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Sponsoring Party: Southwestern Bell Telephone, L.P.,
d/b/a SBC Missouri
Case No: TC-2002-190

SOUTHWESTERN BELL TELEPHONE, L.P. d/b/a SBC MISSOURI

CASE NO. TC-2002-190

REBUTTAL TESTIMONY

OF

THOMAS F. HUGHES

Jefferson City, MO
February 7, 2003

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TABLE OF CONTENTS

1) PURPOSE 1

2) BACKGROUND.....3

3) MID MISSOURI’S DATA DOES NOT ESTABLISH A VIOLATION5

4) CLEC UNE-P ORIGINATED TRAFFIC 13

5) WIRELESS TRAFFIC..... 15

**6) SBC RECEIVES NO BENEFIT FROM TRANSITING TRAFFIC AND SHOULD
HAVE NO FINANCIAL RESPONSIBILITY FOR IT..... 19**

**7) SBC CONTINUES TO PAY FOR ITS TRAFFIC TERMINATED TO MID
MISSOURI..... 29**

8) MISCELLANEOUS ISSUES31

9) HOW SHOULD THE COMMISSION PROCEED WITH THIS COMPLAINT?...35

CONCLUSION 36

CASE NO. TC-2002-190
SOUTHWESTERN BELL TELEPHONE, L.P.
D/B/A SBC MISSOURI
REBUTTAL TESTIMONY OF THOMAS F. HUGHES

Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

A. My name is Thomas F. Hughes. My business address is 101 W. High Street,
Jefferson City, Missouri.

Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR TITLE?

A. I am employed by Southwestern Bell Telephone, L.P., d/b/a SBC Missouri ("SBC")
as Vice President-External Affairs for the state of Missouri.

**Q. HAVE YOU PREPARED AN EXHIBIT THAT PROVIDES INFORMATION
REGARDING YOUR EMPLOYMENT, EDUCATIONAL BACKGROUND
AND APPEARANCES BEFORE THE COMMISSION?**

A. Yes. That information is attached as Hughes Schedule 1.

1) Purpose

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to respond to the Direct Testimony of Mr.
David Jones and Ms. Denise Day filed on behalf of Mid Missouri Telephone
Company ("Mid Missouri").

1 **Q. WHAT ARE THE KEY POINTS OF YOUR TESTIMONY?**

2 A. The key points are:

- 3 ➤ Mid Missouri has not demonstrated that SBC violated the Commission's July 18,
4 2000 order in Case No. TC-2001-20. In every instance SBC was able to investigate,
5 the conclusions Mid Missouri drew from its data is wrong. And the claims it makes
6 with its other data are unsubstantiated.
- 7 ➤ Nearly all the traffic Mid Missouri identified as landline SBC originated traffic is
8 actually wireless traffic. The other calls Mid Missouri identifies as LEC-originated
9 are likely wireless calls as well. Mid Missouri has provided no evidence that this
10 wireless traffic violates the Commission's Order.
- 11 ➤ SBC is blocking traffic based upon the Commission's July 18, 2000 Order by
12 blocking specific trunk groups. The trunk groups that are being blocked are from
13 certain carriers (e.g., CLECs with their own switch) at SBC's tandem switch in
14 Kansas City.
- 15 ➤ As SBC informed the Commission on August 25, 2000, SBC is not able to block
16 CLEC UNE-P originated traffic.
- 17 ➤ SBC is passing its intraLATA traffic to Mid Missouri and SBC is compensating Mid
18 Missouri for its traffic.
- 19 ➤ While transiting has for years provided an effective and efficient way for customers
20 of various carriers to reach each other, SBC receives little or no benefit from
21 providing this service.
- 22 ➤
- 23

24 **Q. WHO ARE THE WITNESSES SPONSORING TESTIMONY FOR SBC?**

25 A. In addition to my testimony, two other SBC witnesses are filing rebuttal testimony.

26 Ms. Judy Osburn is a Senior Manager-Technical Support in SBC's Network
27 Operations Center. Ms. Osburn's team was in charge of implementing the blocking
28 ordered by the Commission in Case No. TC-2001-20 and she has been involved in
29 reviewing switch data regarding the calls at issue in this proceeding. Mr. Tim Brown
30 is an Analysis Manager for SBC. His rebuttal testimony will explain what additional
31 data SBC was able to capture on the September 12, 2002 calls using its Agilent
32 Technologies AcceSS7 Business Intelligence ("BI") system.

1 **2) Background**
2

3 **Q. WHAT IS THE GENERAL THEME OF MID MISSOURI'S TESTIMONY?**

4 A. Mid Missouri is complaining that SBC is not complying with the Commission's July
5 18, 2000 Order in Case No. TC-2001-20. Mid Missouri is alleging that certain traffic
6 is transiting SBC's network inappropriately for termination to Mid Missouri. Mid
7 Missouri is seeking to either have the trunks blocked or make SBC financially
8 responsible for traffic that transits SBC's network for termination to Mid Missouri.
9

10 **Q. WHAT DID THE COMMISSION ORDER IN CASE NO. TC-2001-20?**

11 A. In that proceeding, the Commission ordered that SBC only allow certain types of
12 traffic to transit its network for termination to Mid Missouri. The July 18, 2000
13 Order in TC-2001-20 provided that the following types of traffic could transit SBC's
14 network for termination by Mid Missouri. The Order stated:

15 "[T]hat Southwestern Bell Telephone Company is hereby ordered
16 to make any and all translation and routing changes in its facilities
17 and programs necessary to lawfully discontinue the transport,
18 transit, or termination of all intrastate telecommunications traffic
19 to Mid-Missouri Telephone Company, except for the following
20 traffic:

- 21
- 22 a. interexchange traffic originated by Southwestern Bell
23 Telephone Company in the 524 LATA and terminating to
24 Mid-Missouri Telephone Company in the 524 LATA; and
25
 - 26 b. interexchange traffic presented to Southwestern Bell
27 Telephone Company by GTE Midwest, Inc., or its heirs or
28 assigns, in the 524 LATA and terminating to Mid-Missouri
29 Telephone Company in the 524 LATA; and
30
 - 31 c. interexchange traffic presented to Southwestern Bell
32 Telephone Company by Sprint Missouri, Inc. and Sprint
33 Communications Company, L.P. in the 524 LATA and

1 terminating to Mid-Missouri Telephone Company in the
2 524 LATA; and

3
4 d. interexchange traffic presented to Southwestern Bell
5 Telephone Company by Alltel Missouri, Inc. and Alltel
6 Communications, Inc. in the 524 LATA and terminating to
7 Mid-Missouri Telephone Company in the 524 LATA; and

8
9 e. commercial mobile radio service or wireless traffic
10 originating within the Kansas City Major Trading Area and
11 terminating to Mid-Missouri Telephone Company, and

12
13 f. interexchange traffic utilizing Feature Group A
14 connections.”

15
16
17 **Q. WHAT HAS SBC DONE TO COMPLY WITH THE COMMISSION’S**
18 **ORDER?**

19 A. As described in greater detail in the rebuttal testimony of Ms. Judy Osburn, SBC
20 modified its translations at the its tandem in Kansas City to only allow for the
21 transiting of the specific traffic detailed in the Commission’s Order.¹ The essence of
22 this work was to block the traffic that was prohibited from transiting SBC’s network.
23 SBC’s work to block the traffic is completed at a trunk group level. SBC is not able
24 to block on a per call basis. Therefore, SBC is blocking all traffic destined for Mid
25 Missouri from certain carriers, e.g., interexchange carriers, CLECs with their own
26 switch.

¹ SBC notified the Commission and Mid Missouri on August 25, 2000, that it was not able to block CLEC originated UNE-P traffic.

1 **3) Mid Missouri's Data Does Not Establish a Violation**

2
3 **Q. DOES THE DATA CONTAINED IN MR. JONES' SCHEDULES ESTABLISH**
4 **THAT SBC HAS VIOLATED THE COMMISSION'S JULY 18, 2000 ORDER?**

5 A. No. As the Commission is aware, it took several months and an Order from the
6 Commission before Mid-Missouri would allow SBC's internal experts to review the
7 data provided by Mr. Jones in his direct testimony. Unfortunately, once SBC's
8 internal experts were able to review Mr. Jones' schedules to his direct testimony, the
9 data provided was found to be only very high level summaries. They did not itemize
10 individual calls, much less provide any originating numbers, terminating numbers,
11 dates or call times. In addition, the information was too dated for any data
12 comparison by SBC.

13
14 **Q. WHAT DID SBC DO AFTER IT DETERMINED THE INFORMATION IN**
15 **MR. JONES' SCHEDULES WAS NOT USEFUL?**

16 A. Following this determination, SBC met with Mid Missouri and Staff via conference
17 call on September 9, 2002. During this call, SBC expressed the need for additional
18 call detail information in order to perform an analysis of the data. Following that
19 conference call, SBC learned at the September 27, 2002 prehearing that Mid Missouri
20 had provided some call detail information to Staff. Following a request from SBC,
21 Mid Missouri provided that same data to SBC.

22
23 **Q. WHAT DATA WAS PROVIDED AT THAT TIME BY MID MISSOURI?**

1 A. Mid Missouri provided the individual call detail for one of the data months in Mr.
2 Jones' schedules (September 15, 2001 – October 16, 2001) and sorted the calls it
3 alleges are in violation of the Commission's blocking order in Case No. TC-2001-20.
4 The data was broken into alleged interLATA traffic originated by SBC, Verizon,
5 Sprint and Alltel.

6

7 **Q. WHAT DID SBC FIND WHEN IT ANALYZED THIS DATA?**

8 A. We found that it did not support Mid Missouri's claims. Mid Missouri purportedly
9 identified 543 calls as being interLATA calls originated by SBC landline subscribers
10 during this period. We checked the originating telephone numbers on these calls and
11 found that nearly 99% of the time (on all but six calls), Mid Missouri's claim was
12 wrong. 537 of the calls were made from numbers assigned to wireless carriers, not to
13 SBC landline subscribers. Ms. Osburn conducted this research and it is discussed in
14 her rebuttal testimony.

15

16 **Q. HOW DOES SBC KNOW THAT THOSE NUMBERS BELONG TO**
17 **WIRELESS CARRIERS?**

18 A. As Ms. Osburn explains in her rebuttal testimony, SBC is able to query its switches to
19 determine whether a particular telephone number residing in that switch belongs to
20 SBC or another carrier.

1 **Q. CAN YOU EXPLAIN HOW MID MISSOURI COULD HAVE**

2 **MISINTERPRETED THE DATA IT CLAIMS TO HAVE RECORDED?**

3 A. Yes. It is apparent that Mid Missouri did not completely analyze the data before
4 making its claims. In her direct testimony and discovery responses she provided, Ms.
5 Day admitted that Mid Missouri's entire analysis essentially consisted only of
6 looking up the NPA-NXX of the originating telephone number in the Local Exchange
7 Routing Guide ("LERG"). This industry resource, however, is not a definitive source
8 of the originating telephone company. While it will show the carrier to whom an
9 entire NPA-NXX number block (a block of 10,000 telephone numbers) was
10 originally assigned, it provides no reliable information as to whether groups of
11 numbers within that 10,000 block have been assigned to other carriers.

12
13 **Q. DOES MID MISSOURI'S DATA FOR THE FIVE REMAINING CALLS**

14 **ESTABLISH THAT A VIOLATION OF THE COMMISSION'S ORDER**

15 **OCCURRED?**

16 A. No. After researching these calls, I do agree that the originating telephone numbers
17 were assigned to SBC landline customers. However, our business records do not
18 indicate that these customers placed the interLATA calls into Mid Missouri
19 exchanges as alleged. SBC researched its billing records for these customers and
20 they reflect no calls from these customers terminating to Mid Missouri. And since
21 these are interLATA calls, our network would not have permitted these calls to have
22 been routed over SBC facilities to Mid-Missouri. Instead, our network is designed to
23 hand such interLATA calls off to the interexchange carrier ("IXC") selected by the

1 customer. To verify this, we had our end office switch technicians attempt to
2 replicate the calls Mid Missouri claims were made by placing test calls through the
3 end office switches that served these customers. In every case, the call appropriately
4 routed to the IXC selected by the customer. They did not complete over SBC
5 facilities.

6
7 **Q. DO YOU HAVE ANY EXPLANATION FOR WHAT MID MISSOURI**
8 **CLAIMS TO HAVE RECORDED?**

9 A. Yes. Mid Missouri could have inadvertently included IXC traffic in its schedule. If
10 that were the case, those calls would have appeared on the customer's bill from his or
11 her IXC, not SBC. As we actually observed in a later traffic study, these calls could
12 also have resulted from a call forwarding arrangement. In these situations, the
13 originating subscriber, using his or her chosen IXC, places an interLATA call to a
14 person in the Kansas City LATA (the same LATA in which Mid Missouri is located)
15 whose telephone is call-forwarded to a Mid Missouri customer.² While the
16 interLATA first leg would have been handled by an IXC, the second leg would have
17 come in to Mid Missouri as an ordinary intraLATA toll call.

18
19 **Q. DID SBC AND MID MISSOURI AGREE TO REVIEW SOME CURRENT**
20 **DATA?**

² Since the data was one year old, SBC was not able to research the network records to determine where the alleged call was supposed to terminate. As was the case with some of the traffic listed in Hughes Joint Schedule 2HC, call forwarding can impact the routing of traffic.

1 A. Yes. At the prehearing, the parties again discussed reviewing current data. SBC and
2 Mid Missouri ultimately agreed to review data captured on September 12, 2002. On
3 October 2, 2002, Mid Missouri provided SBC with call detail from the September 12,
4 2002 calls it alleged violated the Commission's blocking order in Case No. TC-2001-
5 20.

6

7 **Q. WHAT DATA DID THE PARTIES REVIEW FROM SEPTEMBER 12, 2002?**

8 A. Mid Missouri provided a list of 69 calls it alleged were inappropriately sent to it for
9 termination. Mid-Missouri categorized the calls into three groups: (1) traffic it
10 believed to be originated by SBC, (2) traffic it believed to be originated by Sprint and
11 transited by SBC and (3) traffic it believed to be originated by CenturyTel and
12 transited by SBC. There were 41 calls labeled as being from SBC, 26 calls labeled as
13 being from Sprint and 2 calls labeled as being from Verizon.³

14

15 **Q. WHAT DID SBC'S ANALYSIS SHOW FOR THESE CALLS?**

16 A. In reviewing these 69 calls, SBC found that all but one of these calls was delivered to
17 SBC via an interconnection trunk with Cingular Wireless at the McGee tandem.
18 Since these calls were delivered from a wireless carrier, these calls and their minutes
19 of use should be included on the CTUSR report with September data.

20

21 The other call was originated from a Verizon customer destined to an SBC customer.

22 The SBC customer had call forwarding activated to a Mid Missouri customer. This

³ CenturyTel completed the acquisition of Verizon's Missouri properties in August of 2002. For purposes of this rebuttal, I will refer to the company as Verizon, since that is how Mid Missouri has referred to them.

1 call (the call from the SBC customer to the Mid Missouri customer) was
2 appropriately placed on the FG-C trunk as an intraLATA toll call. SBC's review of
3 this data is attached to my rebuttal testimony as Hughes Joint Schedule 2HC.

4
5 **Q. HOW WAS SBC ABLE TO DETERMINE THAT THE CALLS WERE**
6 **ENTERING ITS NETWORK VIA A CINGULAR TRUNK GROUP?**

7 A. As described in Ms. Osburn's and Mr. Brown's testimony, SBC is able to capture
8 where a call enters its network based upon trunk group. Each trunk group has a
9 unique identifier that enables SBC to determine who is passing traffic.

10
11 **Q. DID SBC REVIEW ANY OTHER DATA IN PREPARING REBUTTAL**
12 **TESTIMONY?**

13 A. We also reviewed schedule 3HC to Ms. Day's direct testimony. This schedule was
14 the traffic that Mid Missouri recorded and alleges was originated by SBC.

15
16 **Q. IN REVIEWING THIS DATA, WHAT DID SBC FIND?**

17 A. Similar to our findings from reviewing the other data provided by Mid Missouri,
18 nearly all of this traffic was wireless traffic. As was the case with the other wireless
19 traffic, we were able to verify that these calls were made by wireless subscribers
20 being served by providers with a Type 1 wireless interconnection. We reviewed all
21 of the calls on Ms. Day's schedule 3HC, which she indicated totaled 10,344. Despite
22 the fact that this data is old, we were able to determine that 10,166 of the 10,344 calls
23 (98.3%) were originated from wireless numbers.

1 **Q. OTHER THAN LOOKING UP THESE NUMBERS IN THE LERG, ARE YOU**
2 **AWARE OF ANY OTHER ATTEMPTS BY MID MISSOURI TO VERIFY**
3 **THE DATA IT PROVIDED TO SUPPORT ITS COMPLAINT?**

4 A. According to its data request answers, it appears that Mid Missouri did virtually
5 nothing to verify the telephone numbers it claims were landline telephone numbers.
6 In its initial response, Mid Missouri indicated that it “made some calls to verify the
7 customers were SWBT customers.”

8
9 **Q. HOW MANY OF THESE TEST CALLS DID MID MISSOURI MAKE?**

10 A. In its initial answer, Mid Missouri neither said how many it made nor provided any
11 specific information documenting these test calls. After SBC questioned this
12 deficient answer, Mid Missouri acknowledged in an email from its counsel that it
13 “attempted less than 10 calls to SBC customers, of which not all were answered.”
14 And of them, Mid Missouri recalled only “one or two” customers confirming they
15 were SBC local customers. Mid Missouri also indicated that it had no records
16 documenting these calls.

17
18 **Q. ASSUMING THAT SBC LANDLINE SUBSCRIBERS MADE THESE ONE OR**
19 **TWO CALLS, DOES THAT FACT SHOW THAT THE COMMISSION’S**
20 **ORDER WAS VIOLATED?**

21 A. No. Based upon SBC’s documented research of the 69 calls from September 12,
22 2002, it is likely that call forwarding would account for any calls that may have
23 originated from an SBC local customer in another LATA that ultimately terminated

1 to a Mid Missouri customer (which is what was found on the September 12 call from
2 the Verizon customer).

3

4 **Q. DID SBC ATTEMPT TO INVESTIGATE THE DATA FROM MS. DAY'S**
5 **OTHER SCHEDULES?**

6 A. Yes, but we did not have the same resources available to analyze this data. Since
7 these other schedules purported to list calls allegedly originated from Sprint, Verizon
8 and Alltel end users, SBC was not able to research the specific switch records of
9 those companies.

10

11 **Q. DO THE CALLS LISTED IN THESE SCHEDULES ESTABLISH A**
12 **VIOLATION OF THE COMMISSION'S ORDER?**

13 A. No. As it did with respect to the calls it incorrectly claimed were InterLATA SBC
14 landline calls, Mid Missouri only looked up the originating NPA-NXX of the
15 telephone numbers for these calls in the LERG. Mid Missouri admitted in its
16 discovery responses that it did nothing further to verify that these calls indeed were
17 InterLATA landline originated calls from Sprint, Verizon or Alltel. Since Mid
18 Missouri employed the same unreliable method in drawing its conclusions, it very
19 likely it reached a similarly incorrect result with respect to these calls.

4) CLEC UNE-P Originated Traffic

Q. FOLLOWING THE COMMISSION'S ORDER, DID SBC NOTIFY THE COMMISSION AND MID MISSOURI THAT IT WAS NOT ABLE TO BLOCK CLEC UNE-P TRAFFIC?

A. Yes. On August 25, 2000, SBC notified the Commission and Mid Missouri that SBC was not able to block CLEC originated UNE-P traffic. Attached as Hughes Schedule 3 is a copy of SBC's filing. Ms. Day references this CLEC originated UNE-P traffic in her direct testimony at page 18.

Q. WHY IS SBC NOT ABLE TO BLOCK CLEC UNE-P TRAFFIC?

A. As SBC outlined in its August 25, 2000 filing, since CLEC UNE-P traffic originates from SBC's switch, SBC is not able to block CLEC UNE-P originated traffic unless all traffic originated from SBC's switch is blocked. The CLEC's traffic does not appear to SBC's network to be any different from SBC originated traffic, since both originate from SBC's switch and have common NPA NXX combinations. The CLEC originated UNE-P traffic will route in the same manner as SBC originated intraLATA toll traffic.

Q. WHAT HAS SBC DONE IN AN EFFORT TO ENSURE MID MISSOURI IS AWARE OF THE TRUE ORIGINATOR FOR SUCH UNE-P TRAFFIC?

A. Because UNE-P traffic is originated from SBC's switch, SBC is able to record the traffic and provide the terminating ILEC, in this case Mid Missouri, with a report of the CLECs that are terminating UNE-P traffic to the ILEC. SBC began providing this

1 data report to Mid Missouri effective with the January 2001 usage month. Ms. Day
2 has attached these reports as schedule 10HC to her direct testimony.

3
4 **Q. WHAT INFORMATION DO THESE REPORTS PROVIDE TO MID**
5 **MISSOURI?**

6 A. These reports provide Mid Missouri with a listing of the UNE-P CLECs that
7 originated traffic to Mid Missouri's exchanges. These summary level reports also
8 provide, by originating UNE-P CLEC, the total number of minutes of use and the
9 number of messages for the usage month (similar to the Cellular Transiting Usage
10 Summary Report, or "CTUSR" that the Commission ordered be produced in Case No.
11 TT-97-524). This information is necessary for Mid Missouri to contact these CLECs
12 to negotiate appropriate rates, terms and conditions for traffic termination.

13
14 **Q. HAS SBC MADE ANY OTHER INFORMATION AVAILABLE TO MID**
15 **MISSOURI ON THIS TRAFFIC?**

16 A. Yes. This past fall, SBC notified other carriers in the state, including Mid Missouri,
17 that SBC had developed the capability of providing mechanized detail call records (in
18 Category 92 record format) for this traffic. In October 2002, Mid Missouri requested
19 that SBC make these records available to Mid Missouri via a FTP down load. SBC
20 began making these records available for download to Mid Missouri in November of
21 2002.

1 **5) Wireless Traffic**

2
3 **Q. WHY DO YOU BELIEVE MID MISSOURI IS ALLEGING THAT SBC**
4 **ORIGINATED MANY OF THESE CALLS?**

5 A. As Ms. Day discusses at page 9 of her direct testimony, Mid Missouri looked at the
6 calling party number passed with the call to determine the NPA NXX of the
7 originator of the call. Mid Missouri then looked at the LERG to determine who
8 owned that NPA NXX. However, the LERG only identifies the original owner of the
9 entire NPA NXX. It does not break the data down any further than a ten thousand
10 block of numbers.

11
12 **Q. CAN OTHER CARRIERS USE NUMBERS WITHIN AN NPA NXX 10,000**
13 **BLOCK?**

14 A. Yes. Although an NPA-NXX 10,000 block of telephone numbers may have
15 originally been assigned to one carrier (e.g., a LEC), those numbers may also be
16 utilized by other carriers providing service using ported numbers, UNE-P and Type 1
17 cellular interconnection. In the case of the calls Mid Missouri alleged were
18 originated by SBC, the originator of the call was in fact a wireless carrier in almost
19 every instance.

20
21 **Q. HOW WERE THESE WIRELESS CARRIERS PROVIDING SERVICE TO**
22 **THEIR CUSTOMERS?**

23 A. In these instances, the wireless carriers were providing service to their customers via
24 Type 1 wireless interconnection.

1 **Q. CAN YOU BRIEFLY DESCRIBE THE DIFFERENCE BETWEEN TYPE 1**
2 **AND TYPE 2A WIRELESS INTERCONNECTION?**

3 A. Most wireless carriers typically use Type 2A interconnection (which is a trunk side
4 connection at the tandem) and obtain an entire NPA NXX 10,000 block of numbers.
5 In areas where they do not believe they will be able to provide service to enough
6 customers to warrant obtaining a complete NPA NXX, wireless carriers use Type 1
7 wireless interconnection. With this type of interconnection, the wireless carrier
8 utilizes a block of numbers from within the NPA NXX of another provider. Type 1
9 wireless interconnection is a line side connection at the end office.

10
11 **Q. WHAT IS THE SIGNIFICANCE OF THESE CALLS BEING ORIGINATED**
12 **BY A WIRELESS CARRIER?**

13 A. Unlike calls made by landline telephone subscribers, the telephone number of a
14 wireless customer does not provide any indication of where the call originated.
15 Because wireless telephones are mobile and often operate in roaming mode, the exact
16 originating location of a wireless call is generally unknown. And even if the
17 originating wireless carrier had some way to determine the originating location of its
18 customer, this information is not passed downstream to SBC.

19
20 **Q. CAN YOU DETERMINE JUST BY ORIGINATING AND TERMINATING**
21 **NPA NXX IF A WIRELESS CALL IS INTRA OR INTER MTA?**

22 A. No. Since wireless subscribers are able to use their wireless phones in roaming mode
23 when traveling, the originating and terminating telephone numbers do not provide

1 enough information to determine the jurisdiction of the call. The wireless industry
2 promotes this flexibility as a benefit to its customers. For example, many St. Louis
3 MTA wireless customers roam into and use their wireless phones in the Kansas City
4 MTA. If one of these customers made a call to customer in the Kansas City MTA, a
5 record that only showed originating and terminating numbers may lead one to the
6 incorrect conclusion that this was an interMTA call (i.e., from the St. Louis MTA to
7 the Kansas City MTA), when in fact it was an intraMTA call (i.e., a roaming call
8 originated and terminated within the Kansas City MTA).

9
10 **Q. DO THE MTA BOUNDARIES MIRROR THE LATA BOUNDARIES?**

11 A. No. While there are four LATAs in Missouri, there are two primary MTAs in
12 Missouri.⁴ These two MTAs are the St. Louis and Kansas City MTAs. The dividing
13 line between the MTAs runs north to south, but does not following the LATA lines.
14 For example, portions of all four LATAs are included in the St. Louis MTA and
15 portions of three LATAs are included in the Kansas City MTA. Attached as Hughes
16 Schedule 4 is a map overlaying the MTAs on the LATAs in Missouri.

17
18 **Q. IS IT POSSIBLE TO HAVE AN INTRALATA INTERMTA CALL?**

19 A. Yes. With the configurations of the LATA and MTA boundaries, it is possible to
20 have intraLATA, interMTA calls. It is also possible to have interLATA, intraMTA
21 calls.

⁴ The Des Moines MTA includes a small portion of northeast Missouri and the Memphis-Jackson MTA includes a small portion of southeast Missouri.

1 **Q. IS MID MISSOURI UNIQUELY POSITIONED REGARDING THIS**
2 **CONFIGURATION?**

3 A. Yes. While all twelve of Mid Missouri's exchanges are in the Kansas City LATA,
4 only ten of its exchanges are in the Kansas City MTA. This means the wireless calls
5 from the St. Louis MTA to certain Mid Missouri exchanges are intraMTA calls,
6 assuming the call was originated from the wireless customer's home MTA. Hughes
7 Schedule 5 depicts the location of Mid Missouri relative to the MTA and LATA
8 boundaries in Missouri.

9

10 **Q. DO MID MISSOURI'S SCHEDULES PURPORT TO SHOW THAT THE**
11 **MAJORITY OF CALLS IT CLAIMS CAME FROM SBC LANDLINE**
12 **CUSTOMERS ORIGINATED IN ONE AREA?**

13 A. Yes. Mid Missouri's schedules appear to show that the majority of calls came from
14 SBC's Versailles exchange, which as seen in Hughes Schedule 5 is directly below
15 Mid Missouri's exchanges.

16

17 **Q. WHAT DID SBC'S RESEARCH SHOW ABOUT THESE CALLS?**

18 A. SBC's research of these calls shows that these calls from a Versailles NPA NXX
19 were in fact from Type 1 wireless numbers. Assuming the caller made the call from
20 its home MTA, the call would be an intraMTA call to ten of Mid Missouri's
21 exchanges. These calls should not be blocked pursuant to the Commission's blocking
22 order in Case No. TC-2001-20. But because SBC has no means of identifying the
23 originating location of these calls, there is no way to determine whether any of them

1 are in fact interMTA calls. However, even assuming that a small number of these
2 calls were interMTA calls, SBC has no means of screening them out. As described
3 above, SBC blocks at a trunk level. If SBC were to implement blocking on these
4 trunks, then all intraMTA calls would also be blocked.

5
6 **Q. HOW DOES SBC ADDRESS THE SITUATION OF INTRA VS. INTER MTA**
7 **TRAFFIC WITH WIRELESS CARRIERS?**

8 A. During interconnection agreement negotiations, the parties negotiate a factor for
9 interMTA traffic. SBC appropriately receives terminating access when an interMTA
10 call is terminated by SBC and a negotiated rate when an intraMTA call is terminated
11 by SBC. During the negotiation process, the parties agree on a factor to determine
12 the appropriate compensation for all traffic terminated by SBC. I understand that a
13 group of small ILECs in Missouri have recently filed traffic termination agreements
14 that handle interMTA traffic the same way.

15
16 **6) SBC Receives No Benefit from Transiting Traffic and Should Have No Financial**
17 **Responsibility for it.**

18
19 **Q. BOTH MS. DAY AND MR. JONES SUGGEST THAT SBC SHOULD BE**
20 **FINANCIALLY RESPONSIBLE FOR TRAFFIC THAT TRANSITS ITS**
21 **NETWORK. IS THIS APPROPRIATE?**

22 A. No. Transit traffic only adds to the congestion on our network and brings our
23 network facilities, which are a finite resource to our company, closer to exhaust. The
24 transiting fee does not provide SBC compensation to pay ILEC terminating charges.

**Q. WHAT IS THE RATE FOR RECIPROCAL COMPENSATION IN THE
COMMISSION-APPROVED INTERCONNECTION AGREEMENTS
BETWEEN SBC AND WIRELESS CARRIERS FOR INTRAMTA TRAFFIC?**

A. The rates vary by interconnection agreement. Under the Commission approved interconnection agreements with the wireless carriers, SBC receives between \$0.004 and \$0.01 for terminating IntraMTA traffic that is originated by a wireless carrier depending on the type of interconnection⁵ between SBC and the wireless carrier. This is significantly less than Mid Missouri's \$0.124897 terminating intrastate access rate, which it seeks to impose here, and which the Commission has twice ruled may not be applied to intraMTA wireless traffic.

**Q. WHY DO OTHER CARRIERS CHOOSE TO USE SBC'S NETWORK TO
TRANSIT TRAFFIC?**

A. Other carriers seek to use SBC's network to gain efficiencies for themselves and their customers. SBC's network has been in place for many years and extends to nearly every other telephone company in the state. Thus, by establishing a direct connection with SBC, other carriers (i.e., ILECs, CLECs and wireless carriers) can indirectly reach all other telephone companies in the LATA, including Mid Missouri. The alternative would be for these other carriers to physically build their networks to all

⁵ The interconnection agreements between SBC and the wireless carriers allow for three types of interconnection: Type 1, Type 2A, and Type 2B. SBC receives substantially less for transiting.

1 other carriers operating in the state, which would be inefficient for these other
2 carriers.

3

4 **Q. SINCE THERE IS NO BENEFIT FROM SERVING AS A TRANSITING**
5 **CARRIER, WHY IS SBC DOING SO?**

6 A. We generally believed that we had to carry this traffic. Consistent with this
7 understanding, we entered into interconnection agreements (that were subsequently
8 approved by the Commission) with CLECs and wireless carriers under which SBC
9 would transit their traffic to third party carriers. SBC transits this traffic with the
10 agreement that the CLECs and wireless carriers will establish terminating
11 compensation arrangements with third party carriers such as Mid Missouri.

12

13 **Q. DOES SBC STILL BELIEVE THAT IT IS OBLIGATED TO PROVIDE**
14 **TRANSITING SERVICE?**

15 A. No. In light of the FCC Common Carrier Bureau's decision in the Verizon-Virginia
16 arbitration with WorldCom, Cox and AT&T, it now appears that the FCC has not yet
17 imposed an obligation to carry transiting traffic, particularly at TELRIC rates. In that
18 decision, the Bureau rejected the various CLECs' attempt to require Verizon to
19 handle an unlimited amount of transit traffic:

20 We reject AT&T's proposal because it would require Verizon to
21 provide transit service at TELRIC rates without limitation. While
22 Verizon as an incumbent LEC is required to provide
23 interconnection at forward-looking cost under the Commission's
24 rules implementing section 251(c)(2), the Commission has not had
25 occasion to determine whether incumbent LECs have a duty to
26 provide transit service under this provision of the statute, nor do we
27 find a clear Commission precedent or rules declaring such a duty.

1 In the absence of such a precedent or rule, we decline, on
2 delegated authority, to determine for the first time that Verizon has
3 a section 251(c)(2) duty to provide transit service at TELRIC rates.
4 Furthermore, any duty Verizon may have under section 251(a)(1)
5 of the act to provide transit service would not require that service
6 to be priced at TELRIC.⁶
7

8 **Q. HOW DID THE TRANSITING DISPUTE IN THE VERIZON-VIRGINIA**
9 **ARBITRATION ARISE?**

10 A. AT&T and WorldCom sought to protect and solidify the transit service they had been
11 receiving from Verizon to ensure that they would be able to continue exchanging
12 traffic with third-party carriers without having to interconnect directly with them.
13 During negotiations for a new interconnection agreement, AT&T and WorldCom
14 sought to include language requiring Verizon to provide transit over its network at
15 TELRIC-based rates for traffic they exchanged with third-party LECs. Verizon
16 opposed this proposal, asserting that they had no obligation to provide transit service,
17 but that they were willing to handle a limited amount of transit traffic as an
18 accommodation to the CLECs.
19

20 **Q. WHAT WAS VERIZON-VIRGINIA WILLING TO PROVIDE THE CLECS?**

21 A. Under Verizon's proposed terms, AT&T and WorldCom would have been allowed to
22 purchase tandem transit from Verizon at TELRIC rates up to the level of one DS-1 of
23 traffic exchanged with another carrier. With respect to WorldCom, once transit
24 traffic volumes reached the DS-1 threshold, Verizon's terms would have allowed
25 Verizon to terminate its transit service. With respect to AT&T, once transit traffic

⁶ Verizon-Virginia Arbitration Order, para. 117.

1 volumes reached the DS-1 threshold, Verizon's terms would have required AT&T to
2 pay additional charges for Verizon's tandem transit service during a transition period,
3 and would allow Verizon subsequently to terminate its transit service.⁷

4
5 **Q. HOW DID THE FCC COMMON CARRIER BUREAU RULE?**

6 A. The Bureau adopted the language Verizon proposed to AT&T, with slight
7 modifications, for both AT&T and WorldCom.

8
9 **Q. HOW DOES SBC READ SECTION 251(a)(1) OF THE**
10 **TELECOMMUNICATIONS ACT OF 1996 (ACT)?**

11 A. In light of the Verizon ruling, we believe this section obligates SBC, and other
12 carriers, to accept and terminate traffic received via an indirect interconnection, that
13 is traffic delivered via a third party carrier for termination to SBC retail customers.

14
15 **Q. DOES THIS MEAN THAT SBC IS NO LONGER WILLING TO PROVIDE**
16 **TRANSITING?**

17 A. We recognize that we have Commission approved interconnection agreements that
18 call for SBC to provide transiting service. We will certainly fulfill our obligations
19 under those agreements. We also believe that the Commission views transiting
20 (regardless of who provides it) as an important service through which the various
21 networks in the state are connected. If the Commission believes it appropriate, we
22 are still willing to handle transit traffic, provided that the transit carrier (1) is not

⁷ Verizon-Virginia Arbitration Order, para. 107.

1 made financially responsible for the terminating or other expenses associated with
2 another carriers' traffic; (2) is permitted to charge a compensatory, market based rate
3 for handling the traffic; and (3) is permitted to establish reasonable limits on the
4 amount of transit traffic it must handle.

5
6 **Q. DOES SBC PREFER THAT CARRIERS ESTABLISH DIRECT**
7 **INTERCONNECTION?**

8 A. Yes. Because facilities at our tandem offices were prematurely approaching exhaust,
9 we previously asked the Commission to allow us to establish limits on the amount of
10 traffic carriers could transit through our network to other telecommunications
11 carriers. In our last arbitration with AT&T (in its capacity as a CLEC, including its
12 affiliate TCG), Case No. TO-2001-455, we proposed contract language that would
13 require AT&T/TCG to establish a direct trunk group to another LEC, CLEC or
14 wireless carrier when AT&T/TCG's traffic to that other carrier reached a DS-1
15 threshold (i.e., 24 voice grade trunks).

16
17 **Q. WHAT WAS THE SPECIFIC LANGUAGE SBC PROPOSED?**

18 A. SBC proposed the following language:

19 5.1 When transit traffic through the SBC-13STATE Tandem from
20 CLEC to another Local Exchange Carrier, CLEC or wireless
21 carrier requires 24 or more trunks, CLEC shall establish a direct
22 End Office trunk group between itself and the other Local
23 Exchange Carrier, CLEC or wireless carrier . . .⁸

⁸ Joint Decision Point List ("Joint DPL") filed May 3, 2001, in Case No. TO-2001-455, Exhibit II-E, Issue 8.

1 **Q. WHAT WAS SBC'S REASONING BEHIND THIS REQUESTED**
2 **LANGUAGE?**

3 A. SBC proposed the 24 trunk threshold because that is the same standard it applies to
4 itself in determining when to establish direct trunks. We explained that the proposed
5 language would extend the life of our tandems and would allow additional capacity
6 for other interconnecting carriers. Although this language would have required
7 AT&T/TCG to provide their own direct trunking when their traffic reached this
8 threshold, we indicated that we were still willing to accept their overflow traffic in
9 order to help prevent disruption of their traffic flows.⁹

10
11 **Q. HOW DID THE COMMISSION RULE ON THIS ISSUE?**

12 A. The Commission denied SBC's request and effectively required SBC to transit traffic
13 without a limit on the amount of traffic between the originating carrier and the
14 terminating carrier:

15 AT&T objects to SWBT's language, arguing that it essentially
16 allows SWBT to design AT&T's network, it permits SWBT to
17 impose a business plan on AT&T, it permits SWBT to evade its
18 interconnection obligations under the Act, and that the 24-trunk
19 threshold is too low. AT&T proposes language at Part A, Section
20 1.0, that asserts AT&T's right to interconnect with SWBT at any
21 technically feasible point . . . The Commission will resolve these
22 DPs [Decision Points] by directing the parties to adopt the
23 positions and language suggested by AT&T. SWBT is obligated
24 to interconnect with AT&T at any technically feasible point,
25 without regard to traffic volume. AT&T is free to design its
26 network and to
27

⁹ Id., Issues 8 and 9.

1 capitalize on any competitive advantages conferred by its network
2 architecture in conjunction with SWBT's interconnection duty . .

3 ¹⁰
4 .

5
6 **Q. DOES THE COMMISSION'S DECISION AGAINST LIMITING TRANSIT**
7 **TRAFFIC IMPACT ORIGINATING CARRIERS' INCENTIVES TO**
8 **ESTABLISH DIRECT INTERCONNECTIONS WITH A THIRD PARTY**
9 **CARRIERS?**

10 A. Yes. Since interconnecting carriers are not required to establish direct connections
11 when their traffic to a third party reaches a specified level, they have little incentive
12 to establish direct interconnections. If SBC were now required to pay terminating
13 compensation on that traffic, interconnecting carriers would have even less of an
14 incentive to ever establish direct connections with third parties. In my view, the
15 Commission's ruling in the AT&T arbitration reflects its understanding that the
16 originating carrier - - not the transiting carrier - - would be the one responsible for
17 paying the terminating carrier. Therefore, Mid Missouri's request that SBC be
18 financially responsible for transit traffic should be denied.

19
20 **Q. IS MID MISSOURI'S REQUEST THAT SBC BE RESPONSIBLE FOR**
21 **TERMINATING ACCESS ON TRANSIT TRAFFIC CONSISTENT WITH**
22 **INDUSTRY STANDARDS?**

23 A. No. Under accepted industry standards, the originating carrier - - the one who has the
24 relationship with the calling party - - is generally responsible for compensating all

¹⁰ In the Matter of the Application of AT&T Communications of the Southwest, Inc., TCG St. Louis, Inc., and TCG Kansas City, Inc. for Compulsory Arbitration of Unresolved Issues with Southwestern Bell

1 downstream carriers involved in completing the call. This accepted industry standard
2 is referred to by the FCC as “Calling Party’s Network Pays.”
3

4 **Q. HAS THE FCC OR ANY OTHER AUTHORITY RECOGNIZED THIS**
5 **ARRANGEMENT AS THE INDUSTRY STANDARD?**

6 A. Yes. The FCC, in its Unified Carrier Compensation Regime docket, stated:

7 Existing access charge rules and the majority of existing reciprocal
8 compensation agreements require the calling party’s carrier,
9 whether LEC, IXC or CMRS, to compensate the called party’s
10 carrier for terminating the call. Hence, these interconnection
11 regimes may be referred to as “calling-party’s-network-pays” (or
12 “CPNP”). Such CPNP arrangements, where the calling party’s
13 network pays to terminate a call, are clearly the dominant form of
14 interconnection regulation in the United States and abroad.¹¹
15

16 **Q. HAS THE FCC EVER EXPRESSED AN OPINION ON THE**
17 **APPROPRIATENESS OF HOLDING A TRANSIT CARRIER RESPONSIBLE**
18 **FOR EXPENSES ASSOCIATED WITH TERMINATING THE TRAFFIC**
19 **ORIGINATED BY ANOTHER CARRIER?**

20 A. Yes. The FCC’s Common Carrier Bureau in the Verizon-Virginia Arbitration with
21 AT&T, Cox and WorldCom also addressed this issue and specifically rejected
22 imposing financial liability on the transit carrier for expenses associated with traffic
23 originated by another carrier.

Telephone Company pursuant to Section 252(b) of the Telecommunications Act of 1996, Case No. TO-2001-455, Arbitration Order, issued June 7, 2001 at p. 42.

¹¹ Unified Carrier Compensation NPRM, at para. 9. (emphasis added).

Q. HOW DID THIS ISSUE ARISE?

A. In the Verizon-Virginia Arbitration, WorldCom proposed language to the interconnection agreement that would have required Verizon to compensate WorldCom for all transit traffic that flowed through Verizon to WorldCom (i.e., as if the traffic were exchanged solely between WorldCom and Verizon). Under WorldCom's proposed language, Verizon would have been required to bill the originating carrier for reimbursement of those charges. Verizon objected to WorldCom's proposed language, which essentially required Verizon to act as a billing intermediary for transit traffic that WorldCom exchanges with third-party carriers.¹²

Q. HOW DID THE FCC COMMON CARRIER BUREAU RULE?

A. The FCC Common Carrier Bureau specifically rejected WorldCom's proposal to make Verizon financially responsible for terminating expenses on transit traffic:

We also reject WorldCom's proposal to Verizon . . . WorldCom's proposal would . . . require Verizon to serve as a billing intermediary between WorldCom and third-party carriers with which it exchanges traffic transiting Verizon's network. We cannot find any clear precedent or Commission rule requiring Verizon to perform such a function. Although WorldCom states that Verizon has provided such a function in the past, this alone cannot create a continuing duty for Verizon to serve as a billing intermediary for the Petitioners' transit traffic. We are not persuaded by WorldCom's arguments that Verizon should incur the burdens of negotiating interconnection and compensation arrangements with third-party carriers. Instead, we agree with Verizon that interconnection and reciprocal compensation are the duties of all local exchange carriers, including competitive

¹² In the Matter of the Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon-Virginia Inc., and for Expedited Arbitration, et al., CC Docket No. 00-218, et al., Memorandum, Opinion and Order, released July 17, 2002, at paras. 107, 112 and 114.

entrants. Accordingly, we decline to adopt WorldCom's proposal for this issue.¹³

7) SBC continues to pay for its traffic terminated to Mid Missouri

Q. WHEN SBC COMPENSATES MID MISSOURI FOR TRAFFIC

TERMINATED TO MID MISSOURI, WHAT RECORDS ARE USED?

A. SBC uses the originating record process to compensate Mid Missouri. When an SBC end user customer originates a call that is terminated to a Mid Missouri customer, SBC's switch records the call. SBC uses this recording to bill toll charges to its own customer and to create a record that is provided to Mid Missouri for billing terminating access charges to SBC on the call. The records provided to Mid Missouri are the Missouri category 11 records. Based upon these SBC records, SBC pays Mid Missouri terminating access for the calls originated by SBC's end user customers.

Q. MR. JONES AT PAGE 13 OF HIS DIRECT TESTIMONY INFERS THAT SBC PREVIOUSLY USED MID MISSOURI'S RECORDS TO COMPENSATE MID MISSOURI. IS THIS TRUE?

A. No. As indicated, SBC provides Mid Missouri with a Missouri category 11 record and compensation is paid based upon those records. The only instance I am aware of where SBC used Mid Missouri's records was to compensate Mid Missouri for Local Plus® traffic that was not recorded by SBC's switch.

¹³ Verizon-Virginia Arbitration Order, para. 119 (internal citations omitted).

1 **Q. WHAT HAPPENED IN THAT INSTANCE?**

2 A. As the Commission is aware, when the parties conducted a network test in July of
3 2000, SBC determined that it was not properly recording some Local Plus traffic.
4 When an SBC customer originates a Local Plus call and it is terminated by Mid
5 Missouri, terminating access should be paid by SBC to Mid Missouri. During the
6 network test in Case No. TO-99-593, SBC determined that in some limited instances
7 Local Plus traffic was not being recorded and therefore the appropriate compensation
8 records were not passed to Mid Missouri. Since SBC did not have its own records, it
9 agreed to use Mid Missouri's records to estimate the amount of traffic and reach an
10 acceptable settlement for this traffic. Full and complete payment was made by SBC
11 to Mid Missouri and any other ILEC that was impacted, and SBC corrected its
12 translations to ensure recordings were made going forward.

13

14 **Q. WHAT RECORDS AND REPORTS IS SBC PROVIDING MID MISSOURI**
15 **TODAY?**

16 A. SBC is providing Mid Missouri with Missouri category 11 records for the traffic
17 originated by its end user customers. SBC pays Mid Missouri terminating access
18 based upon these Missouri category 11 records. SBC also provides a monthly
19 Cellular Transit Usage Summary Report that provides the number of minutes
20 terminated by wireless carriers to Mid Missouri each month. SBC provides the UNE-
21 P reports to provide the number of CLEC UNE-P originated minutes terminated to
22 Mid Missouri each month (and began making individual detail records available to
23 Mid Missouri in November 2002). SBC also provides an operator services report to

1 Mid Missouri each month for those carriers for which SBC serves as their intraLATA
2 toll operator service provider. This report provides a summary of the SBC processed
3 intraLATA toll operator handled traffic that is originated by another carrier and
4 terminated to Mid Missouri each month.

5
6 **Q. HAVE YOU SEEN ANY DATA FROM MID MISSOURI TO SUBSTANTIATE**
7 **ITS CLAIMS OF UNIDENTIFIED TRAFFIC?**

8 A. No. Mr. Jones in his direct testimony alleges that the unidentified traffic is 13%.

9 However, I have not seen any data to support this number. In fact, the data from Mid
10 Missouri that we reviewed in this proceeding, indicated that the traffic that Mid
11 Missouri believed to be in violation of the Commission's July 18, 2000 Order in Case
12 No. TC-2001-20 was not in fact originated by SBC. Rather the vast majority was
13 wireless originated traffic.

14
15 **8) Miscellaneous Issues**

16
17 **Q. MR. JONES IN HIS DIRECT TESTIMONY¹⁴ DISCUSSES AN**
18 **INTERCONNECTION ARRANGEMENT BETWEEN ALLTEL WIRELESS**
19 **AND CINGULAR. ARE YOU FAMILIAR WITH THIS ARRANGEMENT?**

20 A. I am aware that Alltel Wireless initially had an arrangement with Cingular to
21 terminate its wireless traffic. In May of 2001, Alltel Wireless established an
22 interconnection arrangement with SBC that allowed Alltel Wireless to transit its
23 wireless traffic across SBC's network to reach other carriers.

¹⁴ See Jones Direct at pp. 15-16.

1 **Q. WHEN THE INTERCONNECTION BETWEEN SBC AND ALLTEL**
2 **WIRELESS WAS INITIALLY ESTABLISHED, WERE ANY DIFFICULTIES**
3 **ENCOUNTERED?**

4 A. Yes. While the facilities were established between SBC and Alltel Wireless, SBC's
5 system was not initially recording the traffic on the Alltel wireless trunk group in St.
6 Joseph, Missouri. This allowed the wireless traffic from Alltel Wireless to travel
7 across SBC's network without the terminating carriers receiving any type of
8 information about the traffic.

9

10 **Q. WAS SBC IMPACTED BY THIS SITUATION?**

11 A. Yes. SBC initially was not recording any of the traffic on the Alltel wireless trunk
12 group including the traffic that terminated to SBC end users. Therefore, SBC did not
13 bill either its reciprocal compensation rate or its transiting charges to Alltel Wireless
14 on this traffic over an approximate six-month period. Alltel Wireless'
15 interconnection was established on May 3, 2001, at the St. Joseph switch and the
16 recordings were corrected on October 24, 2001. During this period, SBC also did not
17 bill Alltel Wireless for any traffic that transited SBC's network over this particular
18 trunk group and terminated to another carrier.

19

20 **Q. WERE SBC AND ALLTEL WIRELESS ABLE TO RESOLVE THIS**
21 **MATTER?**

22 A. Yes. After making the necessary translation changes to begin recording the traffic
23 from Alltel Wireless, SBC and Alltel Wireless agreed to use the four month period

1 (the December 5, 2001 bill period through the March 5, 2002 bill period) to estimate
2 the amount of traffic that was originated by Alltel Wireless and terminated by SBC
3 for the six month period when the switch was not recording the traffic.
4

5 **Q. COULD MID MISSOURI UTILIZE THE SAME SETTLEMENT PROCESS**
6 **FOR COMPENSATION DURING THIS PERIOD OF TIME?**

7 A. Yes. In fact, SBC discussed with Alltel Wireless the impact of this recording error on
8 carriers that subtend SBC's tandem and Alltel Wireless indicated that it was
9 agreeable to using the same method to estimate the lost traffic that terminated to other
10 carriers. SBC notified counsel for Mid Missouri on March 21, 2002, of the method
11 utilized by SBC so that Mid Missouri (and the other members of the MITG) could
12 make similar arrangements with Alltel Wireless if they chose to do so.
13

14 **Q. DO CARRIER TO CARRIER SITUATIONS, SUCH AS SBC'S INITIAL**
15 **ERROR IN RECORDING THE ALLTEL WIRELESS TRAFFIC, OCCUR**
16 **FROM TIME TO TIME?**

17 A. Yes. I believe all carriers strive to have a network that operates at 100% efficiency
18 and without error. However, it must be remembered that human error will occur even
19 in the most sophisticated carriers' networks because they are run by people. The
20 details of network interconnection are also very complicated and from time to time
21 situations arise that require the carriers to resolve the matter on a carrier to carrier
22 basis, such as how SBC and Alltel Wireless resolved this matter. SBC handled in a
23 similar fashion the recording problem it encountered with its Local Plus® service,

1 which Mr. Jones once again raises (although they omit the fact that the issue has long
2 been resolved). Upon discovering its mistake during an investigation of unidentified
3 traffic, SBC self-reported its error to the industry and to Staff. SBC promptly
4 corrected the problem so that the traffic would be properly recorded in the future and
5 immediately made appropriate settlements with all affected downstream carriers.

6
7 **Q. MS. DAY DISCUSSES A CALL THAT APPARENTLY ORIGINATED FROM**
8 **COIN IOWA IN HER DIRECT TESTIMONY AT PAGE 17. ARE YOU**
9 **FAMILIAR WITH CINGULAR'S NETWORK?**

10 A. No. In reviewing this situation, I did discuss this matter with Cingular Wireless since
11 Ms. Day's testimony indicates Cingular handed the call off to SBC. Cingular is not
12 aware of providing service in Coin, Iowa, which is just over the Iowa border north of
13 Maryville Missouri. Cingular informed me that they have roaming arrangements
14 with wireless carriers across the country, including with Northwest Missouri Cellular
15 and Mid Missouri Cellular. Cingular has a switch sharing arrangement with
16 Northwest Missouri Cellular.

17
18 **Q. ARE YOU AWARE OF HOW THIS CALL ENTERED SBC'S NETWORK?**

19 A. No. I am not familiar with the arrangements between these wireless carriers, but it is
20 possible that Mid Missouri Wireless also has a roaming arrangement with Northwest
21 Missouri Cellular. Therefore, the Mid Missouri Cellular customer's call may have
22 been placed via a roaming arrangement between Mid Missouri Cellular and
23 Northwest Missouri Cellular. It is possible the call went from Mid Missouri Cellular

1 to Northwest Missouri Cellular to Cingular to SBC to Mid Missouri Telephone. In
2 any case, the originating party (Mid Missouri Cellular) is responsible for
3 compensating the terminating party (Mid Missouri Telephone). Even assuming that
4 this call was an interMTA call, SBC does not have the ability to screen out such a
5 call. And as I explained previously, SBC blocks traffic pursuant to the Commission's
6 Order in Case No. TC-2001-20 by trunk group not by originating and terminating
7 number. If blocking were to be applied to prevent this one type of call from being
8 completed, all intraMTA calls would also be blocked.

9
10 **9) How should the Commission proceed with this Complaint?**

11
12 **Q. WHAT SHOULD THE COMMISSION ORDER IN THIS CASE?**

13 A. The Commission should reject the Mid Missouri's attempt to change the business
14 relationship. Mid Missouri simply wants SBC to compensate it for traffic that is not
15 originated by SBC's customers. It is inappropriate and unfair to impose any financial
16 obligation on SBC for transited traffic.

17
18 As demonstrated by SBC's research of the calls at issue in this case, the traffic Mid
19 Missouri alleges was originated by SBC was in fact wireless originated traffic and
20 does not violate the Commission's July 18, 2000 Order. Mid Missouri is one of the
21 complainants in Case No. TC-2002-57, which deals with the compensation between
22 Mid Missouri and the wireless carriers. As in that case, the Commission should deny
23 Mid Missouri's complaint and direct it to negotiate an interconnection agreement
24 under the Act with the wireless carriers that have sought such negotiations. If the

1 parties conduct good faith negotiations but are not able to reach agreement on the
2 rates, terms and conditions, they should request arbitration under the Act.

3

4 **Conclusion**

5

6 **Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY.**

7 A. Mid Missouri has not demonstrated that SBC terminated or transited traffic to Mid
8 Missouri's exchanges in violation of the Commission's Order in Case No. TC-2001-
9 20. Nearly all of the traffic Mid Missouri claims came from SBC customers was
10 actually wireless traffic. And as Mid Missouri has provided no jurisdictional
11 evidence, any claim that such wireless traffic might be interMTA is unsubstantiated.
12 Its claims with respect to the calls it alleges came from Alltel, Sprint and Verizon
13 customers are also unsubstantiated. The Commission should deny Mid Missouri's
14 complaint.

15

16 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

17 A. Yes.