

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Petition for Arbitration)
of Unresolved Issues in a Section 251(b)(5))
Agreement with T-Mobile USA, Inc.) Case No. _____

**VERIFIED PETITION
FOR ARBITRATION OF A TRAFFIC TERMINATION AGREEMENT
UNDER THE TELECOMMUNICATIONS ACT OF 1996**

COME NOW BPS Telephone Company, Cass County Telephone Company, Citizens Telephone Company of Higginsville, Missouri, Craw-Kan Telephone Cooperative, Inc., Ellington Telephone Company, Farber Telephone Company, Fidelity Telephone Company, Fidelity Communications Services I, Inc., Fidelity Communications Services II, Inc., Granby Telephone Company, Grand River Mutual Telephone Corporation, Green Hills Telephone Corporation, Green Hills Telecommunications Services, Holway Telephone Company, Iamo Telephone Company, Kingdom Telephone Company, KLM Telephone Company, Lathrop Telephone Company, Le-Ru Telephone Company, Mark Twain Rural Telephone Company, Mark Twain Communications Company, McDonald County Telephone Company, Miller Telephone Company, New Florence Telephone Company, Oregon Farmers Mutual Telephone Company, Peace Valley Telephone Company, Inc., Rock Port Telephone Company, and Steelville Telephone Exchange, Inc. (the "Petitioners"), pursuant to the Telecommunications Act of 1996 (the "Act"), 47 U.S.C. §§251 and 252, Federal Communications Commission ("FCC") Rule 47 C.F.R §20.11, and Missouri

Public Service Commission (“Commission”) Rule 4 CSR 240-36.040, and for their Petition for Arbitration of unresolved issues remaining in the negotiation between Petitioners and Respondent, T-Mobile USA, Inc. (“T-Mobile”) for a Traffic Termination Agreement (“the Agreement”) state to the Commission as follows:

I. INTRODUCTION

1. Petitioners are small rural local exchange carriers (LECs) operating in the State of Missouri. Petitioners have previously filed Certificates from the Missouri Secretary of State showing that they are in good standing or authorized to do business in the State of Missouri which Petitioners request be incorporated by reference in this case. See Attachment A. Petitioners’ legal names, mailing addresses, and contact persons are listed in Attachment B. Petitioners are telecommunications carriers as defined by the Act, providing “basic local telecommunications services” and “exchange access services”, as those terms are defined in Section 386.020, RSMo 2000. Petitioners provide telecommunications service in rural areas of Missouri. As part of this service, Petitioners provide the facilities and services necessary to complete wireless-originated calls to customers in Missouri’s rural exchanges. The wireless-originated traffic is terminated to Petitioners over common trunk groups owned by Southwestern Bell Telephone Company d/b/a SBC, Sprint, Missouri, Inc., and/or CenturyTel.

2. All communications and submissions in this proceeding should be served upon the following designated contacts for the Petitioners:

W.R. England, III
Brian T. McCartney
Brydon, Swearengen & England, P.C.
312 East Capitol Avenue, P.O. Box 456
Jefferson City, MO 65102-0456
trip@brydonlaw.com
bmccartney@brydonlaw.com
(573) 635-7166
(573) 634-7431 (Fax)

3. Respondent is a commercial mobile radio service ("CMRS" or "wireless") telecommunications provider operating in the State of Missouri and delivering wireless-originated calls for termination to Petitioners' Missouri exchanges.

4. On the same date that this Petition is filed it is being served upon the following contacts for Respondent:

Dan Menser
T-Mobile USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006
dan.menser@t-mobile.com

Mark P. Johnson
Sonnenschein Nath & Rosenthal
4520 Main Street, Suite 1100
Kansas City, MO 64111
mjohnson@sonnenschein.com

5. On April 28, 2005, Petitioners sent a request for negotiation to Respondent by overnight courier for delivery on April 29, 2005. (See Attachment C, which is attached to and incorporated within this document.)

6. Negotiations have failed to produce a voluntary agreement as to all terms of a Traffic Termination Agreement.

7. Petitioners are filing this petition with the Commission more than 135 days and less than 160 days after Petitioners sent the request for negotiation and had it delivered to Respondent. The attached copy of the request for negotiation demonstrates that this Petition complies with the time requirements of 47 U.S.C. §252(b)(1) and 4 CSR 240-36.040(2). See Attachment C.

8. A proposed Agreement is also attached to this Petition. See Attachment D. This proposed Agreement includes the fundamental organizational clauses and subjects contained in numerous other negotiated agreements that this Commission has approved between similarly situated small rural telephone companies and other similarly situated CMRS Providers, such as Alltel, Cingular, Sprint PCS, T-Mobile, Verizon Wireless, and U.S. Cellular. The proposed Agreement complies fully with both Missouri law and Section 252(e) of the Act because the proposed Agreement is consistent with the public interest, convenience and necessity, and it does not discriminate against any telecommunications carrier.

II. COMMISSION ARBITRATION AUTHORITY AND PROCEDURE

9. Under the Act, the Commission has the authority to arbitrate the issues remaining in a negotiation as requested by Petitioners. Specifically, Section 252(b) of the Act provides:

AGREEMENTS ARRIVED AT THROUGH COMPULSORY ARBITRATION.

(1) **ARBITRATION.** During the period from the 135th to the 160th day (inclusive) after the date on which an incumbent local exchange carrier receives a request for negotiation under this section, the carrier or any other party to the negotiation may petition a State Commission to arbitrate any open issues.

47 U.S.C. §252.

10. 4 CSR 240-36.040, Rules and Regulations of the Public Service Commission provides the procedure for requesting and conducting arbitrations.

III. UNRESOLVED ISSUES

11. Petitioners request arbitration of the remaining unresolved issues in order to obtain an approved agreement and resolution of all issues which have surrounded the uncompensated termination of wireless originated traffic and which will obviate future disputes for the term of the approved agreement.

12. The following is a statement of each unresolved issue with a listing of both parties' positions on each unresolved issue as understood by Petitioners to the best of their knowledge and belief. This listing utilizes numbers corresponding to the sections of the proposed Agreement. Documentation supporting Petitioners' position is attached.

A. PRE-WIRELESS TARIFF TRAFFIC (*Section 5.4*)

The wireless traffic records provided by SBC establish that Respondent sent a total of 2,207,943 minutes of wireless-originated calls to Petitioners' small rural exchanges between February of 1998 and the 2001 effective date of the wireless termination service tariffs approved by this Commission. Company-specific minutes of use are detailed in Attachment E (Proprietary). Respondent

delivered this traffic in the absence of an agreement and therefore in violation of the Commission's prohibition against sending such traffic in Case No. TT-97-524. The FCC has held that state law tariffs could and did apply to traffic delivered in the absence of an agreement in CC Docket No. 01-92.¹ Moreover, the Missouri Supreme Court is presently considering whether exchange access tariff rates applied to this traffic in Case No. SC86529 (oral argument held and case submitted on Sept. 28, 2005).

(1.) *Petitioners' Position.* If the Missouri Supreme Court issues a decision before the completion of this arbitration finding that Petitioners should be compensated for this traffic pursuant to their intrastate intraLATA exchange access tariff rates that were approved by and on file with the Commission during the time period between 1998 and 2001, then the Petitioners expect to be compensated for this traffic under their intrastate intraLATA exchange access tariffs. Otherwise, Petitioners' position is that they will accept \$0.035 per minute of use for all intraMTA 1998-2001 traffic (which is the rate that Petitioners have proposed as part of the Traffic Termination Agreement attached hereto as Attachment D). Until these past due amounts are paid in full, Respondent should not get the benefit of any agreement and Petitioners and any transit carriers (such as SBC) should be authorized to take the necessary steps to block Respondent's traffic from terminating to Petitioners' exchanges over the LEC-to-LEC network.

¹ *In the Matter of Developing a Unified Intercarrier Compensation Regime; T-Mobile Petition for Declaratory Ruling*, CC Docket No. 01-92, *Declaratory Ruling and Report and Order*, released Feb. 24, 2005.

(2.) Respondents' Position. Respondent has refused to pay for some or all of its pre-tariff traffic, and Respondent has not offered a rate or any agreement language to address 1998-2001 wireless traffic.

B. POST-WIRELESS TARIFF TRAFFIC (*Section 5.4*)

SBC's wireless traffic records establish that Respondent sent a total of 29,609,077 minutes of wireless-originated calls to Petitioners' small rural exchanges after the 2001 effective date of the wireless termination service tariffs approved by this Commission. Company-specific minutes of use are detailed in Attachment E (Proprietary). Respondent has failed to compensate the Petitioners for some or all of this traffic. Petitioners' tariffs have been upheld by both the Missouri Court of Appeals and the FCC as lawful for the time period at issue here. Moreover, on January 27, 2005, the Commission sustained a Complaint against T-Mobile finding that T-Mobile had failed to pay for its post-tariff wireless traffic and ordering T-Mobile to do so, including interest, late fees, and reasonable attorney's fees.² T-Mobile did not appeal the Commission's decision to the circuit court, yet T-Mobile has failed to comply with the Commission's decision.

(1.) Petitioners' Position. Petitioners' position is that Respondent must compensate Petitioners for all past due traffic in accordance with Petitioners' wireless termination service tariffs, including interest, late fees, and reasonable attorney's fees as authorized by the tariffs. Until these past due amounts are paid in full, Respondent should not get the benefit of any agreement and

² *BPS Telephone Co. et al. Complaint*, Case No TC-2002-1077, *Report and Order*, issued Jan. 27, 2005.

Petitioners and any transit carriers (such as SBC) should be authorized to take the necessary steps to block Respondent's traffic from terminating to Petitioners' exchanges over the LEC-to-LEC network.

(2.) Respondents' Position. Respondents have provided no language relating to past due wireless termination tariff traffic.

C. IntraMTA Wireless Termination Rate (*Appendix 1*)

The Parties disagree on the appropriate rate to apply for termination of "Local Traffic" via an indirect interconnection.

(1.) Petitioners' Position. Petitioners propose that the wireless termination service rate for intraMTA wireless traffic delivered pursuant to the agreement should be \$0.035 per minute. This rate (\$0.035) is supported by the forward-looking cost studies that are being filed contemporaneously with the filing of this Petition as Attachment F. It is also the same rate that has been agreed to in numerous other negotiated agreements between small rural ILECs and wireless carriers such as Cingular, Sprint PCS, T-Mobile, U.S. Cellular, and Verizon Wireless.

(2.) Respondents' Position. Respondent has not agreed to the \$0.035 rate or provided an alternative rate.

D. InterMTA Factors (*Appendix 2*)

The Parties disagree on the appropriate interMTA factor.

(1.) Petitioners' Position. Petitioners' position is that the Commission should adopt the InterMTA factors listed in Attachment G.

(2.) Respondents' Position. Respondents have provided no language or proposals for interMTA factors.

E. Reciprocal Compensation for Interexchange Carrier (IXC) Traffic

(Section 1.1- Scope)

The Parties disagree as to whether Petitioners have an obligation to pay reciprocal compensation on landline traffic terminated to Respondent by third party carriers (such as IXCs) where that traffic is neither originated by, nor the responsibility of, Petitioners.

(1.) Petitioners' Position. Petitioners' position is that they have no obligation to pay reciprocal compensation on landline traffic terminated to Respondent by third party carriers (such as IXCs) where that traffic is neither originated by, nor the responsibility of, Petitioners. This is consistent with the Act, FCC rules, industry practice and numerous Commission approved traffic termination agreements between Small Rural ILECs and Wireless Carriers.

(2.) Respondents' Position. Respondent's position is that all intraMTA landline traffic originated by end-users in Petitioners' exchanges and terminated to Respondent, regardless of which carrier carries the call, are subject to reciprocal compensation for which Petitioners are financially responsible.

IV. CONCLUSION

WHEREFORE, Petitioners respectfully request the Commission to issue an Order: (1) appointing an arbitrator to schedule an initial arbitration meeting as soon as possible and to resolve the disputed issues; (2) approving an Agreement setting forth both the voluntarily agreed terms and also the arbitrated matters and

terms; and (3) granting such other relief as is reasonable under the circumstances.

RESPECTFULLY SUBMITTED,

/s/ Brian T. McCartney

W.R. England, III Mo. #23975
Brian T. McCartney Mo. #47788
BRYDON, SWEARENGEN & ENGLAND P.C.
312 East Capitol Avenue, P.O. Box 456
Jefferson City, MO 65102-0456
trip@brydonlaw.com
bmccartney@brydonlaw.com
(573) 635-7166
(573) 634-7431 (FAX)
Attorneys for Petitioners

LIST OF ATTACHMENTS

Attachment A	Case Numbers for Certificates from Missouri Secretary of State
Attachment B	Petitioner Contact Information
Attachment C	Request for Negotiation
Attachment D	Proposed Agreement
Attachment E	Unpaid Pre- and Post-Wireless Tariff Traffic (PROPRIETARY)
Attachment F	Cost Studies
Attachment G	InterMTA Factor Chart

Attachment A

Case Numbers for Certificates from Missouri Secretary of State

<u>Telephone Companies</u>	<u>Certificate From Secretary of State Filed in Case Nos.:</u>
BPS Telephone Company	TC-2002-1077
Cass County Telephone Company	TC-2002-1077
Citizens Telephone Company	TC-2002-1077
Craw-Kan Telephone Cooperative, Inc.	TC-2002-1077
Ellington Telephone Company	TK-2003-0307
Farber Telephone Company	TO-2004-0437
Fidelity Telephone Company	TC-2002-1077
Fidelity Communications Services I, Inc.	TC-2002-1077
Fidelity Communications Services II, Inc.	CK-2003-0285
Granby Telephone Company	TO-2004-0493
Grand River Mutual Telephone Corporation	TC-2002-1077
Green Hills Telecommunications Services	CO-2003-0162
Green Hills Telephone Corporation	TC-2002-1077
Holway Telephone Company	TC-2002-1077
Iamo Telephone Corporation	TC-2002-1077
Kingdom Telephone Company	TC-2002-1077
KLM Telephone Company	TC-2002-1077
Lathrop Telephone Company	TC-2002-1077
Le-Ru Telephone Company	IK-2003-0255
Mark Twain Rural Telephone Company	TC-2002-1077
Mark Twain Communications Company	TA-98-305
McDonald County Telephone Company	TO-2004-0491
Miller Telephone Company	TM-2001-0448
New Florence Telephone Company	TA-2002-0314
Oregon Farmers Mutual Telephone Company	TF-98-243
Peace Valley Telephone Company, Inc.	IK-2003-0223
Rock Port Telephone Company	IK-2003-0259
Steelville Telephone Exchange, Inc.	IK-2003-0222

ATTACHMENT A

ATTACHMENT B – COMPANY NAME AND CONTACT INFORMATION

BPS Telephone Company
Lisa Winberry/David Carson
120 Stewart Street
P.O. Box 550
Bernie, MO 63822-0550

Cass County Telephone Company
Bob Schoonmaker
260 West First Street
P.O. Box 398
Peculiar, MO 64078

Citizens Telephone Company of
Higginsville, Missouri
Brian Cornelius
1905 Walnut Street
P.O. Box 737
Higginsville, MO 64037-0737

Craw-Kan Telephone Cooperative, Inc.
Craig Wilbert
200 North Ozark
P.O. Box 100
Girard, KS 66743

Ellington Telephone Company
Dee McCormack
200 College Avenue
P.O. Box 400
Ellington, MO 63638

Farber Telephone Company
Charles Crow
Main & Linn Streets
Farber, MO 63345

Fidelity Telephone Company
Fidelity Communications Services I, Inc.
Fidelity Communications Services II, Inc.
Dave Beier
64 North Clark
Sullivan, MO 63080

Granby Telephone Company
Jon Stouffer
P.O. Box 200
Granby, MO 64844

Grand River Mutual Telephone
Corporation
Rod Cotton
1001 Kentucky Street
Princeton, MO 64673

Green Hills Telephone Corporation
Green Hills Telecommunication
Services
Steve Gann/Renee Reeter
7926 N.E. State Route M
P.O. Box 227
Breckenridge, MO 64625

Holway Telephone Company
Bruce Copsey
208 Ash
P.O. Box 112
Maitland, MO 64466-0112

Iamo Telephone Company
Jack Jones
104 Crook Street
P.O. Box 368
Coin, IA 51636

Kingdom Telephone Company
Randy Boyd
211 South Main
P.O. Box 97
Auxvasse, MO 65231

KLM Telephone Company
Bruce Copsey
616 E. Park Avenue
P.O. Box 30
Rich Hill, MO 64779

Lathrop Telephone Company
Bruce Copsey
P.O. Box 167
Princeton, MO 64673

Le-Ru Telephone Company
Robert Hart
P.O. Box 147
Stella, MO 64867-0147

Mark Twain Rural Telephone Company
Jim Lyon
Highway 6 East
P.O. Box 68
Hurdland, MO 63547

Mark Twain Rural Telephone Company
Mark Twain Communications Company
Jim Lyon
Highway 6 East
P.O. Box 68
Hurdland, MO 63547

McDonald County Telephone Company
Ross Babbitt
704 North Main Street, Hwy. W
P.O. Box 207
Pineville, MO 64856-0207

Miller Telephone Company
Debbie Choate
213 East Main Street
Box 7
Miller, MO 65707

New Florence Telephone Company
Bob Williams
P.O. Box 216
Oregon, MO 64473

Oregon Farmers Mutual Telephone
Company
Randy Williams
118 East Nodaway
Box 227
Oregon, MO 64473

Peace Valley Telephone Company, Inc.
Maurice Bosserman
7101 State Road W
P.O. Box 9
Peace Valley, MO 65788

Rock Port Telephone Company
Raymond Henagan
107 West Opp
P.O. Box 147
Rock Port, MO 64482

Steelville Telephone Exchange, Inc.
Don Santhuff
61 East Hwy. 8
P.O. Box 370
Steelville, MO 65565

ATTACHMENT E (PROPRIETARY)
UNPAID PRE- AND POST-WIRELESS TARIFF TRAFFIC

ATTACHMENT E IS PROPRIETARY

ATTACHMENT E (PROPRIETARY)

ATTACHMENT G
SUMMARY OF INTERMTA FACTORS
AND PETITIONERS' PROPOSED FACTORS

Telephone Company	Proposed Factors
BPS Telephone Company	52%
Cass County Telephone Company	0%
Citizens Telephone Company	0%
Craw-Kan Telephone Cooperative, Inc.	7%
Ellington Telephone Company	0%
Farber Telephone Company	0%
Fidelity Telephone Company	5%
Fidelity Communications Services I	5%
Fidelity Communications Services II	5%
Granby Telephone Company	0%
Grand River Mutual Telephone Corp.	0%
Green Hills Telephone Corporation	0%
Green Hills Telecommunication Services	0%
Holway Telephone Company	0%
Iamo Telephone Company	0%
Kingdom Telephone Company	0%
KLM Telephone Company	0%
Lathrop Telephone Company	0%
Le-Ru Telephone Company	0%
Mark Twain Rural Telephone Company	70%
Mark Twain Communications Co.	70%
McDonald County Telephone Co.	0%
Miller Telephone Company	0%
New Florence Telephone Company	0%
Oregon Farmers Mutual Telephone Co.	0%
Peace Valley Telephone Company, Inc.	0%
Rock Port Telephone Company	0%
Steelville Telephone Exchange, Inc.	0%

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or via electronic mail, or hand-delivered on this 4th day of October, 2005, to the following parties:

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

Michael F. Dandino
Office of the Public Counsel
P.O. Box 7800
Jefferson City, Missouri 65102

Dan Menser
T-Mobile USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006
dan.menser@t-mobile.com

Mark P. Johnson
Sonnenschein Nath & Rosenthal
4520 Main Street, Suite 1100
Kansas City, MO 64111
mjohnson@sonnenschein.com

/s/ Brian T. McCartney

Brian T. McCartney