

Issue:  
Witness/Type of Exhibit:  
Sponsoring Party:

Case No.

Alternative Operator Services  
Ricca/Direct  
Teleconnect Long Distance  
Services & Systems  
TA-88-218, et al.

**FILED**

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

AUG - 5 1988

PUBLIC SERVICE COMMISSION

In the Matter of Teleconnect Long  
Distance Services and Systems  
Company's tariff sheets filed to add  
Operator Services to the services  
offered within its certified service  
area.

Case No. TA-88-218, et al.

AFFIDAVIT OF DENNIS L. RICCA

Dennis L. Ricca, of lawful age, being duly sworn, deposes and states:

1. My name is Dennis L. Ricca. I am presently a Regulatory Manager for Teleconnect Long Distance Services and Systems Company.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony consisting of Pages 1 through 92.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

Dennis L. Ricca  
Dennis L. Ricca

Subscribed and sworn to before me this 4th day of August, 1988.



Diana Lamb  
Notary Public

Exhibit No. 4  
Date 9-20-88 Case No. TA-88-218 et al  
Reporter Tweedy

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BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

1 Q. PLEASE STATE YOUR NAME, BY WHOM YOU ARE EMPLOYED, YOUR  
2 BUSINESS ADDRESS AND YOUR POSITION.

3 A. My name is Dennis L. Ricca, I work for Teleconnect Long Distance Services  
4 and Systems Company, (Teleconnect) and my business address is 500 Second  
5 Avenue SE, Cedar Rapids, Iowa 52401. I am the Manager of Regulatory  
6 Affairs.

7 Q. WHEN DID TELECONNECT BECOME CERTIFIED TO DO BUSINESS IN  
8 THE STATE OF MISSOURI?

9 A. Teleconnect became certified to do business in Missouri on June 1, 1987.

10 Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

11 A. I'll testify on behalf of Teleconnect in this proceeding.

12 Q. WILL YOU BRIEFLY STATE YOUR EDUCATIONAL BACKGROUND?

13 A. I received a Masters of Science Degree in Mathematics from The University  
14 of Northern Iowa in 1979 and a Bachelor of Science Degree in Mathematics  
15 from Western Illinois University in 1972.

1 Q. PLEASE STATE YOUR PREVIOUS WORK EXPERIENCE IN THE AREA OF  
2 TELECOMMUNICATIONS.

3 A. I began working for Teleconnect in August, 1983 as a technical training  
4 coordinator. My responsibilities included developing a curriculum for  
5 and training new Customer Service Representatives and their technical  
6 support staff. Additionally, I was responsible for coordinating  
7 technical training programs for switch technicians, switch database  
8 personnel, and traffic engineers. I also coordinated management training  
9 seminars for the operations and engineering departments. By October of  
10 1983, I spent almost one half of my time reading and analyzing the access  
11 tariffs filed with the FCC. In December of 1984, I began working full-  
12 time as a Regulatory Analyst. In August, 1986 I was promoted to my  
13 current position.

14 Q. WHAT WERE YOUR RESPONSIBILITIES AS A REGULATORY ANALYST?

15 A. My major responsibilities were:

- 16 • Analysis of decisions issued by governmental regulatory agencies to  
17 determine their effect on Teleconnect.
- 18 • Analysis of filings and approved tariffs to determine their effect  
19 on Teleconnect.
- 20 • Preparation and submission of Teleconnect's Tariffs for the areas it  
21 serves.
- 22 • Preparation and submission of various documents to be transmitted to  
23 various regulatory bodies in response to governmental inquiries,  
24 proposals and the tariff filings of other carriers.
- 25 • Working with key Teleconnect personnel to develop and implement  
26 strategic plans to maximize revenue and minimize cost for Teleconnect.

1 Q. WHAT ARE YOUR RESPONSIBILITIES IN YOUR CURRENT POSITION?

2 A. I continue to have the same responsibilities as I had when I was a  
3 Regulatory Analyst but I also assumed the responsibilities of:  
4 • Hiring/firing and training personnel  
5 • Evaluation of Regulatory staff  
6 • Determination of departmental priorities and assignment of tasks

7 Q. HAVE YOU PREVIOUSLY APPEARED BEFORE THIS COMMISSION?

8 A. No.

9 Q. HAVE YOU PREVIOUSLY APPEARED BEFORE ANY OTHER COMMISSIONS?

10 A. Yes. I have appeared before the Illinois Commission challenging the  
11 tariff filing of another carrier. I have also participated in informal  
12 workshops conducted by the Illinois Commerce Commission concerning  
13 access charges, intraLATA equal access and rate cap regulation. I have  
14 also appeared before the Minnesota, Maryland and Nebraska Commissions  
15 in Teleconnect's certification hearings.

16 Q. HAVE YOU PREPARED SCHEDULES FOR YOUR TESTIMONY?

17 A. Yes, I have prepared and attached to my testimony two schedules, labeled  
18 (Ricca), schedule no. 1, 2 and 3.

19 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

20 A. The purpose of my testimony is to establish that Teleconnect, having the  
21 same authority to operate in the state of Missouri as AT&T and other  
22 interexchange carriers (IXCs) by its certification, should be allowed by  
23 the Commission to provide Operator Services in the State of Missouri.

1 I believe approval of Teleconnect's pending tariff filing should be  
2 granted as expeditiously as possible. Each day that it is delayed is  
3 discriminatory to Teleconnect vis-a-vis AT&T and other operator service  
4 providers.

5 Q. IN WHAT STATES IS TELECONNECT CURRENTLY ABLE TO PROVIDE  
6 OPERATOR SERVICES?

7 A. Teleconnect currently is authorized to provide Operator Services in  
8 Michigan, Iowa, California, Illinois, Nebraska, Colorado, Utah, Virginia,  
9 Pennsylvania and Texas. Of these states, tariffs are not required of  
10 Teleconnect in Michigan, Colorado, Utah, Virginia and Pennsylvania.  
11 Authority has been requested and is expected within the next six weeks in  
12 Kansas, Minnesota and Wisconsin. Finally, authority has been sought in  
13 Ohio and Missouri but no timeline exists for an expected grant of  
14 authority.

15 Q. WHAT IS THE BACKGROUND ON TELECONNECT'S INVOLVEMENT IN THIS  
16 CASE?

17 A. On May 27, 1988, Teleconnect filed tariff sheets which proposed the  
18 addition of Operator Services to its Missouri tariff. On June 17, 1988,  
19 the Commission issued an order suspending the filing for 120 days from  
20 June 27, 1988, the requested effective date, unless otherwise ordered by  
21 the Commission. On July 15, 1988 an order was issued to consolidate  
22 Teleconnect, American Operator Services and International Telecharge,  
23 Inc. to investigate operator services.

1 Q. IS AT&T THE ONLY CARRIER ALLOWED TO PROVIDE OPERATOR SERVICES?

2 A. No. I am aware of three other IXC's who have been allowed to provide  
3 Operator Services. International Telecharge, LTS and US SPRINT,  
4 all currently have approved tariffs.

5 Q. IS TELECONNECT HARMED BY ITS FILING BEING DELAYED WHILE  
6 OTHERS ARE APPROVED?

7 A. Yes. Teleconnect's competitors are taking advantage of their ability to  
8 offer operator services to either existing or potential customers, while  
9 Teleconnect cannot obtain Commission approval to offer the same service.  
10 This situation places Teleconnect at a competitive disadvantage.  
11 Teleconnect has committed substantial resources to development of its  
12 operator services capability. While these facilities are being used to  
13 provide operator services in other states, they are not being utilized to  
14 the degree anticipated because neither interstate nor intrastate operator  
15 service calls are originating from Missouri.

16 Q. DOES THE DELAY OF OPERATOR SERVICES AFFECT OTHER TELECONNECT  
17 SERVICES?

18 A. Yes. Competitors emphasize that they are a "full service" company. The  
19 potential customer can receive from them one bill and have one point  
20 of contact for all their long distance concerns. Therefore, Teleconnect's  
21 lack of Operator Service makes it more difficult to sell its other  
22 services to potential customers. The same approach is used by our  
23 competitors in an attempt to sell to Teleconnect's existing customer base.

1 Q. WHERE ARE TELECONNECT'S OPERATORS LOCATED?

2 A. Teleconnect's operators are located in Cedar Rapids, Iowa.

3 Q. HOW MANY OPERATORS ARE EMPLOYED BY TELECONNECT?

4 A. Approximately one hundred twenty.

5 Q. COULD YOU GIVE A GENERAL DESCRIPTION OF THE EQUIPMENT USED BY  
6 TELECONNECT'S OPERATORS?

7 A. The operator consoles have been developed by Teleconnect for use with  
8 the DEX 400 switch in Cedar Rapids, Iowa. The consoles themselves  
9 are IBM PC/AT compatible personal computers attached to high-resolution  
10 color monitors. They are joined by an Ethernet Local Area Network to  
11 Teleconnect's DEX 400 Switch in Cedar Rapids and are supported by  
12 fully-redundant Novell servers. These consoles will allow Teleconnect's  
13 operators to provide all of the Operator Service features for long  
14 distance telephone calls that are currently being offered by AT&T.

15 Q. ARE TELECONNECT OPERATORS TRAINED?

16 A. Yes, the operators are trained on and use the scripting attached to this  
17 testimony (Ricca, Schedule 1) as a guideline for responses to various  
18 types of calls.

19 Q. WILL TELECONNECT IDENTIFY ITSELF TO THE CALLER?

20 A. Teleconnect is identified as the provider of service at the beginning of  
21 each operator assisted call unless a customized operator greeting is  
22 requested by a host business.

1 Q. WHAT IS A "CUSTOMIZED OPERATOR GREETING?"

( 2 A. It is a greeting designed by and specialized for the host business. For  
3 example, if the XYZ hotel chain wishes to have its calls answered by a  
4 Teleconnect operator. Then Teleconnect's operator may provide the  
5 greeting, "Thank you for using XYZ operator services..."

6 Q. DOES SUCH AN ARRANGEMENT CHANGE THE RATES THE END USER WILL  
7 PAY?

8 A. No. The tariff rate still applies.

9 Q. WHAT IS THE ANSWER TIME FOR TELECONNECT OPERATORS?

10 A. The average answer time for a Teleconnect operator is three seconds.

11 Q. WHEN IS THE OPERATOR LINK DISCONNECTED FROM THE CALL?

12 A. Once the operator has received the necessary information and forwarded  
13 the information to the switch to complete the call, the operator's link  
14 to the call is disconnected and the calling party and the called party  
15 are joined. From that point, an operator assisted call is like any  
16 other call.

17 Q. BRIEFLY DESCRIBE THE TARIFF FILING WHICH WAS SUBMITTED BY  
18 TELECONNECT.

19 A. On May 27, 1988 Teleconnect submitted revisions to its tariff proposing  
20 to offer Operator Services at the same rates, terms and conditions as  
21 AT&T Communications of the Southwest Inc. Such services will be  
22 available not only to "1+" subscribers, but also to patrons of such  
23 businesses as hotels, motels, hospitals and pay telephones (host  
( 24 businesses). Again, I want to emphasize the end user will be billed by



1 Teleconnect the exact, same rate as would be billed by AT&T, if AT&T  
2 processed the call.

3 Q. WHAT OPERATOR SERVICE CALLS CAN TELECONNECT EXPECT TO RECEIVE  
4 FROM "1+" CUSTOMERS?

5 A. From "1+" customers, the local exchange carrier (LEC) will deliver to  
6 Teleconnect only "00" calls, "0-" interLATA calls and "10835-0" calls.

7 Q. WHAT OPERATOR SERVICE CALLS DOES TELECONNECT EXPECT TO RECEIVE  
8 ON DEDICATED FACILITIES?

9 A. For the customers served on dedicated access lines (DAL's), all calls will  
10 be delivered to Teleconnect as determined by the customer premise  
11 equipment (CPE). Teleconnect would continue, through its contracts with  
12 host businesses, to require those customers' "0-" calls, emergency/911  
13 calls and local calls to be routed to the appropriate LEC.

14 Q. CAN TELECONNECT'S PRESENT EQUIPMENT DISTINGUISH BETWEEN  
15 INTRASTATE INTRALATA, INTRASTATE INTERLATA AND LOCAL TRAFFIC?

16 A. Teleconnect can and does distinguish between the intrastate intraLATA,  
17 intrastate interLATA, and local traffic in all jurisdictions. Further,  
18 Teleconnect's prototype contract used with host businesses (Ricca,  
19 Schedule 2) provides that the host business must configure its network so  
20 as to deliver all "0-" calls to the appropriate local exchange carrier.  
21 For Teleconnect 1+ subscribers, the LEC automatically strips off "0+"  
22 intraLATA calls and "0-" calls.

23 Q. WHAT HAPPENS IF A LEC STRIPS OFF A "0-" CALL THAT IS INTERLATA?

24 A. The LEC should then instruct the customer as to how to redial their call.

1 If, however, AT&T operators are still providing Operator Service for  
2 Southwestern Bell, the AT&T operators will place interLATA calls through  
3 AT&T's network, regardless of the customer's presubscribed carrier.

4 Q. IF A CALLER REQUESTED TO BE RETURNED TO A LOCAL OPERATOR,  
5 WHAT WOULD BE THE TELECONNECT OPERATOR'S RESPONSE?

6 A. When a caller requests to be returned to a local operator, Teleconnect  
7 operators instruct the customer to hang up the telephone and dial "0".  
8 Currently, Teleconnect has no direct connection to LEC operator positions  
9 by which it may transfer or "splash" calls back to the local operator.  
10 Teleconnect is currently investigating methods to enable it to provide  
11 "splash back."

12 Q. IF A CALLER REQUESTS TO BE RETURNED TO AN AT&T OPERATOR,  
13 EXPLAIN THE TELECONNECT'S OPERATOR'S RESPONSE TO THIS REQUEST.

14 A. Teleconnect is not able to transfer the caller to AT&T. I would note  
15 that this capability is also not available from AT&T if the situation  
16 is reversed. Therefore, Teleconnect is only inconveniencing AT&T's end  
17 users to the same degree that Teleconnect end users are inconvenienced  
18 when they dial AT&T by mistake or default.

19 Q. WHAT IS A TELECONNECT OPERATOR'S RESPONSE IF A CUSTOMER ASKS  
20 FOR TELECONNECT'S OPERATOR SERVICE RATES?

21 A. Teleconnect is developing a mechanized method which will be used to  
22 inform the customer of Teleconnect's operator service rates for that  
23 specific call. Development of this capability is expected sometime  
24 within the next six (6) weeks. Currently, Teleconnect operators are  
25 only able to say that the rates are the same as those charged by AT&T.

1 If a customer wants to know AT&T's rates, the customer is given  
2 instructions indicating the method for contacting an AT&T operator.

3 Q. DOES TELECONNECT PLAN TO ISSUE ITS OWN CREDIT CARDS?

4 A. Yes, Teleconnect plans to issue credit cards to its customer. Technical  
5 details and methods for so doing are still being investigated.  
6 Additionally, Teleconnect will accept Master Card, Diners Card, Visa Card  
7 and Bell (BOC) credit cards. Teleconnect will not process MCI nor  
8 US SPRINT cards, and does not knowingly process AT&T only cards through  
9 its network.

10 Q. WILL TELECONNECT BE BILLING ITS OWN OPERATOR SERVICES?

11 A. Southwestern Bell (SWB), via Operator Assisted Network (OAN), will bill  
12 all BOC credit cards and BOC third party billing for Teleconnect calls  
13 in Missouri. Major credit cards will be billed by the appropriate  
14 credit card agents.

15 Q. HOW DOES YOUR METHOD OF HAVING OTHER PARTIES PERFORM BILLING  
16 OF OPERATOR SERVICE COMPARE WITH THE BILLING METHOD USED BY  
17 AT&T?

18 A. If anything, Teleconnect offers the customer more options since  
19 Mastercard, Visa, and other alternatives are available to the customer.  
20 For BOC credit cards, Teleconnect functions in the same manner as  
21 AT&T. The BOC performs the billing for AT&T whether a BOC credit card is  
22 used or an AT&T credit card is used.

1 Q. DOES TELECONNECT PRESENTLY PROVIDE A TOLL FREE NUMBER ON  
2 BILLS INCLUDED WITH MAJOR CREDIT CARDS AS WELL AS BILLINGS  
3 PERFORMED BY LECS WHERE A TELECONNECT REPRESENTATIVE CAN BE  
4 REACHED REGARDING COMPLAINTS?

5 A. Teleconnect does provide a toll-free number where Teleconnect repre-  
6 sentatives may be reached regarding complaints 24 hours a day, when it  
7 provides its own bills. When the billing is done by SWB via OAN, an OAN  
8 telephone number is provided which, when called by the customer, may  
9 refer the customer to Teleconnect's toll-free number. OAN does handle as  
10 much of the inquiry as possible, and bills Teleconnect for each inquiry.

11 Q. ARE UNCOMPLETED CALLS EVER BILLED BY TELECONNECT?

12 A. Teleconnect generally does not bill uncompleted calls. However, since  
13 many exchanges have still not been converted to equal access,  
14 Teleconnect, like other OCCs is forced to use inferior Feature Group A  
15 (FGA) connections for those exchanges. Where hardware answer supervision  
16 is unavailable, Teleconnect's billing system and switches are programmed  
17 to recognize voice or data on the far end of the phone call and, upon  
18 such recognition, to initiate the billing process. Voice detection  
19 properly determines whether a call has been answered or not in the vast  
20 majority of the cases. A very limited number of unanswered calls do,  
21 nevertheless, slip through this detection system. In such cases, Tele-  
22 connect is happy to credit the entire charge for the call upon being in-  
23 formed of this by the customer.

1 Q. CAN 911 CALLS BE PLACED THROUGH THE TELECONNECT NETWORK  
2 PRESENTLY WITHOUT CHARGE?

3 A. 911 calls cannot be placed through Teleconnect's network. If the LECs  
4 network is functioning properly, Teleconnect should not receive these  
5 calls. Consequently there is no charge.

6 Q. FOR EMERGENCY CALLS WHEN 0 IS DIALED FOR ANTICIPATED  
7 ASSISTANCE THROUGH THE LOCAL OPERATOR, HOW DO  
8 TELECONNECT OPERATORS PLAN TO RESPOND TO THE SITUATION?

9 A. Emergency "0-" and 911 calls should not be delivered to Teleconnect. All  
10 calls of this type should be routed to the LEC operator. In the unlikely  
11 event that emergency 00- calls are received by Teleconnect, the operator  
12 will ask the caller to hang up and dial "0" or 911. If that call then  
13 returns to Teleconnect, Teleconnect operators can access the emergency  
14 numbers obtained from property owners from an on-line database with the  
15 push of a single button on the console. The call can then be  
16 directly routed to the appropriate agency.

17 Q. DOES TELECONNECT PLAN TO ASSESS A SURCHARGE TO THE HOST  
18 BUSINESSES' CUSTOMERS?

19 A. Teleconnect plans to charge only the rates filed in its tariff. Tele-  
20 connect has absolutely no control of surcharges by host businesses.  
21 Application of a surcharge is a decision to be made by the host businesses.  
22 Teleconnect could not even contract restrictions of surcharges if  
23 changes enforce in the present contract form to prevent this are mandated  
24 by the Commission. The point I want to emphasize is Teleconnect only  
25 bills its tariffed rates, which are identical to AT&Ts.

1 Q. IS THERE ANYTHING TO PREVENT A HOST BUSINESS USING AT&T'S OR  
2 ANY OTHER CARRIERS' OPERATOR SERVICES FROM IMPOSING A  
3 SURCHARGE TODAY?

4 A. To my knowledge, no. In fact, such activity may be occurring today.  
5 In many states, hotels, motels and hospitals are tacking on surcharges to  
6 patrons or patient's bills. I assume this activity is occurring without  
7 the knowledge of the carriers who actually are handling the traffic. If  
8 this activity is of concern to the Commission, new rules or laws should  
9 be established to expand the Commission's authority to control telephone  
10 services provided by host businesses. In reality, there is no way a  
11 carrier can effectively police its customers concerning whether or not  
12 surcharges are applied to end user's bills. If surcharges are a concern,  
13 the issue is neither improved nor made worse by denying Teleconnect's  
14 application for operator service. A customer so inclined can apply  
15 surcharges today, no matter who their carrier is.

16 Q. WILL TELECONNECT BE OFFERING COMMISSIONS TO THE HOST BUSINESS?

17 A. Teleconnect will offer commissions to the property owners. These  
18 commissions covered in a contract negotiated with the host business. I  
19 have attached as Schedule 2 a copy of a prototype contract used by Tele-  
20 connect in any such negotiations. While certain terms and conditions are  
21 negotiable, sections 2.c.i and ii on attachment TOS-R are not. They  
22 provide that the host businesses must design or program their equipment  
23 to deliver all 0 traffic (calls on which the dialer dials only 0) to the  
24 LEC operator.

1 Q. WHY DOES TELECONNECT FEEL THAT ITS FILING SHOULD BE EXPEDITED?

2 A. Teleconnect's competitors are currently using Operator Services as a  
3 selling point with end users in the State of Missouri. Teleconnect is  
4 not able to respond in kind unless the Commission can expedite the  
5 approval of Teleconnect's pending tariff filing. Therefore, each day  
6 the Commission delays this matter costs Teleconnect both potential and  
7 present customers.

8 Also, Teleconnect has committed substantial resources to development of  
9 its operator services capability. While these facilities are being used  
10 to provide operator services in other states, they are not being utilized  
11 to the degree anticipated because neither interstate nor intrastate  
12 operator service calls are originating from Missouri.

13 In summary, Teleconnect is losing potential business and is unable to  
14 fully utilize existing facilities as long as the filing remains unapproved.

15 Q. SHOULD THE COMMISSION HAVE CONCERNS REGARDING OVER CHARGING?

16 A. No. The Commission, in approving AT&T's rates, found them to be  
17 reasonable. Teleconnect's rates are identically reasonable.

18 Q. SHOULD THE COMMISSION DISTINGUISH BETWEEN IXC's AND  
19 AOS CARRIERS?

20 A. I believe that the Commission should distinguish between IXC's who happen  
21 to offer operator service as one of many telecommunications services and  
22 alternative operator services (AOS) companies that only offer operator  
23 service and sell only to host businesses with captive customers. Tele-  
24 connect is an IXC which has successfully offered other services in the  
25 State of Missouri for over two years.

1 Q. SHOULD TELECONNECT BE TREATED LIKE AN AOS COMPANY?

2 A. No. I believe that Teleconnect should be treated as AT&T and the other  
3 carriers providing operator services instead of like as AOS company. I  
4 believe that failing to treat Teleconnect in the same manner as AT&T and  
5 other certificated carriers constitutes unfair and unreasonable discrim-  
6 ination. Furthermore, Teleconnect has demonstrated that the public is in  
7 no way harmed by the approval of Teleconnect's application:

- 8 • Teleconnect's rates charged are identical to AT&T's.
- 9 • The quality of Teleconnect's service is at least equivalent to  
10 that of AT&T's.
- 11 • The potential for surcharge is no greater with Teleconnect than with  
12 AT&T.
- 13 • Teleconnect operators will identify themselves as not being AT&T  
14 operators. There is no potential of the end user being confused  
15 about which operator service is being utilized.
- 16 • Teleconnect's operator will inform the end user that the rates are  
17 identical to AT&T's. When the technical ability to provide exact  
18 rate information becomes available, it will be given.
- 19 • Teleconnect measures the duration of call in the same manner as  
20 AT&T.
- 21 • Unlike some AOS providers, Teleconnect uses its own network for  
22 operator services. Therefore, Teleconnect has more control over  
23 the quality of the network.
- 24 • Teleconnect has a proven track record of providing quality service  
25 in Missouri for other services. Most AOS companies are unknown  
26 entities.



1 With all these safeguards, there is no reason for the Commission to refuse or  
2 delay Teleconnect's implementation of operator services. The Commission has  
3 allowed others to already implement this same service.

4 Q. HOW IS AT&T'S CERTIFICATE OF AUTHORITY PERTINENT TO THIS CASE?

5 A. Teleconnect has the same authority to operator within the State of  
6 Missouri as does AT&T, MCI, US SPRINT, and other common carriers. Such  
7 carriers should be treated similarly under similar circumstances. AT&T's  
8 certificate of authority bestows on AT&T no greater or lesser authority  
9 than that which Teleconnect received under its certification.  
10 Teleconnect is proposing to offer Operator Services at the same  
11 rates, terms, and conditions as AT&T is currently offering. The  
12 Commission should rule accordingly.

13 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

14 A. Yes it does.

Ricca, Schedule 1

Teleconnect Operator Services, may I help you?

1. CREDIT CARD - O.K.

May I have your credit card number please?

2. CREDIT CARD PERSON-TO-PERSON

This is the operator. I have a person-to-person call for John Doe. May I speak with John Doe please? Is this John Doe? Thank you.

Yes: "Thank you."

Not Available: "I'm sorry, John Doe is not available. Do you wish to place another call? Thank you."

No Answer: "I'm sorry, there is no answer. Do you wish to place another call?"

Busy: "I'm sorry, the number is busy. Do you wish to place another call? Thank you."

Back Up: Goes to the above scripting.

3. COLLECT

This is the operator. I have a collect call from John Doe. Will you accept the charges?

Yes: "Thank you."

No or Not Available: "I'm sorry, the party will not accept the charges. Do you wish to use another method to place the call? Thank you."

No Answer: "I'm sorry, there is no answer. Do you wish to place another call? Thank you."

Busy: "I'm sorry, the number is busy. Do you wish to place another call? Thank you."

4. COLLECT PERSON-TO-PERSON

This is the operator. May I speak with Jane Smith please? Is this Jane Smith? I have a collect person-to-person call from John Doe, will you accept the charges? One moment, please.

Yes: "Thank you."

No: "I'm sorry, the party will not accept the charges. Do you wish to use another method to place the call? Thank you."

No Answer: "I'm sorry, there is no answer. Do you wish to place another call? Thank you."

Busy: "I'm sorry, the number is busy. Do you wish to make another call? Thank you."

Not Available: "I'm sorry, Jane Smith is not available. Do you wish to make another call? Thank you."

5. THIRD PARTY

This is the operator. John Doe is placing a call and billing it to this number. Will you accept the charge?"

Yes: "Thank you."

No: "I'm sorry, the party will not accept the charges. Do you wish to use another method to place your call? Thank you."

No Answer: "I'm sorry, there is no answer. Do you wish to place another call? Thank you."

Busy: "I'm sorry, the number is busy. Do you wish to place another call? Thank you."

6. THIRD PARTY PERSON-TO-PERSON

This is the operator. John Doe is placing a call and billing it to this number. Will you accept the charges?

Yes: "This is the operator, may I speak with Jane Smith please? Is this Jane Smith? One moment please."

No: "I'm sorry, the party will not accept the charges. Do you wish to use another method to place the call? Thank you."

No Answer: "I'm sorry, there is no answer. Do you wish to use another method to place the call? Thank you."

Busy: "I'm sorry, that line is busy. Do you wish to use another method to place the call? Thank you."

Yes: "Thank you."

No: "I'm sorry, Jane Smith is not available. Do you wish to place another call? Thank you."

No Answer: "I'm sorry, there is no answer. Do you wish to make another call? Thank you."

Busy: "I'm sorry, the number is busy. Do you wish to make another call? Thank you."

Prototype Contract

Teleconnect Service Master Agreement

By this Agreement Teleconnect Long Distance Services & Systems Company ("Teleconnect"), a provider of interstate telecommunication services, and the below identified "Subscriber" agree as follows:

1. Subscriber. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: (     ) \_\_\_\_\_  
FAX: (     ) \_\_\_\_\_
2. Variable Terms:
  - a. Meet Point: \_\_\_\_\_
  - b. Rate Point: \_\_\_\_\_
3. Services Selected. Subscriber contracts for the following indicated services (each a "Teleconnect Service" and collectively the "Teleconnect Services"), on the terms and conditions of the indicated attachments and the attached Teleconnect Standard Terms and Conditions:
  - ☐ Teleconnect 800 Service as set forth in Attachment 800.
  - ☐ Teleconnect Operator Service as set forth in Attachment TOS.
  - ☐ Teleconnect Switched Termination Service as set forth in Attachment STS.
  - ☐ Teleconnect International Termination Service as set forth in Attachment INT.
4. Term. The term of this Agreement shall be for twelve months from the date of execution. After the initial term this Agreement shall be automatically renewed for successive one year terms if neither party terminates the Agreement at the end of an extension by providing the other party three months advance written notice. Teleconnect shall have the right to terminate the agreement or any service provided hereunder the next working day after providing written notice to Subscriber upon any default by Subscriber hereunder.
5. Network Charges. Subscriber shall compensate Teleconnect for the general network services associated with the Teleconnect Services as follows:

- a. Service Charges. Subscriber shall pay Teleconnect a \$475.00 monthly service fee.
  - b. Installation Charges. Subscriber shall pay an initial nonrecurring account set-up fee of \$900.00 and \$500.00 per DS-1. An additional charge of \$500.00 per DS-1 will be assessed for a multiplexed DS-1 and/or DS-1s ordered at a later date.
  - c. Port Charge. Monthly port charges will be assessed as outlined in each of the accompanying Attachments to the Master Agreement.
  - d. Point of Presence Interconnects. Subscriber shall be responsible for all costs and expenses, nonrecurring, recurring or otherwise, associated with obtaining interconnection, including cross connections if applicable, into the meet point identified at 2.a.
6. Standard Terms: This Teleconnect Service Master Agreement includes and is subject to the terms and conditions in the listed attachments and in the Teleconnect Standard Terms and Conditions INCLUDING THE WARRANTIES AND LIMITATIONS OF LIABILITY CONTAINED THEREIN.
  7. Acceptance by Teleconnect: This Teleconnect Service Master Agreement is subject to acceptance by Teleconnect, and all time periods in the agreement shall be measured from the date of Teleconnect's acceptance absent specific provision to the contrary.

Agreed as of the date set forth for Teleconnect's acceptance.

Teleconnect Long Distance  
Services & Systems Company

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
LARRY CRAIN, President  
Carrier Services Group

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Accepted at Cedar Rapids, Iowa by Teleconnect Long Distance Services & Systems Company: \_\_\_\_\_, 1988.

Attachment STD

Teleconnect Standard Terms and Conditions

1. Payment. Accounts will be billed monthly within fifteen days of the end of each calendar month. Payments shall be due net fifteen days from receipt of the bill. Teleconnect shall provide adequate information for bill verification for all services provided.

Subscriber will provide Teleconnect with an irrevocable bank letter of credit or other facility acceptable to Teleconnect, convertible to cash, for the benefit of Teleconnect. In the event that Subscriber fails to pay a bill by the due date, Subscriber shall take all actions, if any, necessary for Teleconnect to realize upon the sum represented by amount past due under said letter of credit or other facility. This agreement may be declared null and void by Teleconnect or service discontinued or suspended the next working day after notice (a) if the letter of credit or adequate credit facility is not provided, or if, at any time, said letter of credit or other adequate credit facility is withdrawn, (b) if the letter of credit or other credit facility is at any time determined to be inadequate, in Teleconnect's sole judgment, based upon the then outstanding amounts owing to Teleconnect even if unbilled, and/or on daily readings of use conducted by Teleconnect, (c) if any payment due from Subscriber to Teleconnect is delinquent and/or past due, or (d) if Teleconnect makes recourse to Subscriber's letter of credit or other credit facility. In the event of delinquent payment, Volume Discounts shall not apply for the delinquent month's charges. In the event additional service is requested, credit requirements may be revised.

2. Usage Forecast. An initial twelve month LATA by LATA forecast may be required.
3. Limitation of Liability. Teleconnect shall have no liability or responsibility for providing, maintaining, or repairing Subscriber's interconnection facilities or other equipment. Any apparatus and equipment provided by Subscriber in connection with the leased capacity shall be maintained by Subscriber at its sole expense.

Teleconnect shall not be liable for any act or omission of any other entity furnishing facilities or equipment to Subscriber used with respect to or in conjunction herewith. Teleconnect shall not be liable for any damage or loss due to the fault or negligence of Subscriber, its agents, or employees, or the failure of Subscriber provided equipment or facilities.

Teleconnect shall have no liability to Subscriber for damages to Subscriber's customers caused by incorrect or defective

transmission. Subscriber shall indemnify and hold harmless Teleconnect, its officers, agents, employees, directors and affiliated corporations and entities, from and against (i) any and all losses, liabilities, damages, and expenses (including, without limitation, costs of judgment and attorney's fees) arising from or related to claims, actions or proceedings of Subscriber customers for errors, omissions, delays or interruptions in the use of the Teleconnect system hereunder, regardless of any negligence or alleged negligence, active or passive or otherwise of Teleconnect, and (ii) any and all claims for consequential, special or similar damages by Subscriber and Subscriber clients, such claims by Subscriber being specifically waived and disclaimed.

Teleconnect will assist Subscriber in the monitoring for toll fraud, although Teleconnect makes no representation that it can stop said fraud. Subscriber shall be responsible for all losses from such fraud.

4. Force Majeure. If, because of force majeure, Teleconnect is unable, wholly or in part, to carry out any of its obligations under this Agreement its obligations shall be suspended for the duration of the event of force majeure. During the continuance of such force majeure, Teleconnect shall incur no liability by reason of its failure to perform the obligations so suspended; provided, however, that the disabling effect of such force majeure shall be eliminated as soon as and to the extent reasonably possible. The term "force majeure" as used herein shall include a substantial failure of the network, including switch, radio or fiber optics cable failure, acts of God, riots, insurrection, war, labor dispute, fire, flood, explosion, orders or acts of military or civil authority or other cause beyond Teleconnect's reasonable control.
5. Taxes. All payments and credits hereunder shall be exclusive of sales and use taxes which, if applicable, shall be levied and collected as required by law.
6. Corporate Authority and Actions. Each party represents and warrants to the other that it has the right, power, and authority to enter into, and perform its obligations under this Agreement; and it has taken all requisite action to approve execution, delivery, and performance of this Agreement, and this Agreement constitutes a legal, valid, and binding obligations upon itself in accordance with its terms.
7. Assignment. The interests of Subscriber hereunder are assignable only with the advance written consent of Teleconnect, which shall not be unreasonably withheld.
8. Entire Agreement. This Agreement supersedes and replaces all prior agreements, understandings, or arrangements, whether oral



or written, heretofore made between the parties and relating to the subject matter hereof, and together with the exhibits attached hereto constitutes the entire understanding of the parties with respect to the subject matter of this Agreement. This Agreement may not be modified, changed, altered or amended except by an express written agreement signed by duly authorized representatives of the parties hereto.

9. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns, and any reference to the parties to this Agreement shall include reference to their respective successors, assigns and transferees.
10. Addendum. Any attached Addendum(s) are hereby incorporated into this agreement and by reference made a part hereof.
11. Notices. Written notices given hereunder shall be deemed given when delivered by messenger or when deposited, postage prepaid, addressed to the following respective addresses:

If to Teleconnect:

Teleconnect Long Distance  
Services & Systems Company  
Carrier Services Department  
500 Second Avenue S.E.  
Cedar Rapids, IA 52401

With a copy to:

Teleconnect Long Distance  
Services & Systems Company  
Legal Department  
500 Second Avenue S.E.  
Cedar Rapids, IA 52401

If to Subscriber, to the address set forth for Subscriber in the Teleconnect Service Master Agreement.

Any notices not affirmatively required to be written can be either given as written notice as above provided, or by telephone notice, deemed given upon completion of the call, to the following respective numbers:

If to Teleconnect: (319) 366-6600

If to Subscriber, to the number set forth in the Teleconnect Master Service Agreement.

## Attachment TOS-R

Teleconnect shall provide operator services for the Subscriber identified in the Teleconnect Service Master Agreement to which this Attachment TOS is attached (the "Master Agreement") and each of Subscriber's customers whose calls are handled hereunder (each a "Caller"), upon the terms and conditions set forth herein.

1. Delivery of Traffic: Traffic for which operator services are to be provided shall be turned over to Teleconnect at the Meet Point specified in the Master Agreement. Subscriber shall be responsible for transporting the calls for which it desires to have Teleconnect provide operator services to the Meet Point. Subscriber shall deliver the calls to Teleconnect at the Meet Point at the DS-1 level. Subscriber shall provide the number of incoming DS-1 circuits which it in good faith believes is reasonable and appropriate for the traffic to be handled under this Agreement, which number of DS-1s shall be at the sole discretion of Subscriber. It shall be Subscriber's responsibility to deliver such traffic to Teleconnect on circuits which conform in terms of volume, interference and other relevant operational characteristics with accepted industry standards, and Teleconnect shall not be liable for any costs or claims associated with traffic on circuits not meeting such standards.
2. Service Provided: Teleconnect shall provide the operator intervention required to allow the completion of the types of calls set forth in a. (the "Standard Calls") using the procedures set forth in b. (the "Standard Procedures"). The types of calls set forth in c. (the "Non-Standard Calls") shall be handled using the procedures set forth in c.
  - a. Standard Calls:
    - i. Calling Card Calls. Calls which are billed to accounts established and maintained by Local Exchange Companies.
    - ii. Credit Card Calls. Calls which are billed to a travel and entertainment credit card.
    - iii. Collect Calls. Calls which are billed to the telephone number of the called party.
    - iv. Third Party Calls. Calls which are billed to a telephone number which is neither the calling or called parties.

# EXHIBIT 5

## SSA MONITOR FORM

DATE: \_\_\_\_\_ SSA: \_\_\_\_\_ MONITOR: \_\_\_\_\_ #CALLS: \_\_\_\_\_

### SCRIPTING

1. Good morning, afternoon, evening! N \_\_\_\_\_
2. May I have your code or extension, please? N \_\_\_\_\_
3. The area code and number you're calling, please?  
Is there anything else? Repeat INWATS. N \_\_\_\_\_
4. Thank you! N \_\_\_\_\_

TOTAL N \_\_\_\_\_

(# correct / 80) PERCENT ACHIEVED \_\_\_\_\_ %

### CONTENT

1. Smile in voice? N \_\_\_\_\_
2. Did not talk through zip tone. N \_\_\_\_\_
3. Scripting properly paced (not too fast)? N \_\_\_\_\_
4. Clarity in voice (no muffled tones, eating)? N \_\_\_\_\_
5. Proper grammar used? N \_\_\_\_\_

TOTAL N \_\_\_\_\_

(# correct / 100) PERCENT ACHIEVED \_\_\_\_\_ %

### ACCURACY/REFERRALS/FORMS

1. Accurate dialing (without unnecessary repeats)? N \_\_\_\_\_
2. Appropriate information given? N \_\_\_\_\_
3. Proper referral to RTR, Cust. Serv., Help line? N \_\_\_\_\_
4. Received appropriate information for Credit memos &  
Trouble tickets? N \_\_\_\_\_

TOTAL N \_\_\_\_\_

(#correct / 80) PERCENT ACHIEVED \_\_\_\_\_ %

(%S / 3) OVERALL PERCENT ACHIEVED \_\_\_\_\_ %

### NOTES:

## EXHIBIT 6

ONI  
PERFORMANCE APPRAISAL

Name: \_\_\_\_\_ Hire Date/Customer Service Date \_\_\_\_\_ Year \_\_\_\_\_

Supervisor: \_\_\_\_\_

Evaluation Ratings

Above Average	=	AA
Average	=	A
Below Average	=	BA

Above Average - Performance exceeds basic requirements of position.  
Average - Meets basic requirement of the position. Acceptable performance.  
Below Average - Has difficulty meeting requirements of the position. Improvement needed in certain positions.

Review Dates												
Merit Pay Rates, When Scheduled												
Effective Date												
Evaluation Gratings	AA	A	BA	AA	A	BA	AA	A	BA	AA	A	BA
A. Performance Factors												
1. Monitor reports												
a. Scripting												
b. Content												
c. Accuracy/referrals/forms												
2. Scanner Report												
a. Unaccounted busy out time												
b. Number of calls per hour												
3. Attendance - On time and in regular attendance. Gives proper notice if going to miss work												
4. Attitude - Individual sets the example of attitude courtesy, and appearance indicative of their position -												
5. Teamwork - Participates in project groups or demonstrates team player attitudes												
6. Willingly follows instructions												
7. Conduct - Employee complies with work rules and company policies												
8. Quantity - Maintains required output while completing assignments within scheduled time frame												
Employee's initials (left column)												
Supervisor's initials (right column)												

12/31/87

Comments and recommendations for continued improvement (to include objectives or items to be worked on in the weeks and months ahead by the employee before next review) - supervisor and employee comments.

Date: \_\_\_\_\_ Comments: \_\_\_\_\_

Employee's Signature \_\_\_\_\_ Supervisor's Signature \_\_\_\_\_

Date: \_\_\_\_\_ Comments: \_\_\_\_\_

Employee's Signature \_\_\_\_\_ Supervisor's Signature \_\_\_\_\_

Date: \_\_\_\_\_ Comments: \_\_\_\_\_

Employee's Signature \_\_\_\_\_ Supervisor's Signature \_\_\_\_\_

Date: \_\_\_\_\_ Comments: \_\_\_\_\_

Employee's Signature \_\_\_\_\_ Supervisor's Signature \_\_\_\_\_

EXHIBIT 7

EVALUATION OF EMPLOYEE PERFORMANCE

EMPLOYEE:

EMPLOYMENT DATE: February 2, 1987

MONITOR STATISTICS: 99.52; N/A

ATTENDANCE SINCE MARCH: No days missed

10-KEY CAPABILITY: No

OTHER AREAS:

AREAS TO WORK ON OR NEEDING ATTENTION: could improve in speed and will need to practice on her 10-key service she does operator when needed.

PLAN TO ACCOMPLISH: Continue to monitor productivity and set goals with her. Goals have been set and discussed with

GRADING: Superior (1st Quarter Achievers Club)

EVALUATION OF EMPLOYEE PERFORMANCE

EMPLOYEE:

EMPLOYMENT DATE: January 4, 1988

MONITOR STATISTICS: 99.85; 99.67

ATTENDANCE SINCE MARCH: No days missed

10-KEY CAPABILITY: Yes

OTHER AREAS:

AREAS TO WORK ON OR NEEDING ATTENTION: Will need to concentrate on Operator Services skills when trained.

PLAN TO ACCOMPLISH: Provide training. Monitor progress and provide daily feedback.

GRADING: Superior (1st Quarter Achievers Club)

Gradings:

Superior (Sup) = Exceeds position requirements. Excels in many aspects of performance  
Above Average (AA) = Performance exceeds basic requirements of position  
Average (Avg) = Meets basic requirements of position. Acceptable performance  
Improvement Necessary (IN) = Improvement necessary in certain areas

**TELECONNECT**  
Telecommunications Services & Systems

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April 14, 1988

Extension Desk  
Audit Bureau  
P.O. Box 12001  
Topeka, KS 66612-2001

Gentlemen:

Enclosed is the Extension Request for Teleconnect Company, Federal Identification Number 42-1133873, for tax year 1987 with the estimated payment of \$10,000. Please acknowledge receipt of this request and payment on the enclosed copy of this letter and return in the self addressed envelope provided.

Sincerely,

*Don Schmitt*

Don Schmitt  
Director of Taxes



# KANSAS

## APPLICATION FOR EXTENSION OF TIME TO FILE KANSAS RETURN

Applicant:

### AUTHORIZATION BLOCK

Teleconnect Company

(Taxpayer or corporate name)

42-1133873

(Social security number or corporate file number)

Mailing address:

Teleconnect Company

(Name)

P.O. Box 3163

(Street address)

Cedar Rapids, Iowa 52406

(City, state, and zip code)

☐ REJECTED

Reason for rejection indicated below

Type of return:

- ☐ Individual, Form 40  
☒ Corporation, Form 120, 120S  
☐ Partnership, Form 65  
☐ Fiduciary, Form 41  
☐ Other

Extension requested to 10 / 15 / 88  
Month Day Year

For ☒ Calendar year ending December 31, 19 87

or

☐ Fiscal year ending \_\_\_\_\_  
Month Day Year

Extension is necessary for the following reason(s):

NOTE: The Kansas Department of Revenue does NOT allow an extension of time for payment of taxes.

1. Total income tax liability for 1987 (After all nonrefundable credits, you may estimate this amount)

Note: You must enter an amount on line 1

2. Kansas income tax withheld  
3. 1987 estimated tax payments (Include 1986 overpayment allowed as a credit)

4. Other payments

5. Total (Add lines 2, 3, and 4)

6. Income tax balance due (Subtract line 5 from line 1). Pay in full with this form.

1 10,000

2		
3		
4		

Write your social security number or corporate file number on check or money order and make payable to Kansas Income Tax or Kansas Corporate Tax

5 - -

6 10,000

If no return is filed, the granting of this extension will in no way relieve the taxpayer of penalties provided by law for failure to file return.

Taxpayer's Signature

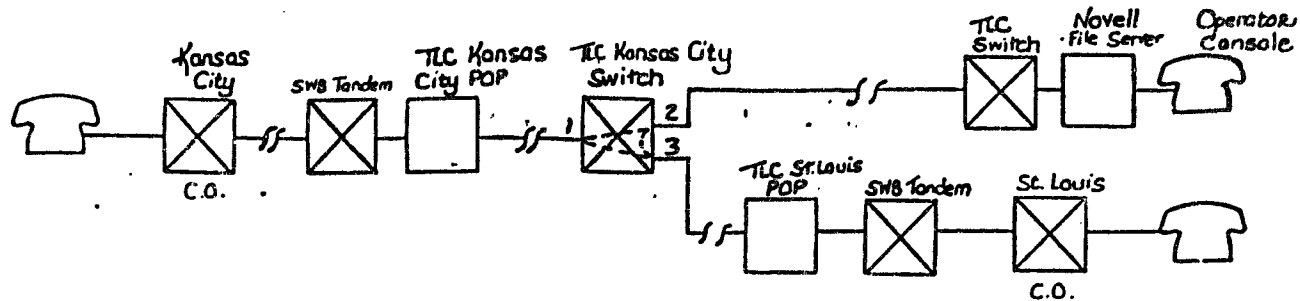
Date

### REASON FOR REJECTION OF EXTENSION

- ☐ The postmark indicates that this extension request was mailed after the due date for filing the return.  
☐ No reason is given for needing the extension of time.  
☐ The reason given does not constitute good cause for granting an extension of time.  
☐ Insufficient information is given to warrant granting an extension of time.  
☐ A general statement of hardship is not sufficient cause for granting an extension of time.  
☐ Inability to pay is not sufficient cause for granting extension of time.  
☐ Payment was not submitted with extension.  
☐ Other:



Cedar Rapids, IA.



TLC = Teleconnect

SWB = Southwestern Bell

POP = Point of Presence

CO = Central Office