

REDACTED

1 traffic to paying KMC nothing in Florida for switched
2 access traffic. That's [REDACTED] and Sprint. So KMC
3 wants to know where KMC's switched access traffic has
4 gone. It is not in our best interest as a business,
5 and certainly as a competitive local exchange carrier,
6 to evade switched access charges, which are a portion
7 of our revenue stream.

8 So I'm curious to know why Sprint wouldn't
9 have asked VarTec what's happening with this one plus
10 dial traffic, if it was indeed one plus dial, that
11 Sprint believes it originated on its network and
12 handed to VarTec and came back to Sprint.

13 Q. Over KMC's local interconnection trunks;
14 correct?

15 A. Right. But again, but remember, all KMC
16 knows about the traffic is about one-tenth of what
17 Sprint has said it knows about the traffic, which is
18 that our enhanced services provider customer is
19 providing services, and the traffic is being delivered
20 over facilities that it has purchased, PRIs, from KMC.
21 Sprint is the one that asserts that the traffic is not
22 enhanced, and Sprint is the one in fact that asserts
23 that the traffic is switched access, because Sprint
24 has handed that traffic in its study to an IXC.

25 So again, I wonder why Sprint would not have

1 asked that IXC what happened, who were they giving
2 their traffic off to, because KMC, like I said, we
3 like to collect our switched access charges too, and
4 there are two carriers in Florida whose switched
5 access traffic has gone to zero for KMC, and that's
6 Sprint and [REDACTED]. So we have the same concern that
7 you all have, and we have no incentive to evade
8 switched access charges. We have every incentive to
9 collect switched access that is due.

10 Q. Do you think that VarTec would have paid the
11 originating access charges that it paid to Sprint on
12 the originating end of the call if it thought the
13 traffic was enhanced services provider traffic?

14 A. I don't know what VarTec would have done. I
15 don't know anything about the traffic before it
16 reaches KMC's networks, and that is that it is
17 enhanced services traffic from our enhanced services
18 provider customer. So that's again a good question
19 for VarTec.

20 I mean, I think, knowing Sprint, you handed
21 that traffic to VarTec, and by hook or crook, VarTec
22 got that traffic back to your network, however they
23 did. I'll bet VarTec knows where they sent that
24 traffic beyond directly connecting with a carrier for
25 termination.

1 We have IXC interconnection facilities up
2 with Sprint, we have IXC interconnection facilities up
3 with MCI, we have IXC interconnection facilities up
4 with AT&T, and we appreciate those facilities. We
5 recover the costs of our network associated with those
6 access services, and we recognize that that is revenue
7 due for services that we provide. We have no
8 incentive to disenfranchise ourselves by not
9 collecting switched access revenue that is due to us
10 as a competitive local exchange carrier. We are not
11 an IXC.

12 Q. But given that these calls were all
13 terminating to Sprint, KMC would not have collected
14 access charges in the case of Customer X's traffic,
15 would it?

16 A. Right, because right now we're talking about
17 Sprint's complaint against KMC. If we were talking
18 about KMC's complaint against [REDACTED] or KMC's complaint
19 against Sprint, the IXC, then we would be having the
20 very same conversation that we're having right now.

21 You know, I'm talking about IXCs and
22 switched access charges, and it's an IXC's obligation
23 to pay the switched access charges, not a competitive
24 LEC's. So to the extent that our services were
25 provided by an enhanced service provider, who had

1 every right to purchase those services and every right
2 to be exempt from Title II obligations, and we honored
3 that customer's rights, the whole concept that in
4 doing so, we somehow were avoiding switched access
5 charges is confusing to me, when switched access
6 charges are revenue to me. So, no, we're not talking
7 about KMC's revenue in the context of your complaint,
8 but in the context of the issue in general, KMC, just
9 like Sprint as a LEC, we collect switched access
10 charges, and we would be interested and have every --
11 you know, every interest -- I hate to use the word
12 twice -- in collecting from the IXC who is the carrier
13 that that customer is PIC'd to.

14 Q. But you only get access charges for calls
15 that are terminated to KMC customers; correct?

16 A. Right, like the Sprint calls and the [REDACTED]
17 calls that are no longer terminating to KMC customers,
18 because that traffic has disappeared somewhere in the
19 network.

20 Q. But in this case -- let's stick to the
21 issues that are relevant to Sprint's complaint. In
22 this case, this was traffic terminating to Sprint's
23 customers; correct?

24 A. That is Sprint's complaint in this instance.

25 Q. Exactly. And KMC would not have gotten

1 \$2 million of access charges from [REDACTED] and Sprint,
2 the IXC, that have disappeared off our network in
3 Florida.

4 I would much rather on a 7-to-1 ratio have
5 the switched access usage in my pocket than the PRI
6 monthly recurring charge. So I have no incentive to
7 sell a customer a service for the purpose of evading
8 switched access charges. I'm a LEC, and I collect
9 switched access charges. We sold services consistent
10 with the Act, consistent with the treatment of
11 enhanced services and the rights of enhanced services
12 providers.

13 Q. But you did get money for that.

14 A. Less money we collect, and less money than
15 is due to us for the switched access revenue that's
16 missing from our network in Florida from Sprint, the
17 IXC, and [REDACTED], the IXC.

18 Q. Those are facts that aren't in evidence in
19 this proceeding, though; correct?

20 A. Actually, I think they were in our
21 affirmative defenses.

22 Q. You talked about the revenues that you were
23 losing from Qwest in your affirmative defenses?

24 A. I think we said another carrier. I'm sorry.
25 I'll have to redact that.