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September 14, 2006

HAND DELIVERY

Honorable Sara Kyle, Chairman c/o Sharla Dillon, Docket & Records Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: In Re: Application of Electric Power Board of Chattanooga for Expanded Certificate of Public Convenience and Necessity to Provide Intrastate Telecommunications Services Statewide, TRA Docket No.

06-00193

Dear Chairman Kyle:

Authority Staff has recently requested that EPB Telecom submit pre-filed testimony in support of its Application in the above-captioned docket. Though not all applicants seeking to expand an existing CCN have been required to submit pre-filed testimony in the past, EPB Telecom is pleased to comply with this recent request. Still, EPB Telecom remains hopeful that the Authority's request will not delay Authority action on the Application within the required sixty-day period.

As requested, please find enclosed an original and thirteen (13) copies of the Pre-Filed Testimony of Kathy M. Harriman and fourteen (14) copies of the Oath of Kathy M. Harriman for filing in the above-captioned docket. Additional copies of these filings are enclosed to be "File Stamped" for our records. If you have any questions or require additional information, please let me know.

Respectfully submitted,

ATLANTA • CHATTANOOGA • NASHVILLE www.millermartin.com

STATE OF TENNESSEE

BEFORE THE TENNESSEE REGULATORY AUTHORITY

IN RE:)	
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APPLICATION OF ELECTRIC POWER)	
BOARD OF CHATTANOOGA TO EXPAND)	Docket No. 06-00193
ITS CERTIFICATE OF CONVENIENCE)	
AND NECESSITY TO PROVIDE)	
INTRASTATE TELECOMMUNICATIONS)	
SERVICES STATEWIDE)	
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PRE-FILED TESTIMONY OF

KATHY M. HARRIMAN OF ELECTRIC POWER BOARD OF CHATTANOOGA D/B/A EPB TELECOM

September 14, 2006

- 1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- 2 A. My name is Kathy M. Harriman, and my business address is EPB
- Telecommunications, P. O. Box 182255, Chattanooga, Tennessee 37422-2255.
- 4 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
- 5 A. I am the Vice President Telecommunications for the Electric Power of Chattanooga d/b/a EPB Telecom ("EPB" or "Applicant").
- 7 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND BUSINESS 8 EXPERIENCE.
- I joined EPB two (2) years ago as the Vice President Telecommunications. Prior to joining EPB, I served as the General Manager of Nashville-based Adelphia Business Solutions. I have over twenty-five (25) years of experience in the telecommunications industry, having worked with BellSouth and AT&T. I currently serve on the Board of Directors of the National Fiber to the Home Council and on the Tennessee Broadband Task Force. I received a B.A. in Marketing from the University of Tennessee.
- 15 Q. FOR WHOM ARE YOU TESTIFYING IN THIS PROCEEDING?
- 16 A. I am testifying on behalf of EPB.
- 17 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?
- The purpose of my testimony is to support the Application of Electric Power

 Board of Chattanooga for Expanded Certificate of Public Convenience and Necessity to

 Provide Intrastate Telecommunications Services Statewide in TRA Docket No. 06-00193

 (the "Application"). EPB respectfully requests the Authority to modify its Certificate of

 Public Convenience and Necessity on an expedited basis and authorize it to provide

 telecommunications services throughout the State of Tennessee, consistent with state law.

Q. PLEASE DESCRIBE EPB'S TELECOMMUNICATIONS OPERATIONS IN THE STATE OF TENNESSEE.

In its Order dated May 10, 1999, in TRA Docket No. 97-07488, the Tennessee Regulatory Authority ("Authority" or "TRA") found that EPB satisfied the managerial, technical and financial requirements set forth in Tenn. Code Ann. § 65-4-201(c) to provide telecommunications services within Hamilton, Bledsoe, Bradley, Marion, Rhea and Sequatchie Counties. The Authority also found that EPB had filed an acceptable Small and Minority-Owned Telecommunications Business Participation Plan. EPB currently offers a full range of telecommunications services, including, but not limited to, dedicated and switched access services, private line services, local dial tone, 911 services and enhanced services in its authorized service area. EPB operates as a facilities-based local exchange provider, utilizing capacity on its fiber optics network and supplementing its services by leasing the facilities of third party carriers and/or by reselling the services of the incumbent LEC.

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¹ See Order Approving Application For Certificate of Public Convenience and Necessity, In Re: Application of Electric Power Board of Chattanooga for a Certificate of Public Convenience and Necessity to Provide Intrastate Telecommunications Service, TRA Docket No. 97-07488 (May 10, 1999) ("Order Approving EPB Application").

Q. WHAT IS EPB SEEKING IN ITS APPLICATION IN THIS DOCKET?

As noted earlier, EPB is authorized to provide a full range of telecommunications services within the Tennessee counties of Hamilton, Bledsoe, Bradley, Marion, Rhea and Sequatchie. EPB is currently seeking expanded authority to provide telecommunications services on a statewide basis, as business conditions warrant, including the areas served by incumbent local exchange carriers with less than 100,000 total access lines in Tennessee. Consistent with Tenn. Code Ann. § 7-52-403(b), EPB is not seeking expanded authority to provide services within the service area of an existing telephone cooperative with fewer than 100,000 total access lines organized and operating under the provisions of title 65, chapter 29.

48 Q. WHY IS EPB SEEKING EXPANDED AUTHORITY?

A. EPB desires to expand its telecommunications services to other Tennessee counties in order to provide more consumers with increased carrier choices, competitive pricing, increased reliability, responsiveness, and innovation. The granting of this Application will provide significant benefits to Tennessee consumers and thereby serve the public interest.

Q. DOES EPB CONTINUE TO MEET THE STATUTORY REQUIREMENTS SET FORTH IN TENN. CODE ANN. § 65-4-201(c)?

56 A. Yes. The Authority granted EPB a Certificate of Public Convenience and
57 Necessity in 1999 based, in part, upon finding that EPB possessed the requisite

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managerial qualifications to provide telecommunications services in Tennessee.² Since that time, EPB has supplemented its staff of experienced telecommunications personnel and gained valuable experience as a telecommunications provider. This experience provides EPB with the foundation necessary to provide the proposed telecommunications services and to serve Tennessee's telecommunications consumers. EPB remains managerially qualified to provide telecommunications services statewide. Attached as **Exhibit A** to the *Application* is a list of the names of the Applicant's principal company officers and a description of each officer's background and experience. As shown in this exhibit, these officers of the company have substantial managerial experience in the areas of utility engineering, utility operations, utility customer service and utility marketing.

The Authority granted EPB a Certificate of Public Convenience and Necessity in 1999 based, in part, upon finding that EPB possessed the requisite financial qualifications to provide telecommunications services in Tennessee. EPB remains financially qualified to provide telecommunications services statewide. Attached as **Exhibit B** to the *Application* is EPB's 2005 Annual Report, which demonstrates that EPB remains financially qualified to provide local exchange services.

The Authority granted EPB a Certificate of Public Convenience and Necessity in 1999 based, in part, upon finding that EPB possessed the requisite technical qualifications to provide telecommunications services in Tennessee. Since that time, EPB has supplemented its staff of experienced telecommunications personnel, gained valuable

² See Order Approving EPB Application at 8 ("With respect to EPB's managerial and technical ability, compelling evidence was presented to demonstrate that EPB possesses a very seasoned management staff. The record also demonstrates that EPB has been effectively managing its 153,000 customer business for sixty (60) years, and that the company currently employs sophisticated technical systems in the provision of its electric utility services.").

telecommunications experience, and successfully serviced its telecommunications customers. Again, information concerning the technical expertise of EPB's senior management team is included in **Exhibit A** to the *Application*. This experience provides EPB with the foundation necessary to provide the proposed telecommunications services and to serve Tennessee's telecommunications consumers. Hence, EPB remains technically qualified to offer local exchange services.

Q. WILL EPB CONTINUE TO COMPLY WITH THE TRA'S POLICIES, RULES, AND ORDERS?

Yes. And, subsequent to the approval of its *Application*, EPB will file any necessary tariff revisions prior to providing service in those areas of Tennessee covered by this *Application*. Further, to the best of its knowledge, EPB served the *Application* on all eighteen (18) incumbent local exchange telephone companies in Tennessee.

90 Q. WILL EPB COMPLY WITH STATE LAW IN RELATION TO ITS REQUEST 91 FOR EXPANDED AUTHORITY?

Yes. As noted earlier, consistent with Tenn. Code Ann. § 7-52-403(b), EPB is not seeking expanded authority to provide services within the service area of an existing telephone cooperative with fewer than 100,000 total access lines organized and operating under the provisions of title 65, chapter 29. Moreover, to the extent required by state law, EPB will not provide telecommunications services in any area of the State of Tennessee covered by this *Application* without first seeking and obtaining the consent of the affected municipality, or local government, in said area(s).

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100 Q. WILL THE GRANTING OF THIS APPLICATION SERVE THE PUBLIC 101 INTEREST?

The Authority approved EPB's application for a Certificate of Public Convenience and Necessity on February 2, 1999, based, in part, upon finding that granting the same was in the public interest. Since that time, EPB has developed and matured as a seasoned telecommunications provider. The granting of this Application will further the public interest by expanding the availability of telecommunications services, consistent with state law and as EPB's business circumstances permit, throughout the State of Tennessee. Specifically, Tennessee consumers will benefit directly through the use of the competitive local services to be offered by EPB. Further, the public will benefit indirectly because the competitive presence of EPB will increase the incentives for telecommunications providers to operate more efficiently, offer more innovative services, reduce prices, improve the quality and coverage of their services, and increase investment in broadband infrastructure. Finally, the granting of this Application would be consistent with the public policy of the State of Tennessee, as set forth at Tenn. Code Ann. § 65-4-123, "to foster the development of an efficient, technologically advanced statewide system of telecommunications services by permitting competition in all telecommunications services market[.]"

118 Q. IS THE APPLICATION TRUE AND CORRECT TO THE BEST OF YOUR 119 KNOWLEDGE, INFORMATION AND BELIEF?

120 A. Yes.

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- 121 Q. DOES THIS CONCLUDE YOUR PRE-FILED TESTIMONY?
- 122 A. Yes, it does. Thank you.

<u>OATH</u>

STATE OF TENNESSEE)
COUNTY OF HAMILTON	

I, Kathy M. Harriman, being first duly sworn, make oath that I am the Vice President Telecommunications of the Electric Power Board of Chattanooga d//b/a EPB Telecom and that both the Application and my Pre-Filed Testimony submitted in Tennessee Regulatory Authority Docket No. 06-00193, and the statements contained therein, are true, accurate and correct to the best of my knowledge, information and belief.



Karly M. Harriman

Vice President Telecommunications Electric Power Board of Chattanooga d/b/a EPB Telecom

Sworn to and subscribed before me this 14th day of Leptenber, 2006.

<u>Lelestere E. Womble</u> Notary Public

My Commission Expires: 01-21-09