BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of a Proposed Rule to Require |) | |
|---|---|-----------------------|
| All Missouri Telecommunications Companies |) | |
| To Implement an Enhanced Record Exchange |) | Case No. TX-2003-0301 |
| Process to Identify the Origin of IntraLATA |) | |
| Calls Terminated by Local Exchange Carriers |) | |

THE SMALL TELEPHONE COMPANY GROUP'S RESPONSE TO SBC'S REPLY

I. INTRODUCTION

The Small Telephone Company Group ("STCG") offers this brief response to SBC's Reply to the STCG filing opposing SBC's motion to abate the Commission's proposed Enhanced Record Exchange ("ERE") Rulemaking. SBC's Reply raises three arguments: (1) there is no problem with unidentified traffic; (2) the FCC's intercarrier compensation case may impact the ERE Rule; and (3) the FCC's *T-Mobile* decision may conflict with the ERE Rule. None of SBC's arguments have merit.

First, if SBC is correct and there is no longer any problem with unidentified traffic, then SBC should have no objection to accepting financial responsibility for this non-existent, unidentified traffic. Second, the FCC's notice of proposed rulemaking has been pending for almost four years, and the FCC has not issued any decision that conflicts with the ERE Rule or resolves the problem of unidentified traffic. Third, only one provision in the ERE rule conflicts with the FCC's recent *T-Mobile* order, and that provision can easily be rescinded. SBC's Reply is just another example of a former Primary Toll Carrier ("PTC") trying to delay a solution to the problems inherent in the legacy FGC network, of which unidentified traffic is only one. Therefore, SBC's *Motion* should be denied.

II. ARGUMENT

A. SBC Should "Put Its Money Where Its Mouth Is."

SBC claims that it has made valiant efforts to solve the record problems identified in this case and Case No. TO-99-254 and that there no longer is a problem with unidentified traffic, but SBC is unwilling to accept any financial risk for unidentified traffic. SBC can't have it both ways. If SBC is right and there is no problem, then SBC should have no objections to taking financial responsibility for the unidentified traffic it delivers to small company exchanges. The small ILECs have been financially responsible for 100% of the unidentified traffic since elimination of the PTC Plan in 1999 (over five years). It is time for SBC and the other former PTCs to accept some of this responsibility. If, as they claim, the problem has been fixed, then the former PTCs need to put their money where their mouth is and accept responsibility for this "non-existent" problem.

B. The FCC's Further Notice of Proposed Rulemaking

The FCC's intercarrier compensation investigation has been going on for four years (almost as long as Commission Case No. TO-99-593). It would be premature and highly speculative to delay the ERE Rule simply because it might conflict with something that the FCC might do later. The FCC has taken no action in this docket that would conflict with the ERE Rule, and it has not issued any decision that would address the problem of unidentified traffic. The present situation in Missouri is clearly unfair, and the Commission's Staff spent many months working with the industry and the Commission to develop the ERE Rule. The Commission has a duty to address the problem of unidentified traffic, and the ERE Rule should not be delayed.

C. The FCC's *T-Mobile* Decision only Requires One Possible Change.

In February of 2005, the FCC issued its *T-Mobile* decision prohibiting the use of wireless termination service tariffs on a going forward basis. As a practical matter, even if the *T-Mobile* decision is ultimately upheld in court, it will only require one change to the Commission's ERE Rule. The Commission can easily rescind this provision (240-29.110). It would be a complete waste of nearly six years of effort to throw out the entire ERE rule at this point.

III. CONCLUSION

The Commission should deny SBC's motion to abate the proposed ERE rulemaking.

All carriers using the STCG networks should pay their fair share. Therefore, the

Commission should move forward with the proposed ERE Rule.

Respectfully submitted,

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Certificate of Service

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