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March 3, 2008

Ann Cole, Commission Clerk  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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COMMISSION  
CLERK

Re: **FL Docket 000475-TP - Complaint Against Thrifty Call, Inc.  
Regarding Practices in Reporting PIU for Compensation  
For Jurisdictional Access Services**

Dear Ms. Cole:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc. d/b/a AT&T Florida's Rebuttal Testimony of Marc W. Potteiger, which we ask that you file in the captioned docket.

Copies have been served to the parties shown on the attached Certificate of Service.

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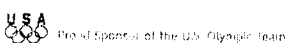
Sincerely,  
*Manuel A. Gurdian*  
Manuel A. Gurdian

cc: All Parties of Record  
Jerry D. Hendrix  
Gregory R. Follensbee  
E. Earl Edenfield, Jr.  
Lisa S. Foshee

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**Docket No. 000475-TP**

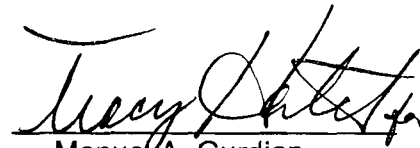
I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail, (\*) Federal Express and First Class U.S. Mail this 3rd day of March, 2008 to the following:

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Manuel A. Gurdian

(+) Signed Protective Agreement

1 BELL SOUTH TELECOMMUNICATIONS, INC. D/B/A AT&T FLORIDA

2 REBUTTAL TESTIMONY OF MARC W. POTTEIGER

3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

4 DOCKET NO. 000475-TP

5 MARCH 3, 2008

6 Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH AT&T  
7 SOUTHEAST AND YOUR BUSINESS ADDRESS.

8  
9 A. My name is Marc W. Potteiger. I am employed by BellSouth  
10 Telecommunications, Inc. d/b/a AT&T Southeast as a Manager – Life Cycle  
11 Interconnection Operations. My business address is 675 West Peachtree Street,  
12 Atlanta, Georgia 30375.

13  
14 Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?

15  
16 A. Yes. I filed Direct Testimony on February 7, 2008.

17  
18 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

19  
20 A. My rebuttal testimony responds to certain issues raised in the Direct Testimony  
21 filed on February 7, 2008 by Timothy Gates and Harold Lovelady on behalf of  
22 Thrifty Call, Inc. (“Thrifty Call”).

23  
24 Q. HOW IS YOUR REBUTTAL TESTIMONY ORGANIZED?

DOCUMENT NUMBER-DATE

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1 A. I have identified significant issues raised in the Direct Testimonies filed in this  
2 proceedings and will address each.

3

4 Q. WHAT OBLIGATION DID THRIFTY CALL HAVE TO ENSURE THAT THE  
5 TPIU FACTORS IT REPORTED TO AT&T FLORIDA WERE  
6 REPRESENTATIVE OF THE ACTUAL JURISDICTION OF THE TRAFFIC IT  
7 SENT TO AT&T FLORIDA?

8

9 A. As I explained in my direct testimony, AT&T Florida had to rely upon factors  
10 reported by Thrifty Call itself, (“self-reporting”), because AT&T Florida was not  
11 previously able to determine the actual jurisdiction of the traffic sent to it by other  
12 carriers. To assist carriers in the development of accurate TPIU factors, AT&T  
13 Florida’s interstate and intrastate access tariffs contain specific instructions that  
14 should have been followed to calculate TPIU factors. AT&T Florida reasonably  
15 expected that carriers such as Thrifty Call would report accurate factors and take  
16 necessary steps to ensure that the reported factors represented the true nature of  
17 the traffic terminated to AT&T Florida.

18

19 The billing of tariffed access charges to the carriers through AT&T Florida’s  
20 Carrier Access Billing System (“CABS”) was based on carriers self-reporting of  
21 the TPIU factor. If a carrier purposefully misrepresented the jurisdiction of the  
22 traffic, or did not take reasonable steps to ensure that the factors were correct,  
23 then that carrier could pay less than the tariffed level of access charges. Such  
24 misreported factors resulted in an underpayment of Thrifty Call’s access bill just  
25 as if the carrier had withheld payment of a billed access amount.

1 Q. IF AT&T FLORIDA WAS NOT ABLE TO DETERMINE THE JURISDICTION  
2 OF TRAFFIC RECEIVED FROM OTHER CARRIERS, THEN WHAT LEAD  
3 AT&T FLORIDA TO INVESTIGATE THRIFTY CALL'S MISREPORTED  
4 TPIU FACTORS?

5  
6 A. As outlined in my direct testimony, AT&T Florida noticed disturbing trends in the  
7 traffic terminated to AT&T Florida from Thrifty Call. In the Thrifty Call  
8 investigations, AT&T Florida had very targeted trend data as well as knowledge  
9 of other actions against Thrifty Call in other states. By applying the manual  
10 traffic investigation techniques I described in my direct testimony, AT&T Florida  
11 was able to develop an analysis through the use of test call data that brought  
12 further suspicion regarding the accuracy of the TPIU factors reported by Thrifty  
13 Call in Florida and other states.

14  
15 Q. IN HIS DIRECT TESTIMONY, MR. LOVELADY EXPLAINS HOW THRIFTY  
16 CALL ARRIVED AT THE TPIU FACTOR WHICH IT PROVIDED TO AT&T  
17 FLORIDA. IS THE METHODOLOGY THRIFTY CALL USED THE  
18 APPROPRIATE METHODOLOGY FOR CALCULATING A TPIU FACTOR?

19  
20 A. No. Mr. Lovelady states, in his direct testimony, Thrifty Call utilized the FCC  
21 approved entry-exit surrogate ("EES") method to determine what percentage of its  
22 transited traffic was interstate or intrastate. Although I am not a lawyer, contrary  
23 to Mr. Lovelady's testimony, the FCC "disagreed with Thrifty Call's application  
24 of the method." Specifically, within an FCC Declaratory Ruling, dated November  
25 17, 2004, addressing Thrifty Call's use of the EES method in developing its PIU,

1 the FCC said in paragraph 15 of the order:

2  
3 We disagree with Thrifty Call's application of the method. Thrifty  
4 Call construed the terms "customer network" and "point of entry" in  
5 section 2.3.10(A)(1)(a) of BellSouth's federal tariff as applying to  
6 Thrifty Call's network. Under Thrifty's Call's interpretation, each  
7 call would be broken into two separate calls; one from the  
8 originating customer in North Carolina or Florida to Thrifty Call's  
9 switch in Georgia, and then a second call from Thrifty Call's  
10 Georgia switch to the called party in North Carolina or Florida.  
11 Thrifty's Call's interpretation of these terms is incorrect and  
12 inconsistent with both Commission and court precedent holding  
13 that the points where the call originates and terminates are more  
14 significant than the intermediate facilities used to complete such  
15 communications. Thus, a call is intrastate if it originates and  
16 terminates in the same state. Courts have also found that interstate  
17 communication extends from the inception of a call to its  
18 completion, regardless of any intermediate points of switching or  
19 exchanges between carriers. The fact that the calls at issue were  
20 routed through a switch in Georgia is immaterial to the jurisdiction  
21 of a call. Thrifty Call should have reported all calls where both the  
22 calling party and the called party were located in the same state as  
23 intrastate calls and should have reported all calls where the calling  
24 party was located in one state and the called party was located in  
25 another state as interstate calls.  
26

27 The FCC summarizes its position in paragraph 16 of the FCC Declaratory Ruling:

28 "Thrifty's Call application of the EES methodology is flatly inconsistent with the  
29 Commission's purposes of adopting it."

30 Q. HAS THRIFTY CALL EVER REPORTED REVISED PIU FACTORS TO  
31 AT&T FLORIDA IN ACCORDANCE WITH THE FCC RULING?

32  
33 A. No. Thrifty Call has never reported revised PIU factors to AT&T Florida, and has  
34 not made AT&T Florida whole for its misreporting.

35

1 **ISSUE 1: What are the terms and conditions of the tariff associated with correcting**  
2 **and back billing misreported PIU?**

3  
4 Q. DOES MR. LOVELADY CITE THE APPROPRIATE STATE TARIFF  
5 LANGUAGE ASSOCIATED WITH RESOLVING DISPUTES REGARDING  
6 TPIU REPORTING?

7  
8 A. No. Mr. Lovelady fails to include the relevant language within Section E2.3.14  
9 (B) (1) wherein it provides that AT&T Florida **may** (emphasis added) utilize the  
10 Interexchange Carrier (“IC”) or end-user to initiate an audit to verify a PIU.

11  
12 Q. MR. GATES (P. 9) STATES THAT IT APPEARS THAT “WHEREAS 98% OF  
13 THE MINUTES HAD PREVIOUSLY BEEN RATED, BILLED, AND PAID  
14 FOR AT THE INTERSTATE RATE, [AT&T FLORIDA] NOW SEEKS TO  
15 HAVE ALL OF THOSE MINUTES BACK-BILLED AT THE HIGHER  
16 INTRASTATE RATE.” DO YOU AGREE?

17  
18 A. No. Mr. Gates is incorrect in his assertions. AT&T Florida is not seeking to have  
19 all of the billed minutes rerated at the intrastate rates. The claim, as developed in  
20 my testimony, seeks to recover the amounts due based upon the Staff’s audit  
21 findings. The Staff found that the proper PIU should have been 19.51%.

22  
23 Q. MR. GATES (P. 9) STATES THAT IT WOULD NOT BE APPROPRIATE FOR  
24 AT&T FLORIDA UNDER ITS TARIFF PROVISIONS TO BACK-BILL FOR  
25 MORE THAN 28 MONTHS. DO YOU AGREE?

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A. No. As Mr. Gates fails to cite a specific tariff reference, I presume he is referring to the audit section and application of the audit results in tariff language in Section E2.3.14 D1. However, any such reliance on this language is inappropriate because Thrifty Call and AT&T Florida could not agree to an audit under reasonable terms, and the back billing terms only come into play when an audit has been completed.

Both the North Carolina Commission and the Federal Communications Commission found that AT&T did not need to complete an audit before attempting to collect underpaid access charges (*See, BellSouth Telecommunications, Inc. v. Thrifty Call., Docket No. P-447, Sub5; Recommended Order Ruling on Complaint, FCC Order, page 10*). In addition, Thrifty Call clearly violated the Tariff since the Commission found that it failed to provide appropriate data to AT&T Florida. (Florida Order No. PSC -00-1568-PCO-TP, page 8).

Q. DOES AT&T FLORIDA’S TARIFF ONLY ALLOW FOR TWO QUARTERS WORTH OF ADJUSTMENTS WHEN AN AUDIT HAS NOT BEEN PERFORMED?

No, there is no restriction within the Tariff limiting back billing when an audit has not been performed.

Q. WHY IS AT&T FLORIDA CLAIMING THAT IT IS ENTITLED TO BACK-BILL FOR 26 MONTHS?



1

2 A. There is nothing in the Tariff or otherwise that limits AT&T Florida's right to be  
3 made whole for the 26-month period.

4

5 Q. WHAT IS YOUR RESPONSE TO MR. GATES' STATEMENT (P.10) THAT  
6 AT&T FLORIDA HAS NOT PROVIDED ANY DESCRIPTION, EVIDENCE  
7 OR DOCUMENTATION DEMONSTRATING THRIFTY CALL'S PIU WAS  
8 INACCURATE FOR 28 STRAIGHT MONTHS?

9

10 A. As I mentioned the Florida Commission Staff specifically found that Thrifty  
11 Call's PIU was inaccurate. Moreover, Mr. Lovelady's own testimony can be used  
12 as evidence of Thrifty Call's misreporting of the PIU factors because he  
13 acknowledged Thrifty Call's use of the entry-exit surrogate which the FCC  
14 Wireline Competition Bureau specifically found Thrifty Call misapplied. As a  
15 result, Thrifty Call did not properly determine the jurisdiction of traffic in  
16 accordance with the Tariff and reported an inaccurate PIU.

17

18 Likewise, The North Carolina Commission found that Thrifty Call had  
19 misreported their PIU factors to AT&T in the period from 1996 through 2000 and  
20 awarded AT&T North Carolina \$1,898,000 to make AT&T North Carolina whole  
21 as a result of Thrifty Call's misreporting. Of course, In addition to these  
22 regulatory bodies finding, AT&T Florida conducted test calls that also indicated  
23 that Thrifty Call's PIU was inaccurate.

24

1 Q. ARE THERE ANY MANDATORY PROCEDURES EXPRESSLY PROVIDED  
2 IN AT&T FLORIDA'S INTRASTATE ACCESS TARIFF THAT WOULD  
3 REQUIRE AT&T FLORIDA TO SEEK AN AUDIT PRIOR TO BRINGING AN  
4 ENFORCEMENT ACTION BEFORE THE COMMISSION?

5  
6 A. No. Again, the audit process in AT&T Florida's Tariff is discretionary and not  
7 mandatory. The Tariff does not mandate the use of an audit when there is a PIU  
8 dispute. Rather, the Tariff gives AT&T Florida the right to conduct an audit, if it  
9 so chooses. Specifically, Section E2.3.14B(1) of the Tariff provides in relevant  
10 part:

11 When an IC [or End User] provides a projected interstate  
12 usage set forth in a proceeding, or when a billing dispute  
13 arises or a regulatory commission questions the projected  
14 interstate percentage for BellSouth SWA, the Company  
15 may, by written request, require the IC [or End User] to  
16 provide the data the IC [or End User] used to determine the  
17 projected interstate percentage. This written request will be  
18 considered the initiation of the audit.

19  
20 Q. HAS ANY OTHER STATE COMMISSION ADDRESSED THIS ISSUE?

21 A. Yes. As I mentioned, the North Carolina Utilities Commission ("NCUC")  
22 addressed this very same issue in Docket No. P-447, SUB 5. In that proceeding,  
23 the NCUC found that the audit provision in AT&T North Carolina's Intrastate  
24 Access Tariff was permissive, not mandatory and did not abrogate of any other

1 rights that AT&T Florida has. See Order Denying Motion and Setting Hearing,  
2 Docket No. P-447, SUB 5, June 23, 2000, attached hereto as Exhibit MP-7.

3  
4 Q. WHAT IS YOUR RESPONSE TO MR. GATES (P.11) STATEMENT THAT  
5 AT&T FLORIDA HAS PROPOSED TO APPLY ADJUSTMENTS TO ALL  
6 TIME PERIODS OF THE RELATIONSHIP BETWEEN THE COMPANIES  
7 RATHER THAN LIMITING ITS ADJUSTMENTS TO THE PERIOD OF TIME  
8 IT ANALYZED CERTAIN SAMPLED DATA OR THAT TIME PERIOD  
9 ADDRESSED BY THE COMMISSION STAFF AUDIT?

10  
11 A. The Florida PSC Staff audit did request copies of all of Thrifty Call's PIU reports  
12 for 1999 and 2000. Staff also asked for the supporting documentation used to  
13 generate the reports from April 1999 through March 2000 as well as billing  
14 records from April 1999 through March 2000. Thrifty Call did not provide any  
15 data beyond the period of July, 1999 through December 1999. Given the lack of  
16 records provided by Thrifty Call, Staff was limited in reporting its findings to a  
17 six month period.

18  
19 Thrifty Call has not presented any evidence showing that the sample data of all  
20 call detail records, more than 33 million calls during the period of July, 1999  
21 through December 1999, and the associated audit findings were not representative  
22 of the 26 months of the claim. Given the lack of any evidence to the contrary,  
23 AT&T Florida appropriately used the audit results as a surrogate for the entire  
24 claim period.

25

1 Q. HOW IS A CALL CLASIFIED WHEN IT LACKS ORIGINATING CALL  
2 DETAIL RECORDS?

3

4 A. Under Section E2.3.14.A.1.a., PIU factors are applied to actual measured minutes  
5 of use for all services. Therefore, AT&T Florida applied the Staff's derived factor  
6 to all minutes of use in the claim period as a surrogate. Application of a single  
7 factor to all terminating traffic is an accepted industry-wide practice.

8

9 Q. DOES MR. GATES AGREE THAT THRIFTY CALL INCORRECTLY  
10 REPORTED IT'S PIU?

11

12 A. Yes. On page 10 of his testimony, Mr. Gates stated that "[i]t does appear that there  
13 was some incorrect reporting" and Mr. Gates indicated that he would not oppose a  
14 correction to what is owed by Thrifty Call to AT&T Florida if AT&T Florida can  
15 show that Thrifty Call's invoices were billed at incorrect rates. That is precisely  
16 what AT&T Florida has done in this case.

17

18 **ISSUE 2: Has AT&T complied with its tariff provisions?**

19

20 Q. WHAT OPTIONS WERE TRADITIONALLY AVAILABLE TO AT&T  
21 FLORIDA IF IT SUSPECTED ERRORS IN CARRIER-REPORTED TPIU  
22 FACTORS?

23

24 A. Previously, if AT&T Florida suspected that factors provided by a specific carrier  
25 were inaccurate, it had few options. For example, AT&T Florida could approach

1 the carrier with the details of the discrepancy and attempt to negotiate a change in  
2 the factor or seek another form of settlement. If a negotiated settlement did not  
3 produce an acceptable resolution, AT&T Florida's Tariff provisions allowed it to  
4 initiate an independent, third-party audit of the TPIU factors and the specific  
5 carrier's factor development process. However, audits of this type are not  
6 mandatory, they are expensive and could take as long as one to two years to  
7 complete.

8  
9 Q. MUST AT&T FLORIDA REQUEST AN INDEPENDENT, THIRD-PARTY  
10 AUDIT IN ORDER TO RECOVER UNDERBILLED ACCESS REVENUE AS  
11 A RESULT OF A MISREPORTED TPIU FACTOR?

12  
13 A. No. Harold Lovelady incorrectly implies that AT&T Florida is required by Tariff  
14 to first complete an audit prior to seeking settlement of under billed revenue.  
15 That is simply not the case. AT&T Florida's Tariff, Section E2.3.14(B)(1),  
16 clearly states that the Company may (emphasis added) initiate an audit by  
17 submission of a written request to the Interexchange Carrier when a billing  
18 dispute arises. Mr. Lovelady apparently interprets the word "may" to mean,  
19 "must." However, it is clearly incorrect for Thrifty Call to suggest that AT&T  
20 Florida must conduct an audit as the only method for resolving TPIU billing  
21 errors. Such a position ignores the possibility of any other form of settlement,  
22 including negotiating directly with the carrier.

23  
24 Hence, the Florida PSC has found in PSC order No. PSC-00-1568-PCO-TP that  
25 AT&T Florida acted in accordance with its Tariff by filing this complaint in

1 seeking resolution of this matter. It also found that Thrifty Call failed to provide  
2 data as required under Section E2.3.14(B)(1).

3  
4 Furthermore, there was no logical reason for AT&T Florida to audit the TPIU  
5 factors of Thrifty Call at the juncture when this Docket was filed. Generally, an  
6 independent, third-party audit of TPIU factors examined many aspects of the  
7 carrier's TPIU reporting, but all towards answering two fundamental questions:

- 8  
9           ➤ First, did the carrier have a procedure in place that resulted  
10           in the development of TPIU factors that were  
11           representative of the actual jurisdiction of the traffic it sent  
12           AT&T Florida?  
13           ➤ Second, did the procedures in place produce representative  
14           TPIU factors for the specific period under examination in  
15           the audit?

16 Thrifty Call answered both of these questions in the negative through its  
17 own representation of the facts. Harold Lovelady's testimony  
18 demonstrates very clearly that Thrifty Call employed no reasonable  
19 process to calculate or validate its reported TPIU factors. Instead, it based  
20 the categorization of traffic on inappropriate use of the EES methodology.  
21 The procedures Thrifty Call claims it used to determine the jurisdiction of  
22 traffic could not produce accurate factors for the period in question.  
23 Thrifty Call claims the traffic sent to AT&T in Florida was 98% interstate.  
24 However, Thrifty Call's own call detail records show conclusively that the  
25 traffic was 80.49% intrastate. Thrifty Call's factors were not accurate and

1 grossly overstated. The FCC found that Thrifty Call's application of the  
2 EES methodology was "flatly inconsistent with the Commission's  
3 purposes in adopting it." Any independent third-party audit of Thrifty Call  
4 would presumably have been based on the same underlying information  
5 that Thrifty Call has already provided in this case. It is unreasonable to  
6 expect that an independent third party audit would reach any other  
7 conclusion than what Thrifty Call's own data indicates, what Commission  
8 Staff's audit indicates, and AT&T Florida's review further validates.  
9 Thrifty Call's insistence that a third-party audit had to be conducted is  
10 nothing more than an ongoing ploy to avoid its legal obligation to make  
11 AT&T Florida whole for Thrifty Call's underpayment of access charges.

12  
13 **ISSUE 3: Has Thrifty Call misreported its PIU to AT&T?**

14  
15 Q. DID THE FCC'S WIRELINE COMPETITION BUREAU AGREE WITH  
16 THE EES METHODOLOGY THRIFTY CALL UTILIZED IN  
17 DETERMINING THE JURISDICTION OF ITS TRAFFIC UNDER  
18 AT&T FLORIDA'S TARIFF?

19  
20 A. No. As I stated previously, the FCC's Wireline Competition Bureau found  
21 that Thrifty Call did not properly determine the jurisdiction of traffic in  
22 accordance with the Tariff. On the contrary, the FCC Wireline  
23 Competition Bureau agreed with the position taken by AT&T Florida in  
24 this docket regarding the proper means of determining the jurisdiction of  
25 traffic.

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**ISSUE 4 : If Thrifty Call has misreported its PIU to AT&T, what amount, if any does Thrifty Call owe AT&T and when should this amount be paid?**

Q. MR. LOVELADY CLAIMS THAT THE COMMISSION SHOULD NOT BASE ITS DECISION ON THE RESULTS OF THE COMMISSION STAFF'S AUDIT, DO YOU AGREE?

A. No. The Staff's Audit should certainly be taken into account in determining the amount that Thrifty Call should be ordered to pay AT&T Florida for misreporting its TPIU. The findings in the Staff Audit are consistent with AT&T Florida's findings, and Thrifty Call has provided no credible evidence to discredit those findings.

Q. WHY IS IT REASONABLE FOR THE COMMISSION TO RELY ON THE RESULTS OF THE STAFF'S AUIDT?

A. The Staff reviewed over 33 million call detail records for the time period of July, 1999 through December, 1999 to reach its conclusion. This selection represented a sample of 100% of the records provided by Thrifty Call for that time period.

Q. DO YOU AGREE WITH MR. GATES' CALCULATIONS AND ADJUSTMENTS TO AT&T FLORIDA'S UNDERLYING CLAIM PROVIDED ON PAGES 14-15?



1 A. No, as further explained below, I do not agree with Mr. Gates' calculations and  
2 adjustments—they are flawed.

3

4 Q. WHY IS THE "PIU ADJUSTMENT" THAT MR. GATES SUGGESTS  
5 INAPPROPRIATE?

6

7 A. The claim amount as presented in my testimony relies on the audit results and  
8 does not simply assume 100% of the traffic is intrastate.

9

10 Q. DO YOU AGREE WITH THE "TIMING ADJUSTMENT" THAT MR. GATES  
11 INDICATED WAS APPROPRIATE ON PAGES 15-16 OF HIS TESTIMONY?

12

13 A. No. As stated above, it is inappropriate to rely upon the time period as allowed  
14 under the audit section of the Tariff. Given Thrifty Call's refusal to provide  
15 supporting call detail records to AT&T Florida and to the Staff for the entire 26  
16 months of misreporting, it is appropriate to use Staff's Audit findings for the  
17 entire claim period.

18

19 Q. MR. GATES (P.16) STATES THAT AN UNIDENTIFIED TRAFFIC  
20 ADJUSTMENT IS APPROPRIATE. HOW DO YOU RESPOND?

21

22 A. Under the section E2.3.14.A.1.a., PIU factors are applied to actual measured  
23 minutes of use for all services. AT&T Florida applied the Staff's derived factor  
24 to all minutes of use in the claim period as a surrogate. Mr. Gates fails to provide  
25 any evidence as to why the surrogate factor should not be applied to the

1 unidentified traffic. It would be inappropriate to exempt this traffic from  
2 consideration from the claim as known and unknown traffic was jurisdictionalized  
3 at the time of billing during the claim period by the admittedly incorrect factor  
4 provided by Thrifty Call.

5  
6 As cited in the audit report, 37.99% of the traffic was delivered to AT&T Florida  
7 without the proper originating party information to properly jurisdictionalize the  
8 calls. When a carrier fails to provide the proper originating party information, it  
9 is possible for that carrier to gain a financial advantage due to improper  
10 jurisdictionalization of such calls. AT&T Florida suspects that Thrifty Call was  
11 stripping the originating calling party information as part of a scheme to minimize  
12 its intrastate access payments.

13  
14 Q. WHAT IS YOUR RESPONSE TO MR. GATES' STATEMENT THAT AT&T  
15 FLORIDA'S LATE PAYMENT CHARGES ARE UNSUPPORTED AND  
16 UNDOCUMENTED?

17  
18 A. AT&T Florida has the authority to collect late payment charges as allowed for in  
19 Tariff Section E2.4.1(B)(3). Thrifty Call has underpaid AT&T Florida for the  
20 appropriate intrastate access charges dating back to 1999 due to the misreporting  
21 of PIU factors. It is appropriate that Thrifty Call pay the proper principal and late  
22 payment charges necessary to make AT&T Florida whole.

23  
24 Q. PLEASE RESPOND TO MR. GATES STATEMENT, ON PAGE 18 OF HIS  
25 TESTIMONY, THAT THE BILLS NEED SOME ADJUSTMENT.

1

2 A Contrary to Mr. Lovelady's testimony, Mr. Gates summarizes his understanding  
3 of the issue by acknowledging that the Staff Audit results should be considered in  
4 AT&T Florida's claim. However, Mr. Gates does not provide an adequate basis  
5 for making any adjustments. Again, it is entirely appropriate that Thrifty Call pay  
6 the proper principal and late payment charges necessary to make AT&T Florida  
7 whole.

8

9 Q. WHAT ARE YOUR CONCLUSIONS?

10

11 A. It is abundantly clear that Thrifty Call willfully engaged in a systematic  
12 practice of misreporting TPIU factors with the objective of avoiding  
13 tariffed AT&T Florida access charges for itself and its wholesale  
14 customers.

15

16 I recommend that this Commission find Thrifty Call systematically  
17 misreported the TPIU factor to AT&T Florida. Since the correct  
18 application of access charges depends on accurate TPIU factors, Thrifty  
19 Call's willful reporting of erroneous factors resulted in under billed and  
20 unpaid access charges. This Commission should order Thrifty Call to  
21 compensate AT&T Florida for unpaid charges in the amount of  
22 \$14,056,390 for the billing period from April, 1999 to February, 2000.

23

24 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

25

1 A. Yes it does.

2

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