BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of a Possible Amendment to Section 4 CSR 240-29.040	))	Case No. TX-2006-0444

Comments of the MITG
In Response to Notice Opening New Case, Inviting Comments

Introduction

The May 24, 2006 Notice Opening this case and inviting comments is a welcome opportunity for the MITG. The issues underlying the ERE, and the CPN issue, have developed over a lengthy period of time.

As the transcript of AT&T's request for CPN waiver in TE-2006-0053 reveals, we are now in a situation where the billing relationships utilized by Missouri ILECs differ. ILEC AT&T has been permitted to implement the Feature Group D (FGD) billing relationship with its transiting carriers.[1] The MITG ILECs have not been permitted to

[1] ATT is not implementing "originating" carrier financial responsibility that the ERE assumed would be implemented. ATT is implementing "delivering" or FGD carrier financial responsibility for itself, while at the same time directing the small ILECs to bill the same carrier that AT&T bills. The carrier AT&T directs small ILECs to bill is *not* necessarily the originating carrier. As the record in TE-2006-0053 indicates, when a wireless carrier transits traffic to ATT, ATT bills the transiting carrier for all traffic delivered, even traffic originated by a carrier other than the wireless carrier transiting the traffic to ATT. For such traffic terminating to small ILECs, AT&T provides the small ILEC with a billing record that directs them to bill the carrier transiting the traffic to AT&T, not the carrier originating the traffic, and not the carrier transiting the traffic to the small ILEC. ATT is not providing a billing record containing the originating OCN (operating company number) that 4 CSR 240-29.020(29) and 29.080(1) and (2) of the ERE require. ATT's 11-01 record provides the OCN of the wireless carrier transiting the traffic to ATT. As Staff witness Voight recognized, instead of reducing the potential for arbitrage and uncollectible traffic, this creates yet another potential for arbitrage detrimental to small rural ILECs.

implement the same FGD billing relationship. The MITG does not believe the Commission specifically intended to permanently implement such a disparity.

With respect to billing records, a few historical points should be kept in mind. AT&T and the other former PTCs enjoyed significant savings as a result of termination of the PTC Plan. AT&T and the other former PTCs desired to continue to utilize their intraLATA billing systems for traffic terminating on the LEC to LEC network after termination of the PTC Plan, and wanted to provide terminating billing records to the small ILECs. At their request, the Commission in 1998 allowed them to apply their billing systems to traffic terminating to the small ILECs, and ordered them to provide industry standard 11-01 billing records at no cost to the small ILECs. This was justified as the additional expense of providing these records was "dwarfed" by the PTCs' savings due to elimination of the PTC Plan. There was no reason to expect that, with the end of the CTUSR report later, that Missouri-specific wireless 11-01 billing record would not provide CPN, as did every other industry standard 11-01 billing record.[2]

Billing the transiting carrier has been referred to as the "feature group D" billing relationship. At hearing, AT&T witnesses testified that they were in agreement with eliminating feature group C in favor of solely utilizing feature group D. The Commission previously refused to rule upon the MITG's request for a determination as to the effect of their existing tariffs, which actually provide that FGC will be eliminated when FGD is made available.

[2] As the June 20, 2006 Dissenting Opinions of Commissioner Gaw and Clayton in TE-2006-0053 indicates, the ERE requires the Missouri Specific 11-01 to be identical to industry standard 11-01s, with the sole exception of substituting an OCN for a CIC. CPN is not permitted to be different from an industry standard 11-01 under the ERE.

MITG Comments in Repsonse to Commission questions:

1. Why would a terminating carrier need CPN for wireless calls in the Category 11 records if the carrier receives CPN contemporaneous with the call?

<u>MITG COMMENT:</u>

Small ILECs terminating traffic need CPN in billing records in order to be able to determine call jurisdiction, to ascertain or audit network usage, in order to monitor interconnection agreement traffic factors, and in order to negotiate new factors when appropriate.

Terminating carrier switches do receive CPN in the Signaling System 7 information. This is real time information. When the call ends, the information stops flowing. In order for CPN information to be included in a billing record, real time switch information must be captured by the switch, transferred to, and recorded by, separate billing system computers where it must be stored until monthly billing records are created.

CPN is captured and placed in billing records for all calls, including wireless calls, delivered on the FGD or IXC network. The only billing records for which CPN is not provided is for wireless traffic AT&T places on the FGC or LEC-to-LEC network. Terminating carriers do not receive CPN in these category 11 records because AT&T has not captured and placed CPN in these records in the billing system the Commission directed to be utilized following termination of the PTC Plan.

2. Is it possible for a terminating carrier to reconfigure its equipment to collect the CPN in lieu of receiving it in a Category 11 record? If so, at what cost?

MITG COMMENT:

Terminating carriers do receive CPN in their real time switches. No reconfiguration is necessary. With respect to capturing CPN in billing systems, this is possible, but it would require small ILECs to acquire billing systems to replace the PTC billing systems that the Commission ordered the small ILECs to utilize. Estimates as to the cost of acquiring and implementing small ILEC billing systems are not readily available at this time.

3. How much revenue have terminating carriers lost because wireless CPN has not been included in the Category 11 records? How was that revenue number calculated? What percentage of overall revenue is that "lost" revenue number?

MITG COMMENT:

This is not known, and is not currently capable of being ascertained. As a practical matter the only useable billing information provided by AT&T's "11-01-without-CPN" records is the duration of the call, and the OCN of the carrier ATT directs the terminating carrier to bill. The absence of CPN prevents the terminating LEC from being able, on a discrete per call basis, to accurately ascertain or audit network usage.

The "11-01 records without CPN" do not allow the small ILECs to identify the originating carrier, only the carrier AT&T designates as being financially responsible. The small ILEC must assume the carrier transiting the traffic to AT&T originated the traffic, which is not the case. This can result in the wrong agreement being applied to the traffic. In addition, under the interconnection agreements applicable to wireless traffic, there are material differences in the scope of traffic subject to reciprocal compensation, material differences in traffic factors, and in rates. Application of the wrong agreement results in the wrong compensation. There is a potential for arbitrage.

The lack of CPN also hinders the ascertainment of traffic jurisdiction. As witness Voight testified in his Direct Testimony, p. 6, Case No. TE-2006-0053, the lack of CPN precludes the MITG from being able to ascertain or audit network usage:

> In many instances (but not all instances), knowing the CPN will assist the terminating carrier in verifying the proper jurisdiction of wireless-originated telephone calls. Billing records that contain CPN of wireless-originated calls can aid terminating carriers in establishing practices which reveal network usage. In my opinion, the lack of CPN within the billing record restricts, perhaps severely, the ability of terminating carriers to institute general network auditing guidelines.

4. Why are wireless calls treated differently from wireline calls in relation to CPN in the Category 11 records?

<u>MITG COMMENT:</u>

Both wireless and wireline calls terminating on the IXC or FGD network do contain CPN, and the CPN is successfully passed on to Category 11 billing records. Wireless calls placed on the LEC to LEC network also contain CPN. There is no reason why real time CPN information cannot also be included in billing records for the traffic in question.

After the Commission's Order in 1998 directing industry standard Category 11-01 records, the MITG believed that all 11-01 records would contain CPN. The MITG is unaware of any legitimate reason why, in creating "Missouri Specific" category 11-01 records for wireless calls to replace the CTUSR, ATT could not have made arrangements to include CPN. All 11-01 billing records for all other types of traffic, whether traversing the FGD network, or the FGC network, do result in an 11-01 billing record containing CPN.

5. What is the estimated cost to the transiting carrier to reconfigure its equipment to capture a wireless CPN for the Category 11 records?

MITG COMMENT:

ATT's information in this regard was provided in TE-2006-0053, but is not publicly available.

6. What is the estimated time frame within which such reconfiguration is practicable?

MITG COMMENT

ATT's information in this regard was provided in TE-2006-0053, but is not publicly available.

WHEREFORE, having responded to the Commission's invitation to submit comments, the MITG requests that these comments be received, and that the issues raised by the foregoing comments be accepted by the Commission to be addressed in this or a separate docket.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this pleading was electronically mailed to the attorneys of record in this proceeding this 7th day of July, 2006.

_/csj/____________________
Craig S. Johnson