

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

McLEODUSA)	
TELECOMMUNICATIONS)	
SERVICES, INC.,)	
Petitioner,)	Docket No. UT-063013
v.)	
QWEST CORPORATION,)	
Respondent.)	

**DIRECT TESTIMONY
OF
TAMI J. SPOCOGEE
ON BEHALF OF
MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.**

April 28, 2006

PUBLIC VERSION

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

2 A. My name is Tami J. Spocogee. My business address is 15 East 5th Street, Tulsa,
3 Oklahoma 74103.

4

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

6 A. I am employed by McLeodUSA Incorporated as a Director – Network Cost and Access
7 Billing. McLeodUSA Incorporated is the parent company of McLeodUSA
8 Telecommunications Services, Inc. (“McLeodUSA”).

9

10 **Q. PLEASE DESCRIBE YOUR RELEVANT WORK EXPERIENCE.**

11 A. I have been involved in the telecommunications industry since 1980, when I began
12 working for Southwestern Bell Telephone Company (“SWBT”). I held a variety of
13 positions with SWBT starting in the commercial business office. In 1985 I joined the
14 Inter-exchange Carrier Service Organization where my primary responsibilities
15 concentrated on Access and Interconnect billing. My specific titles and responsibilities
16 were Service Representative in the Service Center and Manager - SWBT Headquarters
17 handling billing and dispute processes. I also was a member of a BellCore (now
18 Telcordia) task force established to improve integrity between the billing, ordering and
19 network systems for SWBT. The last position I held at SWBT was Manager in the
20 Service Center handling billing issues for most inter-exchange carriers and competitive
21 local exchange carriers (“CLECs”). In August 1994 I joined WilTel, subsequently
22 acquired by WorldCom and then MCI, as a Manager in the Network Cost Organization. I
23 subsequently moved to Senior Manager over the Network Cost organization, handling

24 payments, audits and disputes of network and CLEC services. During this time, I was
25 also a participant, and for two years a Co-Leader, of the Billing Committee in the Order
26 and Billing Forum. I joined McLeodUSA Incorporated in September 2000 as a Senior
27 Manager over the network cost organization. My organization is responsible for
28 payments, audits and disputes of network services purchased from other
29 telecommunications service providers. In December of 2004, I also started managing the
30 group responsible for access services and Carrier Access Billing System access services
31 billings and the related billing disputes. Presently, I am the Director of Network Cost and
32 Access Billing.

33

34 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN REGULATORY MATTERS?**

35 A. Yes, I have testified in an Illinois docket investigating a proposal by Illinois Bell to
36 eliminate metered collocation power arrangements. I am also sponsoring testimony
37 supporting McLeodUSA's complaints against Qwest in Iowa, Utah and Arizona.

38

39 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

40 A. The purpose of my testimony is to report the amount of monthly collocation power
41 charges that McLeodUSA seeks to recoup from Qwest should the Washington Utilities
42 and Transportation Commission agree with McLeodUSA that Qwest should be billing
43 McLeodUSA for DC Power on a usage basis under the 2004 amendment.

44

45 **Q. ARE YOU FAMILIAR WITH BILLINGS FOR COLLOCATION POWER BY
46 QWEST TO MCLEODUSA?**

47 A. Yes. My organization is responsible for reviewing all collocation billings, including the
48 billings for the 31 collocations McLeodUSA currently has operating in Qwest central
49 offices in the State of Washington. Of those 31 collocations, 3 are cageless, and the
50 remaining 28 are caged collocations.

51

52 **Q. ARE YOU FAMILIAR WITH THE INTERCONNECTION AGREEMENT**
53 **(“ICA”) AND THE DC POWER AMENDMENT THAT MCLEODUSA SIGNED**
54 **WITH QWEST REGARDING COLLOCATION POWER CHARGES IN 2004?**

55 A. Yes, I am generally familiar with the ICA and have specifically reviewed the DC Power
56 Measuring Amendment. It is my understanding that the amendment was a form
57 amendment that Qwest provided to McLeodUSA in July 2004.

58

59 **Q. ARE YOU FAMILIAR WITH THE TESTIMONY OF MICHAEL STARKEY OF**
60 **QSI CONSULTING, INC. FILED IN THIS PROCEEDING?**

61 A. Yes, I have reviewed Mr. Starkey’s testimony.

62

63 **Q. HAVE YOU CALCULATED THE AMOUNT OF DC POWER CHARGES THAT**
64 **MCLEOODUSA PAID QWEST IN EXCESS OF CHARGES THAT WOULD**
65 **HAVE BEEN OWED HAD THE DC POWER CHARGE BEEN BILLED ON A**
66 **USAGE BASIS?**

67 A. Yes, through March 2006, I estimate that Qwest charged McLeodUSA \$551,096.18 more
68 than should have been billed for DC Power if Qwest had properly applied the 2004
69 amendment to the DC Power charge. This amounts to \$26,899.12 in excess monthly

70 operating costs that McLeodUSA should not have to pay Qwest for DC Power that
71 McLeodUSA is not using.

72

73 **Q. PLEASE EXPLAIN THE BASIS OF YOUR CALCULATION?**

74 A. I used the amps that Qwest measured for each collocation and applied the DC Power rate
75 to calculate how much McLeodUSA should have been billed based on the amount of
76 power its collocated equipment actually used. I subtracted this from the amount that
77 Qwest billed for each collocation to determine the overcharge.

78

79 **Q. DOES YOUR FIGURE REFLECT A REDUCTION IN POWER CHARGES FOR**
80 **ALL MCLEODUSA COLLOCATIONS IN WASHINGTON?**

81 A. No, the 2004 amendment contains a 60-amp minimum for each collocation before DC
82 Power will be billed on a usage basis. Therefore, my calculation does not reflect any
83 claim to recoup excess power charges at the 1 collocation in Washington where we
84 ordered 60 amps or less.

85

86 **Q. DID MCLEODUSA WITHHOLD PAYMENTS BILLED BY QWEST RELATED**
87 **TO THIS DISPUTE?**

88 A. Yes, once our audit revealed that Qwest was continuing to bill McLeodUSA for the DC
89 Power charge on an “as ordered” basis rather than on a usage basis, I began short paying
90 the Qwest invoice in September 2005. The amount withheld was determined by taking
91 the total dispute amount for each collocation account billed with the dispute and
92 withholding the current charges billed until the full dispute amount was deducted.

93 McLeodUSA has been paying the invoiced amount since December 2005, but it reserved
94 its right to continue disputing all DC Power charges in excess of the amount that would
95 have been billed on a usage basis. For the limited time McLeodUSA was withholding the
96 disputed amount, this withholding totaled \$205,019.57.

97

98 **Q. IS THE DISPUTED DC POWER CHARGE SIGNIFICANT TO MCLEODUSA**
99 **OPERATIONS?**

100 A. Yes, collocation power charges paid to Qwest represent a significant operating cost to
101 McLeodUSA in providing facilities-based competitive services. The excess DC Power
102 charges billed by Qwest represents 42% of the total monthly cost of collocation. These
103 power charges can significantly impact the decision to enter or exit a particular wire
104 center using a facilities-based offering requiring collocation at the central office.

105

106 **Q. CAN YOU EXPRESS THIS MONTHLY IMPACT OF EXCESS DC POWER**
107 **COSTS OF \$26,899.12 ON A PER LINE BASIS?**

108 A. Yes. Based on McLeodUSA's approximately [REDACTED] UNE-L lines in service as of
109 December 2005 in its 31 collocations in Qwest's Washington central offices, the excess
110 DC Power charges costs McLeodUSA an average of [REDACTED] per line per month. This
111 excess charge clearly impacts the margin McLeodUSA can achieve on its services. I
112 should point out that the per-line impact would vary widely among individual
113 collocations.

114

115 **Q. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?**

116 A. Yes, it does.