserve the integrity of the Windstream CLEC
7 contracts and it is important to recognize the process and motivations relating to
8 billing dispute settlements. I cannot testify at this time regarding any specific
9 contract because Qwest Communications Company, LLC (“Qwest”) has yet to
10 assert which particular contracts form the basis for its claims. Thus, I cannot
11 discuss with any particularity whether Qwest was situated similarly to any
12 particular contracting IXC at any particular point in time, to the extent that such
13 test is legally relevant.

14

15 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

16 A. Yes.