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January 19, 2001

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Missouri 65102

Re: Case No. TO-99-593
- Network Case

FILED³
JAN 19 2001
Missouri Public
Service Commission

Dear Mr. Roberts:

Enclosed for filing please find an original and eight copies of The Small Telephone Company Group's Statement of Positions.

Please see that this filing is brought to the attention of the appropriate Commission personnel. Copies are today being provided to parties of record. I thank you in advance for your cooperation in this matter.

Sincerely,

Brian T. McCartney
Brian T. McCartney

BTM/da
Enclosure
cc: Parties of Record

FILED³
JAN 19 2001

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Investigation)
into Signaling Protocols, Call)
Records, Trunking Arrangements,)
and Traffic Measurement.)

CASE NO. TO-99-593

THE SMALL TELEPHONE COMPANY GROUP'S STATEMENT OF POSITIONS

COMES NOW the Small Telephone Company Group ("STCG"), pursuant to the October 10, 2000 *Order Establishing Procedural Schedule* issued by the Missouri Public Service Commission ("Commission"), and offers the following Statement of Position:

1. **Signaling Protocols.** Is it necessary for the Commission to decide in this case what signaling protocols should be utilized for intrastate intraLATA traffic terminating over the common trunks between the former PTCs and the former SCs?

It is not necessary at this time for the Commission to make any final decisions as to the signaling protocols that must be used for intrastate intraLATA traffic terminating over the common trunks between the former Primary Toll Carriers ("PTCs") and the former Secondary Carriers ("SCs"). However, the STCG believes it is appropriate for the Commission to formally recognize, as a policy matter, that in the long run *all* interexchange traffic should be delivered with the Feature Group D ("FGD") protocol.

2. **Traffic Measurement.** How and where should intrastate intraLATA traffic terminating over the common trunks between the former PTCs and the former SCs be measured for purposes of terminating compensation?

Local Exchange Carriers ("LECs") terminating interexchange traffic should have the right to make their own measurement of the use of their facilities. This is the most competitively neutral solution to the question of traffic measurement in a competitive environment.

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LECs possessing their own tandem should measure the total traffic terminating over the common trunk group and then subtract the following types of traffic: reported interstate intraLATA traffic; reported Feature Group A ("FGA") traffic; reported wireless traffic such as that reported on Cellular Transiting Usage Summary Reports ("CTUSR"); and Metropolitan Calling Area ("MCA") traffic (if applicable). The terminating LECs should then be allowed to bill the interexchange carrier (former PTC) ordering the trunk for any remaining terminating traffic.

LECs with end offices served by the tandem of a former PTC should measure the total traffic terminating over the common trunk group and then subtract the following types of traffic: reported interstate intraLATA traffic; reported FGA traffic; reported wireless traffic such as that reported on CTUSRs; interexchange carrier traffic; and MCA traffic (if applicable). The terminating LECs should then be allowed to bill the interexchange carrier (former PTC) ordering the trunk for any remaining terminating traffic.

Those LECs that choose not to implement additional recording capabilities and make changes to billing systems may opt to continue using originating records for billing purposes.

3. Call Records. What call records should be utilized for intrastate intraLATA traffic terminating over the common trunks between the former PTCs and the former SCs?

Industry standard call code 199 AMA records (including the 1101 and 1150 summary records) should be used for this traffic. These are the same call records that are currently in use for IXC (including former PTC) traffic. The AG655-001 through AG655-004 reports should continue to be used to report interstate and intrastate FGA traffic. Until individual call detail records can be developed, CTUSRs should continue to be used to report wireless traffic.

Category 11 records should continue to be used to record interexchange carrier ("IXC") usage to non-tandem LECs. Category 11 records should also be used to report interstate intraLATA traffic; however, this is an interstate issue and the Commission cannot require these records.

4. **Trunking Arrangements.** What changes, if any, should be made to the existing common trunking arrangements between the former PTCs and the former SCs?

Where feasible, it may be appropriate to separately trunk traffic for which the LECs agree that there is no compensation. For example, intercompany compensation for MCA service is handled on a bill and keep basis. Because no compensation is exchanged between LECs for MCA traffic, it would be appropriate to place MCA traffic on separate trunks. In lieu of separate trunking for MCA traffic, a traffic study could be performed and a factor could be developed to determine the amount of MCA traffic on the common trunks.

5. **Business Relationships.** What business relationship should be utilized for payment for intrastate intraLATA traffic terminating over the common trunks between the former PTCs and the former SCs?

The LECs should be allowed to use the same business model that was developed in the competitive IXC carrier environment. Specifically, the carrier who orders the facility (i.e. trunks) for terminating traffic to a tandem switch should be responsible for the terminating cost for all of the traffic that terminates over the facility. Under this model, the terminating LEC measures the total traffic terminating over the facility and bills it to the terminating carrier.

In a competitive environment, *all* interexchange carriers, including the former PTCs, should be required to use this business arrangement. LECs should not be forced to rely on other LECs' records in a competitive environment.

6. **Call Blocking. What procedure or arrangement, if any, should be utilized to prevent noncompensated intrastate intraLATA traffic from continuing to terminate over the common trunks between the former PTCs and the former SCs?**

Hopefully, call blocking of noncompensated intrastate intraLATA traffic will only have to occur in rare circumstances once an appropriate business relationship is established between the former PTCs and SCs. However, because of the common trunk group, the small companies may not be able to effectuate such blocking by themselves. Therefore, it may be appropriate for the small companies to request the former PTCs that are responsible for the common trunk to block this traffic. The former PTCs should be allowed to charge a reasonable fee for this service.

Alternatively, the Commission may choose to adopt a secondary liability and indemnity relationship, as the Commission did in Case No. TT-97-524, when other carriers do not pay for their service. Under this relationship, the former PTC should be secondarily liable to the former SC for noncompensated traffic. Upon payment to the former SC, the former PTC would have indemnity rights against the non-paying carrier.

Respectfully submitted,



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Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was mailed or hand-delivered, this 19th day of January, 2001, to:

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