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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MONTANA
BILLINGS DIVISION

MID-RIVERS TELEPHONE COOPERATIVE,
INC., a Montana corporation,

Plaintiff,

-vs-

QWEST CORPORATION; a Colorado
corporation; VERIZON WIRELESS, INC., a
Delaware corporation; and WESTERN
WIRELESS CORP, a Washington
corporation,

Defendants.

FILED
BILLINGS, MT

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PATRICK E. DUFFY, CLERK

BY *[Signature]*
DEPUTY CLERK

Cause No. *CD-01-163-Blg - RFC*

COMPLAINT AND
REQUEST FOR JURY

1 Plaintiff, Mid-Rivers Telephone Cooperative, Inc. (Mid-Rivers) alleges as follows:

2 1. Mid-Rivers is now, and at all times mentioned in this Complaint was, a
3 corporation organized and existing under the laws of the State of Montana, with its principal
4 place of business in Circle, McCone County, Montana.

5 2. Upon information and belief, Qwest Corporation (Qwest) is a Colorado
6 corporation, with its principal place of business in Colorado; Defendant Verizon Wireless,
7 Inc. (Verizon) is a Delaware corporation with its principal offices in New Jersey; Defendant
8 Western Wireless Corp. (Western Wireless) is a Washington corporation, with its principal
9 offices in Washington.

10 3. Mid-Rivers is a rural independent telephone company providing, *inter alia*,
11 local telecommunications services and exchange access in rural areas of the State of
12 Montana.

13 4. Defendants Verizon and Western Wireless are telecommunication companies
14 which operate as Commercial Mobile Radio Services (CMRS or "wireless carriers ") in
15 various areas, including within the State of Montana.

16 5. Defendant Qwest is a telecommunications company which provides local
17 telephone service within the State of Montana and which additionally provides in Montana
18 long distance telephone service within Local Access and Transport Areas (LATAs), or
19 service areas, located within Montana.

20 6. In approximately 1952, Mid-Rivers and Qwest's predecessor in interest, US
21 West Communications, Inc. (USW), agreed to the physical interconnection of their
22 respective networks by establishing meet points at mutually agreeable locations for the sole
23 purpose of exchanging interexchange traffic. At the inception of this arrangement, all traffic
24 originating on Mid-Rivers' network that was destined for termination points outside its
25 network was transmitted through these meet points. Similarly, all traffic that originated

1 outside the Mid-Rivers network and was destined for Mid-Rivers' subscribers traveled
2 through these facilities. At that time, USW was the designated carrier for all intraLATA
3 interexchange toll traffic, i.e., the only carrier that provided intraexchange traffic within the
4 state of Montana. Prior to the break-up of the Bell system in the mid-1980s, independent
5 telephone companies were compensated for the utilization of their facilities by Bell system
6 companies (which received the revenues associated with interexchange traffic) through a
7 process known as "separations and settlements." After the Bell system break up, local
8 exchange companies, including the Bell Operating Companies, were compensated by
9 interexchange carriers for utilization of local exchange company facilities by means of
10 access charges. The access compensation mechanism for the exchange of intrastate
11 interexchange traffic was established pursuant to state-wide tariffs in which Mid-Rivers
12 participated. Utilizing the per-minute terminating rate established in those tariffs, Mid-
13 Rivers has continued to bill and collect for terminating intrastate interexchange traffic,
14 without question or demur by USW or its successor in interest, Qwest, with respect to the
15 established rate.

16 7. Defendants Verizon and Western Wireless have contracted with Qwest to
17 transport and terminate traffic originating on their respective wireless systems to subscribers
18 of the Qwest landline system. For this service, Qwest is compensated by Verizon and
19 Western Wireless.

20 8. Defendants Verizon and Western Wireless have also contracted with Qwest
21 to provide "transit" transport service, whereby Qwest has agreed to deliver traffic originated
22 on the Verizon and Western Wireless networks for termination on the networks of other local
23 exchange carriers, including Mid-Rivers, with which Qwest maintains interconnection
24 facilities. For this service, Qwest is compensated by Verizon and Western Wireless.

25

1 9. By unilateral action, Qwest sent and continues to send traffic originated by
2 wireless carriers to Mid-Rivers for termination over the meet point facilities established for
3 interexchange traffic.

4 10. Since January, 1998, Qwest has refused to compensate Mid-Rivers for
5 terminating access charges incurred by Mid-Rivers as a result of terminating the wireless
6 traffic from Verizon and Western Wireless which Qwest was transmitting to the facilities of
7 Mid-Rivers.

8 11. Qwest continues to utilize the interexchange meet point facilities to deliver
9 traffic originated by its subscribers for termination to Mid-Rivers and compensates Mid-
10 Rivers for the traffic it identifies as such. Qwest co-mingles this traffic with the traffic
11 originated by Verizon and Western Wireless. Mid-Rivers receives records of terminating
12 calls from Qwest identifying the originating network carrier of each call. Mid-Rivers is
13 unable to identify wireless traffic on a real-time basis, and, accordingly, is unable to block
14 these calls selectively.

15 12. Verizon and Western Wireless are aware, or should be aware, that wireless
16 traffic which they deliver to Qwest is being transmitted by Qwest to facilities of Mid-Rivers,
17 for termination by Mid-Rivers, and that Mid-Rivers has received no compensation for
18 terminating this traffic. As a result of the actions of Qwest, Verizon and Western Wireless
19 in transmitting this wireless traffic from Verizon and Western Wireless to Qwest, and the
20 transmitting of this traffic from Qwest for termination by Mid-Rivers, without compensation,
21 Mid-Rivers has been damaged to the extent of its established terminating access charges.

22 13. Qwest is aware, or should be aware, that Verizon and Western Wireless each
23 have entered into specific arrangements with Mid-Rivers for the delivery of traffic originated
24 by their respective subscribers through direct connection with Mid-Rivers facilities. Qwest
25

1 is aware, or should be aware, that Mid-Rivers is not being compensated for its termination
2 of the traffic delivered directly by both Verizon and Western Wireless.

3 14. As of September 15, 2001, the value of the terminating access charges
4 incurred by Mid-Rivers as a result of delivering the telephone traffic originating with
5 subscribers of Verizon is \$242,075.25 and the amount continues to increase on a daily
6 basis.

7 15. As of September 15, 2001, the value of the terminating access charges
8 incurred by Mid-Rivers as a result of delivering the telephone traffic originating with
9 subscribers of Western Wireless is \$ 486,435.31 and the amount continues to increase on
10 a daily basis.

11 16. Mid-Rivers has made demand upon Qwest, Verizon and Western Wireless for
12 payment of its terminating access charges set forth above, but each of these Defendants
13 has refused to make payment.

14
15 COUNT I: TORTIOUS INTERFERENCE WITH CONTRACT
16

17 17. Mid-Rivers, during all times relevant here, has had contracts with Defendants
18 Verizon and Western Wireless for the termination of wireless telephone traffic delivered by
19 those wireless carriers directly to Mid-Rivers for termination to Mid-Rivers' subscribers. For
20 terminating this traffic directly delivered by those two wireless carriers to Mid-Rivers, Mid-
21 Rivers is entitled to be, and would be, compensated at rates specified in those contracts
22 governing direct connections, and Mid-Rivers therefore had a reasonable expectation that
23 it benefit economically from its relations with the wireless carriers.

24 18. Knowing of this relationship between the wireless carriers and Mid-Rivers,
25 Defendant Qwest has agreed with Defendants Verizon and Western Wireless to deliver

1 wireless traffic from those two wireless carriers to subscribers of Mid-Rivers, by routing such
2 traffic from the wireless carrier through facilities of Qwest to facilities of Mid-Rivers. Qwest
3 has delivered such traffic to the facilities of Mid-Rivers knowing that Mid-Rivers is not being
4 compensated, either by the Defendant wireless carriers or by Qwest, all of whom have
5 refused to make payment to Mid-Rivers.

6 19. The described action by Qwest has interfered with the relationship between
7 Mid-Rivers and the wireless carriers, and Qwest has thereby intentionally engaged in
8 conduct which it knows to have an adverse affect upon the relationship between Mid-Rivers
9 and the wireless carriers, and which it knows to have done, and to be doing, financial harm
10 to Mid-Rivers.

11 20. Mid-Rivers has been damaged by the actions of Qwest and is accordingly
12 entitled to be compensated by Qwest for the value of the services of Mid-Rivers in
13 terminating such telephone traffic transmitted from the wireless carriers, by Qwest, to the
14 facilities of Mid-Rivers for termination.

15
16 COUNT II: TORTIOUS INTERFERENCE WITH BUSINESS ADVANTAGE
17

18 21. Mid-Rivers, during all times relevant here, has had contracts with Defendants
19 Verizon and Western Wireless for the termination of wireless telephone traffic delivered by
20 those wireless carriers directly to Mid-Rivers for termination to Mid-Rivers' subscribers. For
21 terminating this traffic directly delivered by those two wireless carriers to Mid-Rivers, Mid-
22 Rivers is entitled to be, and would be, compensated at rates specified in those contracts
23 governing direct connections, and Mid-Rivers therefore had a reasonable expectation that
24 it benefit economically from its relations with the wireless carriers.
25

1 services, and accordingly should be required to compensate Mid-Rivers for the cost of these
2 services.

3 27. Defendants Verizon, Western Wireless and Qwest have accordingly been
4 unjustly enriched by their failure to compensate Mid-Rivers and by their unjust retention of
5 the value of services provided by Mid-Rivers. Said Defendants should, under principles of
6 equity, be required to compensate Mid-Rivers for the value of the services provided.

7 WHEREFORE Plaintiff prays as follows:

8 1. That it be determined that Plaintiff is entitled to receive, as
9 compensation for terminating telephone service originating with Verizon and Western
10 Wireless, and transmitted to Plaintiff's facilities by Qwest, the reasonable value of this
11 service, together with interest and the costs incurred herein.

12 2. For such other and further relief as may be appropriate to Plaintiff's
13 causes of action.

14 Plaintiff requests a trial by jury.

15 Dated this 17th day of October, 2001.

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By 
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