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January 19, 2001

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
301 West High Street, Floor 5A
Jefferson City, Missouri 65101

Re: Case No. TO-99-593

Dear Judge Roberts:

Enclosed for filing with the Commission in the above-referenced case is an original and eight copies of Southwestern Bell Telephone Company's Position Statement

Thank you for bringing this matter to the attention of the Commission.

Very truly yours,

Leo J. Bub/tm

Leo J. Bub

Enclosure

cc: Attorneys of Record

2
FILED²
JAN 19 2001
Missouri Public
Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²
JAN 19 2001
Missouri Public
Service Commission

In the Matter of the Investigation into Signaling)
Protocols, Call Records, Trunking Arrangements,) Case No. TO-99-593
and Traffic Measurement.)

**SOUTHWESTERN BELL TELEPHONE COMPANY'S
POSITION STATEMENT**

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

SWBT Position: No. All parties to this case have recognized that mandating a change in signaling protocols from Feature Group C (FGC) to Feature Group D (FGD) for terminating intrastate, intraLATA traffic would not address the billing and compensation issues the small companies are concerned with in this case. Requiring the use of FGD signaling protocol by all Missouri LECs would be extremely expensive and require significant network expenditures and trunk rearrangements, but would produce no benefits. (SWBT, Scharfenberg Direct, pp. 11-16; STCG, Schoonmaker Direct, p. 23).

Issue 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?

SWBT Position: LEC originated toll calls should be measured where the originating call is recorded for end-user billing. This is the standard industry method and the only method uniformly available to identify the carrier that originated the call. (SWBT, Scharfenberg Direct, pp. 18-19; SWBT, Dunlap Direct, pp. 13-15, Rebuttal p. 13).

64

Issue 3 - Call Records: What call records should be utilized for intrastate intraLATA traffic terminating over the common trunk groups between the former PTCs and the former SCs?

SWBT Position: This issue has already been decided by the Commission in Case No. TO-99-254. There, the Commission ruled that the former PTCs were to supply the former SCs with Category 11 Records. (Case No. TO-99-254, Report and Order, issued June 10, 1999 at p. 14). In compliance with the Commission's Order, each of the former PTCs implemented programming changes in their processing systems to reformat their records into a Category 11 format. The exact format of these records were developed in cooperation with the former SCs who gave final approval for the format in February 2000. Fidelity, Sprint, SWBT and Verizon began providing these Category 11 records to the former SCs in April 2000 as ordered. (SWBT Dunlap Direct, p. 5).

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

SWBT Position: There are no changes that need to be made in trunking arrangements between the former PTCs and the former SCs. The network can continue to operate as it has since the elimination of the PTC Plan. LECs should not be required to segregate MCA or other types of traffic over separate trunk groups as this would be wasteful and inefficient. (SWBT, Scharfenberg Direct, pp. 19-21, Surrebuttal, pp. 3-4).

Issue 5 - Business Relationships: What business relationships should be utilized for payment for intrastate intraLATA traffic terminating over the common trunks between the former PTCs and the former SCs.

SWBT Position: SWBT objects to MITG and STCG's attempt to raise this issue in that it is not an issue that was identified by the Commission as appropriate for investigation in this case. When the Commission established this case, it did so to investigate "signaling protocols, call records, trunking arrangements and traffic measurement." At no time, however, did the Commission direct that the parties should investigate requiring larger tandem LECs like Fidelity, Sprint, SWBT or Verizon to be financially responsible for paying for the termination of another

carrier's traffic. Moreover, it is an improper collateral attack on an issue previously decided by the Commission in Case No. TO-99-254 which was not appealed. In Case No. TO-99-254, the Commission rejected the SCs' demand that the tandem companies be responsible for paying for any discrepancy between what the SCs recorded and the records they received from the originating carriers. (Case No. TO-99-254 Report and Order, at p. 13). Now, the former SCs are asking for more than just the perceived residual. They are now seeking to hold the tandem companies responsible for nearly all traffic flowing to them, even when the traffic is identified as being originated by another carrier and appropriate billing records are available (the only exception is for wireless, FGA, interstate intraLATA, and MCA traffic). This proposal completely overturns established industry precedent under which the carrier whose customer placed the call is responsible for compensating other carriers involved in completing the call. (SWBT, Hughes Rebuttal, pp. 2-4, Surrebuttal pp. 3, 10). Rather than abandoning the significant investments that have been made to deploy and maintain the existing records system, the Commission should direct the parties in this case to focus their efforts on improving and maintaining the existing system for the benefit of all carriers in the industry.

Issue 6 - Call Blocking - What procedure or arrangement, if any, should be utilized to prevent non-compensated intrastate intraLATA traffic from continuing to terminate over the common trunks between the former PTCs and the former SC?

SWBT Position: SWBT objects to MITG and STCG's attempt to raise call blocking issues in this proceeding. The Commission initiated this case to investigate signaling protocols, call records, trunk arrangements and traffic measurement. It did not direct the parties to investigate call blocking. Moreover, every telecommunications provider has an obligation under federal law to allow indirect interconnection and to permit other carriers to use its network to reach the networks of other carriers like the former SCs. (Federal Telecommunications Act of 1996, Section 251(a)(1)). Without a specific order from the Commission, the former PTCs have

no authority to block other carriers' traffic destined to the former SCs. (SWBT, Hughes
Rebuttal, pp. 11-13).

Respectfully submitted,

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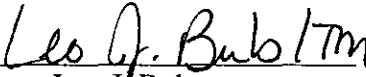
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CERTIFICATE OF SERVICE

Copies of this document were served on the following parties by e-mail and first-class, postage prepaid, U.S. Mail on January 19, 2001.


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