

570 The estimate contained in the exhibit and which we are making for this
571 proceeding is that 6% of Kinsman's access lines would port to a wireless carrier
572 in the first year we implement wireline-to-wireless number portability and that
573 1% more would port in each of the second, third, fourth and fifth years so that by
574 the end of the fifth year, 10% would have ported.

575

576 As an average schedule company, Kinsman does not record its local minutes of
577 use and messages. Therefore, I had to estimate local minutes of use and messages
578 for Kinsman by using the weighted average minutes of use and messages for our
579 cost company clients that had thus far filed for suspensions of the local number
580 portability requirements with the Commission. The weighted average minutes of
581 use was calculated on a per line basis for the cost companies. This figure was
582 then multiplied by the number of access lines that Kinsman serves. Similarly, the
583 weighted average minutes of use per message was developed for the cost
584 companies and included in the corresponding input cell for Kinsman.

585

586 Q. Taking into account your previous response, how was the amount of the query
587 expense over the five years determined?

588 A. Based upon discussions we have had, it is our current understanding that Kinsman
589 would put triggers into its switch that would result in only calls to ported numbers
590 being required to be queried. The rate per query dip has been obtained from a
591 vendor and the projected demand was developed as described above. Based upon
592 our present understanding, the query expense is relatively minimal.

593

594 Q. Please describe the estimates included for transport and transit.

595 A. Differing from the query expense, the transport and transit costs are more
596 significant. As I indicated earlier, we have used the rates and rate elements that
597 we understand SBC would charge and Kinsman's access rates for the
598 transport and transiting of calls to SBC's LaGrange tandem for delivery to
599 wireless carriers. Like the query costs, the transport and transit costs grow from
600 year to year based upon the estimates of how many customers will have ported
601 their numbers to wireless carriers in each of the first five years. The query
602 and transport and transiting costs, as well as many of the other expenses, would
603 continue on and could potentially grow beyond the five year time horizon
604 included within the exhibit.

605

606 Q. If a higher number of customers port to wireless carriers than you have projected
607 in your estimates, what would be the impact on the estimates you are
608 presenting?

609 A. If a higher number of customers port resulted in higher call volumes, we will have
610 underestimated both transport and transit costs, as well as the query costs.
611 Kinsman would also have fewer access lines over which to recover any costs, and
612 the costs per subscriber per month would be higher than that reflected on
613 Attachment 1.

614

615 Q. If on the other hand Kinsman's belief is correct that there is little or no
616 demand for wireline-to-wireless number portability, what would be the impact?
617 A. If that is correct, we would have overestimated variable costs, such as transport
618 and transit and query charges. However, the initial start-up investments and
619 expenses would remain as well as certain ongoing expenses. In Kinsman's view,
620 until there is a proven demand, those expenses and investments should not be
621 incurred and they would, in fact, in some ways be even more unfair and
622 burdensome on Kinsman's customers to make them pay for the costs for a service
623 (although the costs would be lower), which they do not desire.
624
625 Q. Please comment on the expense line labeled "regulatory/legal/admin/order
626 processing".
627 A. Based upon our discussions with counsel and the other small companies, we have
628 estimated initial or start-up legal and regulatory costs in the amount of \$20,000.
629 The estimate includes estimated fees from consultants and attorneys to negotiate
630 service level agreements with wireless carriers, develop and file LNP tariffs, file
631 company information with NeuStar and in the BIRRDs/LERG databases,
632 evaluate query and SOA providers, implement regulatory-compliant 911 methods,
633 and understand all regulatory requirements associated with intermodal LNP. The
634 100 estimated regulatory/legal hours may be conservative considering that
635 Kinsman does not have employees who are devoted to regulatory matters and that
636 they outsource most regulatory work to consultants and attorneys.
637

638 With regard to ongoing administrative expenses, the estimates are based upon
639 information received from GVNW, who Kinsman would use for LNP
640 administrative services. A \$2,000 annual fee must be paid to GVNW for those
641 services together with a per port fee charge of \$2.00. That portion of the annual
642 expenses for years 1-5 reflect those charges being assessed against the numbers
643 that are ported within a particular year.

644

645 Q. Please explain the "Employee Education" expense, which you have included on
646 the Attachment.

647 A. Nortel is providing technical training with regard to local number portability.
648 Attachment 3 to my testimony is a copy of the course descriptions that Nortel has
649 indicated are appropriate for technical training with regard to local number
650 portability. The price of those courses based upon Nortel's quote is \$8,965 per
651 technical employee trained. Kinsman plans to have one technical employee
652 receiving this training.

653

654 Q. Please discuss the line item entitled "Technical Trouble", which I understand
655 includes technical support to implement the local number portability process and
656 would involve ongoing operational or technical issues related to the provision of
657 local number portability.

658 A. This is an estimate based upon Kinsman's experience with similar issues and
659 services and our discussions with other small company representatives concerning
660 these types of costs. We have projected total technician time and estimated labor

661 rates over the entire five-year period and then spread the costs, in part, between
662 start-up costs with the remaining amount being incurred over each of the five
663 years.

664

665 Q. Please provide the basis for the estimated costs related to “customer education”.

666 A. If Kinsman were required to implement wireline-to-wireless number portability, it
667 is the view of Kinsman’s management that there would need to be at least two
668 customer education mailing pieces prior to its implementation and that Kinsman
669 would then need to have two ongoing mailings for customer education purposes
670 each year. Based upon the costs of previous pre-prepared mail pieces and our
671 discussions with other companies, Kinsman is estimating that the costs of a
672 mailing to each customer is 75¢ per mailing, which once again would occur twice
673 each year. In looking at page 1 of Attachment 1, you can see that costs decline
674 per year because of our assumption that we would have fewer access lines as time
675 goes by as a result of certain customers porting their numbers to wireless carriers,
676 as previously discussed.

677

678 Q. Describe in detail the type of customer education Kinsman proposes to undertake.

679 A. Since Kinsman is seeking a suspension of any obligation it may have to provide
680 wireline-to-wireless local number portability, specific customer information
681 pieces have not, as yet, been developed. However, as indicated in my prior
682 answer, the Company intends to send out customer education mailing pieces prior
683 to any time it is to implement wireline-to-wireless local number portability and to

684 continue that education process with follow-up mailings that the Company
685 believes to be necessary. (Response to Staff Data Request 1.19)

686

687 Q. Describe the purpose and content of the customer education that Kinsman intends
688 to provide.

689 A. Once again, since the Company is seeking a suspension of any obligation it may
690 have to provide wireline-to-wireless number portability, the specific content of
691 any customer education pieces has not been developed at this time. The Company
692 would intend to get informational pieces perhaps developed by larger companies
693 and provided to their customers for use in developing appropriate mailing pieces.
694 The purpose of the customer education would be first and foremost to provide
695 information concerning what wireline-to-wireless number portability is and to
696 provide information to the customer concerning what steps they would need to
697 take if they desired to port their landline number to a wireless telephone. Once
698 again, Kinsman, as a small company, intends to rely upon information developed
699 by larger companies, trade associations, etc. in developing appropriate customer
700 education pieces should they become necessary. (Further Response to Staff Data
701 Request 1.19)

702

703 Q. Am I correct that present value calculations were performed as reflected on page
704 1 of Attachment 1?

705 A. Yes, that is correct.

706

707 Q. Does that complete your discussion of Attachment 1 and Kinsman's estimates of
708 the incremental costs involved to it and the potential amounts that would need to
709 be recovered from Kinsman's customers if required to implement wireline-to-
710 wireless number portability?

711 A. Yes, it does. I should emphasize that the cost estimates are based upon what is
712 known today and take into account the estimates and assumptions we have made.
713 Other companies may be able to include additional estimated costs, which I have
714 not included within the Kinsman exhibit, and to that extent, the estimated costs
715 contained in Attachment 1 may well be low.

716

717 Q. In regard to the relief that Kinsman is seeking in this proceeding, is Kinsman
718 asking the Commission to enter an Order in this docket permanently suspending
719 any obligation that Kinsman may have to provide wireline-to-wireless local
720 number portability?

721 A. No, Kinsman is not.

722

723 Q. Please describe the relief that Kinsman is requesting.

724 A. Kinsman is requesting a suspension of any obligation it may have to provide
725 wireline-to-wireless local number portability for a period of 2½ years or 30
726 months from May 24, 2004 to November 24, 2006. That is the length of
727 suspension that both individual small companies and the Staff have recommended
728 in the five proceedings that were previously heard and which I have referenced in
729 my testimony. After reviewing the testimony and transcripts in those proceedings

730 and discussing the same with Kinsman's management and its advisors, Kinsman
731 believes that the recommendations made by both the companies and the Staff in
732 those proceedings are not only reasonable but are reflective of Kinsman's
733 situation, as well.

734

735 Q. Does that conclude your direct testimony?

736 A. Yes, it does.

1		
2	Kinsman Mutual Telephone Company	
3	<u>I-CO Data</u>	
4	PBX Lines	0
5	ISDN-PRI Lines	0
6	Other Access Lines	94
7	Equipped Lines	na
8	Local MOU- Tandem 1	409,652
9	Local MOU- Tandem 2	-
10	Number of Employees	1
11	Number of End Offices Requiring Translations	1
12	RIC	\$ 0.002136
13	Tandem Switched Transport	\$ 0.011865
14		
15	<u>Tandem 1 Transiting Rates</u>	
16	Tandem Switching	\$ 0.004836
17	Tandem Transport	\$ 0.000189
18	Tandem Transport Facility	\$ 0.000093
19		
20	<u>Tandem 2 Transiting Rates</u>	
21	Tandem Transiting	-
22	Tandem Transport	-
23	Tandem Transport Facility	-
24		
25	<u>Assumptions</u>	
26	Average Holding Time Per Local Call	7.00
27	LNP Query Charge	\$ 0.000926
28	Present Value Factor, Year 1	0.89888
29	Present Value Factor, Year 2	0.80798
30	Present Value Factor, Year 3	0.72627
31	Present Value Factor, Year 4	0.65283
32	Present Value Factor, Year 5	0.58681
33	Wireless Penetration, Year 1	6%
34	Wireless Penetration, Year 2	7%
35	Wireless Penetration, Year 3	8%
36	Wireless Penetration, Year 4	9%
37	Wireless Penetration, Year 5	10%
38	Regulatory/Legal Fee Per Hour	\$ 200
39	Regulatory/Legal Hours, Year Zero	100
40	Customer Education, Cost Per Mailing	\$ 0.75
41	Customer Education, Number of Mailings Per Year	1
42	Employee Education, Cost Per Employee	\$ 300.00
43	Employee Education, Number Of Employees Per Year, 1-5	0
44	Cost Per Translation Per Office	\$ 2,800
45	Technical Cost Per Hour	\$ 50.00
46	Technical Hours, Year Zero	50
47	Technical Hours Per Year, 1-5	20
48	LNP Administration, Annual Fee	\$ 2,000
49	LNP Port Fee Per Ported Number	\$ 2.00
50	Software Cost Per Wired Line	na
51	Number of Employees Needing Technical Training	1
52	Cost Per Technical Training Per Employee	8,965

Kinsman Exhibit 1.0
Attachment 1

estimate

estimated 50 miles to SBC tandem

estimate

**LOCAL NUMBER PORTABILITY DATA
FOR DEVELOPMENT OF LNP END USER AND QUERY CHARGES**

Kinsman Exhibit 1.0

Attachment 1

COMPANY NAME	Kinsman Mutual Telephone Company
STUDY AREA NUMBER	0

AVERAGE MONTHLY LINES		YEAR					
		0 (Current)	1	2	3	4	5
1.	PBX	0	0	0	0	0	0
2.	ISDN-PRI	0	0	0	0	0	0
3.	Other (Sum of Residential, Single Line Business, Multiline Business, Centrex)	94	88	87	86	86	85
3a	TOTAL	94	88	87	86	86	85
3b	Present Value Access Line	94	79	71	63	56	50

INVESTMENTS		YEAR					
		0 (Current)	1	2	3	4	5
4.	Software Upgrades Total: (Please also itemize below, and provide descriptions in the right-most column)	\$3,216	\$0	\$0	\$0	\$0	\$0
4a.	LNP Software	\$416					
4b.	OSS and Billing	\$0					
4c.	Voice Announcements	\$0					
4d.	Switch Translations	\$2,800					
5.	Hardware & Other (Please list items below)						
5a.	LNP Hardware	\$0					
5b.	LNP Transport Hardware						
5c.							
5d.							
	TOTAL	\$3,216	\$0	\$0	\$0	\$0	\$0

EXPENSES (Maintenance etc.)		YEAR					
		0 (Current)	1	2	3	4	5
6.	Please list items below						
6a.	Regulatory/Legal/Admin/Order Processing	\$20,000	\$2,011	\$2,002	\$2,002	\$2,002	\$2,002
6b.	Employee Education	\$9,265	\$0	\$0	\$0	\$0	\$0
6c.	Technical Trouble	\$2,500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
6d.	Customer Education	\$ 71	\$ 66	\$ 66	\$ 65	\$ 64	\$ 63
	TOTAL	\$31,836	\$3,078	\$3,067	\$3,067	\$3,066	\$3,065

1 **Kinsman Mutual Telephone Company**

Kinsman Exhibit 1.0

Attachment 1

2 Tranport Costs - Tandem 1

3 Year	Transit & Transport Expense
4 1	\$ 470
5 2	\$ 548
6 3	\$ 627
7 4	\$ 705
8 5	\$ 783
9 Total	\$ 3,133

10

11 Transport Costs - Tandem 2

12 Year	Transit & Transport Expense
13 1	\$ -
14 2	\$ -
15 3	\$ -
16 4	\$ -
17 5	\$ -
18 Total	\$ -

19

20 Query Dip Charges

21 Year	Query Charge
22 1	\$ 3
23 2	\$ 4
24 3	\$ 4
25 4	\$ 5
26 5	\$ 5
27 Total	\$ 22

	units	cost per	Total	Comments
INVESTMENTS				
4a.	LNP Software	1	416	416 Switch Vendor Quote
4d.	Switch Translations	1	2,800	2,800 Switch Vendor Quote
4d.	OSS and Billing	1	-	- Estimated Cost to Upgrade Billing System
EXPENSES				
6a.	Regulatory/Legal/Admin/Cust Svc	100	200	20,000 Projected 100 hours of regulatory/legal at a composite average billing rate of \$200/hour.
	yr1-5	5	2,000	10,000
	yr1	6	2	11 Annual Fee charged by GVNW for LNP administration is \$2,000 and per port fee
	yr2-4	4	2	8 charged by GVNW is \$2
				10,019
6b.	Employee Education	1	8,965	8,965 Switch Vendor Training Costs Times Number of Technical Employees
		1	300	300 Estimated training cost for non-technical employees.
6c.	Technical Support/Processing/Trouble	50	50	2,500 Estimated Technical labor hours for trouble, and support of LNP
		20	50	1,000
				Based on previous pre-prepared mail pieces estimated the cost of \$0.75 per customer per mailing. We projected that we would run two notices per year. Totals changes in years 2-5 as access lines change.
6d.	Customer Education	94	1	141

Interconnection/Numbering/Mandates



Verizon Wireless
2785 Mitchell Drive MS 7-1
Walnut Creek, CA 94598

February 19, 2004

Kinsman Mutual Telephone
155 N. Wilson Street
Kinsman, IL 60437

Attn: William Kruger,

Consistent with the rules of the Federal Communications Commission ("FCC"), on November 24, 2003, Verizon Wireless began competitive porting by offering customers local number portability ("LNP").¹ The FCC sought to simplify the task of identifying the switches in each MSA in which number portability was deployed to facilitate competitive entry.² Thus, the FCC's rules require local exchange carriers to make available, upon request by any interested party, a list of their switches for which provisioning of number portability has been requested (and therefore provided) and a list of their switches for which provisioning of number portability has not been requested.³

Verizon Wireless has reviewed our commonly licensed areas and has found the following switches and NPA-NXXs not LNP capable. Upon receipt and verification of the attached Bonafide Request, Verizon Wireless requests that all of these commonly licensed areas, NPA-NXXs and switch CLLIs are provisioned for LNP service. This Bonafide Request is applicable for all currently released codes and CLLIs and those to be released at any future time. The timeframes for conversion to LNP of any additional switches is governed by the FCC's rules and regulations.

To facilitate this request, please review and list any additional switches and NPA-NXXs serving those rate centers listed on the attached form that are not LNP capable and by what date these will be LNP capable. In addition, for those switches that are not LNP capable, please indicate the status of the switch using the categories developed by the FCC in its rules (*i.e.*, equipped remote, hardware capable, capable switches requiring hardware, and non-capable).⁴ Please review and correct, if necessary, the carrier name listed on the Bonafide Request. We request that you acknowledge receipt of this Bonafide Request and arrange to complete and return the attached form to the undersigned contact for Verizon Wireless within 10 days. Please call the undersigned with any questions or concerns.

A handwritten signature in black ink, appearing to read "Linda Godfrey".

Linda Godfrey
Verizon Wireless
Interconnection, Numbering and Mandates
925-279-6570

Enclosures

¹ See 47 C.F.R. § 52.31.

² Local Number Portability, *First Memorandum Opinion and order on Reconsideration*, 12 FCC Rcd. 7236, ¶¶59-66 (1997).

³ *Id.* at ¶64; 47 C.F.R. § 52.23(b)(2)(iii).

⁴ 47 C.F.R. § 52.23 (b)(2)(iv)(A-D).

Bonafide Request Form (BFR)

Purpose:

The purpose of this letter is to request the deployment of long-term Local Number Portability as defined by the FCC. Specifically, this form requests that **ALL** codes serving the Metropolitan Statistical Areas be opened for portability in the LERG and the NPAC and **ALL** switches serving these areas are LNP capable.

TO (RECIPIENT):

If LERG contact info is incorrect, please change below.

Company Name: **Kinsman Mutual Telephone Company**

OCN: **1041**

Contact Name: _____

Contact's Address: _____

Contact's

Email: _____

Contact's Fax: _____

Contact's Phone: _____

FROM (REQUESTOR):

Company Name: **Cellco Partnership d/b/a Verizon Wireless**

Contact Name: **Linda Godfrey**

Contact's Address: **2785 Mitchell Drive
Walnut Creek, CA 94598
Building 7-1, 7111G**

Contact's Email: **Linda.Godfrey@Verizonwireless.com**

Contact's Fax: **925-279-6621**

Contact's Phone: **925-279-8570**

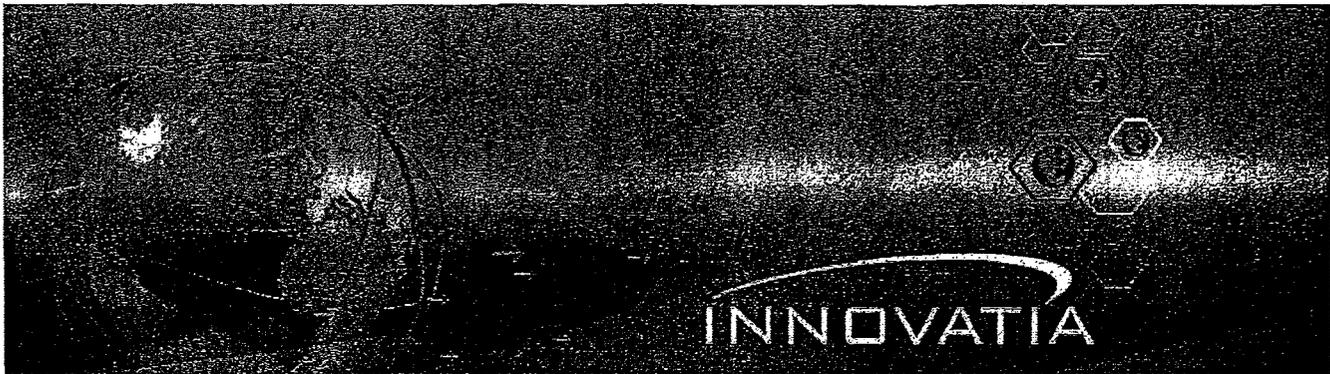
Timing:

Date of Request: **February 19, 2004**

Receipt Confirmation Due By: **Due no later than 10 days after the date of the request.**

Effective Date: **November 24, 2003 or May 24, 2004 pursuant to the FCC rules**

Nortel Training Courses



Instructor-led Hands-on Nortel Networks DMS SuperNode Family of Products

Course 7242

DMS SuperNode Local Number Portability (LNP) Translations and Operations

Price: USD - \$1425

Length: 3 Days (18 Hours)

Course Description

Course 7242 provides instruction with extensive hands-on exercises, which prepare the student to implement and support Local Number Portability in a DMS SuperNode SSP switch. This course covers data table interaction and datafill process for the LNP-SSP. In-exercises include LNP setup and troubleshooting tools. The course also includes Operational Measurements, logs, and AMA billing changes required for LNP implementation.

Mode of Delivery

Course 7242 is delivered in 18 hours of instructor-led hands-on training.

Intended Audience

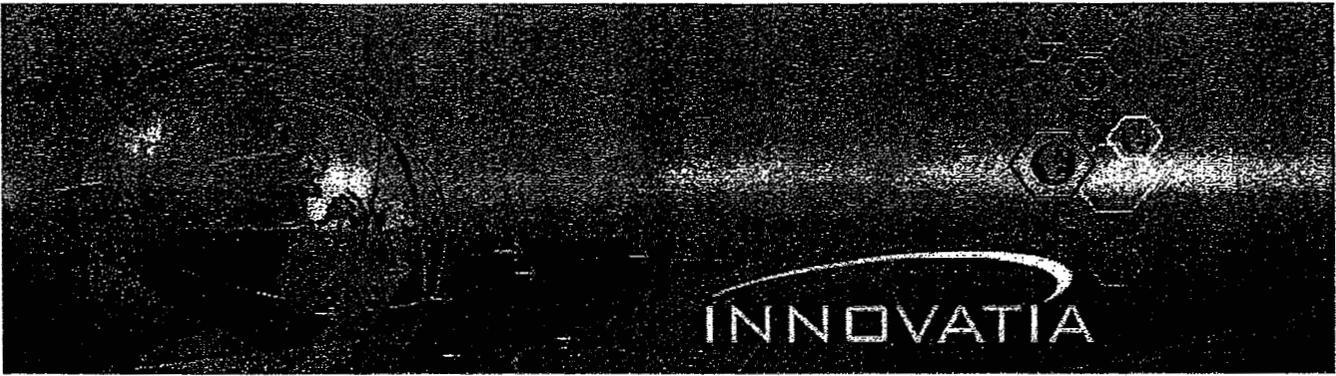
Anyone with SS7 translations experience who needs to know the specifics of Local Number Portability translations, operations, and troubleshooting.

Objectives

Upon completion of this course, you will be able to:

- Explain why Local Number Portability was developed and how it impacts the key industry service providers
- Explain how LNP fundamentally changes the signalling and routing of local calls
- Identify special translations and engineering provisions necessary to implement LNP in a DMS SuperNode SSP
- Use available DMS SuperNode tools for testing LNP translations and database queries and responses



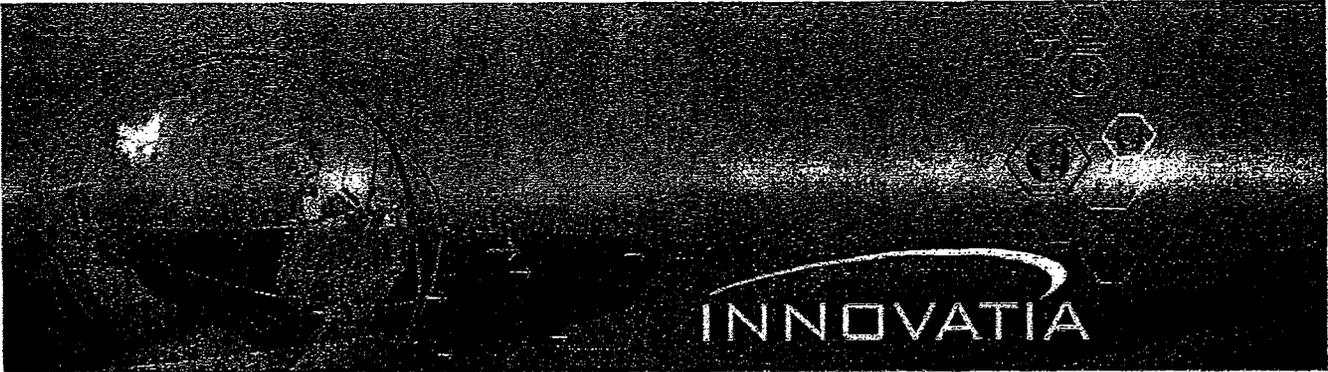


Prerequisites

3403 DMS SuperNode Common Channel Signaling 7 Translations

6000 Introduction to Advanced Intelligent Network (AIN) for SSP

7232 DMS SuperNode Advanced Intelligent Network (AIN) SSP Translations & Operations



Instructor-led Hands-on

Nortel Networks DMS SuperNode Family of Products

Course 7232

DMS SuperNode Advanced Intelligent Network (AIN) SSP Translations & Operations

Price: USD - \$1840

Length: 4 Days (24 Hours)

Course Description

Course 7232 provides instruction and hands-on exercises on the data table interaction and datafill process for the AIN SSP using Operational Measurements (OMs) and logs to identify traffic-related problems.

Mode of Delivery

Course 7232 is delivered in 24 hours of instructor-led hands-on training.

Intended Audience

Anyone responsible for DMS-100 AIM translations and operations

Objectives

Upon completion of this course, you will be able to:

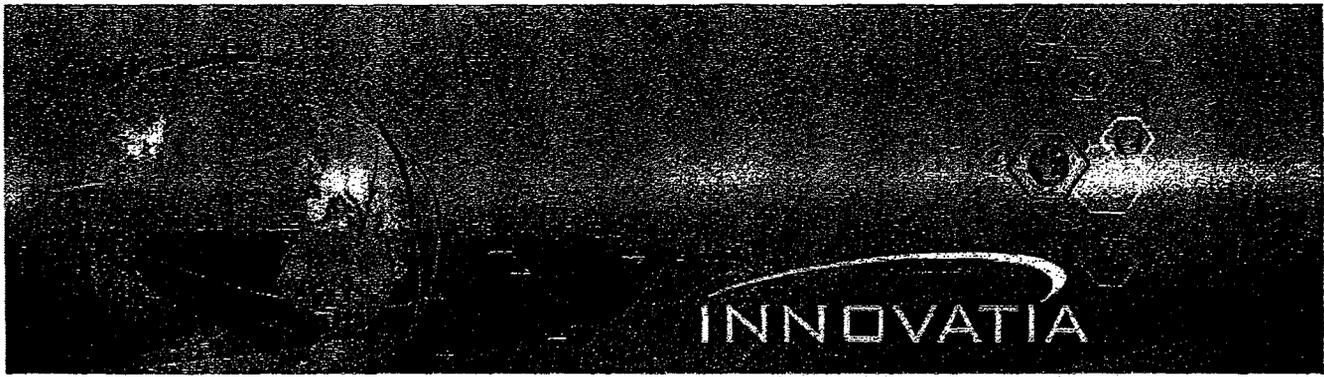
- Identify general office translation tables classified as treatment, AMA office parameters, message routing, subscription, call routing, and pre-translator as they pertain to AIN
- Describe and datafill AIN trigger types and trigger responses
- Trace AIN call progression through the data tables
- Use available software tools to troubleshoot translations and message routing
- Identify and use the Nortel Networks Technical Publications (NTPs) to datafill trigger tables
- Show how the Table Editor and SERVORD commands are used to manipulate AIN datafill
- Use TRAVER to examine the translation data output of AIN triggers
- Identify and use NTPs to interpret logs and OMs

Prerequisites

3403 DMS SuperNode Common Channel Signaling 7 Translations

6000 Introduction to Advanced Intelligent Network (AIN) for SSP





Instructor-led Hands-on Nortel Networks DMS-10 Family of Products

Course 0285

DMS-10 AIN & LNP Translations

Price: USD - \$1800

Length: 4 Days (24 Hours)

Course Description

Course 0285 provides instruction on how to implement translations for Advanced Intelligent Network (AIN) and Local Number Portability (LNP) to the DMS-10 Switch.

Mode of Delivery

Course 0285 is delivered in 24 hours of instructor-led hands-on training.

Intended Audience

This course is intended for translations personnel, database administrators, maintenance personnel, engineers, and planners.

Objectives

Upon completion of this course you will be able to:

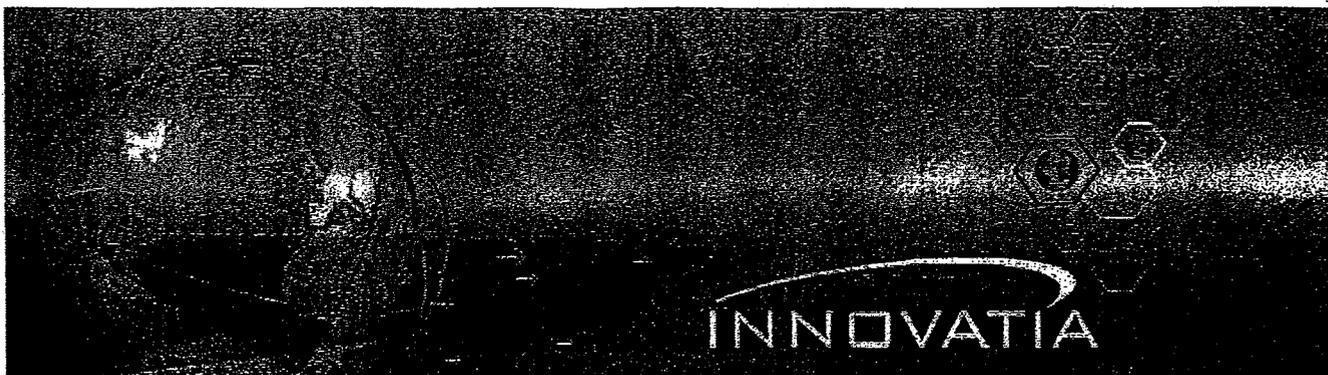
- Configure the basic DMS-10 System for AIN and LNP
- Configure service logic host routes and associated administrative state codes
- Verify the CCS7 network is communicating to the proper Service Control Point (SCP)
- Configure the DMS-10 System to interface with recorded announcement equipment
- Configure the Service Switching Point (SSP) to process AIN and LNP response messages
- Assign AIN and LNP triggers

Prerequisites:

0211 DMS-10 System Translations

0235 DMS-10 Common Channel Signaling 7 (CCS7) OA&M and CLASS Translations
or equivalent experience





Module 1 – Implementation of Advanced Intelligent Network (AIN) in the DMS-10 Switch

Lesson 1 – AIN Functionality in the DMS-10 Switch

- AIN Functions Supported by the DMS-10 Switch

Lesson 2 – CCS7 Links for AIN Communications

- AIN System Configuration
- Service Logic Host Routes
- Communication With The SCP

Lesson 3 – AIN Announcements

- Vendor Digital Recorded Announcement (VDRA) Unit
- Trunk Configuration for Playing AIN Announcements
- Trunk Configuration for Recording AIN Announcements

Lesson 4 – AIN Response Messages

- SCP Response Messages
- SCP Configuration for Processing AIN Response Messages

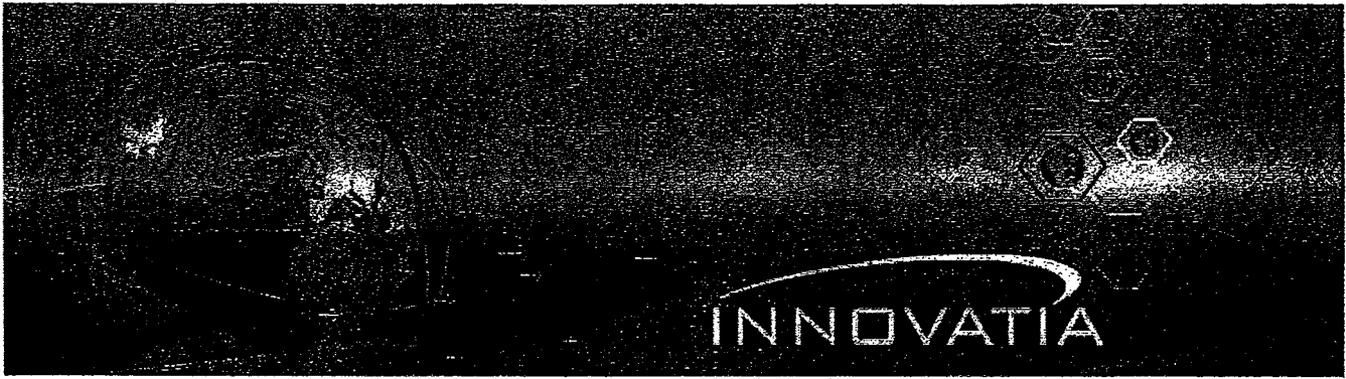
Module 2 – AIN Triggers

Lesson 1 – Station-Based Triggers

- Off-Hook Delay (OHD) Trigger
- Feature Code (FCD) Trigger
- Termination Attempt (TA) Trigger

Lesson 2 – Office Based Triggers

- LNP Service
- Location Routing Numbers (LRNs)
- LNP Network Components
- Basic Network Activities for Porting a DN
- Basic LNP Call Flow
- Signaling Parameters
- Error Conditions
- Basic System Configuration for LNP
- Service Logic Host Routes and Administrative State Codes
- Verify Communication with the SCP
- Configure the DMS-10 Switch for Ported DN's
- Configure LNP Associated Data



- Trunk Group Configuration for LNP Billing Requirements

Lesson 3 – Group-Based Triggers

- Customized Dialing Plan (CDP) Trigger
- Shared Interoffice Trunk (SIT) Trigger

This course can be purchased using Training Bank credits