FILED JUL 3 1997

## MEMORANDUM

TO:

Missouri Public Service Commission Official Case Fife COMMISSION
Case No. TO-97-487, Southwestern Bell Telephone Company and SION

American Communications Services, Inc.

FROM:

Charles w. Brown, Telecommunications Department

Some Goldmanna 7/1/97

General Coursel's Office/Date

SUBJECT:

Staff Recommendation to Approve the Interconnect Agreement between

Southwestern Bell Telephone Company and American Communications

Services, Inc.

DATE:

June 27, 1997

On May 6, 1997, Southwestern Bell Telephone Company (SWB) and American Communications Services, Inc. (ACSI) submitted a negotiated and executed interconnection agreement (Agreement) for Commission approval pursuant to the terms of the Telecommunications Act of 1996. The applicants stated there are no unresolved issues, the agreement complies with Section 252 (e) of the Telecommunications Act of 1996 (Act), is not discriminatory and is consistent with the public interest.

The Commission's Order and Notice for this joint application provided an intervention date of June 2, 1997 for any party to request a hearing or to participate in this matter. There were no intervenors. The Order and Notice set forth the standards for approval of this Agreement: Commission approval required or rejected by the Commission with rejection only if the Agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the Agreement or the implementation of such Agreement or portion is not consistent with the public interest, convenience, and necessity.

According to SWB officials, although there is not a standard Agreement there is a similarity between all Agreements with any difference being negotiated between the parties. The initial term for this Agreement shall be 1 year, and thereafter the Agreement shall continue in force and effect unless and until terminated with the effective date to be ten (10) days after the date the Commission approves this Agreement.

The Agreement Resale Appendix specifies the product list of services that can be sold by ACSI. Residential and business services have been negotiated for resale and discounted by SWB at a 13.2% rate for both recurring and non-recurring elements.

The Agreement also covers the provision of local service by ACSI: The Agreement states that ACSI will pay SWB \$25.00 when it converts an end user currently receiving noncomplex service from SWB. Other services such as E911, Local Dialing Parity. White Page Directory listings, directory distributions and information pages and operator services which are available to SWB end users will be available to ACSI's end users.

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The Agreement states that service order activity between SWB and ACSI shall be accomplished by telephone call or facsimile until such time as electronic interface capability is established. Thereafter, ACSI will utilize SWB's Operations Support Systems (OSS) for preordering, ordering, provisioning, maintenance repair and billing functions. Monthly charges for OSS functions include \$3,345.00 for system access and remote access charges of either \$1,580.00 for direct connection or \$316.00 for dial-up access.

ACSI also filed an application for a certificate of authority to resell basic exchange and local exchange intrastate telecommunications service within the State of Missouri on June 28, 1996 in Case No. TA-96-455. ACSI has not yet filed tariffs.

The Telecommunications Department Staff (Staff) has reviewed the proposed Interconnect Agreement and believes the Agreement between SWB and ACSI meets the limited requirements of the Telecommunications Act of 1996. Specifically, the Agreement: 1)does not appear to discriminate against telecommunications carriers not party to the Interconnect Agreement and 2) does not appear to be against the public interest. Staff recommends approval of the Interconnect Agreement between SWB and ACSI. Staff also recommends the Commission direct SWB and ACSI to submit any modifications or amendments to the Commission for approval.

Staff is unaware of any other filings which would affect or which would be affected by this proposal.

Copies: Director - Utility Operations Division Director - Policy and Planning Division Director - Utility Services Division

General Counsel

Office of the Public Counsel

Leo J. Bub, Attorney Brent Stewart, Attorney