

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of the Second Investigation)
Into the State of Competition in the) TO-2005-0035
Exchanges of Southwestern Bell Telephone,)
L.P., d/b/a SBC Missouri.)

Socket Telecom, LLC's Response to SBC's Objection to Late Filed Exhibit 53

COMES NOW Socket Telecom, LLC ("Socket") pursuant to Rule 4 CSR 240-2.080(15) and for its Response to SBC's Objection to Late Filed Exhibit 53 states:

1. On February 9, 2005, Socket Telecom, LLC ("Socket") filed Late Filed Exhibit 53. On February 15, 2005, Southwestern Bell Telephone, L.P. d/b/a SBC Missouri ("SBC") filed its Objection To Late-Filed Exhibit 53, which alleges that Late Filed Exhibit 53 is incomplete, incorrect, and potentially misleading. Socket disagrees with SBC's description of Late-Filed Exhibit 53 and requests the Commission to overrule SBC's Objection to Late-Filed Exhibit 53.

2. First, Socket disagrees that Late Filed Exhibit 53 is incomplete. The exhibit provides the information that was requested at the hearing. The first example discussed at the hearing was an Enhanced Extended Loop ("EEL") using a DS0 loop combined with DS0 transport (i.e. a voice grade arrangement). Late-Filed Exhibit correctly confirms that this type of EEL is not available. This fact is confirmed again by SBC's Objection To Late-Filed Exhibit 53, which clearly states that Socket is correct that this type of EEL is unavailable.¹ The second example discussed at the hearing was a DS1 EEL or a DS1 loop combined with DS1 unbundled dedicated transport. SBC does not disagree with Socket's cost estimate of the DS1 EEL as set forth in Late Filed Exhibit 53.

¹ SBC Missouri's Objection to Late-Filed Exhibit 53, pg. 1.

3. Through its Objection to Late Filed Exhibit 53, SBC discusses another type of UNE combination. As described in SBC's Objection to Late-Filed Exhibit 53, this would be a UNE combination comprised of a DS0 loop, unbundled DS0 to DS1 multiplexing, DS1 transport, and the necessary cross-connects. SBC then offers its opinion of how CLECs might use this combination of elements, none of which is supported by evidence in the record. More importantly, SBC fails to identify the cost of this arrangement, which is actually more expensive than a DS1 EEL. A cost estimate of a DS0 loop to DS1 transport arrangement is attached as Attachment 1, which Socket offers as a supplement to Late Filed Exhibit 53. While this type of arrangement does allow a CLEC to serve multiple locations in a single exchange using DS0 loops, it also requires the CLEC to purchase DS0 to DS1 multiplexing, which increases the cost. Given this fact, SBC's unsupported conjecture as to how a CLEC might use this type of arrangement is misleading.

4. SBC also asserts that Late-Filed Exhibit 53 is incorrect, claiming CLECs would not be required to incur the cost of delivering local traffic to SBC's facilities in the New Madrid exchange when the CLEC is providing service in New Madrid using an EEL. SBC's statement is in direct conflict with Mr. Kohly's testimony in this case (i.e. Tr. p. 1314), as well as with Attachment 11: Network Interconnection Architecture of the M2A interconnection agreement, which is used by the vast majority of Missouri CLECs as the basis for interconnecting with SBC. (Tr. Unruh p. 522-24). The language taken directly from Attachment 11 of that agreement states:

Subject to Paragraph 1.3 below, the Parties will interconnect their network at a minimum of one mutually agreeable and technically feasible Point of Interconnection (POI) in each SWBT Exchange area in which CLEC offers local exchange service area.

Paragraph 1.3 referenced in the quoted section addresses the situation where the CLEC does not wish to establish a POI in the particular SBC exchange area where the CLEC is offering local exchange service. In this instance, Section 1.3 provides that, “SWBT agrees to provide, for the exchange of local traffic, dedicated or common transport to any other Exchange Area within the LATA requested by the CLEC, or CLEC may self-provision, or use a third party’s facilities”. In other words, if it does not have a POI in the exchange, the CLEC has to either pay SBC to carry “New Madrid” traffic back to New Madrid or make other arrangements (self-provision or use of third party facilities) to carry that traffic back to New Madrid for delivery to SBC in New Madrid. Either way, the CLEC is financially responsible to delivering all traffic bound for an SBC Missouri customer located in New Madrid to SBC in New Madrid.

5. Finally, as the Commission considers the potential for use of EELs as a competitive alternative, the Commission should be aware of a new limitation on the use of EELs imposed by the FCC’s *Triennial Review Remand Order*. That order imposed a limit on the number of DS1 transport routes that a CLEC may have between two ILEC wire centers at a maximum of ten (see § 51.319(e)(2)(B)). This limitation will cap the number of customers that a CLEC may serve in an exchange through the use of EELs or require the CLEC to move to upgrade to DS3 transport if available and if financially feasible. The details of how and when this cap will apply are still being analyzed but the Commission should be aware that there are additional limitations on the use of EELs because of restrictions imposed upon the availability of DS1 and DS3 Transport.

WHEREFORE, Socket prays that the Commission overrule SBC's Objection and admit Late Filed Exhibit 53, as hereby supplemented, into the record of this proceeding.

Respectfully submitted,

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CERTIFICATE OF SERVICE

A true and correct copy of the foregoing document was mailed and e-mailed this 21st day of February, 2005, by placing same in the U.S. Mail postage paid and emailing to:

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| | Recurring | | | Non-Recurring | |
|--------------------------|--|---|---------------------------------------|---|--|
| | Monthly Charge for a DS0 to DS1 if one Voice Grade loop is provisioned | Monthly Charge for a DS0 to DS1 if the max. of 24 Voice Grade loops are provisioned | 1st Non-Recurring Charge for DS0 loop | Add'l Non-Recurring Charge for loop provisioned at same customer location | Add'l Non-Recurring Charge for loop provisioned at a different customer location |
| DS0 to DS1 Combination | | | | | |
| DS0 Loop (Zone 3) | \$ 33.29 | \$ 798.96 | \$ 19.55 | \$ 8.32 | \$ 19.55 |
| DS0 Cross-Connect | \$ 1.60 | \$ 38.40 | \$ 86.30 | \$ 68.11 | \$ 86.30* |
| DS0 to DS1 Multiplexing | \$ 168.23 | \$ 168.23 | \$ 85.64 | | |
| DS1 Transport | \$ 241.98 | \$ 241.98 | \$ 174.43 | | |
| | <u>\$ 445.10</u> | <u>\$ 1,247.57</u> | <u>\$ 365.92</u> | <u>\$ 76.43</u> | <u>\$ 19.55</u> |
| Interconnection Facility | | | | | |
| DS1 Transport | \$ 241.98 | | \$ 174.43 | | |
| Total | \$ 687.08 | | \$ 540.35 | | |

The CLEC will incur the full cost of the DS1 Transport, the DS0 to DS1 Multiplexing when providing the first single voice grade line in the exchange. This cost represents the minimum cost a CLEC will incur to provide local exchange service in the exchange. These facilities can be used to provision a maximum of 24 Voice Grade Lines. The cost for each additional line will include the rates for a DS0 Loop and DS0 Cross-Connect upto a maximum of 24. This does not include the CLEC's other costs such as collocation, switching, interconnection, customer care, and billing.

*There is not a stated rate for a DS0 to multiplexor cross-connect. For purposes of this analysis, the rate for a DS0 or Voice Grade Dedicated Transport Cross-Connect was included