

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of AT&T Communications)	
of the Southwest, Inc.'s Proposed Tariff to)	Case No. TT-2002-129, <i>et al.</i>
Establish a Monthly Instate Connection)	(consolidated)
Fee and Surcharge)	

MCI AND TELECONNECT'S MOTION FOR LEAVE TO FILE AMENDED DIRECT TESTIMONY

COME NOW MCI WorldCom Communications, Inc. and Teleconnect Long Distance Services and Systems Company, Inc. (collectively "MCI"), pursuant to 4 CSR 240-2.130(8) and for their Motion for Leave to File Amended Direct Testimony state to the Commission:

1. MCI and Teleconnect timely filed the Direct Testimony of Andrew Graves on June 1, 2005.
2. In the course of considering discovery submitted by Public Counsel, MCI and Teleconnect have determined that it is necessary and appropriate to amend the foregoing prefiled testimony by adding the following text at page 19:

Q. Does the charge apply if the customer also subscribes to MCI local service?

A. No, it was never MCI's intent to apply the charge to long distance customers that also subscribe to MCI local service. The tariff does not clearly state this exemption, but it is my understanding that MCI has not applied the charge to its local customers. We need to revise the tariff to make this exemption clear. I became aware of this ambiguity, and resulting misunderstanding of the tariff by our attorneys, in the course of considering discovery sent to us by Public Counsel. We then amended my testimony to clarify this point.

Q. Why doesn't the charge apply to MCI's local service subscribers?

A. When MCI provides local service through its own facilities, including unbundled local loops and either its own switches or unbundled

switching, its long distance affiliate does not have to pay originating access charges to an unrelated carrier. In some instances the other party to the call will also be an MCI local customer, and external terminating access charges will also not apply, but on average MCI incurs only about half of the external access costs when the long distance customer is also its local service customer. The charge at issue does not come close to recovering all the excessive access costs imposed on MCI in Missouri, but we nonetheless concluded that it was reasonable to exempt our local customers from the charge.

The proposed Amended Direct Testimony of Andrew Graves, including the foregoing new text, is submitted with this Motion.

3. As indicated in this additional testimony, due to an ambiguity in the tariff language, there has been a misunderstanding of the scope of application of the surcharge that is at issue for MCI and Teleconnect. Specifically, while MCI and Teleconnect have never intended to apply the surcharge to their local customers, the tariff has not made that intent clear and as a result counsel has not previously understood or explained that aspect of the tariff correctly, including in the process of drafting proposed direct testimony.

4. It is necessary and appropriate for MCI and Teleconnect to clarify for the Commission the intended application of the surcharge at issue by means of revising their prefiled direct testimony. No party will be prejudiced by this amendment, for several reasons. First, the change is limited in scope. Second, rebuttal testimony is not due until July 6, 2005, so all other parties will have sufficient time to address this amendment to the direct testimony in their rebuttal. Third, the amendment does not inject a new issue into the proceedings, because AT&T and Sprint have previously made it clear that their tariffs include a similar exemption for their local customers and these companies have already addressed that aspect of their surcharges in their direct testimony. (Rhinehart Direct, p. 15; Appleby Direct, p. 10-11).

WHEREFORE, MCI and Teleconnect seek leave to file the Amended Direct Testimony of Andrew Graves submitted herewith.

CURTIS, HEINZ,
GARRETT & O'KEEFE, P.C.

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 20th day of June 2005.

/s/ **Carl J. Lumley**
