

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Application and )  
Request of the S&T Telephone Cooperative,) )  
Inc., for an Increase in its Cost-Based )  
Kansas Universal Service Fund Support. )

Docket No. 14-S&TT-525-KSF

DIRECT TESTIMONY AND SCHEDULES

OF

ROXIE MCCULLAR

ON BEHALF OF

KANSAS CORPORATION COMMISSION STAFF

September 30, 2014

## **Table of Contents**

I. Introduction .....	1
II. Purpose and Summary of Testimony .....	1
III. Analysis of Separations Study .....	2
IV. Staff Adjustment IS-1 to FHCL.....	5
·VI. Fiber to the Home .....	8
VII. Conclusion.....	20

1 **I. Introduction**

2 **Q. Please state your name and business address?**

3 A. My name is Roxie McCullar. My business address is 8625 Farmington Cemetery  
4 Road, Pleasant Plains, Illinois 62677.

5 **Q. What is your present occupation?**

6 A. Since 1997, I have been employed as a consultant with the firm of William  
7 Dunkel and Associates and have regularly provided consulting services in  
8 regulatory proceedings throughout the country.

9 **Q. On whose behalf are you testifying?**

10 A. I am testifying on behalf of the Staff of the Kansas Corporation Commission  
11 (Staff).

12 **Q. Have you prepared an appendix that describes your qualifications?**

13 A. Yes. My qualifications and previous experiences are shown on the attached  
14 Appendix A.

15 **II. Purpose and Summary of Testimony**

16 **Q. What is the purpose of your testimony?**

17 A. The purpose of this testimony is to address my review of S&T Telephone  
18 Cooperative, Inc.'s (S&T or the Company) separations study and to support the  
19 separation factors used in Staff's allocation of the adjusted revenue requirement  
20 between the interstate and intrastate jurisdictions. These allocations are done

1 using separation factors calculated according to the Federal Communications  
2 Commission's (FCC) Part 36 Separations Procedures.<sup>1</sup>

3 I am supporting Staff Adjustment IS-1 which is an increase of \$407,997 to S&T's  
4 filed Federal High Cost Loop support amount.

5 I also discuss the need to review the allocation of the Fiber to the Home (FTTH)  
6 costs between the interstate and intrastate jurisdiction in a generic proceeding.

7 **III. Analysis of Separations Study**

8 **Q. Did you review the separations study provided by the Company in its May**  
9 **15, 2014 filing?**

10 **A.** Yes. I first reviewed the 2013 Cost Study-KUSF which was provided in Section  
11 14 of S&T's May 15, 2014 filing to determine if it complied with the Part 36  
12 Separations Procedures set out by the FCC. This 2013 Cost Study-KUSF  
13 calculates the separation factors used to allocate its total test year costs to the  
14 intrastate jurisdiction for the calculation of its intrastate revenue requirement. The  
15 FCC Separations Procedures include specific requirements as to how investments,  
16 reserves, and expenses (costs) must be allocated between the interstate and  
17 intrastate jurisdictions.

18 In addition to the 2013 Cost Study-KUSF, the Company also provided the 2013  
19 Cost Study filed with National Exchange Carrier Association (NECA)<sup>2</sup> and the  
20 workpapers supporting the development of the 2013 Cost Study-KUSF.<sup>3</sup>

---

<sup>1</sup> 47 C.F.R. § 36 ("FCC Jurisdictional Separations Procedures").

1   **Q.     Are you recommending any changes to the allocation factors included in the**  
2       **Company's filing?**

3   A.     Yes, the factors used in Section 9 for Account 6620-Services Expense<sup>4</sup> on line 26  
4       and Account 7370-Contributions and Fees<sup>5</sup> on line 38 are not supported by the  
5       provided 2013 Cost Study-KUSF.

6       The factors used in Staff's Schedules are the factors from the 2013 Cost Study-  
7       KUSF.

8   **Q.     Did you make any other changes to the allocation factors used in the**  
9       **Company's filing?**

10  A.     Yes. In the separations process for Central Office Equipment (COE), the central  
11       office investment accounts are categorized based on the function of the  
12       equipment. The amounts assigned to the different separation categories do not  
13       match the amounts included in the COE accounts.<sup>6</sup> For example, for separations  
14       studies some of the dollars in account 2212 may be in the "tandem switching"  
15       separations category (COE category 2), other dollars from account 2212 may be  
16       in the "local switching" separations category (COE category 3), and other dollars  
17       in account 2212 may be in the "circuit equipment" separations category (COE  
18       category 4).

---

<sup>2</sup> Section 14 of the S&T 5/15/14 Filing.

<sup>3</sup> S&T's response to Staff Data Request No. 56.

<sup>4</sup> Section 14 of S&T 5/15/14 filing, 2013 Cost Study-KUSF page 9, line 16 plus page 10, line 16, plus page 10, line 19.

<sup>5</sup> 47 C.F.R. § 36.222(c) states: "...The portion reflecting costs for social and community welfare contributions and fees is apportioned on the basis of the apportionment of corporate operations expenses." Section 14 of S&T 5/15/14 filing, 2013 Cost Study-KUSF page 11, line 10.

<sup>6</sup> Accounts 2210, 2211, 2212, 2220, 2230, 2231, and 2232, 47 C.F.R. § 36.121(a).

1           Section 36.121(b)<sup>7</sup> of the FCC Separations Procedures states:

2                   Records of the cost of central office equipment are usually  
3                   maintained for each study area separately by accounts. However,  
4                   each account frequently includes equipment having more than one  
5                   use. Also, equipment in one account frequently is associated  
6                   closely with equipment in the same building in another account.  
7                   Therefore, the separations procedures for central office equipment  
8                   have been designed to deal with categories of plant rather than  
9                   with equipment in an account. (emphasis added)

10           In section 4, schedule 1, lines 14-17 of S&T's filing, the Company has separated  
11           the central office equipment investments to the state jurisdiction by applying the  
12           separations factors for categories to the plant accounts instead of applying them to  
13           the amounts in the separations categories. This is a mismatch between the central  
14           office investments by plant account and the associated separations factor by  
15           central office category.

16           In contrast, for cable & wire facilities,<sup>8</sup> S&T uses the average cable & wire  
17           facilities separations factor as calculated in Part 36 separations study. Staff's  
18           Schedules use the same treatment for the allocation of central office equipment.  
19           Staff uses the overall average central office equipment separations factor for all  
20           central office equipment accounts.

---

<sup>7</sup> 47 C.F.R. § 36.121(b).

<sup>8</sup> In separations cable & wire facilities are also categorized by use of the plant instead of separated by plant account. See 47 C.F.R. § 36.151.

**IV. Staff Adjustment IS-1 to FHCL**

**Q. Please explain Staff Adjustment IS-1.**

A. Staff Adjustment IS-1 increases S&T's filed Federal High Cost Loop (FHCL) support amount by \$407,997 in order to recognize the actual FHCL support the Company received during the twelve month period of July 1, 2012 to June 30, 2013. The calculation of the adjustment is shown on page 1 of Schedule RM-1.

**Q. Please explain why Staff's adjustment uses actual FHCL support amounts the Company received during the twelve month period of July 1, 2012 to June 30, 2013.**

A. Based on the Commission's findings in the May 29, 2013 Order in Docket 12-GIMT-170-GIT, Staff is including S&T's actual FHCL support amounts received from the twelve month period of July 1, 2012 to June 30, 2013.

As the Commission stated in the May 29, 2013 Order in Docket 12-GIMT-170-GIT regarding K.S.A. 66-2008(e)(2) as revised:

Accordingly, the Commission is bound by the legislature's directive that KUSF support cannot be provided to a rate of return regulated local exchange carrier to offset any loss in FUSF support.<sup>9</sup>

Staff believes the use of the actual FHCL support amounts S&T received during the twelve month period of July 1, 2012 to June 30, 2013 ensures that the KUSF support does not offset any loss in FUSF support.

---

<sup>9</sup> ¶8 of the May 29, 2013 Order in Docket 12-GIMT-170-GIT.

1    **Q.     Why is it appropriate to include the Federal High Cost Loop (FHCL)**  
2           **support amounts in the calculation of the intrastate revenue requirement?**

3    A.     The FCC rules regarding the “High Cost Loop Support for Rate-of-Return  
4           Carriers” states:

5                 The expense adjustment calculated pursuant to this subpart M shall  
6                 be added to interstate expenses and deducted from state expenses  
7                 after expenses and taxes have been apportioned ...<sup>10</sup>

8           Therefore, the FHCL support amounts are equal to the expense that is deducted  
9           from the state jurisdiction and added to the interstate jurisdiction. Since the FHCL  
10          amounts represent costs that have been deducted from the state jurisdiction and  
11          are now being recovered in the interstate jurisdiction it is appropriate to recognize  
12          the removal of those costs in the calculation of the intrastate revenue requirement.

13   **Q.     Why is the Federal loop support shown as state revenue in both the**  
14          **Company’s and Staff’s schedules, if it is actually a state expense reduction?**

15   A.     Whether the FHCL support is shown as a state revenue addition or a state expense  
16          reduction, it still has the same overall impact on the intrastate revenue  
17          requirement. Since this support amount has been traditionally shown as a state  
18          revenue amount in the filings, there is no reason to change the presentation of this  
19          support amount on the schedules.

---

<sup>10</sup> 47 C.F.R. §54.1301(a).



1   **Q.     Why is the Federal support amount necessary to consider in the KUSF**  
2       **proceeding?**

3   A.     The support adjustment recognizes costs that are being recovered in the interstate  
4       jurisdiction. To recover these costs also from the KUSF would provide the  
5       Company with a double recovery of its costs, which harms the Kansas ratepayers  
6       since the Kansas ratepayer would be providing the recovery of these same costs  
7       through both their interstate rates and their intrastate rates.

8   **Q.     Is this recognition of the Federal support a violation of FCC High Cost Loop**  
9       **Support for Rate-of-Return Carriers in 47 C.F.R., Part 54, Subpart M?**

10  A.     No. As stated above the High Cost Loop Support for Rate-of-Return Carriers  
11       include the removal of these costs from the state jurisdiction that are then  
12       recovered in the interstate jurisdiction. To ignore these costs that are being  
13       recovered in the interstate jurisdiction would allow the Company to double  
14       recover these costs. The FCC has taken jurisdiction of these costs and is providing  
15       for the recovery of these costs. For the KUSF to also provide recovery for these  
16       costs would allow the double recovery of these costs.

17  **Q.     Is it right for the State to consider the Federal support mechanism when**  
18       **setting the State support amount?**

19  A.     Yes. The Universal Service Order<sup>11</sup> at ¶820 states:

20           In any event, the statutory language envisions that both the federal  
21           and state support mechanisms will support basic intrastate and  
22           interstate services and, moreover, the statutory language plainly

---

<sup>11</sup> ¶820 *Report and Order* in CC Docket No. 96-45 (FCC 97-157) released May 8, 1997 (“Universal Service Order”)

1                   envisions that the state mechanisms will be in addition to the  
2                   federal mechanisms. (emphasis added)

3                   Therefore, the KUSF is in addition to the Federal support amount. It is proper to  
4                   recognize the Federal support amounts the Company receives.

5                   **VI. Fiber to the Home**

6       **Q.     Please explain why a Fiber to the Home (FTTH) allocation is needed.**

7       A.     S&T initiated a Fiber to the Home (FTTH) project throughout its service area in  
8                   2013.<sup>12</sup> This FTTH network will be capable of providing voice and advanced  
9                   broadband services.<sup>13</sup>

10                  The current method most RLEC's in Kansas are using to allocate the FTTH costs  
11                  causes the regulated voice service to subsidize the costs of having the ability to  
12                  provide high speed Internet and Digital TV services.

13       **Q.     What is the current method most companies are using to allocate FTTH**  
14                  **costs?**

15       A.     Currently most RLEC's in Kansas are allocating FTTH costs based on the number  
16                  of subscribers to the voice, Internet and Digital TV services. This method assigns  
17                  all of the FTTH costs to joint use loop costs until they start producing broadband  
18                  revenues.

---

<sup>12</sup> Direct Testimony of Steve Richards, page 3, line 12-15, Direct Testimony of Kevin Kelly page 10, lines 3-4, and S&T's response to Staff Data Request No. 58.

<sup>13</sup> Advanced broadband services include Internet access and Internet Protocol Television (IPTV) or Digital TV or CATV services.

1 In the separations process 75% of the costs assigned to joint use voice service cost  
2 are allocated to the state jurisdiction.<sup>14</sup> However, in the separations process 0% of  
3 the costs that are for the provision of broadband services are assigned to the state  
4 jurisdiction.<sup>15</sup>

5 Once the end-user subscribes to broadband services (e.g. Internet service or  
6 Digital TV) then the method assigns a portion of the Optical Network  
7 Termination (ONT)<sup>16</sup> costs to broadband service. So no costs are allocated to  
8 broadband until a customer subscribes to an advanced broadband service and  
9 starts producing non-state regulated revenues, and then only a portion of the ONT  
10 costs are allocated to the advanced broadband service.<sup>17</sup>

11 **Q. What support do the companies provide for using this subscriber count**  
12 **method to allocate the FTTH costs?**

13 A. The National Exchange Carrier Associates (NECA) provides Cost Guidelines to  
14 Companies. NECA was established in Part 69 of the Code of Federal Regulations  
15 “to prepare and file access charge tariffs on behalf of all telephone companies that  
16 do not file separate tariffs or concur in a joint access tariff of another telephone

---

<sup>14</sup> The separation loop allocator is 25% interstate and 75% intrastate, 47 C.F.R. §36.154(c)&(g). The 75% intrastate allocation is before the impact of any high cost loop expense adjustment. Also see, 47 C.F.R. §36.126(c)(3)&(4).

<sup>15</sup> As stated in footnote 2156 of *Report and Order and Further Notice of Proposed Rulemaking* in CC Docket Nos. 10-90, et.al. (FCC 11-161) released November 18, 2011 “...Pursuant to section 36.154(a), 25 percent of the cost of cable and wire facilities used to provide voice telephony is deemed interstate, and 75 percent is deemed intrastate. Wholesale broadband transmission is considered a special access service, however, which is classified as 100 percent interstate.”

<sup>16</sup> Also referred to as an Integrated Network Interface Device (INID).

<sup>17</sup> Advanced broadband services include Internet access and Digital TV.

company for all access elements.”<sup>18</sup> Pursuant to FCC Rules, local exchange

carriers submit their annual separation cost study to NECA.<sup>19</sup>

NECA released a Cost Guideline entitled “Separations Treatment of ADSL and SDSL Services”. This Cost Guideline states:

The cost of jointly used equipment that cannot be directly assigned shall be allocated on the relative number of POTS and broadband services sold and in use by the DSL equipment.<sup>20</sup>

This NECA Guideline goes on to state:

The above example represents on methodology that is acceptable for allocating transmission equipment costs when the equipment provides POTS and broadband services. NECA will consider other methodologies that produce reasonable results.<sup>21</sup>(emphasis added)

This “Separations Treatment of ADSL and SDSL Service” Cost Guideline also points out that any FCC decision will take precedent.

The Federal Communication Commission (FCC) has authorized NECA to interpret FCC Rules where necessary. Pursuant to this authorization, NECA has published this Cost Reporting Guideline Paper. Notwithstanding NECA’s interpretation, the FCC retains the full authority to review NECA’s Cost Reporting Guideline Papers. In the event of such review, the FCC’s findings, if contrary to NECA’s position, will take precedent.<sup>22</sup> (footnotes omitted)

The NECA Cost Guideline regarding the separation of the ONT entitled “Integrated Network Interface Device (INID)” also suggests allocating the ONT costs between joint-use and interstate based on the number of subscribers. This

---

<sup>18</sup> FCC Rules, 47 C.F.R. § 69.601(a).

<sup>19</sup> FCC Rules, 47 C.F.R. § 54.1305.

<sup>20</sup> Page 3, NECA October 2012 Cost Guideline Paper “Separations Treatment of ADSL and SDSL Services”.

<sup>21</sup> Page 3, NECA October 2012 Cost Guideline Paper “Separations Treatment of ADSL and SDSL Services”.

<sup>22</sup> Page 5, NECA October 2012 Cost Guideline Paper “Separations Treatment of ADSL and SDSL Services”.

1 NECA Cost Guideline does point out that any FCC decision will take precedent to  
2 this NECA interpretation.<sup>23</sup>

3 **Q. Has the FCC made a finding that the FTTH electronic costs has be allocated**  
4 **using subscriber counts?**

5 A. No. These NECA Cost Guidelines reference the FCC's Enforcement Bureau's  
6 Bell South Cable Order in support of the subscriber count allocation method.<sup>24</sup> In  
7 that Bell South Cable proceeding, the Bureau did accept Bell South's allocation of  
8 costs between its telephone and cable subscribers based on "the relative usage of  
9 its facilities by telephony and cable services by comparing the projected number  
10 of telephone lines used by its subscribers with the projected number of cable  
11 service subscribers."<sup>25</sup> (emphasis added).

12 The NECA method used by the Company is based on current subscriber counts,  
13 not projected subscriber counts as was discussed in the Bell South Cable  
14 proceeding.

15 **Q. Did the FCC in this Bell South Cable proceeding find that companies must**  
16 **use subscriber counts to allocated costs between POTS and broadband?**

17 A. No. The Complainants in that Bell South Cable proceeding were proposing an  
18 allocation method based on bandwidth capacity, since a video channel requires  
19 6MHz of bandwidth and a telephone channel requires only 4kHz. The

---

<sup>23</sup> Page 3, NECA October 2012 Cost Guideline Paper "Integrated Network Interface Device (INID)".

<sup>24</sup> "Memorandum Opinion and Order" in FCC File No. E-97-10, released April, 20 2000 (DA 00-864). Also see the "Order on Review" in FCC File No. E-97-10, released August 22, 2000 (FCC 00-310).

<sup>25</sup> ¶8 of Memorandum Opinion and Order" in FCC File No. E-97-10, released April, 20 2000 (DA 00-864).

1 Complainants supported this usage allocation since “it is only the proportion of  
2 bandwidth used – not the number of subscribers to either service – that reflects the  
3 actual usage of the facility by the different services.”<sup>26</sup>

4 On review, the FCC emphasized the fact that it is not required to determine if the  
5 Bell South proposed subscriber count allocation method was the “best available”  
6 method as compared to the capacity method proposed by the Complainants,  
7 however the FCC accepted the subscriber count method as a reasonable method.<sup>27</sup>

8 Neither the language nor the policy of section 64.901(b)(4)  
9 requires carriers to utilize a single, “best available” method for  
10 allocating joint and common costs between regulated and  
11 nonregulated services. Rather, the rule establishes a general  
12 standard that must be satisfied, but leaves to the company’s  
13 discretion how to meet that standard. Therefore, we agree with the  
14 Bureau that “[t]he rules primarily provide frameworks within  
15 which carriers can craft unique practices that are reasonable, rather  
16 than rigid directives that allow carriers no discretion.” Similarly,  
17 section 64.901(b)(4) does not require the Commission to determine  
18 and impose the “best available” method of allocating joint and  
19 common costs when the methodology used by a carrier is  
20 challenged in a section 208 complaint proceeding. For this reason,  
21 the Bureau was not obligated to address the relative merits of the  
22 allocation methodology suggested by Complainants. Finally,  
23 Complainants do not directly challenge the Bureau’s conclusion  
24 that BellSouth’s cost allocation methodology is reasonable,  
25 arguing only that the methodology propounded by Complainants  
26 somehow yields more accurate results. Accordingly, we affirm the  
27 *Bureau Order* and deny Complainants’ claim that BellSouth  
28 violated our cost allocation rules. (emphasis added, footnotes  
29 omitted)

---

<sup>26</sup> ¶11 and Fns. 39 & 40 of Memorandum Opinion and Order” in FCC File No. E-97-10, released April, 20 2000 (DA 00-864).

<sup>27</sup> ¶10 of “Order on Review” in FCC File No. E-97-10, released August 22, 2000 (FCC 00-310).

1    **Q.     How does the deployment of the ONT in the FTTH network impact the**  
2           **Company's intrastate-regulated costs?**

3    A.     For FTTH networks, different electronics are needed to provide voice and  
4           advanced broadband services as compared to the electronics used in the copper to  
5           the home or the fiber/copper hybrid to the home network ("traditional network") it  
6           replaced. One of these pieces of electronics is called an Optical Network  
7           Termination (ONT) and is installed at every end-user's premise in the FTTH  
8           network, whether or not that end-user subscribes to advanced broadband services.  
9           In the traditional network only the DSL broadband service end-users have the  
10          additional equipment placed at the premise.

11          Due to the more sophisticated electronics in the ONT, it is much more expensive  
12          than the traditional copper NID. In addition, unlike the traditional copper NID, the  
13          ONT must have its own power supply and battery back-up, which adds to the cost  
14          per ONT.

15   **Q.     What cost separation issues does the ONT create?**

16   A.     The ONT combines several functions. Most of those functions are similar to  
17          functions previously performed by equipment that was not intrastate regulated,  
18          but some of the equipment it replaces did have an intrastate allocation.

1     **Q.     In a traditional network, where an end-user subscribes to both voice and**  
2           **advanced broadband services, what electronics are at the premise and how**  
3           **are they allocated to intrastate?**

4     A.     The traditional network has copper facilities to the home. For an end-user with  
5           voice and DSL broadband services, the premise costs are traditionally separated  
6           under FCC Part 36 Separations Procedures<sup>28</sup> to intrastate as follows:

7           1.     The Network Interface Device (NID) is a simple device that terminates the  
8                   copper drop at the side of the house and connects to the end-user's inside  
9                   wiring. The NID is generally treated as joint use voice service cost and  
10                  75% of it is allocated to the regulated intrastate jurisdiction.<sup>29</sup>

11          2.     The equipment at the home ("splitters" or "filters") that separates the  
12                  voice service signal from the DSL broadband service signal is treated as  
13                  0% intrastate regulated cost.<sup>30</sup>

14          3.     The electronics equipment (external or internal "modem") that takes the  
15                  DSL broadband signal that came in on the copper telephone wire and

---

<sup>28</sup> FCC Separation Procedures, 47 C.F.R. § 36. Also see S&T response to Staff Data Request No. 24(f):  
"...In accordance with FCC rules, DSL costs are directly assigned to the Interstate jurisdiction."

<sup>29</sup> The separation loop allocator is 25% interstate and 75% intrastate, 47 C.F.R. § 36.154(c)&(g). The NID  
is a simple and relatively inexpensive device that contains no active electronics. The 75% intrastate  
allocation is before the impact of any high cost loop expense adjustment. Also see, 47 C.F.R. §  
36.126(c)(3)&(4).

<sup>30</sup> The splitter or filter are installed on the customer side of the NID and therefore are not considered  
regulated equipment in the FCC Part 36 Separations Procedures.



1                   coverts it into a signal usable by the computer is 0% intrastate regulated  
2                   cost.<sup>31</sup>

3   **Q.     In the FTTH network, which of the functions similar to those listed above**  
4           **does the ONT provide?**

5   A.     All of them:

6           1.     The ONT is the device that terminates the fiber drop and connects to the  
7                   inside wiring, similar to the functions of the NID.

8           2.     The ONT also separates the voice telephone signal from the advanced  
9                   broadband signals, similar to the function of the splitters and/or filters.  
10           The voice and advanced broadband signals come into the ONT on the  
11           same fiber drop, they are separated inside the ONT, then the voice service,  
12           Internet broadband service, and the IPTV signal come out of separate ports  
13           of the ONT.

14          3.     The ONT takes the Internet broadband signal that come in on the fiber  
15                   drop and converts it into a signal usable by the computer, similar to the  
16                   function of the modem in the traditional copper network. The ONT  
17                   generally outputs the broadband signal as an Ethernet signal usable by the  
18                   end-user's computer. With the addition of a small piece of electronics, the  
19                   IPTV signal that comes in on the fiber drop is usable by the end-user's  
20                   television.

---

<sup>31</sup> The modem is installed on the customer side of the NID and therefore is not considered regulated equipment in the FCC Part 36 Separations Procedures.

1   **Q.     What impact does the allocation of the FTTH costs have on the Kansas**  
2       **ratepayers?**

3   A.     Assigning the broadband costs to joint use services until the end-user subscribes  
4       to a broadband service means the KUSF subsidizes the Company's provision or  
5       future provision of an interstate or deregulated service. The Kansas ratepayers are  
6       the contributors to the KUSF. It is important to allow a proper allocation of the  
7       FTTH costs to both the voice and advanced broadband services since the  
8       provision of some advanced broadband service are not regulated or recoverable in  
9       the state jurisdiction.

10   **Q.     Please explain why a portion of the FTTH costs should be allocated to**  
11       **broadband service and removed from the intrastate jurisdiction.**

12   A.     FTTH allows the Company to provide voice and advanced broadband services to  
13       the end-users.<sup>32</sup> The revenues from the advanced broadband services are not  
14       regulated intrastate revenues. Therefore, it is reasonable to remove the costs of  
15       providing the advanced broadband service from the intrastate jurisdiction since  
16       broadband is not an intrastate regulated service.

17   **Q.     What is the impact of the allocation of these FTTH costs?**

18   A.     Staff supports allocating a portion of the costs of the ONTs and FTTH to  
19       broadband service, whether those costs are being used to provide services to  
20       current broadband subscribers or are being held in reserve for possible future  
21       broadband subscribers.

---

<sup>32</sup> Direct Testimony of Steve Richards, page 2, lines 20-21 states: "S&T Communication provides competitive voice, video, broadband, and other nonregulated services over its own facilities."

1     **Q.     Is the allocation reasonable even if the end-user does not subscribe to all**  
2           **three services?**

3     A.     Yes. 47 C.F.R. §36.153 describes how the cable and wire facility costs are  
4           assigned to the various separation categories. 47 C.F.R. §36.153(a)(1)(A) states:

5                     ... From an analysis of cable engineering and assignment records,  
6                     determine in terms of equivalent gauge the number of pairs in use  
7                     or reserved, for each category. The corresponding percentages of  
8                     use, or reservation, are applied to the cost of the section of cable,  
9                     ... (emphasis added)

10           Also, 47 C.F.R. §64.901(b)(4) states:<sup>33</sup>

11                    The allocation of central office equipment and outside plant  
12                    investment costs between regulated and nonregulated activities  
13                    shall be based upon the relative regulated and nonregulated usage  
14                    of the investment during the calendar year when nonregulated  
15                    usage is greatest in comparison to regulated usage during the three  
16                    calendar years beginning with the calendar year during which the  
17                    investment usage forecast is filed. (emphasis added)

18           It is clear that the FCC Procedures specifically allows for the allocation to  
19           separations categories or to non-regulated activities based on the reserved or  
20           future use of the costs. For example, the ONT has a data port that is “reserved” for  
21           advanced broadband use and the fiber to the home has the reserved capacity to  
22           provide the advanced broadband services.

23           In addition, the Telecommunications Act of 1996 (TA96) requires that residential  
24           basic exchange service “bear no more than a reasonable share of the joint and  
25           common costs of facilities used to provide those services”. The TA96 specifically  
26           states:

---

<sup>33</sup> Outside plant includes cable and wire facilities (C&WF)

1           Section 254(k)--SUBSIDY OF COMPETITIVE SERVICES  
2           PROHIBITED.--A telecommunications carrier may not use  
3           services that are not competitive to subsidize services that are  
4           subject to competition. The Commission, with respect to  
5           interstate services, and the States, with respect to intrastate  
6           services, shall establish any necessary cost allocation rules,  
7           accounting safeguards, and guidelines to ensure that services  
8           included in the definition of universal service bear no more than a  
9           reasonable share of the joint and common costs of facilities used to  
10          provide those services.

11   **Q.     Could you summarize your testimony on FTTH costs?**

12   A.     The method of assigning the FTTH costs to joint use telephone until the Company  
13           starts receiving revenues for advanced broadband services causes the regulated  
14           voice service to subsidize the costs to provide those advanced broadband services  
15           to future subscribers. It is unreasonable for the regulated voice service or the  
16           KUSF to support the Company's ability to provide advanced broadband services  
17           that are not regulated by the State.<sup>34</sup>

18   **Q.     What is your proposal regarding the allocation of a portion of the FTTH**  
19           **costs to broadband services?**

20   A.     The allocation of the FTTH costs is an issue that the Commission should address  
21           in a future generic proceeding since any change to the FTTH allocation method  
22           would impact many of the RLECs in Kansas.

---

<sup>34</sup> Advanced broadband services include Internet access and Digital TV.

1 A reasonable allocation method of the FTTH costs in Kansas would ensure that  
2 the Kansas ratepayers are not providing a subsidy for the future provision of non-  
3 state regulated and/or competitive services.<sup>35</sup>

4 **Q. Is it improper for States to review jurisdictional cost allocations?**

5 A. No. A FCC Order stated:

6 Significantly, the State Members of the Federal-State Board on  
7 Jurisdictional Separations agree with the proposed extension,  
8 “based upon our understanding that under the Commission’s orders  
9 on various forbearance petitions, the States retain the ability to  
10 adopt any reasonable allocation of costs between the intrastate and  
11 interstate jurisdictions for State ratemaking and other purposes.”<sup>36</sup>  
12 (emphasis added)

13 The FCC did not contradict this State Members of the Federal-State Board on  
14 Jurisdictional Separations understanding.

15 **Q. If Staff believes the allocation of the FTTH costs is an issue, why is Staff not**  
16 **making an adjustment in this proceeding?**

17 A. Staff continues to believe that a generic proceeding regarding the allocation of the  
18 FTTH costs is needed. However, the FCC is still in the process of reviewing the  
19 FHCL support mechanism for RLECs in the Connect America Fund (CAF)  
20 proceeding.<sup>37</sup> Staff believes it is prudent to wait until the FCC has made its  
21 decisions in the CAF proceeding before initiating a generic proceeding, since any  
22 FCC decision could possibly impact the FTTH allocation issues to be addressed  
23 by this Commission.

---

<sup>35</sup> Including, but not limited to Digital TV service.

<sup>36</sup> ¶11 *Report and Order* in CC Docket No. 80-286 released June 13, 2014 (FCC 14-91).

<sup>37</sup> FCC WC Docket No. 10-90. *Further Notice of Proposed Rulemaking* in WC Docket No. 10-90 released June 10, 2014 (FCC 14-54).

1 **VII. Conclusion**

2 **Q. Does this conclude your Direct testimony?**

3 **A. Yes.**

**ADJUSTMENT TO FEDERAL UNIVERSAL SERVICE SUPPORT  
FOR ACTUAL SUPPORT RECEIVED JULY 1, 2012 TO JUNE 30, 2013**

Description	Actual Annual Amounts	Intrastate Percentage	Total Intrastate Adjustment
Actual High Cost Loop Support for July 2012-June 2013	\$3,053,829		
Actual Safety Net Additive Support for July 2012-June 2013	\$0		
Total Actual Support for July 2012-June 2013	\$3,053,829		
Less: Support Amount included in Section 9 of Company's filing	(\$2,645,832)		
<b>Staff Adjustment IS-1 to Company's Filed Amount</b>	<b>\$407,997</b>	<b>100%</b>	<b>\$407,997</b>

Source:  
Response to Staff Data Request No. 68

**ACTUAL FHCL SUPPORT RECEIVED  
FOR THE TWELVE MONTHS 7/1/12-6/31/13**

Month	HCL			Disbursed Amount
	Capped Current Period	Uncapped Current Period	Prior Period Adjustments	
7/12	269,011	269,044	(54)	268,957
8/12	269,011	269,044		269,011
9/12	269,011	269,044		269,011
10/12	269,044	269,077	3,168	272,212
11/12	269,044	269,077		269,044
12/12	269,044	269,077		269,044
1/13	230,070	230,103	174	230,244
2/13	230,070	230,103		230,070
3/13	230,070	230,103		230,070
4/13	249,337	249,370	(1,845)	247,492
5/13	249,337	249,370		249,337
6/13	249,337	249,370		249,337
Total FHCL Received				3,053,829

Source:  
Company response to Staff Data Request No. 68



## Schedule RM-2

### Responses to Staff Data Request `

Nos. 24, 56, 58, and 68.

Note: In an effort to conserve resources, Staff has excluded portions of the Response to Staff Data Request No. 56 not applicable to the particular discussion. Staff can provide the complete Response upon request.

Roxie McCullar, CPA  
8625 Farmington Cemetery Road  
Pleasant Plains, IL 62677

Roxie McCullar is a regulatory consultant. She is a licensed Certified Public Account in the state of Illinois. She received her Master of Arts degree in Accounting from the University of Illinois-Springfield. She received her Bachelor of Science degree in Mathematics from Illinois State University. Over the past 16 years Ms. McCullar has filed testimony in over 35 state regulatory proceedings on cost allocation, universal service, and depreciation issues. In addition, Ms. McCullar has assisted Mr. Dunkel in numerous other proceedings.

### **PRESENT POSITION**

William Dunkel and Associates  
Position: Consultant

- Co-Sponsored Bench Report on Depreciation in Maine Docket No. 2013-00443 regarding Bangor Hydro Electric Company and Maine Public Service Company (Emera-Maine) depreciation rates in a general rate proceeding.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving Wamego Telecommunications Company, Inc., Docket No. 14-WTCT-142-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving People Telecommunication LLC, Docket No. 13-PLTT-678-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving J.B.N. Telephone Company, Inc., Docket No. 13-JBNT-437-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving Zenda Telephone Company, Inc., Docket No. 13-ZENT-065-AUD in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving Craw-Kan Telephone Cooperative, Inc., Docket No. 13-CRKT-268-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving LaHarpe Telephone Company, Inc., Docket No. 12-LHPT-875-AUD in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving Gorham Telephone Company, Docket No. 12-GRHT-633-KSF in which I addressed cost

study issues, allocation of FTTH equipment, and support fund adjustments.

- Prefiled on behalf of the Kansas Corporation Commission Staff in an audit involving S&T Telephone Cooperative Association, Inc., Docket No. 12-S&TT-234-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Cunningham Telephone Company, Inc., Docket No. 11-CNHT-659-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Rainbow Telephone Association, Docket No. 11-RNBT-608-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Pioneer Telephone Association, Docket No. 11-PNRT-315-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Assisted Kansas Corporation Staff in audit involving Golden Belt Telephone Association, Docket No. 10-GNBT-526-KSF in which I addressed cost study issues and support fund adjustments.
- Assisted Kansas Corporation Staff in audit involving United Telephone Association, Docket No. 10-UTAT-525-KSF in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Haviland Telephone Company, Inc., Docket No. 10-HVDT-288-KSF in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Blue Valley Tele-Communications, Inc., Docket No. 09-BLVT-913-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Assisted Kansas Corporation Staff in audit involving Twin Valley Telephone Company, Docket No. 09-TVWT-069-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Mutual Telephone Company, Docket No. 09-MLTL-091-KSF in which I addressed cost study issues and support fund adjustments.
- Assisted Kansas Corporation Staff in audit involving Columbus Telephone Company, Docket No. 08-CBST-400-KSF in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Moundridge Telephone Company, Docket No. 08-MRGT-221-KSF in which I addressed cost study issues and support fund adjustments.

- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Peoples Telecommunications, LLC, Docket No. 07-PLTT-1289-AUD in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Madison Telephone, LLC, Docket No. 07-MD TT-195-AUD in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Rainbow Telecommunications Association, Inc., Docket No. 06-RNBT-1322-AUD in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Wamego Telecommunications Company, Inc., Docket No. 06-WCTC-1020-AUD in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving H&B Communications, Inc., Docket No. 06-H&BT-1007-AUD in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Elkhart Telephone Company, Inc., Docket No. 06-ELKT-365-AUD in which I addressed cost study issues, allocation of FTTH equipment, and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving South Central Telephone Association, Inc., Docket No. 05-SCNT-1048-AUD in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Utah Committee of Consumer Services in general rate case involving Carbon/Emery Telecom, Inc., Docket No. 05-2302-01 in which I addressed cost study issues and depreciation rates.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Totah Communications, Inc., Docket No. 05-TTHT-895-AUD in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Maine Office of Public Advocate in Docket No. 2005-155, an investigation of Verizon's alternative form of regulation in which I addressed depreciation calculations.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Tri-County Telephone Association, Docket No. 05-TRCT-607-KSF in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving KanOkla Telephone Association, Inc, Docket No. 05-KOKT-060-AUD in which I addressed cost study issues and support fund adjustments.
- Prefiled on behalf of the Kansas Corporation Commission Staff in general rate

- proceeding and audit involving Cunningham Telephone, Inc, Docket No. 05-CNHT-020-AUD in which I addressed cost study issues and support fund adjustments.
- Testified on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving United Telephone Association, Inc, Docket No. 04-UTAT-690-AUD in which I addressed cost study issues and support fund adjustments.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Council Grove Telephone Company, Docket No. 04-CGTT-679-KSF in which I addressed cost study issues and support fund adjustments.
  - Testified on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Golden Belt Telephone Association, Docket No. 04-GNBT-130-AUD in which I addressed cost study issues and support fund adjustments.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Twin Valley Telephone, Inc., Docket No. 03-TWVT-1031-AUD in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Haviland Telephone Company, Docket No. 03-HVDT-664-RTS in which I addressed cost study issues and support fund adjustments.
  - Testified on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving Wheat State Telephone Company, Docket No. 03-WHST-503-AUD, in which I addressed cost study issues and support fund adjustments.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in general rate proceeding and audit involving S&A Telephone Company, Docket No. 03-S&AT-160-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving JBN Telephone Company, Docket No. 02-JBNT-846-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving Blue Valley Telephone Company, Inc., Docket No. 02-BLVT-377-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving S&T Telephone Cooperative Association, Inc., Docket No. 02-S&TT-390-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving Craw-Kan Telephone Cooperative, Docket No. 01-CRKT-713-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving Sunflower Telephone Company, Inc., Docket No. 01-SFLT-879-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving Bluestem Telephone Company, Inc., Docket No. 01-BSST-878-AUD, in which I addressed cost study issues.
  - Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general

rate proceeding and audit involving Pioneer Telephone Company, Docket No. 01-PNRT-929-AUD, in which I addressed cost study issues.

- Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving Southern Kansas Telephone Company, Docket No. 01-SNKT-544-AUD, in which I addressed cost study issues.
- Prefiled testimony on behalf of the Kansas Corporation Commission Staff in a general rate proceeding and audit involving Rural Telephone Company, Docket No. 01-RRLT-518-KSF, in which I addressed cost study issues.
- Testified on behalf of the Government and Consumers Intervenors (GCI) before the Illinois Commerce Commission in an Alternative Regulation case involving Ameritech Illinois, Docket No. 98-0252, in which I addressed cost study issues.

Participated in, but did not testify in, the following proceedings:

- Maryland Case No. 9355 (Baltimore Gas Electric Depreciation Rate Proceeding)
- Nebraska Application NG-0079 (SourceGas Depreciation Rate Proceeding)
- Maine Docket No. 2013-00168 (Central Maine Power Company General Rate Proceeding)
- New Jersey BPU Docket No. GR13111137 (South Jersey Gas Company General Rate Proceeding)
- Utah Docket No. 13-057-19 (Questar Gas Company Depreciation Rate Proceeding)
- DC Formal Case No. 1103 (Potomac Electric Company General Rate Proceeding)
- New Jersey BPU Docket No. ER12121071 and OAL Docket No. PUC00617-13 (Atlantic City Electric Company General Rate Proceeding)
- Utah Docket No. 13-035-02 (Rocky Mountain Power Depreciation Rate Proceeding)
- Alaska Docket No. U-12-149 (ML&P Depreciation Rate Proceeding)
- DC Formal Case No. 1093 (Washington Gas Light General Rate Proceeding)
- Kansas Docket No. 12-KGSG-835-RTS (Kansas Gas Rate Proceeding)
- Kansas Docket No. 12-KCPE-764-RTS (Kansas City Power & Light General Rate Proceeding)
- Indiana Cause No. 44075 (Indiana Michigan Power Company General Rate Proceeding)
- Kansas Docket No. 12-ATMG-564-RTS (Atmos Energy General Rate Proceeding)
- Maryland Case No. 9286 (Potomac Electric Power Company General Rate Proceeding)
- Maryland Case No. 9285 (Delmarva Power & Light Company General Rate Proceeding)
- Kansas Docket No. 12-WSEE-112-RTS (Westar Energy, Inc. General Rate Proceeding)
- Kansas Docket No. 11-MDWE-609-RTS (Midwest Energy General Rate Proceeding)
- Kansas Docket No. 08-GIMX-1142-GIV (Generic Depreciation Docket)
- New Mexico Case No. 10-00086-UT (Public Service Company of New Mexico General Rate Proceeding)

- Georgia Public Service Commission Docket No. 31647 (Atlanta Gas Light Company Rate Proceeding)
- Kansas Docket No. 10-KCPE-415-RTS (Kansas City Power & Light General Rate Proceeding)
- DC Formal Case No. 1076 (PEPCO General Rate Proceeding)
- Missouri Case No. ER-2010-0036 (AmerenUE Electric Rate Proceeding)
- Michigan Case No. U-15981 (Wisconsin Electric Power Company Depreciation Rate Proceeding)
- Alaska Docket No. U-09-097 (Chugach Electric Association, Inc. Depreciation Rate Proceeding)
- Alaska Docket No. U-09-077 (Homer Electric Association, Inc. Depreciation Rate Proceeding)
- Alaska Docket No. U-09-029 (TDX Sand Point Generating, Inc. Depreciation Rate Proceeding)
- Michigan Case No. U-15778 (SEMCO Energy Gas Company Depreciation Rate Proceeding)
- Michigan Case No. U-15699 (Michigan Consolidated Gas Company Depreciation Rate Proceeding)
- Michigan Case No. U-15629 (Consumers Energy Company Depreciation Rate Proceeding)
- New Mexico Case No. 08-00273-UT (Public Service Company of New Mexico General Rate Proceeding)
- Missouri Case No. ER-2008-0318 (AmerenUE Electric Rate Proceeding)
- Missouri Case No. ER-2008-0093 (Empire District Electric Company General Rate Proceeding)
- Kansas Docket No. 08-MDWE-594-RTS (Midwest Energy General Rate Proceeding)
- Alaska Docket No. U-07-174 (Enstar Natural Gas Company and Alaska Pipeline Company Depreciation Rate Proceeding)
- Alaska Docket No. U-08-004 (Anchorage Water and Wastewater Utility Depreciation Rate Proceeding)
- Kansas Case No. 08-ATMG-280-RTS (Atmos Energy General Rate Proceeding)
- Kansas Case No. 08-SEPE-257-DRS (Sunflower Electric Depreciation Rate Proceeding)
- Maryland Case No. 9103 (WGL Depreciation Rate Proceeding)
- Maryland Case No. 9096 (BGE Depreciation Rate Proceeding)
- Maryland Case No. 9092 (PEPCO General Rate Proceeding)
- Missouri Case No. ER-2007-0002 (AmerenUE Electric Rate Proceeding)
- Maryland Case No. 9062 (Chesapeake Utility Corporation General Rate Proceeding)
- Indiana Cause No. 42959 (Indiana Michigan Power Company Depreciation Rate Case)
- Arizona Docket No. T-0151B-03-0454 (Qwest Renewed Price Regulation Plan)
- Illinois Docket No. 04-0461 (SBC Imputation Requirements)
- Utah Docket No. 04-049-62 (Qwest Price Cap Compliance Filing)

- Utah Docket No. 03-049-49 (Qwest Price Flexibility-Residential)
- Utah Docket No. 03-049-50 (Qwest Price Flexibility-Business)
- Alaska Docket Nos. U-1-83, U-01-85, U-01-87 (General Rate Proceeding)
- Maryland Case No. 8960 (Washington Gas Light Company Depreciation Rate Proceeding)
- Pennsylvania Docket Nos. C-200271905 (Access Charge Complaint Proceeding)
- Illinois Docket No. 03-0323 (IL UNE Law Proceeding)
- Illinois Docket No. 02-0864 (SBC UNE Rate Proceeding)
- Pennsylvania Docket Nos. A-310200F0002, A-311350F0002, A-310222F0002, A-310291F0003 (Verizon for Approval of Agreement and Plan of Merger)
- California Docket A.02-01-004 (Kerman General Rate Case)
- Pennsylvania Docket Nos. P-00991649, P-00991648, M-00021596 (Joint Petition for Global Resolution of Telecommunications Proceedings)
- Illinois Docket No. 02-0560 (Verizon Advanced Services Waiver)
- Utah Docket No. 01-2383-01 (Qwest Price Flexibility-Residential)
- Utah Docket No. 02-049-82 (Qwest Price Flexibility-Business)
- Missouri Docket No. TR-2001-65 (Cost of Access Proceeding)
- Kansas Docket No. 02-WLST-210-AUD (Audit and General Rate Proceeding)
- Kansas Docket No. 02-HOMT-209-AUD (Audit and General Rate Proceeding)
- New Mexico Case No. 3223 (Universal service fund proceeding)
- Arizona Docket No. T-00000A-00-0194 (Wholesale cost/UNE proceeding of Qwest)
- Arizona TX 98-00716 (Tax Case of Citizens Telecommunications Company of White Mountain, et. al.)
- Maryland Case No. 8862 (PIC change charge case of Verizon Maryland)
- Maryland Case No. 8745 (Universal Service Proceeding of Verizon-Maryland)
- Arizona Docket No. T-01051B-99-0105 (General rate case of Qwest)
- New Mexico Case No. 3300 (Subsidy case of VALOR)
- New Mexico Case No. 3325 (Subsidy case of Qwest)
- New Mexico Case No. 3008 (General Rate/Depreciation case of USWest)
- Arizona Docket No. T-02724A-00-0595 (Earnings Review of Table Top Telephone Co.)
- Arizona Docket No. T-01051B-97-0689 (Depreciation case of US West)
- Illinois Docket No. 99-0412 (EAS case involving Geneseo Telephone Company)
- Kansas Docket No. 00-UTDT-455-GIT (Universal Service Fund case involving Sprint)
- Kansas Docket No. 98-SWBT-677-GIT (Universal Service Fund case involving SWBT)
- Illinois Docket Nos. 98-0200/98-0537 (Consolidated) (Usage sensitive service of GTE)
- Kansas Docket No. 98-SWBT-431-DRS (Depreciation case of SWBT)
- Florida Undocketed Special Project (Fair and Reasonable Rates of GTE, BellSouth, and Sprint)
- Pennsylvania Docket No. A-310125F002 (GTE North Interconnection Proceeding)
- Oklahoma Cause No. PUD 96-0000214 (Public Service of Oklahoma Depreciation Case)



- Hawaii Docket No. 7702 (GTE Hawaiian Tel Interconnection/avoided cost proceeding)
- Washington Docket No. UT-960369 (US West avoided cost proceeding)

Participation in the above proceeding included some or all of the following:

Developing analyses, preparing data requests, analyzing issues, writing draft testimony, preparing data responses, preparing draft questions for cross examination, drafting briefs, and developed various quantitative models.

## **EDUCATION**

Master of Arts in Accounting from the University of Illinois-Springfield, Springfield, Illinois.

12 hours of Business and Management classes at Benedictine University-Springfield College in Illinois, Springfield, Illinois.

27 hours of Graduate Studies in Mathematics at Illinois State University, Normal, Illinois.

Bachelor of Science in Mathematics from Illinois State University, Normal, Illinois.

### **Relevant Coursework:**

- |                                      |  |
|--------------------------------------|--|
| -Calculus                            | -Discrete Mathematics                        |
| -Number Theory                       | -Mathematical Statistics                     |
| -Linear Programming                  | -Differential Equations                      |
| -Finite Sampling                     | -Statistics for Business and Economics       |
| -Introduction to Micro Economics     | -Introduction to Macro Economics             |
| -Principles of MIS                   | -Introduction to Financial Accounting        |
| -Intermediate Managerial Accounting  | -Introduction to Managerial Accounting       |
| -Intermediate Financial Accounting I | -Intermediate Financial Accounting II        |
| -Advanced Financial Accounting       | -Auditing Concepts/Responsibilities          |
| -Accounting Information Systems      | -Federal Income Tax                          |
| -Fraud Forensic Accounting           | -Accounting for Government & Non-Profit      |
| -Commercial Law                      | -Advanced Utilities Regulation               |
| -Advanced Auditing                   | -Advanced Corporation & Partnership Taxation |