

Commissioners
KELVIN L. SIMMONS
Chair

CONNIE MURRAY
SHEILA LUMPE

STEVE GAW

Missouri Public Service Commission

POST OFFICE BOX 360 JEFFERSON CITY, MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number) http://www.psc.state.mo.us

September 18, 2001

ROBERT J. QUINN, JR. Executive Director

WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DONNA M. KOLILIS Director, Administration

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE General Counsel

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

RE: Case No. TO-2001-467

FILED

SEP 1 8 2001

Missouri Public Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the STAFF'S STATEMENT OF POSITION.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

William K. Haas

Deputy General Counsel

Wm K Hoos

(573) 751-7510

(573) 751-9285 (Fax)

WKH/lb Enclosure

cc: Counsel of Record

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



Missouri Public Service Commission

In the Matter of the Investigation of the )	
State of Competition in the Exchanges of )	Case No. TO-2001-467
Southwestern Rell Telephone Company	

## **STAFF'S STATEMENT OF POSITION**

COMES NOW the Staff of the Missouri Public Service Commission and states:

- 1. On April 30, 2001, the Missouri Public Service Commission issued an Order that, inter alia, adopted a procedural schedule that included the filing of a list of issues on September 14, 2001, and the filing of statements of position on September 18, 2001.
- 2. On September 14, 2001, the Staff filed, on behalf of itself and the other parties who are sponsoring witnesses, an agreed upon list of issues to be heard.
  - 3. The Staff's position on those issues follows:
  - 1. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's core business switched services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's core business switched services should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 in only the Kansas City and St. Louis exchanges. (Voight Rebuttal, pp. 5; 44-51)<sup>1</sup>

2. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's business line related services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's business line related services should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 in only the Kansas City and St.

<sup>&</sup>lt;sup>1</sup> Citations to prefiled testimony are included to assist the reader understand the Staff's positions but do not necessarily show all of the Staff's support for its positions.

Louis exchanges, if the underlying basic local services are classified as competitive. (Voight Rebuttal, pp. 5, 44-51)

3. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's high capacity exchange access line services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Section 392.200.8 RSMo 2000 allows Southwestern Bell to have individual case basis pricing for high capacity exchange access line services in all of its exchanges. (Voight Rebuttal, pp. 4, 54-55)

4. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's Plexar services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Section 392.200.8 RSMo 2000 allows Southwestern Bell to have individual case basis pricing for Plexar (i.e., Centrex) service in all of its exchanges. (Voight Rebuttal, pp. 4, 51-52)

5. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's intraLATA private line/dedicated services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Section 392.200.8 RSMo 2000 allows Southwestern Bell to have individual case basis pricing for intraLATA private line/dedicated services in all of its exchanges. (Voight Rebuttal, pp. 4, 54-55)

6. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's residential access line services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's residential access line services should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 in only the Harvester and St. Charles exchanges. (Voight Rebuttal, pp. 5-6, 55-64)

7. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's residential access line related services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's residential access line related services should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 in only the Harvester and St. Charles exchanges, if the underlying basis local service is classified as competitive. (Voight Rebuttal, pp. 5-6, 55-64)

8. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's IntraLATA toll services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's intraLATA toll services (i.e., long distance message telecommunications service) were previously declared transitionally competitive in Case No. TO-93-116 and have attained competitive classification in all of its exchanges pursuant to Section 392.370 RSMo 2000. (Voight Rebuttal, pp. 3-4, 65-67)

9. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's Local Plus services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: None. (Voight Rebuttal, pp. 6, 72-73)

10. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's Optional Metropolitan Calling Area (MCA) services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: None. (Voight Rebuttal, pp. 6, 70)

11. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's Wide Area Telecommunications Services (WATS) and 800 services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's WATS and 800 services were previously declared transitionally competitive in Case No. TO-93-116 and have attained competitive classification in all of its exchanges pursuant to Section 392.370 RSMo 2000. (Voight Rebuttal, pp. 4, 65-67)

12. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's special access services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Section 392.200.8 RSMo 2000 allows Southwestern Bell to have individual case basis pricing for special access services in all of it exchanges. (Voight Rebuttal, pp. 4, 54-55)

13. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's switched access services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: None. (Voight Rebuttal, pp. 5, 33-43)

14. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's Common Channel Signaling/Signaling System 7 (SS7) services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's SS7 services should be classified as competitive pursuant to Section 392.245 RSMo 2000 in all of its exchanges. (Voight Rebuttal, pp. 4, 43)

15. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's Line Information Database (LIDB) services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's LIDB services should be classified as competitive pursuant to Section 392.245.5 RSMo in all of its exchanges. (Voight Rebuttal, pp. 4, 43)

16. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's directory assistance (DA) services be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's business DA service should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 in only the Kansas City and St. Louis exchanges. Southwestern Bell's residential DA service should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 in only the Harvester and St. Charles exchanges. DA services should be classified as competitive only if the underlying basic local service is classified as competitive. (Voight Rebuttal, pp. 5-6, 44-51, 55-64, 74-75)

17. In which Southwestern Bell Telephone Company exchanges, if any, should Southwestern Bell's operator services (OS) be classified as competitive pursuant to Section 392.245.5 RSMo. 2000?

ANSWER: Southwestern Bell's Station to Station, Person to Person, and Calling Card services were previously declared transitionally competitive in Case No. TO-93-116 and have attained competitive classification in all of its exchanges pursuant to Section 392.370 RSMo. If Southwestern Bell seeks to increase rates for these services beyond the bounds of reasonableness, the Staff would consider petitioning the Commission to reclassify them as non-competitive services. Other operator services should be classified as competitive pursuant to Section 392.245.5 RSMo 2000 only if the underlying basic local service is classified as competitive. (Voight Rebuttal, pp. 6, 74-75)

18. In each exchange served by SWBT, which if any alternative local exchange telecommunications company has been certified under Section 392.455 and has provided basic local telecommunications service in that exchange for at least five years (or if none, what is the longest period of time that a certified alternative local exchange company has provided basic local telecommunications service in that exchange)?

ANSWER: None. (Voight Rebuttal, p. 12). This issue is not ripe until Southwestern Bell makes a filing stating that an alternative local exchange company has provided basic local telecommunications service in an exchange for at least five years.

Respectfully submitted,

DANA K. JOYCE General Counsel

William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360
Jefferson City, MO 65102
(573) 751-7510 (Telephone)
(573) 751-9285 (Fax)
e-mail: whaas01@mail.state.mo.us

## Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 18<sup>th</sup> day of September, 2001.

Wax K Haas

Service List for Case No. TO-2001-467

Revised: September 18, 2001 (SW)

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

Carl J. Lumley/Leland B. Curtis Curtis, Oetting, Heinz, Garrett & Soule 130 S. Bemiston, Suite 200 Clayton, MO 63105

Thomas R. Parker Verizon 601 Monroe Street, Suite 304 Jefferson City, MO 65101

Sheldon K. Stock Greensfelder, Hemker & Gale, P.C. 10 South Broadway, Suite 2000 St. Louis, MO 63102-1774

Paul S. DeFord Lathrop &Gage, L.C. 2345 Grand Boulevard Kansas City, MO 64108

Mary Ann Young William D. Steinmeier, P.C. 2031 Tower Drive P.O. Box 104595 Jefferson City, MO 65110-4595 Paul Lane/Anthony K. Conroy Southwestern Bell Telephone Company One Bell Center, Room 3520 St. Louis, MO 63101

Lisa Cole Chase Andereck, Evans, Milne, Peace & Johnson 700 East Capitol P.O. Box 1438 Jefferson City, MO 65102-1438

Kevin K. Zarling
AT&T Communications of the
Southwest, Inc.
919 Congress, Suite 900
Austin, TX 78701

David J. Stueven
IP Communications Corporation
6405 Metcalf, Suite 120
Overland Park, KS 66202

Michael C. Sloan Swidler Berlin Shereff Friedman, LLP 3000 K Street, NE, Suite 300 Washington, DC 20007-5116

Carol Keith NuVox Communications of Missouri, Inc. 16090 Swingley Ridge Road, Suite 500 Chesterfield, MO 63017 Paul H. Gardner Goller, Gardner & Feather 131 East High Street Jefferson City, MO 65101 Morton J. Posner Allegiance Telecom, Inc. 1150 Connecticut Avenue, N.W., Suite 205 Washington, DC 20036 1-800-Reconex, Inc.
(f/k/a Sterling International Funding, Inc., d/b/a Reconex)
P.O. Box 40
2500 Industrial Avenue
Hubbard, OR 97032

2nd Century Communications, Inc. Suite 50 7702 Woodland Center Boulevard Tampa, FL 33614

AccuTel of Texas, Inc. 7900 John W. Carpenter Freeway Dallas, TX 75247 Adelphia Business Solutions Operations, Inc. 121 Champion Way
Canonsburg, PA 15317

Allegiance Telecom of Missouri 1150 Connecticut Avenue N.W., Suite 205 Washington, DC 20036 ALLTEL Communications, Inc. One ALLIED Drive P.O. Box 2177 Little Rock, AR 72203

American Communication Services of Kansas City, Inc. 131 National Business Parkway, Suite 100 Annapolis Junction, MD 20701

AT&T Communications of the Southwest, Inc. 101 West McCarty, Suite 216 Jefferson City, MO 65101

BarTel Communications, Inc. 333 Leffingwell, Suite 101 St. Louis, MO 63122

Birch Telecom of Missouri, Inc. 2020 Baltimore Avenue Kansas City, MO 64108

Brooks Fiber Communications of Missouri, Inc. 701 Brazos, Suite 600 Austin, TX 78701

BTI (Business Telecom, Inc.) 4300 Six Forks Road, Suite 500 Raleigh, North Carolina 27609

Buy-Tel Communications, Inc. 6409 Colleyville Boulevard Colleyville, TX 76034

Camarato Distributing, Inc. P.O. Box 638 Herrin, Illinois 62948

Central Missouri Telecommunications, Inc. P.O. Box 596
Osage Beach, Missouri 65065

Ciera Network Systems, Inc. 2630 Fountainview, Suite 300 Houston, Texas 77057

Computer Business Sciences, Inc. 80-02 Kew Gardens Road, Suite 5000 Kew Gardens, NY 11415

The Cube (Tin Can Communications Company, L.L.C.) 1063 Wirt Road, Suite 202 Houston, TX 77005

Delta Phones, Inc. P.O. Box 784 245 Illinois St. Delhi, LA 71232

DMJ Communications, Inc. 2525 North Grandview, Suite 900 Odessa, TX 79761

dPi-Teleconnect, L.L.C. 2997 LBJ Freeway, Suite 225 Dallas, TX 75234 EZ Talk Communications, L.L.C. 4727 South Main Stafford, TX 74777

Gabriel Communications of Missouri, Inc. 16090 Swingley Ridge Road Chesterfield, MO 63017 Global Crossing Local Services, Inc. (Formerly Frontier Local Services, Inc.) 180 South Clinton Avenue Rochester, NY 14646

Global Crossing Telemanagement, Inc. (Formerly Frontier Telemanagement, Inc.) 180 South Clinton Avenue Rochester, NY 14646

HJN Telecom, Inc. 3235 Satellite Blvd. Building 400, Suite 300 Duluth, GA 30096

Intermedia Communications, Inc. 1 Intermedia Way M.C. FLT-HQ3 Tampa, FL 33647-1752 Kenneth J. Meister, Chief Financial Officer Ionex Communications, Inc. 5710 LBJ Freeway, Suite 215 Dallas, TX 75240

KMC Telecom III, Inc. 1755 North Brown Road Lawrenceville, GA 30043-8119

LDD, Inc. 24 South Minnesota Cape Girardeau, Missouri 63702

Level 3 Communications, LLC 1450 Infinite Drive Louisville, CO 80027 Logix Communications Corporation (Formerly Dobson Wireless, Inc.) 14101 Wireless Way Oklahoma City, OK 73134

Maxcom, Inc. 10647 Widmer Road Lenexa, KS 66215 Max-Tel Communications, Inc. P.O. Box 280 102 W. Franklin Alvord, TX 76225

MCImetro Access Transmission Services, LLC 701 Brazos, Suite 600 Austin, TX 78701

Stephen F. Morris MCI Worldcom Communications, Inc. (Worldcom, Inc.) 701 Brazos, Suite 600 Austin, TX 78701

Bradley R. Kruse McLeodUSA Telecommunications Services, Inc. P. O. Box 3177 Cedar Rapids, IA 52406-3177

Missouri Comm South, Inc. (Comm South Companies, Inc.) 2909 Buckner Blvd., Ste 800 Dallas, TX 75228

Missouri Telecom, Inc. P.O. Box 419 515 Cleveland, Suite C Monett, MO 65708 Mpower Communications Corp. ATTN: Laurie Adamski 175 Sully's Trail, Suite 300 Pittsford, NY 14534

Navigator Telecommunications, L.L.C. P.O. Box 13860 8525 Riverwood Park Drive North Little Rock, AR 72113-0860 Net-Tel Communications Corporation (Net-Tel Corporation) 1023 31st Street, NW Washington, D.C. 20007 NOW Communications, Inc. 711 South Tejon Street, Suite 201 Colorado Springs, CO 80903 Omniplex Communications Group, LLC (Formerly USA eXchange, LLC) 17 Research Park Drive St. Charles, MO 63304

The Pager Company 3030 East Truman Road Kansas City, MO 64127 Payroll Advance 808 South Baker Mountain Home, AR 72643

Phones for All (Teléfonos Para Todos) Preferred Carrier Services, Inc. 14681 Midway Road, Suite 105 Addison, Texas 75001

Mpower Communications Central Corp. 175 Sully's Trail, Ste. 300 Pittsford, NY 14534

QCC, Inc. (Formerly Quest Communications Corporation) 8829 Bond Street Overland Park, KS 66214

Quick-Tel Communications, Inc. P.O. Box 1327 Bowie, TX 76230

Quintelco, Inc. 1 Blue Hill Plaza Pearl River, NY 10965 Qwest Communications Corporation (USLD Communications, Inc.) 4250 N. Fairfax Drive, 12W002 Arlington, VA 22203

Ren-Tel Communications, Inc. 7337 S. Mitchell Ct. Villa Rica, GA 30180

Simply Local Services, Inc. 2225 Apollo Dr. Fenton, MO 63026

Smoke Signal Communications (Choctaw Communications, L.C.) 8400 South Gessner Houston, Texas 77074 Snappy Phone P.O. Box 29620 6901 West 70th Street Shreveport, LA 71129 SouthWest TeleConnect 7000 Cameron Road, Suite 200 Austin, TX 78752-2828

Suretel, Inc. 5 North McCormick Oklahoma City, OK 73127

TCG St. Louis
Two Teleport Drive, Suite 300
Staten Island, NY 10311

Teligent, Inc. 8065 Leesburg Pike, Suite 400 Vienna, VA 22182

TranStar Communications P.O. Box 2999 Harlingen, TX 78551-2999

U.S. Telco, Inc. P.O. Box 606 Wilsonville, OR 97070

WorkNet Communications Inc. 7777 Bonhomme Avenue, Suite 2000 St. Louis, MO 63105 Lisa Creighton Hendricks Sprint Communications Company, L.P. Mail Stop KSOPKJ0502 5454 West 110th Street Overland Park, KS 66211

TCG Kansas City, Inc.
Teleport Communications Group
Two Teleport Drive
Staten Island, NY 10311

Tel Com Plus (United States Telecommunications, Inc.) 5251 110th Avenue, North, Suite 118 Clearwater, FL 33760-4837

Tel-Link, L.L.C. 8601 Dunwoody Place, Suite 406 Atlanta, GA 30350

Universal Telephone 2405 E. Pawnee, Suite 10 Wichita, KS 67211-5455

Winstar Wireless, Inc. 1615 L Street, NW, Suite 1260 Washington DC 20036

Nancy Krabill XO Missouri, Inc. (f/k/a Nextlink Missouri, Inc.) 1300 W. Mockingbird, Suite 200 Dallas, TX 75247