1	STATE OF MISSOURI
2	PUBLIC SERVICE COMMISSION
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5	TRANSCRIPT OF PROCEEDINGS
6	Hearing
7	July 7, 2004
8	Jefferson City, Missouri Volume 3
9	
10	In the Matter of the Petition of)
11	New London Telephone Company,) Orchard Farm Telephone Company and)
12	Stoutland Telephone Company) for Suspension of the Federal) Case No. TO-2004-0370 Communications Commission)
13	Requirement to Implement Number)
14	Portability) In the Matter of the Petition of)
15	Holway Telephone Company for)
16	Suspension of the Federal) Case No. TO-2004-0403 Communications Commission)
17	Requirement to Implement Number) Portability)
18	In the Matter of the Petition of) Farber Telephone Company for)
10	Suspension and Modification of) Case No. TO-2004-0437
19	the Federal Communications) Commission Requirement to Implement)
20	Number Portability)
0.1	In the Matter of the Petition of)
21	Peace Valley Telephone Company,) Inc. for Suspension and)
22	Modification of the Federal) Case No. TO-2004-0438 Communications Commission)
23	Requirement to Implement Number) Portability)
24	

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    In the Matter of the Petition of
    Alma Communications Company d/b/a )
    Alma Telephone Company for
    Suspension of the Federal
                                       ) Case No. IO-2004-0453
    Communications Commission
    Requirement to Implement Number
    Portability
    In the Matter of the Petition of
    New Florence Telephone Company
    for Suspension and Modification of ) Case No. TO-2004-0503
    The Federal Communications
    Commission Requirement to Implement)
    Number portability
    In the Matter of the Petition of
    Miller Telephone Company for
    Suspension and Modification of the ) Case No. TO-2004-0511
10
    Federal Communications Commission )
    Requirement to Implement Number
                                       )
11
    Portability
12
13
                   VICKY RUTH, Presiding,
14
                        SENIOR REGULATORY LAW JUDGE.
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                   STEVE GAW, Chairman,
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                   CONNIE MURRAY,
17
                   ROBERT M. CLAYTON,
                   LINWARD "LIN" APPLING,
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                        COMMISSIONERS.
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    REPORTED BY:
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    KELLENE K. FEDDERSEN, CSR, RPR, CCR
    MIDWEST LITIGATION SERVICES
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7	Orchard Farm Telephone Company. Stoutland Telephone Company. Holway Telephone Company.
8	Farber Telephone Company. Peace Valley Telephone Company.
9	New Florence Telephone Company. Miller Telephone Company.
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23	FOR: Staff of the Missouri Public
24	Service Commission.

- 1 PROCEEDINGS
- 2 JUDGE RUTH: Good morning. My name is Vicky
- 3 Ruth, and I am assigned to preside over these cases.
- 4 This morning we have an on-the-record
- 5 presentation in seven of the local number portability
- 6 cases. We have -- the first proceeding will be the
- 7 on-the-record presentation regarding the full stipulation
- 8 in the first set, the seven cases that have the full
- 9 stipulations. At the conclusion of this proceeding, we
- 10 will start a new hearing for the remaining ten that have
- 11 partial stips and agreements.
- 12 The cases for this first proceeding I'll
- 13 read only the case number and not the caption. The court
- 14 reporter has been provided a list that has the caption and
- 15 the case number. They are TO-2004-370, 403, 437, 438,
- 16 IO-2004-453, TO-2004-503 and 511.
- 17 Let's begin with entries of appearance,
- 18 please. For the petitioners New London, et cetera?
- 19 MR. ENGLAND: Thank you, your Honor. Let
- 20 the record reflect the appearance of W.R. England and
- 21 Brian T. McCartney on behalf of Petitioners. Our mailing
- 22 address is Brydon, Swearengen & England, P.C., Post
- 23 Office 456, Jefferson City, Missouri.
- 24 JUDGE RUTH: Thank you. And for Petitioner
- 25 Alma?

- 1 MS. CHASE: Thank you, your Honor. Let the
- 2 record reflect Lisa Chase and Craig Johnson appearing on
- 3 behalf of Andereck, Evans, Milne, Peace & Johnson, 700 East
- 4 Capitol, Jefferson City, Missouri 65102, representing Alma
- 5 Telephone Company.
- JUDGE RUTH: Thank you. And for the Office
- 7 of the Public Counsel?
- 8 MS. O'NEILL: Your Honor, good morning. My
- 9 name is Ruth O'Neill, and I, along with Michael Dandino,
- 10 represent the Office of the Public Counsel and the public.
- 11 Our mailing address is P.O. Box 2230, Jefferson City,
- 12 Missouri 65102.
- JUDGE RUTH: Thank you. And for Staff?
- 14 MR. MEYER: Good morning, your Honor, David
- 15 Meyer for the Staff of the Missouri Public Service
- 16 Commission. Our address is P.O. Box 360, Jefferson City,
- 17 Missouri 65102.
- 18 JUDGE RUTH: Thank you. And as I mentioned
- 19 at the beginning, this is the first proceeding set for
- 20 today, June 7th. This on-the-record presentation covers
- 21 the seven cases with the full stipulation and agreements.
- 22 The procedure today will be, the parties will have an
- 23 opportunity to offer brief opening statements, then we're
- 24 going to move straight to questions from the Bench.
- 25 After the questions from the Bench, it is my

- 1 understanding that there is at least one piece of prefiled
- 2 testimony that will need to be offered for each of the
- 3 seven cases. I anticipate doing that after the questions
- 4 from the Bench. At the end of the hearing, the parties
- 5 will have an opportunity to make brief closing statements
- 6 or closing arguments, if you wish.
- 7 The transcript from this case has been
- 8 expedited and it is being submitted one business day
- 9 following the hearing. At this point, I do not anticipate
- 10 the need for Briefs, but we will address that at the end of
- 11 the hearing.
- 12 Are there any questions regarding the
- 13 procedure for this proceeding?
- 14 (No response.)
- 15 JUDGE RUTH: Okay. Are there any other
- 16 preliminary matters that need to be addressed?
- 17 Mr. Johnson?
- 18 MR. JOHNSON: Judge Ruth, Craig Johnson. I
- 19 have another commitment at ten o'clock, so I might not be
- 20 here for the entire proceeding this morning.
- JUDGE RUTH: Okay. Thank you. Okay. We're
- 22 going to --
- 23 MR. ENGLAND: I suppose it's a preliminary
- 24 matter. We've made copies of the verified petitions in the
- 25 various cases, but at least for purposes of the first

- 1 grouping, the seven, and would ask that they be made an
- 2 exhibit, I guess, in the case. I think that was
- 3 contemplated or agreed to as part of the stipulation.
- 4 JUDGE RUTH: Let's go ahead and take care of
- 5 that. The Commissioners aren't down -- most of the
- 6 Commissioners -- excuse me -- aren't down here.
- 7 MR. ENGLAND: I made a mistake. It's the
- 8 Unanimous Stipulation & Agreement.
- 9 JUDGE RUTH: Okay. So you have one for
- 10 each?
- 11 MR. ENGLAND: Correct. And they provide for
- 12 the notice, the taking of notice, if you will, of the
- 13 verified petition plus, I believe, Staff's recommendation.
- 14 JUDGE RUTH: But your packet is only the
- unanimous stip; is that correct?
- MR. ENGLAND: Correct.
- 17 JUDGE RUTH: Okay. The first one will be
- 18 the 370 case; No. 2 will be 403; 3, 437; 438's fourth; 458
- 19 for the fifth one; 503; and then 511, if you want to go
- 20 ahead and provide those to the court reporter.
- 21 MR. ENGLAND: I wasn't as quick as you. I
- 22 do have the 370 for my first. What follows then after 370?
- Judge, which one did you want me to take
- 24 second, please?
- JUDGE RUTH: 403, please.

- 1 MR. ENGLAND: All right.
- JUDGE RUTH: So the third one's 437.
- 3 MR. ENGLAND: Judge, we're off the record?
- 4 JUDGE RUTH: Yes.
- 5 (Discussion off the record.)
- 6 (EXHIBIT NOS. 11 THROUGH 16 WERE MARKED FOR
- 7 IDENTIFICATION BY THE REPORTER.)
- 8 MS. CHASE: Your Honor?
- 9 JUDGE RUTH: Yes.
- 10 MS. CHASE: For Alma Telephone Company,
- 11 which is IO-2004-453, we have the Unanimous Stipulation &
- 12 Agreement filed on June 18th, 2004, and I do not have
- 13 copies of that here, but I can file those late-filed as
- 14 exhibits.
- JUDGE RUTH: Okay. Now, 453, so at this
- 16 time you don't have it?
- MS. CHASE: I don't have extra copies.
- 18 JUDGE RUTH: Did the stip provide that it
- 19 would be admitted as an exhibit? Do you remember? I'm
- 20 sorry.
- MR. ENGLAND: I don't believe.
- 22 JUDGE RUTH: But the other ones did; is that
- 23 correct?
- MR. ENGLAND: Well, what the stipulation
- 25 provided was that the verified petition, Staff

- 1 recommendation, I believe, would be taken -- notice would
- 2 be taken of those items or included in the record.
- JUDGE RUTH: Alma, why don't you late file
- 4 that one? And I believe we're up to Exhibit 17 now. As I
- 5 mentioned before, we'll handle Staff's testimony later.
- 6 Mr. England, were there any others?
- 7 MR. ENGLAND: Let me just hand something
- 8 else out. I don't know if we -- I'll let the other parties
- 9 decide whether they want to make it an exhibit or not, but
- 10 we've attempted to summarize all of the cases we've got
- 11 today and kind of group them.
- 12 JUDGE RUTH: For identification purposes, at
- 13 least, let's mark it as Exhibit 18.
- 14 (EXHIBIT NO. 18 WAS MARKED FOR
- 15 IDENTIFICATION BY THE REPORTER.)
- 16 JUDGE RUTH: Mr. England, is there anything
- 17 else?
- 18 MR. ENGLAND: No, there's not. Thank you.
- 19 JUDGE RUTH: Then we have Exhibits 1 through
- 20 6 offered into the record -- I'm sorry -- 11 through 16 at
- 21 this time. 11 is 370; 12 is 403; 13 is 437; 14, 458; 15,
- 22 503; and 16, 511; is that correct?
- MR. ENGLAND: Yes.
- JUDGE RUTH: Are there objections to these
- 25 being received into the record?

- 1 (No response.)
- JUDGE RUTH: Seeing no objections, these are
- 3 received, 11 through 16.
- 4 (EXHIBIT NOS. 11 THROUGH 16 WERE RECEIVED
- 5 INTO EVIDENCE.)
- JUDGE RUTH: 17 will be late-filed, and I'll
- 7 set a date for that to be filed by the end of the hearing.
- 8 18 has been offered for identification purposes at this
- 9 time.
- 10 Mr. England, have you decided whether you
- 11 want this to be received into the record as evidence?
- 12 MR. ENGLAND: If there's no objection by
- 13 Staff, Public Counsel or Alma, I would offer it.
- JUDGE RUTH: Alma?
- MS. CHASE: No objection, your Honor.
- JUDGE RUTH: Public Counsel?
- MS. O'NEILL: Can I have just a moment, your
- 18 Honor?
- 19 JUDGE RUTH: Yes. Staff?
- MR. MEYER: We have no objection.
- 21 MS. O'NEILL: Your Honor, we have no
- 22 objection.
- JUDGE RUTH: Exhibit 18 is also received
- 24 into the record. It's a document titled LNP Suspension
- 25 Request, one page.

- 1 (EXHIBIT NO. 18 WAS RECEIVED INTO EVIDENCE.)
- JUDGE RUTH: Now, there was not a list of
- 3 opening statements or orders filed for this case. I
- 4 propose to have Petitioners New London, and then
- 5 Petitioners Alma, Public Counsel, then Staff, unless the
- 6 parties propose a different order for opening.
- 7 (No response.)
- JUDGE RUTH: Then, new London, you may
- 9 proceed.
- 10 MR. ENGLAND: Thank you, your Honor, and
- 11 I'll try to be brief and, hopefully, in that short period
- 12 of time not confuse people any more than they probably
- 13 already are.
- 14 May it please the Commission? My name is
- 15 Trip England. Our office represents all the Petitioners
- 16 here today, with the exception of Alma Telephone Company.
- 17 All of these Petitioners seek suspension and modification
- 18 of the FCC and Telecommunication Act requirements regarding
- 19 local number portability, more specifically intermodal or
- 20 wireline to wireless local number portability, or LNP, as
- 21 we sometimes refer to it.
- 22 I understand that we've kind of grouped the
- 23 stipulations and agreements today into sort of two groups.
- 24 First of all, there are those groups -- there is the first
- 25 group -- excuse me -- which has unanimous stipulations and

- 1 agreements. In other words, it's my understanding that
- 2 there is unanimity among the parties recommending that
- 3 suspensions and modifications be issued.
- 4 There is a second group where there is a
- 5 stipulation as to facts, but not unanimity regarding what
- $\,$ 6 $\,$ the Commission should do or the recommendation regarding an
- 7 appropriate suspension period.
- 8 It's also my understanding that, at least
- 9 for purposes of the hearings this morning, we're going to
- 10 talk about the first group first, and with that in mind,
- 11 I'd refer you to what I believe has been marked and maybe
- 12 now received as Exhibit 18, and that is an attempt on our
- 13 part to sort of summarize some of the information that I
- 14 think has already been given to you maybe in proprietary
- 15 exhibits in a previous on-the-record discussion.
- 16 What we've done here is winnow out some of
- 17 that information, at least the confidential information, so
- 18 that this is all public information, in our opinion. And
- 19 what we've done here is now we've -- unfortunately, we've
- 20 used the group language, so as I said, we're trying not to
- 21 confuse. The cases that we're going to be talking about
- 22 today are sort of the top half of the page, or Group 1 and
- 23 Group 2. The subgroups that we've created here, we've
- 24 attempted to bundle or group based on the recommended
- 25 action to be taken.

- 1 The first four, if you will, the parties
- 2 have unanimously agreed that, based upon the costs of
- 3 implementing LNP, that those companies' obligations be
- 4 suspended for a period of two years. The second group
- 5 involves companies that are not LNP capable, but to do so
- 6 are going to be embarking upon complete switch replacement
- 7 or upgrades, and in those cases there are varying
- 8 recommendations regarding a suspension period in order to
- 9 accomplish that activity.
- 10 For example, in the Holway case, the parties
- 11 have unanimously agreed to a two-year suspension. In the
- 12 Orchard Farm, New London and Stoutland case, the parties
- 13 have agreed to a six-month suspension, and in the Miller
- 14 case, the parties have agreed to an extension to the end of
- 15 the year, December 31st, 2004.
- I won't get into the Group 3 or Group 2.
- 17 However, we want to talk about that. As I understand, that
- 18 will be taken up later. That's the companies where there
- 19 is some disagreement as to the recommended relief or action
- 20 the Commission needs to take.
- 21 As we, I guess, off the record indicated and
- 22 had marked, all of these companies are the subject of
- 23 unanimous -- or their requests rather are now the subject
- 24 of Unanimous Stipulations and Agreements. We believe those
- 25 agreements speak for themselves, and we support them

- 1 wholeheartedly and ask that you approve them as filed.
- 2 We'll make ourselves available for any questions that the
- 3 Commission may have with respect to those cases.
- 4 And I think with that, I'd thank you for
- 5 your time and turn the podium over to the next attorney.
- JUDGE RUTH: Thank you. Counsel for Alma?
- 7 MS. CHASE: Thank you, your Honor. My name
- 8 is Lisa Chase and I represent Alma Telephone Company.
- 9 Alma Telephone Company filed a Unanimous
- 10 Stipulation & Agreement on June 18th, 2004 seeking both a
- 11 suspension and modification. The suspension was sought
- 12 because of the costs of the upgrades for LNP to Alma
- 13 Telephone Company. Alma is the second company on the
- 14 Exhibit 18 that Mr. England just referred to.
- 15 Alma company -- since the FCC order of
- 16 November 10th, 2003, Alma Telephone Company has been
- 17 monitoring proceedings at the FCC level for clarification
- 18 and implementation -- for implementing intramodal LNP, and
- 19 they've also been assessing their implementation costs and
- 20 doing cost/benefit analysis. And what Alma determined was
- 21 that their Mytel GX 5000 switch would no longer have vendor
- 22 support come January 1st, 2007, that the cost to make their
- 23 switch LNP capable was about \$22,000, and that would be for
- 24 about a two-year period, when they would have to replace
- 25 that switch due to no longer having vendor support.

- 1 Alma has a customer base of about 390
- 2 customers over which that cost would be assessed. Alma had
- 3 also been informed that its vendor would have an 18-week
- 4 delay before it could build and ship the necessary
- 5 component parts to make its GX 5000 switch LNP capable, and
- 6 that once the components were received, it would need to be
- 7 installed and tested.
- 8 Based on all that information, Alma decided
- 9 that replacement of its switch was the better investment on
- 10 behalf of its customers, rather than imposing two costs,
- 11 one to upgrade its current switch and then turning around
- 12 and having to replace it within two years.
- 13 Alma has been negotiating financing. What
- 14 Alma determined to do was, instead of just simply updating
- 15 its switch, it's going to be updating -- it would like to
- 16 update its entire network to install fiber to every home,
- 17 and that would provide its customer base, its entire
- 18 customer base with benefits for technological advancements,
- 19 including high-speed internet access, voice and video.
- 20 Alma has been negotiating financing,
- 21 hardware and software, contract services, construction
- 22 services to upgrade their entire network system. And Alma
- 23 filed a petition on March 3rd, 2004 for two-year suspension
- 24 and modification in order to enable it to have the time to
- 25 implement those upgrades.

- 1 If you have further questions, we'd be happy
- 2 to respond to those. Thank you.
- JUDGE RUTH: Thank you. Public Counsel,
- 4 your opening statement?
- 5 MS. O'NEILL: Thank you, your Honor. Good
- 6 morning, your Honor and Commissioners. My name is Ruth
- 7 O'Neill, and I, along with Michael Dandino, represent the
- 8 Office of the Public Counsel in this matter. I will have a
- 9 few more things to discuss with you when we get to the
- 10 second hearing of the morning, or the second part of this
- 11 hearing.
- 12 Basically, what I did want to say at this
- 13 point was that the Office of the Public Counsel is a
- 14 signatory to these Unanimous Stip and Agreements. If you
- 15 have questions regarding that, Barbara Meisenheimer from my
- 16 office is present today, and she can help answer any
- 17 questions that you might have.
- 18 The Office of the Public Counsel supports
- 19 suspension of these requirements for many of the same
- 20 reasons that have been set forth by the petitioners this
- 21 morning. We are also mindful of the fact that the
- 22 company's customers are the ones who will bear the burden
- 23 of the costs that are necessary to implement these changes,
- 24 and ironically the customers who will bear those burdens
- 25 will be the customers who remain with the wireline

- 1 companies rather than those who switch their numbers to a
- 2 wireless carrier.
- 3 We believe that there are a lot of issues
- 4 that need to be worked out with the small rural companies
- 5 before these orders are implemented, and I will speak on
- 6 that later in the next portion of this hearing. Thank you.
- JUDGE RUTH: Thank you. And Staff?
- 8 MR. MEYER: Good morning. I'll be brief, as
- 9 this was a unanimous stipulation, and in attempt to not
- 10 reiterate what people have already said this morning, I'll
- 11 save my longer version for the next proceeding.
- 12 But I wanted to speak briefly about the
- 13 Commission's authority to approve these stipulations and
- 14 Staff's perspective on that, and why Staff has gone and
- 15 agreed to suspension and modification in these cases where
- 16 we have filed this unanimous stipulation.
- The federal statute, as we've discussed in
- 18 previous proceedings in these cases, does provide for
- 19 suspension and modification for rural carriers if the
- 20 local, in other words, the state commission finds that
- 21 there's support for that. There's specific criteria that
- 22 are set forth.
- 23 A state commission needs to determine that
- 24 it's necessary to avoid a significant adverse economic
- 25 impact on users of telecommunications services generally,

- 1 to avoid imposing a requirement that is unduly economically
- 2 burdensome or to avoid imposing a requirement that is
- 3 technically infeasible, and the decision to suspend or
- 4 modify must be consistent with the public interest,
- 5 convenience and necessity.
- 6 In Missouri there's not a lot of history of
- 7 the application of this Section 251(f)2 suspension and
- 8 modification clause. This is somewhat unchartered
- 9 territory for us, so there's not a lot of law or precedent
- 10 to cite to here. Certainly other states have begun to
- 11 grapple with the same issue and have arrived at different
- 12 conclusions.
- Our view in these particular cases is that
- 14 there is enough of an economic impact and undue economic
- 15 burden such that it does appear to be appropriate for
- 16 suspension of the local number portability directive from
- 17 the FCC. Therefore, Staff has supported the unanimous
- 18 stipulations here.
- 19 The only other area really that I can cite
- 20 to on a legal level here supporting the Commission's
- 21 action, there are some regulatory sections issued by the
- 22 FCC. 47 CFR 51.405 discusses the burden of proof before
- 23 commissions, and we believe that that burden has been met
- 24 here, and again, that's not a very elaborately described
- 25 section. There's not a lot of history there, certainly

- 1 before the Missouri Commission.
- 2 Thus in this case, though, we believe that
- 3 the standards have been met and that the suspensions and
- 4 the modifications should be approved as set forth in the
- 5 unanimous stipulation and we are available for any
- 6 questions. Thank you.
- 7 JUDGE RUTH: Okay. Thank you. We'll move
- 8 now to some questions from the Bench. And we may bounce
- 9 around a little bit from questions to various parties, but
- 10 I will try to allow some catch-up sessions where, if you
- 11 were not given an opportunity to respond to a particular
- 12 question, you'll be allowed to answer later in the
- 13 proceeding.
- 14 Commissioner Murray, do you have any
- 15 questions to start?
- 16 COMMISSIONER MURRAY: I do. Thank you.
- 17 In Ms. Chase's statements, she indicated
- 18 that guite a lot has been done by Alma regarding the
- 19 determination of the cost to make the switch LNP capable,
- 20 the cost/benefit analysis for upgrade versus replacement.
- 21 Quite a lot of research, it looks like, has been put into
- 22 determining the cost and how long it will take Alma to
- 23 comply.
- 24 Conspicuous by its absence was any remark by
- 25 Mr. England that the other carriers have done anything like

- 1 that, and I'd like a response as to what they have done in
- 2 that regard.
- 3 MR. ENGLAND: Essentially the same thing,
- 4 your Honor. They've all gone through the same exercise to
- 5 determine what their individual costs both on a
- 6 nonrecurring basis would be, as well as a recurring basis.
- 7 And in some cases, as Ms. Chase pointed out in Alma's case,
- 8 for example, in Holway's case or Orchard Farm, New London
- 9 and Stoutland, and finally Miller, that grouping of No. 2,
- 10 if you will, on Exhibit 18, all of those companies have
- 11 determined that switch replacement is more appropriate
- 12 under the circumstances than implementing simply -- if
- 13 possible, implementing upgrades for adjustments to their
- 14 current switch to implement LNP.
- 15 COMMISSIONER MURRAY: So the numbers
- 16 regarding those studies are in the record; is that
- 17 accurate?
- 18 MR. ENGLAND: The numbers regarding which
- 19 studies?
- 20 COMMISSIONER MURRAY: That the cost of
- 21 replacement versus cost of upgrade.
- 22 MR. ENGLAND: No. The costs of upgrade are
- 23 in the record. In TDS's case, I think they've just
- 24 recently made a decision to pursue the switch replacement.
- 25 Miller did pursue the switch replacement. I've misspoken.

- 1 John Zeiler with TDS is here with me. Apparently TDS is
- 2 going to pursue the upgrade, as opposed to switch
- 3 replacement.
- 4 COMMISSIONER MURRAY: I'm sorry. Which one
- 5 is TDS?
- 6 MR. ENGLAND: There are three companies and
- 7 they're all in the same case number. It's Orchard Farm,
- 8 New London and Stoutland, Case No. 370.
- 9 COMMISSIONER MURRAY: And they are pursuing
- 10 an upgrade versus replacement?
- 11 MR. ENGLAND: That's correct.
- 12 COMMISSIONER MURRAY: As a result of
- 13 cost/benefit analysis that indicated that was more
- 14 beneficial?
- 15 MR. ENGLAND: A combination of cost/benefit
- 16 and time. They can pursue the switch upgrade much more
- 17 quickly than a complete replacement.
- 18 COMMISSIONER MURRAY: And they're only
- 19 suspended for six months; is that correct?
- MR. ENGLAND: Correct.
- 21 COMMISSIONER MURRAY: There was a statement
- 22 that these are unanimous, but the critical parties that
- 23 will be affected by these are not parties, is that correct,
- 24 the wireless carriers?
- 25 MR. ENGLAND: They're not parties; I'd agree

- 1 with that. I think I mentioned in one of the other
- 2 proceedings, they've certainly had plenty of notice of
- 3 these proceedings. I think this is the third on-the-record
- 4 presentation that we've had regarding LNP. Many of these
- 5 applications have been on file on EFIS, available for the
- 6 public since February or March of this year.
- 7 COMMISSIONER MURRAY: Do you think they just
- 8 don't care?
- 9 MR. ENGLAND: You asked me that question
- 10 before. I hesitate to speak for them, but I will. I
- 11 really think that it's not as big an issue, it's not as
- 12 critical an issue to them at this time in rural areas.
- 13 COMMISSIONER MURRAY: Does it cost them more
- 14 to serve in rural areas?
- MR. ENGLAND: I don't know.
- 16 COMMISSIONER MURRAY: Does anybody?
- 17 MS. MEISENHEIMER: I might take a stab at
- 18 it. In general response, their -- is that okay?
- 19 COMMISSIONER MURRAY: Pardon me
- MS. MEISENHEIMER: I'll be quick.
- 21 JUDGE RUTH: That's fine. Just make sure
- 22 your microphone's catching.
- 23 MS. MEISENHEIMER: Did I need to be sworn
- 24 in?
- 25 JUDGE RUTH: Yes. Is this acceptable to

- 1 your counsel to have you answer this question?
- MS. O'NEILL: That's fine, your Honor.
- JUDGE RUTH: I'll need to have you go ahead
- 4 and move up actually.
- 5 (Witness sworn.)
- JUDGE RUTH: Please proceed.
- 7 BARBARA MEISENHEIMER testified as follows:
- 8 MS. MEISENHEIMER: I would say that, based
- 9 on my understanding of how wireless service is provisioned
- 10 versus how landline service is provisioned, the costs are
- 11 not different from the perspective of where their switch
- 12 and their tower are located. So I don't think there's any
- 13 difference necessarily in cost to them related to operating
- 14 the tower and operating the switch, because it serves both
- 15 non-rural and rural areas. However, there could be
- 16 differences with respect to the arrangements they have for
- 17 compensation in traffic.
- 18 COMMISSIONER MURRAY: Terminating traffic?
- MS. MEISENHEIMER: Yes.
- 20 COMMISSIONER MURRAY: Can be substantially
- 21 more, can it not, in some areas?
- MS. MEISENHEIMER: It depends on how that
- 23 traffic is treated. If you're talking about local traffic,
- 24 I don't expect that the differences would be as substantial
- 25 as if you're talking about long distance traffic, long

- 1 distance that might otherwise be subject to access rates.
- 2 COMMISSIONER MURRAY: Okay. Before you
- 3 leave, I don't know if you can answer any of these
- 4 questions. The Exhibit 18 that Mr. England gave us, I want
- 5 to ask, and I'll ask everybody, but I'll start with you,
- 6 Ms. Meisenheimer, if you know. The numbers that are shown
- 7 here, the total monthly recurring LNP charge, that
- 8 represents -- what does that represent?
- 9 MS. MEISENHEIMER: It's my understanding
- 10 that this would represent the cost of preparing the switch
- or replacing the switch, if necessary, to provide local
- 12 number portability. It also for some companies, but not
- 13 all, may include costs associated with a regional database
- 14 to provide number portability.
- 15 COMMISSIONER MURRAY: I'm going to stop you
- 16 for a moment, and ask Mr. England, Mr. England, since this
- 17 was the exhibit you filed, would you state what that number
- 18 represents?
- 19 MR. ENGLAND: Sure. I'd be happy to. And I
- 20 believe this is simply a summary of some more detailed
- 21 information that we submitted in a confidential format
- 22 earlier in maybe the first on-the-record proceeding back in
- 23 perhaps May.
- 24 COMMISSIONER MURRAY: And by the way, are
- 25 these numbers HC?

- 1 MR. ENGLAND: The ones that you have on
- 2 Exhibit 18, no, because of their total nature.
- 3 COMMISSIONER MURRAY: Okay.
- 4 MR. ENGLAND: It represents -- by the way,
- 5 Ms. Dietrich addresses it in her testimony, but companies,
- 6 as I understand, are allowed to recover both their
- 7 nonrecurring cost as associated with implementing LNP and
- 8 their recurring costs, and this total monthly recurring LNP
- 9 charge is the sum of those two.
- 10 If I may, the nonrecurring would be your
- 11 one-time costs in upgrading your switch, training your
- 12 people, any other administrative costs you may incur to do
- 13 that. And then the non-- excuse me -- the recurring
- 14 charges would be primarily database administration costs
- 15 that you would incur on a monthly basis on into the future.
- 16 COMMISSIONER MURRAY: So if we look at this
- 17 document, we can see what in the first column, with the
- 18 first number, 7.92, that is a charge that is not currently
- 19 placed on those customers; is that correct?
- 20 MR. ENGLAND: That is correct.
- 21 COMMISSIONER MURRAY: And is it accurate
- 22 that those customers were the first paying only 7.75 a
- 23 month for local service?
- 24 MR. ENGLAND: That is correct.
- 25 COMMISSIONER MURRAY: And there's one as low

- 1 as 5.75; is that correct?
- 2 MR. ENGLAND: That is correct.
- 3 COMMISSIONER MURRAY: And if the local
- 4 number portability were imposed, the maximum rate between
- 5 Groups 1 and 2 there would be \$16.87, which would be
- 6 including local number portability; is that right?
- 7 MR. ENGLAND: Yes.
- 8 COMMISSIONER MURRAY: Ms. Meisenheimer, how
- 9 does that 16.85 compare for an average cost of local
- 10 residential local service in the state of Missouri, do you
- 11 know?
- 12 MS. MEISENHEIMER: I believe that is higher
- 13 than the average residential rate in Missouri.
- 14 COMMISSIONER MURRAY: And have there been
- 15 cost studies in terms of the cost of provision of local
- 16 service in any proceedings before this Commission?
- 17 MS. MEISENHEIMER: There have been estimates
- 18 of the cost of local service presented by our office with
- 19 respect to a case involving whether adjustments should be
- 20 made between access and local service. I don't know if
- 21 that's the one you're referring to, or if there's something
- 22 else.
- 23 COMMISSIONER MURRAY: I'm not sure if you
- 24 were the only party that's done -- are you indicating
- 25 you're the only party that's done -- presented any evidence

- 1 about the cost of provision of local service?
- 2 MS. MEISENHEIMER: Respectfully, in my
- 3 opinion, we're the only party that's presented a reasonable
- 4 estimate --
- 5 COMMISSIONER MURRAY: That's not what I
- 6 asked.
- 7 MS. MEISENHEIMER: -- of the cost of
- 8 providing local service.
- 9 COMMISSIONER MURRAY: I didn't ask you to
- 10 evaluate the evidence. I asked you if there was any
- 11 evidence presented by any party other than Office of the
- 12 Public Counsel?
- 13 MS. MEISENHEIMER: The Staff actually had an
- 14 expert witness in a case that talked to some degree with
- 15 respect to the cost of local service, and then companies
- 16 have presented what they characterize as the cost of local
- 17 service, although I don't agree with those costs.
- 18 COMMISSIONER MURRAY: And do you know
- 19 between looking at all of the evidence, including that
- 20 which you did not agree with, what the range was?
- 21 MS. MEISENHEIMER: I would -- I would say
- 22 that the range, if you consider all of -- all of the
- 23 various estimates of the cost of local service would range
- 24 somewhere between \$2 per month and probably \$30 a month for
- 25 more populated areas, even higher if you would talk about

- 1 more rural areas.
- 2 COMMISSIONER MURRAY: So where would the \$2
- 3 a month if the -- if the more populated areas would be up
- 4 around 30 and even higher for rural, where would the lower
- 5 rates come into play -- or the lower costs, I mean?
- 6 MS. MEISENHEIMER: Well, the issue is the
- 7 definition of cost. There are some estimates that are
- 8 referred to as incremental cost studies of local. There
- 9 are others that are referred to as fully allocated cost,
- 10 which divide up the cost of the network and apportion them.
- 11 COMMISSIONER MURRAY: I'm aware there are
- 12 different ways to calculate it, but is that what you're
- 13 saying, that the lower areas are based on purely the way
- 14 you determine the costs?
- 15 MS. MEISENHEIMER: The lowest estimate would
- 16 be a measure of incremental cost, which would be only the
- 17 additional cost of adding local. The very highest cost
- 18 would be costs that are more akin to something called the
- 19 stand-alone costs, which would say no service but local
- 20 should bear any portion of joint and common costs. So
- 21 there is honestly a very wide range and differences in what
- 22 parties believe costs should be defined as.
- COMMISSIONER MURRAY: Has the Office of
- 24 Public Counsel done any kind of a study or looked at any
- 25 other studies which the rates either in a region or across

- 1 the country -- I'm not talking about costs now, but I'm
- 2 talking about rates for basic local service -- what those
- 3 are on average?
- 4 MS. MEISENHEIMER: I have at various times
- 5 looked at FCC reports that identify estimates of what are
- 6 the costs of local service, and that generally includes the
- 7 subscriber line charge and various other assorted charges
- 8 that might be included.
- 9 COMMISSIONER MURRAY: And let me ask you
- 10 there, is this current rate for residential basic -- and
- 11 Mr. England may have to answer this -- does that include
- 12 subscriber line charges?
- MS. MEISENHEIMER: No, it does not.
- 14 COMMISSIONER MURRAY: And that would be what
- 15 amount to tack on to that?
- MS. MEISENHEIMER: It varies by company.
- 17 I'm thinking it could be somewhere in the \$5 to perhaps
- 18 \$6.50 range.
- 19 COMMISSIONER MURRAY: Is that --
- 20 MS. MEISENHEIMER: Depending on the type of
- 21 carrier, whether it's a small company or a rural company or
- 22 a non-rural company according to the federal definitions.
- 23 COMMISSIONER MURRAY: Mr. England, do you
- 24 have any reason to disagree with that?
- 25 MR. ENGLAND: I always hate to disagree with

- 1 Public Counsel, but I believe all companies now are
- 2 charging the same subscriber line charge or SLC, and if I
- 3 had to guess right or die, I think it's about 6.50 right
- 4 now on residence.
- 5 COMMISSIONER MURRAY: Thank you.
- 6 And, Ms. Meisenheimer, I guess probably just
- 7 one last question. The burden that the parties seeking
- 8 either modification or suspension has to meet to show --
- 9 let's take the first part, adverse economic impact on
- 10 customers. Is it Public Counsel's opinion that the
- 11 additional costs that would be passed on to customers in
- 12 each one of these carriers' areas in order to implement
- 13 number portability, local number portability, would provide
- 14 an adverse economic impact on those customers?
- MS. MEISENHEIMER: Yes.
- 16 COMMISSIONER MURRAY: And how -- has Office
- 17 of Public Counsel evaluated in looking at the benefits of
- 18 local number portability to the customers, what amount of
- 19 additional cost to those customers would be a reasonable
- 20 balance?
- 21 MS. MEISENHEIMER: I have not done a
- 22 specific study. The truth of the matter is that from
- 23 Public Counsel's perspective, this is a rather difficult
- 24 issue. The local number portability certainly offers
- 25 potential benefit to customers. It's an issue of when and

- 1 what it costs and how those costs are recovered. So the --
- 2 you know, the potential of literally surcharges that could
- 3 range up to, if you look at this table, up to \$8 a month
- 4 per line, keep in mind that that's going to be tacked on
- 5 top of rates that are already going up just to maintain the
- 6 basic local service. Any company that goes under price
- 7 caps then has the ability to adjust rates between
- 8 residential rates and access.
- 9 There are other initiatives that occur, and
- 10 I'm sorry that my -- that my information is a little dated.
- 11 I've been working on a lot of things. Those increases in
- 12 the charges to the SLC were phased in over a certain period
- 13 of time. So I'm sorry that I was incorrect in that.
- 14 COMMISSIONER MURRAY: It's impossible to
- 15 keep up with everything on a day-to-day basis. Now, is
- 16 it -- am I understanding correctly that these stip and
- 17 agreements provide that these carriers, that the ones in
- 18 Group 1 do not have to provide any local number portability
- 19 for two years?
- MS. MEISENHEIMER: That is my understanding,
- 21 that there is a unanimous agreement to that.
- 22 COMMISSIONER MURRAY: Intermodal or
- 23 otherwise, it's -- no number portability landline to
- 24 landline, is that correct?
- 25 MS. MEISENHEIMER: It was my understanding

- 1 that this stipulation deals with the issue of wireline to
- 2 wireless, so I would defer that question to the company.
- 3 COMMISSIONER MURRAY: Mr. England, is this
- 4 purely intermodal or is this all local number portability?
- 5 MR. ENGLAND: Would be all local number
- 6 portability, but as a practical matter we have not received
- 7 any request for wireline to wireline, and I'm unaware of
- 8 any CLECs who have established connections --
- 9 interconnections, if you will, with any of these small
- 10 companies where it would be an issue.
- 11 So as -- technically, it would apply to
- 12 both, wireline to wireline, wireless -- wireline to
- wireless, but as a practical matter there's just been no
- 14 request, no demands, no --
- 15 COMMISSIONER MURRAY: If there were local
- 16 number portability implemented for wireline to wireline, it
- 17 could create more competition for the small carriers, could
- 18 it not? Would it not be more attractive for a competitor
- 19 to offer competition if they advertise to the customer, you
- 20 can keep your same telephone number and switch to us?
- 21 MR. ENGLAND: With all due respect, I would
- 22 disagree.
- 23 COMMISSIONER MURRAY: You don't think that
- 24 local number portability is an advertising benefit?
- 25 MR. ENGLAND: I think the biggest impediment

- 1 to CLECs competing with us is cost, and whether we could
- 2 offer them LNP or not would not change their economic
- 3 decision to come in and compete with us.
- 4 COMMISSIONER MURRAY: And that cost is
- 5 derived from -- why are your areas more costly to compete
- 6 in?
- 7 MR. ENGLAND: Primarily because there are
- 8 fewer subscribers, and the economies of scale do not exist
- 9 in those exchanges as they do in the metropolitan
- 10 exchanges. So when you spend the same amount for a switch
- 11 that serves 1,000 customers versus 10,000 customers, the
- 12 per customer switch cost, if you will, is far less for the
- 13 larger exchange.
- 14 COMMISSIONER MURRAY: And when a carrier is
- 15 evaluating whether to compete in an area, one of the things
- 16 they have to evaluate, is it not, is whether they can
- 17 either resell or provide facilities-based and do it at a
- 18 lower rate than the incumbent does; would that be one of
- 19 the factors they would analyze to see whether they should
- 20 compete or try to compete?
- 21 MR. ENGLAND: Yeah. I mean, there are a lot
- 22 of assumptions in that question. If you're going to
- 23 compete on a resale basis, your economics are entirely
- 24 different than if you're going to compete on a
- 25 facilities-based basis. If you're going to compete a

- 1 resale basis, local number portability, in my opinion, has
- 2 no real bearing, because you're just reselling that service
- 3 and that number. So if a customer gets to keep that
- 4 number, it's the same line owned by the telephone company;
- 5 it's just being resold by another entity.
- 6 If it's a facilities-based competitor who
- 7 comes in and establishes their own switch and establishes
- 8 their own NPA/NXX but wants to convert existing customers
- 9 to their service and they think the LNP would make that a
- 10 little more attractive, then I can see where LNP would
- 11 maybe aid in their ability to capture existing customers.
- 12 But the initial decision I think they have
- 13 to make, and I've gone through with some of our companies
- 14 who have CLEC affiliates, is your initial investment cost,
- 15 what is it going to cost to put in that switch, what is it
- 16 going to cost to purchase unbundled network elements if
- 17 that's what you're going to do or, in fact, establish
- 18 separate loops for the customers, residents, and how many
- 19 residents or how many customers do you think you can
- 20 capture over which to spread those costs and can you price
- 21 your service underneath the incumbent and still make money?
- 22 I mean, that's the exercise you go through.
- 23 COMMISSIONER MURRAY: So if the incumbent
- 24 has very low rates to begin with, it's even more difficult
- 25 for a competitor to underprice them, is it not?

- 1 MR. ENGLAND: On a facilities-based basis,
- 2 yes, unless they get the same perhaps USF support.
- 3 COMMISSIONER MURRAY: So in these -- in the
- 4 territories that these carriers that are here in Groups 1
- 5 and 2 in your document, how many, if any of them, have
- 6 competitors operating in their exchanges?
- 7 MR. ENGLAND: Landline competitors?
- 8 COMMISSIONER MURRAY: Yes.
- 9 MR. ENGLAND: None that I'm aware of.
- 10 Excuse me. Landline competitors for local exchange
- 11 service?
- 12 COMMISSIONER MURRAY: Yes.
- MR. ENGLAND: Yes, but I'd say that they all
- 14 have at least two wireless, if not more companies operating
- 15 or purporting to operate in their service area.
- 16 COMMISSIONER MURRAY: So if wireless
- 17 carriers could port the numbers, that would increase
- 18 probably the competition for your people, the companies you
- 19 represent?
- 20 MR. ENGLAND: Again, with all due respect, I
- 21 understand that argument by some people, but I don't
- 22 necessarily agree with that. I don't think that simply the
- 23 availability of being able to port a number is going to
- 24 increase appreciably wireless companies' penetration in our
- 25 areas, and that's -- that's strictly Trip England's

- 1 opinion, and I have no empirical evidence to base that on,
- 2 but I haven't seen any from the other advocates of the
- 3 other side of that argument that LNP somehow will
- 4 appreciably materially enhance or increase their ability to
- 5 compete in our areas.
- 6 COMMISSIONER MURRAY: Is it your opinion
- 7 that your clients look favorably on competition or
- 8 disfavorably?
- 9 MR. ENGLAND: That's a very difficult -- I
- 10 don't know. There are certain circumstances where we do,
- 11 and obviously certain circumstances where we don't. I'm
- 12 sorry. I know that's a vague answer, but that's probably
- 13 the best I can give you.
- 14 And the other thing I might mention, they
- 15 are independent telephone companies, and they do live up to
- 16 that moniker of independence. Some of them have different
- 17 opinions about that and other things that we've discussed
- 18 over the years. Even among themselves there's a wide range
- 19 of opinion.
- 20 COMMISSIONER MURRAY: Okay. And one last
- 21 question, I think for you, Mr. England, is, why did you
- 22 think -- and if you can summarize it simply, and if you
- 23 can't, because the areas differ technically -- why would
- 24 some be able to either upgrade or -- now I'm drawing a
- 25 blank on the other word.

- 1 MR. ENGLAND: Replace?
- 2 COMMISSIONER MURRAY: Thank you. Difficult
- 3 language here -- either upgrade or replace to achieve
- 4 number portability, some could do it in six months and some
- 5 it will take two years?
- 6 MR. ENGLAND: I think if you made -- well, I
- 7 believe that if you made the decision today to replace your
- 8 switch, you could do it within -- certainly within two
- 9 years and probably six months. For example, Miller, they
- 10 didn't make the decision today, but I think they made the
- 11 decision within the last several months to replace their
- 12 switch, and they're going to have that done by the end of
- 13 the year.
- 14 Holway, on the other hand, has not made that
- 15 decision and to do so, as I recall, would incur I don't
- 16 know how many hundreds of thousands of dollars of
- 17 undepreciated investment in that switch that would have to
- 18 be recovered, plus the new cost of a switch.
- 19 COMMISSIONER MURRAY: So have they made the
- 20 decision to upgrade or have they just made no decision?
- 21 MR. ENGLAND: They also -- the other thing
- 22 that's impacting them is they have one of these Mytel
- 23 switches, the manufacturer of which has indicated they will
- 24 no longer support that switch after I believe it's December
- 25 of 2007. So as a practical matter, they are looking at a

- 1 switch replacement, but they believe that waiting is better
- 2 because they're able to depreciate more of their existing
- 3 switch over that period of time, and as technology changes
- 4 fairly rapidly in this business, they may be able to get
- 5 more bells and whistles two years down the road than they
- 6 can today, more bang for their buck, if you will.
- 7 COMMISSIONER MURRAY: They think costs are
- 8 coming down?
- 9 MR. ENGLAND: Not necessarily, but maybe
- 10 they get more for the same dollar, more capability.
- 11 COMMISSIONER MURRAY: And for Alma, you
- 12 indicated that if you did upgrade, it would have to be
- 13 replaced in two years anyway, but in that Alma has chosen
- 14 to do a replacement, why is it going to take two years?
- 15 MS. CHASE: Alma decided to upgrade its
- 16 network so that it would benefit the entire customer base.
- 17 It's not just upgrading a switch. It's putting fiber into
- 18 the home of every one of its customers so that it will have
- 19 the newer technological capabilities of high-speed Internet
- 20 access, voice and video.
- 21 COMMISSIONER MURRAY: Is there a benefit, a
- 22 cost/benefit to making that upgrade at the same time as
- 23 replacing the switch?
- MS. CHASE: They'll be undertaking the
- 25 financing and the negotiations for contracting and services

- 1 all at one time, instead of doing it in stages and having
- 2 to take those steps, kind of duplicating those steps.
- 3 COMMISSIONER MURRAY: I can see that to be a
- 4 benefit to the carrier to upgrade the entire network to be
- 5 able to offer more services and keep -- maybe be more
- 6 attractive to the consumers before the consumer can switch
- 7 to another carrier and keep the same number. Is it a
- 8 benefit to the customers as well?
- 9 MS. CHASE: Yes. The customers get the
- 10 better technology sooner. They also have their company
- 11 conducting these upgrades efficiently, more cost
- 12 efficiently, and the company's planning on using its
- 13 universal service funds to pay for these upgrades. It is
- 14 not planning to use an LNP charge at this time. It may if
- 15 it absolutely needs to, if the USF funds do not cover this.
- 16 COMMISSIONER MURRAY: I'm going to pass and
- 17 let someone else. I may have a couple more questions
- 18 later.
- 19 Ms. Meisenheimer, I'm sorry to keep you on
- 20 the stand so long.
- JUDGE RUTH: You may go ahead and step down.
- 22 We have skipped the Chairman, but I'll offer him an
- 23 opportunity if you have questions.
- 24 CHAIRMAN GAW: I want to ask some very basic
- 25 questions.

- 1 First of all, I want to know what's included
- 2 whenever you're using the phrase rating and routing issues.
- 3 What issues -- where are the list of issues that are
- 4 included in rating and routing issues? Or if you can tell
- 5 me where I can --
- 6 MR. ENGLAND: That's what I'm trying to do,
- 7 your Honor. I believe we address those issues, and I think
- 8 it's the same for all the stipulations and agreements. The
- 9 language should be the same. I believe it would appear on
- 10 the same page, but I believe it starts -- excuse me. I'm
- 11 looking at a Stipulation & Agreement in the New Florence
- 12 Telephone Company case, which is 503.
- 13 CHAIRMAN GAW: I have that in front of me.
- 14 MR. ENGLAND: And I believe it begins on
- 15 page 7 with paragraph 17, and continues through page 8,
- 16 paragraph 19.
- 17 CHAIRMAN GAW: Starts on which paragraph,
- 18 Mr. England?
- 19 MR. ENGLAND: 17 through 19, pages 7 and 8.
- I think it's also addressed in the
- 21 stipulation as to result; page 10 is that section. I think
- 22 the pertinent paragraph or paragraphs would be 28, or,
- 23 excuse me, maybe 27 and 28.
- 24 CHAIRMAN GAW: Let me ask you --
- 25 MR. ENGLAND: I'm doing this hurriedly, so I

- 1 may miss some stuff, but I think I'm getting the majority
- 2 of it.
- 3 CHAIRMAN GAW: All right. Let me ask in
- 4 your own words what those issues are, when you say rating
- 5 and routing issues.
- 6 MR. ENGLAND: Okay. The situation we're
- 7 trying to address, and let's take the New Florence's case,
- 8 which is just down Highway 70 as you're going to St. Louis,
- 9 just north of it.
- 10 CHAIRMAN GAW: Okay. Let me stop you just
- 11 for a second, make sure that I'm asking the question in a
- 12 way to get the answer that I'm looking for.
- 13 I understand that there are issues in regard
- 14 to if a number is ported in exchange to a wireless carrier
- 15 that doesn't have a point of presence in that exchange but
- 16 there -- that moving that number can cause a call to that
- 17 number from that exchange to be a long distance call, and I
- 18 understand that concept.
- 19 But the phra-- what I'm looking for here is,
- 20 when we use the phrase rating and routing issues that are
- 21 going to be resolved by the FCC, I'm trying to understand
- 22 whether there is more to it than what I just spelled out,
- 23 because I'm not clear on that. I don't know whether we're
- 24 just talking about how that's going to be handled in that
- 25 situation about who's paying for -- picking up,

- 1 transferring that call, the cost of doing that, or if
- 2 there's more than that involved. I'm just not clear.
- 3 MR. ENGLAND: Well, I quess when we talk
- 4 about rating and routing, we're sort of generically talking
- 5 about the situation you've just described where the number
- 6 to be ported is, say, associated with the New Florence
- 7 exchange.
- 8 CHAIRMAN GAW: Uh-huh.
- 9 MR. ENGLAND: It's a New Florence NPA/NXX,
- 10 but in order to get it to the wireless carrier to which
- 11 that New Florence customer wants to port it, you're going
- 12 to have to transport it, say, to St. Louis where the
- 13 wireless carrier has its point of presence or
- 14 interconnection with the landline network.
- 15 The rating issue is how do you rate that
- 16 call? Well, if it's a New Florence NPA/NXX, calls from
- 17 other New Florence NPA/NXXs, it would be rated as a local.
- 18 CHAIRMAN GAW: Yes.
- 19 MR. ENGLAND: If someone from St. Louis,
- 20 however, were to call New Florence, it would be a long
- 21 distance call and rated as such.
- 22 The routing issue is more physically how do
- 23 you get the call to where it's supposed to go, and the FCC,
- 24 I think, has pretty much said, we're going to rate a local
- 25 call as a local call. And you can route it -- I believe in

- 1 a clarification order issued later in November, not
- 2 November 10th, but later that month, that same year, 2003,
- 3 they basically said, we expect you to route the calls the
- 4 same way you have in the past.
- 5 Well, when we routed calls to St. Louis, we
- 6 routed them as long distance calls. They were one plus.
- 7 Now, the problem comes when you dial 7 -- the 7 digit local
- 8 number, it's no longer a long distance call from a rating
- 9 perspective; it's a local call.
- 10 CHAIRMAN GAW: So is that the universe we're
- 11 dealing with when we say rating and routing issues?
- MR. ENGLAND: Correct.
- 13 CHAIRMAN GAW: There's nothing outside of
- 14 that that would -- I just want to make sure, because we're
- 15 using this phrase and it may be very clear to everyone, but
- 16 I've seen phrases that aren't defined be interpreted
- 17 differently later on. And when it's used as a trigger here
- 18 in this step, and I want to make sure it's very clear if --
- 19 that everyone understand what resolution of rating and
- 20 routing means, and that there's no disagreement or -- and
- 21 that it's very clear from the writing what it means.
- 22 MS. O'NEILL: Chairman Gaw, I think
- 23 Ms. Meisenheimer may have something to add to that.
- 24 CHAIRMAN GAW: Sure.
- JUDGE RUTH: I'll remind you that you're

- 1 sworn in. If your answer is going to be brief, you can
- 2 stay where you're at; otherwise, I want you to come up to
- 3 the podium.
- 4 MS. MEISENHEIMER: I will try to be very
- 5 brief.
- JUDGE RUTH: Go ahead.
- 7 MS. MEISENHEIMER: The issues that we
- 8 primarily dealt with res-- with respect to this Unanimous
- 9 Stipulation & Agreement, the proposed modification
- 10 specifically, I think, is primarily geared toward the
- 11 issues of who's going to pay transport costs, that being a
- 12 problem, and who's going to be responsible for getting
- 13 those calls from the local carrier that didn't otherwise
- 14 already have facilities to the -- to the wireless carrier.
- 15 However, at the federal level, there are
- 16 additional issues with respect to the FCC's order that have
- 17 been challenged, and one of them is so fundamental as to
- 18 say is what the FCC is requiring truly service provider
- 19 portability? In other words, for the same service at the
- 20 same location, you're simply switching provider, or is what
- 21 the FCC has required something bigger than that, something
- 22 called locational portability where when you make a local
- 23 carrier transport calls outside the local calling scope,
- 24 what, in effect, you may have been doing is requiring them
- 25 to port to a different geographic area.

- 1 Now, there are arguments on both sides. The
- 2 FCC specifically said, we find this to be service provider
- 3 portability. However, carriers have challenged that.
- 4 That's one issue. There are issues with respect
- 5 potentially the time that it takes to upgrade the database
- 6 between whether a customer's a landline customer or a
- 7 wireless customer. The difference can affect things like
- 8 where is a 911 call routed.
- 9 There are -- there are additional issues
- 10 that, in my opinion, are really broader than may appear on
- 11 the surface from this at the federal level that are being
- 12 challenged.
- 13 CHAIRMAN GAW: The reason that I'm asking my
- 14 question is primarily to ensure that when we talk about the
- 15 resolution of the call rating and routing issues, that
- 16 everyone knows what that means, because it's used in the
- 17 step as a trigger. To me it is anyway. So that's what I'm
- 18 asking, if there are broader issues that fall into that
- 19 category, and I'm not clear about whether or not it's
- 20 clearly defined here what causes the trigger to be pulled,
- 21 if I'm reading these steps correctly.
- 22 Are you saying that you agree with
- 23 Mr. England or disagree with Mr. England in regard to what
- 24 the universe of rating and routing means in this stip?
- 25 MS. MEISENHEIMER: I think that the stip --

- 1 and I don't mean to speak for other parties. I mean, every
- 2 party goes at whether they agree with the stip for
- 3 different reasons. I believe that our reasons for
- 4 supporting this stip may, in fact, encompass more issues
- 5 than do other parties.
- 6 CHAIRMAN GAW: On the def-- on what call
- 7 rating and routing issues are, are you saying that? I'm
- 8 trying to be very specific here in understanding whether
- 9 the parties are all together on their definition.
- 10 MS. MEISENHEIMER: I guess that I agree that
- 11 the proposed modification, as it is, avoids something that
- 12 we commonly see as a problem. I guess that the way I look
- 13 at it is the -- a suspension actually gives additional
- 14 benefit, from my perspective, as to what additional rating
- 15 and routing issues are at issue at the national level.
- MR. ENGLAND: Your Honor?
- 17 CHAIRMAN GAW: I'm not sure I -- I may be
- 18 more in the dark than I was.
- 19 MR. ENGLAND: Well, I'll take a crack at it
- 20 again if I can. I understand at least --
- 21 CHAIRMAN GAW: I sort of understood what you
- 22 were saying earlier, but I'm just not sure whether
- 23 everybody else is saying the same thing.
- MR. ENGLAND: Well, and that's fair, and I
- 25 don't purport to speak on anybody else's behalf, but you

- 1 also mentioned something about a trigger.
- 2 CHAIRMAN GAW: Yes.
- 3 MR. ENGLAND: In paragraph 32 of the
- 4 stipulation, we talk about the rating and routing issues,
- 5 at least a modification of any of those requirements, and
- 6 still it's addressed by FCC.
- 7 CHAIRMAN GAW: Right.
- 8 MR. ENGLAND: So to me that's sort of a
- 9 trigger, when the FCC does something, and I think in prior
- 10 orders where this was the only issue as far as LNP, you've
- 11 directed companies to notify you when the FCC takes action.
- 12 CHAIRMAN GAW: Yeah, I know. I'm still
- 13 having discomfort over those agreements, too, but go ahead.
- MR. ENGLAND: Okay. Well, my thought is, if
- 15 the FCC takes action, good, bad or ugly, with the rating
- 16 and routing issues, we'll notify you. If it's something we
- 17 can do, we can live with, we'll do it. If it's something
- 18 that we think creates adverse economic impact on our
- 19 customers or undue financial burden on the companies, I
- 20 think the second sentence of this paragraph allows us to
- 21 come back and at that time seek additional suspension
- 22 and/or modification.
- 23 CHAIRMAN GAW: I see that.
- 24 MR. ENGLAND: But it would be incumbent upon
- 25 us to again demonstrate, based on the criteria in the Act,

- 1 that it's appropriate for you-all to suspend and modify.
- 2 CHAIRMAN GAW: What happens in the interim
- 3 with paragraph 32 saying that this modification is a
- 4 conditional modification until such time as the FCC further
- 5 addresses the rating and routing issues associated with the
- 6 porting numbers? It doesn't say what happens in between
- 7 that and some action that we may take based upon some
- 8 filing by a petitioner seeking additional modification.
- 9 MR. ENGLAND: Well, I --
- 10 CHAIRMAN GAW: What happens -- I mean,
- 11 what's the understanding about do we -- what we go to with
- 12 this trigger if -- saying it only operates until the FCC
- 13 further addresses the rating and routing issue?
- Do you see what I'm asking? Maybe there's
- 15 an easy answer and I just haven't spent enough time working
- 16 through it.
- 17 MR. ENGLAND: I'll take a crack. I'm not
- 18 sure that I do, but here's my thinking.
- 19 CHAIRMAN GAW: I mean, it's your-all's stip.
- 20 I'm just trying to work through it.
- 21 MR. ENGLAND: I think at that point in time
- 22 when the FCC addresses it, everybody's free to reeval-- I
- 23 mean, what we have here is unanimity as to that point in
- 24 time.
- 25 CHAIRMAN GAW: Yes. Well, I guess what I'm

- 1 asking is, the trigger seems to be automatic in the stip.
- 2 It lasts until some event that's to me not very well
- 3 defined about is it a final order, is it an initial order?
- 4 I mean, all of those questions come up, and then I get
- 5 into, and then what happens when that event-- which is sort
- 6 of a cloudy, hazy event in my interpretation of this, if I
- 7 can get through the haziness of it and say, okay, it's
- 8 happened, then I don't know what it is that's happened
- 9 until we do something further.
- 10 MR. ENGLAND: And I think it has to be
- 11 somewhat vague, quite honestly.
- 12 CHAIRMAN GAW: I'm assuming there's a reason
- 13 that it's vague, that it's intentionally that way. And
- 14 I've been there, before, too.
- MR. ENGLAND: Right.
- 16 CHAIRMAN GAW: But I'm trying to understand
- 17 what actually we're going to live with at that point.
- 18 MR. ENGLAND: As you're aware, the FCC takes
- 19 action sort of orally and will issue press releases as to
- 20 what they intend to do. But What they -- what is reported
- 21 and what is actually put in written order that follows 30
- 22 or 60 or 90 days down the road can be -- as they say, the
- 23 devil's in the details. And quite frankly, when the FCC
- 24 speaks, it isn't necessarily with a great deal of clarity.
- 25 It has to be -- it has to be digested and evaluated.

- 1 So I think as a practical matter, this is
- 2 necessarily vague because, as I said, once we get an FCC
- 3 decision in writing that tells us what we're supposed to do
- 4 as far as the rating and routing is concerned, one, we need
- 5 to understand it, and then two, we need to make internal
- 6 decisions as to what we need to do to comply and can we
- 7 comply, or is it economical for us to do so and, if not,
- 8 come back to you with a further request.
- 9 But I think there's got to be some time
- 10 between when they finally issue their decision and when we
- 11 come back to you. Now, I would say if you want to put a 30
- 12 day or 60 day or something like that, I don't have a
- 13 problem with it,
- 14 CHAIRMAN GAW: Do we know that the FCC is
- 15 going to further address these issues?
- MR. MEYER: I think I was going to jump in
- 17 here if I could. There is a finite case before the FCC,
- 18 and it is not the LNP docket. It is a different docketed
- 19 case -- which is buried somewhere in my pile here, and I
- 20 can probably pull it out -- and that, I think, is the
- 21 decision that we would anticipate having all this then flow
- 22 from.
- 23 CHAIRMAN GAW: Is that cited somewhere in
- 24 this docket? You-all are saying that's what it is, but it
- 25 doesn't appear anywhere here. If it doesn't appear, then

- 1 I'm not sure that the Commission will acknowledge it as the
- 2 event, in this case where the event will take place.
- 3 MR. ENGLAND: Mr. Meyer makes a good point.
- 4 I'm not sure that we can cite it. We can cite several
- 5 cases, but they may take it up in a different case.
- 6 CHAIRMAN GAW: What if they say they're not
- 7 going to do any more? What if they say, we've said all
- 8 we're going to?
- 9 MR. ENGLAND: That would be inconsistent
- 10 with what they have said so far in writing --
- 11 CHAIRMAN GAW: Okay.
- 12 MR. ENGLAND: -- and just by word of mouth,
- 13 we are advised through the industry that the FCC Staff has
- 14 an Order regarding intercompany compensation up on the
- 15 eighth floor now for circulation, that, in addition, they
- 16 want the FCC to address rating and routing issues, the
- 17 virtual NXX, which is sort of a variation on the same theme
- 18 that was teed up, I believe, by a Sprint petition.
- In fact, I think they're going to be
- 20 reviewing a T Mobile petition regarding the lawfulness and
- 21 appropriateness of wireless tariffs. So there's a number
- 22 of wireless issues that they're aware are out there and
- 23 unresolved, and our understanding is that those are being
- 24 addressed or being teed up here in the next 60 to 90 days.
- 25 CHAIRMAN GAW: Okay.

- 1 MR. ENGLAND: Don't hold me to that. That's
- 2 not a promise, but that's what we're being told in the
- 3 industry.
- 4 CHAIRMAN GAW: Mr. Meyer, did you -- do you
- 5 agree with Mr. England that may come up in more than one
- 6 case or that do you think -- are you saying to me that you
- 7 think it's specific to a case that you can cite to?
- 8 MR. MEYER: I think my answer is probably
- 9 yes to both. It certainly could come up wherever the FCC
- 10 chooses to take it up, but in their November order there
- 11 was a specific cross reference to the fact that the FCC
- 12 specifically didn't address those issues in this case
- because there was another case pending, and they have a
- 14 cite to a specific docket number, which we're trying to
- 15 find here.
- 16 CHAIRMAN GAW: Can this Commission on its
- 17 own address the rating and routing issue? I'm ignoring
- 18 your stip in that question.
- 19 MR. ENGLAND: I think that you certainly can
- 20 in the context of the petition for suspension and
- 21 modification. Whether you can unilaterally do that, I'm
- 22 not sure.
- 23 CHAIRMAN GAW: We have impacted parties that
- 24 may not -- or entities that may not be parties.
- 25 MR. ENGLAND: Well, you've got that, and you

- 1 may be impacting interstate telecommunications as well.
- 2 MR. MEYER: I would suggest this is probably
- 3 where the principles of preemption kick in, and the FCC has
- 4 shown some intent to occupy the areas when all those issues
- 5 arise, but, of course, at this time they haven't occupied
- 6 it yet.
- 7 CHAIRMAN GAW: I don't quite understand why
- 8 the Staff has arranged preemption; it doesn't make any
- 9 sense to me. I don't understand that concept.
- 10 MR. ENGLAND: Your Honor, you might if you
- 11 were the one doing the preempting.
- 12 CHAIRMAN GAW: You're right. That's my
- 13 point. I was saying that tongue in cheek.
- 14 If I move beyond this part of my questions,
- 15 into this area which has been troubling me on all of these
- 16 stips, and that is in the case where there is actually a
- 17 porting that occurs because they're capable of doing the
- 18 porting, but there is no resolution of the rating and
- 19 routing issue during that time frame and this message that
- 20 may come up that may not give complete information to a
- 21 caller about why that call is not being complete.
- 22 Help me to understand what the problem is in
- 23 those -- with those particular companies that say they may
- 24 not be technically feasible to supply that information in
- 25 full; in other words, to tell them that it can't be

- 1 completed because of the fact that this number has been
- 2 ported to a wireless carrier and it is no longer a local
- 3 number, or that you must because -- that this number must
- 4 be -- is now a long distance number and you must dial the
- 5 area code and a one.
- 6 MR. ENGLAND: My understanding is that the
- 7 switches have some limitation in the company's ability.
- 8 There's some limitation in the software as to what you can
- 9 put in these intercept messages.
- 10 CHAIRMAN GAW: Well, I've heard that, but I
- 11 don't know that it's been fully explained to me. It's very
- 12 troubling to me that we would have callers calling a number
- 13 that is -- that appears with every bit of experience to
- 14 that caller to be a local number, and get a message that
- 15 says the call cannot be completed as dialed and that be the
- 16 end of if. I don't like that result, and somebody's going
- 17 to have to start convincing me because I'm really troubled
- 18 by this, that that result is necessary, that there cannot
- 19 be more explanation why that call -- what you have to do to
- 20 complete that call and that there will be long distance
- 21 charges affiliated with it.
- 22 MR. ENGLAND: I guess I'm not -- are you --
- 23 is your preference then to give further directions as to
- 24 how to complete that call?
- 25 CHAIRMAN GAW: Yes. My preference is that

- 1 over the -- over only telling the caller that the call
- 2 cannot be completed as dialed, period, my strong preference
- 3 is that none of those things occur and that the call goes
- 4 through and that it's all transparent, that it's -- and
- 5 that the wireless carriers are picking up the charges or
- 6 taking care of it, so that it doesn't cost the caller if
- 7 the ported -- number is ported.
- 8 But that's not what I'm seeing. What I'm
- 9 seeing is the message is going to be played but the message
- 10 may not be complete information. So if I'm stuck with the
- 11 message, I want to understand why that message cannot be --
- 12 cannot give full explanation.
- MR. ENGLAND: I can't answer that.
- 14 CHAIRMAN GAW: Is somebody here who can?
- 15 MR. ENGLAND: I'm afraid not, your Honor.
- 16 I'm almost thinking it would have to be a representative of
- 17 a vendor to the switch vendors themselves, the Nortels and
- 18 Siemens and the --
- 19 CHAIRMAN GAW: I know, but my problem is, if
- 20 I have to do this, I'd like for it to be based upon
- 21 something that's in the testimony or somewhere, and I've
- 22 had -- and we've already done this with these other cases.
- 23 And like I said before, I'm very troubled with the fact
- 24 that we approved those with that provision in there. So
- 25 I'd ask for you-all to think about that. Maybe there will

- 1 be an opportunity for us to hear something about it.
- 2 MR. ENGLAND: We certainly can pull --
- 3 again, it depends on the switch. So just looking at some
- 4 of these exhibits that we have, I think we've got at least
- 5 three different types of switches, maybe more, within the
- 6 Small Telephone Company Group. We can certainly poll our
- 7 companies who, in turn, might just have to go to their
- 8 switch vendors to say, okay, here's what the Missouri
- 9 Public Service Commission is asking, what is the -- what is
- 10 the answer? And we can provide that, if you will, in a
- 11 written response, Data Request or a late-filed exhibit.
- 12 JUDGE RUTH: And how quickly? Do you have
- 13 any idea? We have a deadline coming up fairly soon.
- 14 Does Staff have anyone who understands why
- 15 some switches supposedly cannot accomplish the rest of that
- 16 message?
- 17 MR. ENGLAND: I don't know the answer to
- 18 your question. I'm advised Mr. Zeiler with TDS it would
- 19 also be extremely helpful to know exactly what the message
- 20 is, because apparently they're either measured in words or
- 21 in time.
- 22 CHAIRMAN GAW: I see. Someone had mentioned
- 23 to me at some point in time, I think, with one of my fellow
- 24 Commissioners, that they understood this to be an issue
- 25 that the switch may not be capable of having multiple

- 1 messages, and that all the -- that there was a default dump
- 2 into one message and that switch wasn't capable of creating
- 3 a separate place to put these particular calls. But I
- 4 don't have any information on why this might be possible,
- 5 and that's not sufficient for me, quite frankly.
- If it's an issue of the number of words, I'm
- 7 sure there's -- I get -- there are messages all the time
- 8 that come up, I know, and if it's about the number of
- 9 words, I would imagine that one could be crafted that would
- 10 get sufficient information across. But I have a feeling
- 11 it's more complicated than that.
- 12 MR. ENGLAND: The information you're getting
- 13 from the other Commissioner may be correct. I mean, for
- 14 one type of switch, it may be that, like you said, there's
- 15 only one intercept message you can give and you can't give
- 16 multiple intercept messages. I will do my best. We've got
- 17 a meeting tomorrow with our small companies to discuss that
- 18 with them, and we'll see if we can't get to the various
- 19 vendors and maybe have an answer in a week, by the end of
- 20 next week.
- 21 CHAIRMAN GAW: It would make me feel a lot
- 22 more comfortable if you would come back to me and say, it's
- 23 really not that restrictive and we can give a message that
- 24 at least says you must dial one when dialing this number,
- 25 or something that gives direction, other than the call

- 1 can't be completed as dialed. To me that is extremely
- 2 confusing to somebody, and particularly in a rural area
- 3 that has one prefix maybe, and that's the prefix they're
- 4 dialing and they have no information about why that call
- 5 won't go through.
- 6 It doesn't make any sense, and I think it's
- 7 going to generate a lot of phone calls into your phone
- 8 companies saying, I've been calling this number and they
- 9 keep telling me it can't be completed as dialed. It's
- 10 going to take a lot of human resources explaining that.
- 11 There will be a lot of frustration. And, of course, that's
- 12 all assuming that anyone ports their number to begin with,
- 13 if it occurs.
- 14 Is there any other way to -- to resolve this
- 15 in regard to -- and maybe this is what you have in mind,
- 16 but when you port your -- if a number -- and a number would
- 17 not be required to be ported by a company until there is a
- 18 resolution of the -- of how that call will be paid for.
- 19 And is that what you're doing with the stips, or is it
- 20 something -- is it something different than that?
- 21 MR. ENGLAND: These stipulations and
- 22 agreements are more than just that.
- 23 CHAIRMAN GAW: I think they are, too, but --
- 24 MR. ENGLAND: These stipulations and
- 25 agreements address what we generally refer to, right or

- 1 wrong, as suspension and modification. The prior group was
- 2 limited to what we just called modification, and we did
- 3 that, frankly, in our office and among our clients just as
- 4 a short form way of referring to it to say, okay, what do
- 5 you guys want and what do you guys want?
- 6 The prior group that you have heard and now
- 7 issued orders in were companies that have implemented LNP.
- 8 They've made the necessary investment, the nonrecurring
- 9 investments, and are willing to go forward and implement
- 10 LNP when they receive a request to do so, but they want to
- 11 be relieved of the obligation of porting numbers beyond
- 12 their local exchange boundaries, the rating and routing
- issue that we're talking about.
- 14 These stipulations and agreements that you
- 15 have before you today seek suspension in the first
- 16 instance, if you will, and if that's granted, this rating
- 17 and routing issue, I don't know if the word is moot, but it
- 18 certainly doesn't really come into play, because they're
- 19 not even going to implement LNP for a period of time. And
- 20 under the unanimous stipulations and agreements you have
- 21 today, that period of time ranges from about six months to
- 22 two years.
- 23 CHAIRMAN GAW: Is that period of time in any
- 24 way tied to the rating and routing issue?
- MR. ENGLAND: No. When that, let's say, a

- 1 six-month suspension ends, then the modification that
- 2 they've asked for would click in, so at six months, they're
- 3 LNP capable, but they want to be relieved of the obligation
- 4 to port that number outside their exchange boundaries.
- 5 CHAIRMAN GAW: But another wireline that has
- 6 had a presence in that exchange, that porting would occur
- 7 at that point?
- 8 MR. ENGLAND: Right.
- 9 CHAIRMAN GAW: Any wireless that has a point
- 10 of presence in that exchange would be ported at that point?
- 11 MR. ENGLAND: Right.
- 12 CHAIRMAN GAW: And that's -- and everyone
- 13 has agreed to that in these stips?
- 14 MR. ENGLAND: I can't speak for everyone,
- 15 but that's certainly our belief and understanding.
- 16 CHAIRMAN GAW: Staff?
- 17 MR. MEYER: I think maybe this is time for
- 18 us to step back, since I haven't really had an opportunity
- 19 to make a comment to some of the comments Mr. England had
- 20 made. The --
- 21 CHAIRMAN GAW: Answer my question, first.
- 22 MR. MEYER: I think I actually am answering
- 23 your question.
- 24 CHAIRMAN GAW: That's fine.
- 25 MR. MEYER: I don't want to lose my train of

- 1 thought. The petitions, as they were filed, sought for
- 2 wireline to wireless portability. The stipulations address
- 3 wireline to wireless portability, and that is Staff's frame
- 4 of reference on these. Wireline to wireline portability
- 5 was not something that we addressed.
- 6 CHAIRMAN GAW: What does that mean? What
- 7 does it mean as far as wireline to wireline traffic is
- 8 concerned, then, and --
- 9 MR. MEYER: That was not the topic of our
- 10 discussion. Our understanding was that was going forward.
- 11 If that's not the case, I guess maybe we need some
- 12 clarification.
- 13 MR. ENGLAND: Well, as I've said earlier, as
- 14 a practical matter there is no request -- there is no
- 15 opportunity for wireline to wireline. So as a practical
- 16 matter, I think that's a great esoterical discussion, but
- in practice I just don't think it has much traction. But
- 18 the cost that you see in front of you would be the same
- 19 cost we incur to implement wireline.
- 20 CHAIRMAN GAW: That's what I understood. To
- 21 wireline portability as it is wireline to wireless. The
- 22 additional issue with wireless is the rating and routing.
- 23 CHAIRMAN GAW: Right. If -- hypothetically,
- 24 if you've got a request in from a wireline carrier, if you
- 25 had one that decided to come in and put in a switch, what

- 1 would occur then?
- 2 MR. ENGLAND: Well, I think we'd still have
- 3 the time frames within the Act. Depending on where we are,
- 4 I think we have 60 to days to six months to accommodate
- 5 that request. They have to give us a bona fide request,
- 6 and as rural carriers we don't have to be immediately LNP
- 7 capable, although some of them are, based on the first set
- 8 of companies that have gone through, they'll be able to
- 9 accommodate that request. These would have anywhere from
- 10 60 days, as I understand, to 180 days to comply with that.
- 11 CHAIRMAN GAW: So you think that runs from
- 12 the point of the request, that time frame?
- MR. ENGLAND: Right, and if Staff is
- 14 uncomfortable in saying that their agreements extend to
- 15 wireline to wireline, that's fine with me. Let's just talk
- 16 about -- I'm willing to roll the dice on wireline to
- 17 wireline. And if it happens and it's a problem, we'll file
- 18 another petition.
- 19 MR. MEYER: I don't know that it's a matter
- 20 of comfort. It's simply that the words in the stipulation
- 21 and in the petition are wireline to wireless, so that's
- 22 what we have in writing here. It's just simply not what we
- 23 agreed to. It's not that we would or wouldn't; we just
- 24 simply didn't.
- 25 CHAIRMAN GAW: Public Counsel?

- 1 And I can't remember what my question was to
- 2 you, Mr. Meyer, so I don't know if you answered it or not.
- Go ahead, Public Counsel.
- 4 MS. O'NEILL: It appears that the petitions
- 5 were seeking suspension regarding wireline to wireless.
- 6 Mr. England is also correct. It's my understanding there
- 7 is no wireline to wireline issue in these exchanges that
- 8 are subject to these unanimous stips at this point in time.
- 9 So when Public Counsel entered into the
- 10 unanimous stipulations and agreements in these cases, it
- 11 was based on the language in the petitions, but we also
- 12 recognize that it's not an actual, live, controversial
- 13 issue at this point in time for the other.
- 14 CHAIRMAN GAW: Counsel, anything else you
- 15 want to add?
- MS. CHASE: No, I have nothing further to
- 17 add. I agree that there are no issues, practical issues
- 18 with respect to wireline to wireline in Alma's exchange,
- 19 and I agree with Mr. England that if we want to just keep
- 20 this to wireline to wireless, we can always roll the dice
- 21 with respect to wireline to wireline also.
- MR. ENGLAND: If I may, your Honor, I
- 23 mentioned this, but to maybe kind of illustrate it, if
- 24 you'll look at Exhibit 18 where we have the total monthly
- 25 recurring LNP charge.

- 1 CHAIRMAN GAW: Yes, sir.
- 2 MR. ENGLAND: That's going to be the same
- 3 cost whether it's wireline to wireless or wireline to
- 4 wireline. Those costs are exclusive of any additional
- 5 costs we might have to incur if we have to port outside our
- 6 exchange or this rating and routing issue.
- 7 CHAIRMAN GAW: And all of the switching, all
- 8 of the upgrades to the switch are borne by your customers,
- 9 is that true or not true?
- 10 MR. ENGLAND: The incremental cost of
- 11 enhancing your switch to be LNP capable, as well as
- 12 administrative costs associated with that, training and
- 13 that sort of stuff, nonrecurring costs are recoverable, as
- 14 Ms. Dietrich says in her testimony, over 60-month period,
- 15 as well as then the recurring charges of contracting with
- 16 the database administrator to query the database to
- 17 determine if the number's been ported and, if so, where.
- 18 Those recurring costs are also, and this total is the sum
- 19 of the two.
- 20 CHAIRMAN GAW: They're recoverable from
- 21 whom?
- 22 MR. ENGLAND: The end user through a tariff
- 23 with the National Exchange Carrier Association, NECA.
- 24 CHAIRMAN GAW: Who is the end user? I want
- 25 to make sure I'm following you.

- 1 MR. ENGLAND: It would be the -- it would be
- 2 the remaining residence and business customers in your
- 3 exchange that didn't port their number.
- 4 CHAIRMAN GAW: That's what I was -- that's
- 5 what I thought the answer was, but I want to make
- 6 absolutely sure I'm following you. So those whose numbers
- 7 are ported, what charges do they have for porting their
- 8 number?
- 9 MR. ENGLAND: The wireless carrier would
- 10 probably have an LNP surcharge as well. So they would pay
- 11 whatever their wireless service rate is.
- 12 CHAIRMAN GAW: Does the wireless carrier pay
- 13 the wireline carrier for any of the work to port the
- 14 number?
- 15 MR. ENGLAND: There is -- I don't know. My
- 16 answer is, I don't know, but there is a separate tariff
- 17 item, as I understand, with NECA where if one carrier does
- 18 the database administration for another carrier, there is a
- 19 tariffed rate that you can charge between carriers for that
- 20 service.
- 21 CHAIRMAN GAW: But you don't recover
- 22 those -- can't recover any of those costs that you
- 23 mentioned that were coming from the end user?
- 24 MR. ENGLAND: These are nonrecurring
- 25 investments, and then the recurring database

- 1 administration. No, that goes on the end user via
- 2 surcharge at the interstate level.
- 3 CHAIRMAN GAW: The judge is insisting that I
- 4 stop so the court reporter can have a break.
- 5 JUDGE RUTH: We are going to take a short
- 6 ten-minute break. We'll start back up at 25 after, by the
- 7 clock in the back of the room.
- 8 Thank you. Off the record.
- 9 (A BREAK WAS TAKEN.)
- 10 JUDGE RUTH: Our break is over. Let's go
- 11 back on the record, please. We're back from our short
- 12 break. When we took a break, Commissioner Gaw was asking
- 13 questions, but at this time we're going to switch to some
- 14 questions from Commissioner Murray.
- 15 COMMISSIONER MURRAY: Thank you, Judge.
- 16 This is a question for Staff. In an earlier hearing on
- 17 local number portability, the Staff indicated that a
- 18 demarcation of \$1.50 per month per customer was what Staff
- 19 thought would be an undue burden on the customer. And I
- 20 was wondering why the Staff was willing to accept the
- 21 six-month suspension for the TDS companies where the cost
- 22 per month per customer came in significantly below that
- 23 demarcation amount?
- 24 MR. MEYER: I think because our decision was
- 25 not based on those cases on the cost. I think actually

- 1 that -- when those companies came in, there was a proposal
- 2 that they were going to look into upgrading their systems,
- 3 and we had no problem with that perspective. So at that
- 4 time we actually had no cost data to consider.
- 5 And, in fact, in light of some of the
- 6 comments that Mr. England had made this morning indicating
- 7 that these companies are going to be pursuing switch
- 8 upgrades, Staff actually was intending to ask for the
- 9 opportunity to seek further information from those
- 10 companies on the cost associated with that and, in fact,
- 11 may indeed need to change its perspective on those
- 12 particular cases.
- 13 But again, the reason why those numbers are
- 14 so much lower is because that was simply not what we were
- 15 considering when we arrived at our initial decision in
- 16 these cases.
- 17 COMMISSIONER MURRAY: So were you
- 18 considering technical infeasibility at this point?
- 19 MR. MEYER: Essentially. The proposal that
- 20 they were going to be considering switching their switches,
- 21 replacing their switches, and basically the six months was
- 22 for them to have the opportunity to determine what the most
- 23 effective way to do that would be.
- 24 COMMISSIONER MURRAY: And you're comfortable
- 25 with that?

- 1 MR. MEYER: Let me -- I don't think we had
- 2 this cost information until extremely recently. I think
- 3 that's -- that's another point. As I understand, there is
- 4 a -- oh, there is a footnote on this chart that --
- 5 Exhibit 18, indicating that those numbers are not
- 6 all-inclusive, and Mr. England may wish to speak
- 7 additionally to that, such that those are not, in fact,
- 8 equivalent numbers to all the rest of the numbers in that
- 9 column.
- 10 COMMISSIONER MURRAY: Well, they don't
- include the rating and routing issues?
- 12 MR. MEYER: I think it's actually the second
- 13 footnote, that it doesn't include the monthly recurring
- 14 cost. That's the database. Those are really off on their
- 15 own category.
- 16 COMMISSIONER MURRAY: Okay. Mr. England, if
- 17 you want to say something else.
- 18 MR. ENGLAND: Just to correct, if you will,
- 19 the record. The company's cost information that you see
- 20 summarized on Exhibit 18 was actually provided with its
- 21 petition back in February, and that is just the LNP
- 22 specific cost. There are release costs of \$100,000 per
- 23 company, some other software costs of approximately 10,000
- 24 that are not included in the calculation surcharge.
- 25 They're not properly recoverable, I don't believe, through

- 1 the surcharge.
- 2 But there's more costs going on simply to
- 3 upgrade these switches than just LNP. But it's been there
- 4 for -- since the inception, or at least since this has been
- 5 filed with the Commission.
- 6 COMMISSIONER MURRAY: Thanks for the
- 7 explanation there. Commissioner Gaw, I have a couple more
- 8 questions. Do you want me to finish with them?
- 9 CHAIRMAN GAW: Go ahead.
- 10 COMMISSIONER MURRAY: On paragraph 31 of the
- 11 stip and agreements, the parties agree that the Commission
- 12 shall enter an Order authorizing Petitioner to establish an
- 13 intercept message. In earlier stipulations and agreements,
- 14 the parties agreed to have that language changed from
- 15 authorizing Petitioner to requiring Petitioner. And I'd
- 16 like to know if the parties in these stipulations and
- 17 agreements would have any problem with the Commission
- 18 ordering the Petitioners to establish an intercept message
- 19 rather than authorizing it?
- 20 MR. ENGLAND: No, they do not.
- 21 MS. O'NEILL: Public Counsel has no problem
- 22 with that, Commissioner.
- MS. CHASE: Alma has no problem with that,
- 24 Commissioner.
- MR. MEYER: Neither does Staff.

- 1 COMMISSIONER MURRAY: And I think
- 2 Commissioner Gaw may ask you a little bit more about that,
- 3 whether there is better wording that we could use there,
- 4 but I also wanted to ask a question to make sure I'm clear
- 5 on this. Is everybody in agreement now that this is only
- 6 addressing wireline to wireless local number portability?
- 7 MR. ENGLAND: Yes.
- 8 COMMISSIONER MURRAY: And that, indeed, is
- 9 what the petition requested, is it not?
- MR. ENGLAND: Yes.
- 11 COMMISSIONER MURRAY: In that we're only
- 12 addressing wireline to wireless, you could have just sought
- a suspension or you could have just sought a modification
- 14 and accomplished perhaps your purposes, as I understand it.
- 15 And let me go ahead a little further with that. If you had
- 16 just sought a suspension and then the FCC acted, say those
- 17 carriers that were granted -- that would be granted a
- 18 two-year suspension, within that two-year period the FCC
- 19 acts on the routing and rating issues and -- rating and
- 20 routing issues, at the end of the two-year suspension,
- 21 there would be perhaps no need for a modification?
- 22 MR. ENGLAND: I'd agree, under those --
- 23 under that hypothetical, yeah, I'd agree.
- 24 COMMISSIONER MURRAY: But if you had simply
- 25 sought a modification but no suspension, and say you had a

- 1 two-year suspension and the FCC acted in a year, at the end
- 2 of that year, barring further petitioning on your part, you
- 3 would have to provide local number portability to the
- 4 wireless carriers in the way that the FCC had addressed the
- 5 rating and routing issues; is that right?
- 6 MR. ENGLAND: I think there was a false
- 7 assumption that companies only seeking a modification were
- 8 also seeking a suspension. Companies that only sought a
- 9 modification of the rating and routing requirements had
- 10 received that, but only until such time as the FCC acts on
- 11 it.
- 12 COMMISSIONER MURRAY: Right.
- 13 MR. ENGLAND: That's what triggers that.
- 14 There's no -- they've spent the money. They're LNP
- 15 capable. It's just that aspect that they have postponed.
- 16 COMMISSIONER MURRAY: I'm not talking about
- 17 those carriers. I'm talking about these carriers who have
- 18 sought both, and trying to determine why you didn't just
- 19 seek one or the other. But I think maybe you answered the
- 20 question right there, because they're not LNP capable,
- 21 you're assuming when they can feasibly be LNP capable. I
- 22 hope that's what you're assuming, and not assuming that in
- 23 two years you'll come back and ask for another extension.
- 24 But aside from that editorial comment,
- 25 you're seeking a suspension to become LNP capable and

- 1 then -- but you're also seeking a modification in case the
- 2 FCC has not addressed rating and routing issues at the time
- 3 that suspension expires?
- 4 MR. ENGLAND: That's correct.
- 5 COMMISSIONER MURRAY: All right. I'm going
- 6 to pass this back to Commissioner Gaw. Thank you.
- 7 CHAIRMAN GAW: See if Commissioner Appling
- 8 has any questions, if you want to.
- 9 JUDGE RUTH: Go right ahead, Commissioner.
- 10 COMMISSIONER APPLING: This has been rather
- 11 entertaining this morning, so I'm going to pass on the
- 12 questions here and learn something from you two older
- 13 Commissioners.
- 14 CHAIRMAN GAW: Did he say older
- 15 commissioners?
- 16 COMMISSIONER APPLING: I mean in the term of
- 17 your capacity --
- 18 CHAIRMAN GAW: That's all right. I just
- 19 wanted to capture that.
- Okay. At least I think I have a better
- 21 understanding of what the concept is. Is there any other
- 22 alternative to this as a resolution of this issue? Do I
- 23 have to wait on the FCC to deal with the rating and routing
- 24 issues in everyone's opinion?
- JUDGE RUTH: Are you ready to answer that

- 1 question, Staff?
- 2 MR. MEYER: I am, but I think Mr. England
- 3 may want to hear what I say.
- 4 JUDGE RUTH: I'm sorry. What did you say?
- 5 MR. MEYER: I suspect Mr. England may want
- 6 to hear what I say.
- 7 JUDGE RUTH: You may proceed if you want, if
- 8 you want.
- 9 CHAIRMAN GAW: I don't care.
- 10 MR. MEYER: The alternative option that
- 11 Staff could offer, although certainly do not recommend
- 12 here, is that the ILEC could be ordered to set up a means
- 13 to do the rating and routing itself. The Commission
- 14 certainly has jurisdiction over these ILECs and could
- 15 direct them to do it in a certain format itself, of course,
- 16 subject to ultimate preemption by the FCC, if the FCC ever
- 17 says that it needs to be done a different way.
- 18 CHAIRMAN GAW: Mr. England?
- 19 MR. ENGLAND: I've got a couple of options
- 20 for you, neither one of which is in our petition, but they
- 21 were considered. The first one -- and I don't mean this to
- 22 sound as a bitter comment -- but first is to simply allow
- 23 us to dump this traffic on the Feature Group C network,
- 24 like some other carriers, and not identify it, not record
- 25 it and, therefore, not pay for it. That has been done, but

- 1 we didn't think that that would --
- 2 CHAIRMAN GAW: Is that dumping or is that
- 3 default bill and keep?
- 4 MR. ENGLAND: You pick.
- 5 CHAIRMAN GAW: Okay. I just wanted to give
- 6 you the opportunity for that little hint of sarcasm that I
- 7 knew would come back from you.
- 8 MR. ENGLAND: In any event, we're talking
- 9 unidentified traffic.
- 10 CHAIRMAN GAW: Yes.
- 11 MR. ENGLAND: Or possibly unidentified
- 12 traffic.
- 13 CHAIRMAN GAW: What's your other option?
- MR. ENGLAND: The other -- this was
- 15 something that I had thought up, so consider the source.
- 16 CHAIRMAN GAW: Okay.
- 17 MR. ENGLAND: But in large measure, it's a
- 18 lot like a foreign exchange service to me, where a wireless
- 19 carrier is, say, located in St. Louis, but wants to
- 20 establish a local presence in New Florence. Before LNP if
- 21 you wanted to get a local number in New Florence, he could
- 22 get it, but then he had to pay for the transport of hauling
- 23 that call to St. Louis where he's physically located.
- 24 Car dealerships and other businesses that wanted to make
- 25 themselves available on a local dial basis would subscribe

- 1 to the old foreign exchange service.
- 2 And one of the thoughts I had was
- 3 implementing tariffs on behalf of all of our companies that
- 4 would treat this, in essence, as a foreign exchange service
- 5 and say, look, if you're not going to be in our exchange to
- 6 pick that up, we'll call it a local call like we do under
- 7 local foreign exchange service, but you're going to pay for
- 8 the facilities or the -- I think under those tariffs what
- 9 really you paid for were the toll rates to get it from New
- 10 Florence to St. Louis.
- 11 CHAIRMAN GAW: Would that -- as opposed to
- 12 your first option, which was unidentified traffic coming
- 13 through, would there be much difference in the way the call
- 14 might be routed, and would it go -- would it just go over
- 15 the old network to the wireless carrier's point of
- 16 presence?
- 17 MR. ENGLAND: I believe so.
- 18 CHAIRMAN GAW: And then they would pick up
- 19 the toll charge?
- 20 MR. ENGLAND: I believe that's the way it
- 21 works. There's not much of an FX service anymore because
- of 800 numbers and wireless and expanded calling, if you
- 23 will, from wireless. But I think it jointly provides
- 24 service usually between Southwestern Bell, who owned the
- 25 tandem, and the local company that had the local exchange,

- 1 and the two of them would share the revenues on that route
- 2 based on their percentage of ownership of the facilities.
- 3 But I believe they were charged Southwestern Bell toll
- 4 rates to get it from one exchange to the next.
- 5 CHAIRMAN GAW: Anybody have any comment on
- 6 just the second option?
- 7 JUDGE RUTH: You need just a minute to think
- 8 about that?
- 9 CHAIRMAN GAW: Staff isn't talking to one
- 10 another. If they have a comment, go ahead. Public Counsel
- 11 is discussing, but -- oh, I thought that might generate
- 12 something. Public Counsel?
- 13 MS. MEISENHEIMER: I think that the FCC has
- 14 given direction on what its vision is for exchanging this
- 15 traffic and the costs that will apply, and I think that
- 16 what they have done is they've said that it's not going to
- 17 fall under 251. There's no need for an interconnection
- 18 agreement, and therefore, the incumbent LEC is no longer
- 19 bound by Section 252, which identifies the terms for
- 20 negotiated and arbitrated interconnection agreements.
- 21 Therefore, the pricing of exchanging this traffic has been
- 22 taken out of your hands by the FCC, based on what I read in
- 23 the FCC's order.
- 24 CHAIRMAN GAW: They haven't done anything.
- 25 They haven't told us what the price of that is, so why

- 1 would we be preempted? I mean, I understand that there's a
- 2 preemption argument because they've actually told us how to
- 3 price it. They haven't told us anything.
- 4 MS. MEISENHEIMER: I think that they were
- 5 working under an assumption that it was going to fall under
- 6 existing agreements and would be priced accordingly. They
- 7 acknowledge that there's this issue, and then they
- 8 specifically talk about there's no interconnection
- 9 agreement required and no pricing standards under
- 10 interconnection. And I mean, I would -- I don't have any
- 11 problem at all with you, you know, directing that this be
- 12 done at a bill-and-keep rate until such time as the FCC
- works this issue out. I don't know that I agree with all
- 14 of the possible justifications for why that would be
- 15 acceptable.
- 16 CHAIRMAN GAW: Okay. Staff?
- 17 MR. MEYER: I think I followed that
- 18 sentence, and I think that Staff tracks that, maybe not to
- 19 the very last couple words about justifications, but the
- 20 idea that interconnection agreement is not required. The
- 21 Commission has the authority to determine pricing scheme,
- 22 bill and keep, et cetera, does appear to be the case.
- 23 CHAIRMAN GAW: Okay. Counsel?
- 24 MS. CHASE: I think that when LNP was
- 25 initially ordered back in '96, the FCC did consider as an

- 1 interim measure using something like FX or other types of
- 2 services to provide LNP. I don't think it's considered a
- 3 long-term measure for implementing LNP.
- 4 CHAIRMAN GAW: Okay. Anything else,
- 5 Mr. England?
- 6 MR. ENGLAND: (Shook head.)
- 7 CHAIRMAN GAW: All right. Thank you, Judge.
- 8 Thanks very much for the time.
- 9 JUDGE RUTH: Let me ask if there's
- 10 additional questions from the Bench?
- 11 COMMISSIONER MURRAY: Yes. Mr. England, I'm
- 12 feeling the need for one of your drawings.
- 13 MR. ENGLAND: Bless you, I haven't drawn in
- 14 so long.
- 15 COMMISSIONER MURRAY: The statement you made
- 16 about the first option that you offered, which I assume was
- 17 rather tongue in cheek, but -- that you could just dump it
- 18 as unidentified traffic. And I'm trying to work through
- 19 this traffic in my mind, and as I say, without one of your
- 20 drawings, it's really difficult.
- 21 But your clients, one of your clients has
- 22 been forced to provide LNP to a wireless carrier who does
- 23 not have a POP in your exchange. And just can you just run
- 24 me through a scenario in which -- in which that traffic
- 25 could be dumped and to whom it would be dumped without

- 1 identifying it?
- 2 MR. ENGLAND: And unaccustomed as I am to
- 3 public drawing, I'll take a crack at it with the New
- 4 Florence. By the way, we volunteered this pad, since you
- 5 were out of paper at the last one. I see that someone else
- 6 has --
- JUDGE RUTH: Been using your pad, huh?
- 8 MR. ENGLAND: Do I need to put my name on
- 9 these?
- 10 The New Florence example that I was talking
- 11 about, if this is the New Florence exchange, as I said,
- 12 it's just north of Highway 70 as you're going to St. Louis,
- 13 probably 60 miles, 70 miles outside of St. Louis. And this
- 14 is the St. Louis metropolitan area. Right now, there is a
- 15 -- from the New Florence switch, there are trunks to
- 16 Southwestern Bell's tandem in St. Louis, primarily Feature
- 17 Group C in the direction of Southwestern Bell to New
- 18 Florence, common trunk groups over which intraLATA toll
- 19 wireless interexchange carrier traffic is terminated, all
- 20 commingled and terminated to New Florence.
- 21 Today when traffic leaves New Florence it's
- 22 all on a 1+ basis, so it goes to the carrier's -- or to the
- 23 customer's presubscribed carrier, but it still routes over
- 24 those facilities. But once it hits SBC's switch, as I
- 25 understand, it's routed to the interexchange carrier of

- 1 choice; MCI, AT&T, Sprint, whoever that may be.
- 2 What we're saying here is you're dialing a
- 3 local NPA/NXX, which is 7 digits. Today that call would go
- 4 into the switch and go out of the switch within this
- 5 exchange. It would never hit these interexchange
- 6 facilities, because it's a local call within the local
- 7 exchange carrier of New Florence, which has maybe, what,
- 8 500 access lines.
- 9 What we're saying is, once the number is
- 10 ported to a wireless carrier who has a point of presence in
- 11 St. Louis, also interconnected with Southwestern Bell's
- 12 facilities there, when that number is dialed, we'd query it
- 13 because we're porting numbers now, and we know it's a
- 14 ported number and it's ported to the wireless carrier.
- 15 And I believe the wireless carrier gives
- 16 us -- in addition to that seven-digit number, they give us
- 17 an LRN, a local routing number that's associated with that,
- 18 that tells switches where to send things. So in this case
- 19 we'd query the database, see that it's been ported, and
- 20 we'd simply send it over these facilities, these common
- 21 trunk groups to Southwestern Bell's tandem in St. Louis,
- 22 and it would get -- Southwestern Bell's tandem would have
- 23 the wherewithal to route it or information to be sent with
- 24 it to tell Southwestern Bell to route it to the wireless
- 25 carrier.

- 1 Now, what we've done is we've used these
- 2 facilities, and typically Bell's facilities, most of these
- 3 small companies come up to the exchange boundary. So they
- 4 may have 90 percent of the transport, and this company has
- 5 both. New Florence would have 10 percent or whatever the
- 6 percentage are, based on, I believe, airline miles. What
- 7 we've done is essentially used Southwestern Bell's
- 8 transport facility to complete that call. They're going to
- 9 want to get paid for that, I would think.
- 10 And my first option was to simply not pay
- 11 them for it. They don't know it's coming across unless
- 12 they're doing some recording here. They've told us they're
- 13 not. Under the Feature Group C arrangement, carriers are
- 14 supposed to record that at their originating switch, and
- 15 say, oh, Southwestern Bell, I sent you X amount of minutes
- 16 over that Feature Group C network and I owe you whatever
- 17 your intrastate access rates are.
- 18 Well, if I don't create or I create but I
- 19 don't pass that record, Southwestern Bell doesn't know it's
- 20 been sent. That's the problem we've been having for years.
- 21 Pardon that editorial comment. And that's why I sort of
- 22 facetiously said as an option we could just dump it on the
- 23 network and not pay for it, to kind of disguise it.
- 24 COMMISSIONER MURRAY: What about in that
- 25 situation that you've drawn there, if the wireless -- if a

- 1 customer that's still in the New Florence exchange calls --
- 2 wait a minute. Reverse it. The customer who has had its
- 3 number ported to the wireless carrier calls another
- 4 customer in the New Florence exchange.
- 5 MR. ENGLAND: The wireless customer with the
- 6 New Florence NPA/NXX dials a New Florence landline
- 7 customer?
- 8 COMMISSIONER MURRAY: Yes.
- 9 MR. ENGLAND: Well, it's going to be picked
- 10 up by the wireless carrier and probably terminated to
- 11 Southwestern Bell at the tandem, and then terminated over
- 12 that common trunk group.
- 13 COMMISSIONER MURRAY: So there are two
- 14 compensation issues here; the compensation between the
- 15 originating and terminating carrier and the compensation
- 16 for transport?
- 17 MR. ENGLAND: That's correct.
- 18 COMMISSIONER MURRAY: So why do we not have
- 19 the transporting carriers concerned about how to resolve
- 20 these issues, I wonder?
- 21 MR. ENGLAND: That was one of the reasons we
- 22 didn't offer up any -- I mean, we figured we were taking on
- 23 a big enough piece of the industry with our petitions for
- 24 suspension or modification in the wireless companies, why
- 25 get Southwestern Bell and CenturyTel and Sprint all wrapped

- 1 up in this as well?
- 2 COMMISSIONER MURRAY: So by seeking the
- 3 modification so that you don't have to port the number
- 4 absent any agreement by the wireless carrier to where you
- 5 have a point of presence or pay for any costs involved,
- 6 you're avoiding that confusion at this point?
- 7 MR. ENGLAND: We're avoiding using their
- 8 facilities and creating costs for them.
- 9 COMMISSIONER MURRAY: Thank you for your
- 10 drawing.
- 11 MR. ENGLAND: You're welcome. Thank you For
- 12 asking. Oh, may I offer one other alternative?
- We're going to get into this in the Western
- 14 Wireless cases with Cass County, but let's talk about
- 15 Orchard Farm, which is in -- which is in this group
- 16 (indicating). They're in the St. Louis MCA, and what we've
- 17 heard through testimony and have discussed in the Western
- 18 Wireless case and without prejudging that or anything,
- 19 we've suggested, but not without your permission,
- 20 essentially using MCA facilities on a bill-and-keep basis
- 21 to terminate that ported call to the wireless carrier,
- 22 assuming they've got their points of presence in the MCA.
- 23 So that is another possibility but only for MCA companies.
- 24 And again, I don't think we can do that
- 25 without your permission. I think that would be sort of

- 1 expanding the MCA in a manner that wasn't really ever
- 2 discussed or addressed previously, and I know Staff has got
- 3 some concerns and addressed that in their testimony.
- 4 That's another alternative.
- 5 COMMISSIONER MURRAY: And that is Orchard
- 6 Farm?
- 7 MR. ENGLAND: Orchard Farm is in the
- 8 St. Louis MCA. Cass County and Lathrop in the -- that I
- 9 represent are in the Kansas City MSA -- or MCA. Excuse me.
- 10 COMMISSIONER MURRAY: But Orchard Farm is
- 11 seeking a modification?
- 12 MR. ENGLAND: It's seeking a suspension
- 13 first, of six months, so they can do the necessary upgrades
- 14 to their switch. And then beyond that, if the FCC hasn't
- 15 acted in that six-month period of time, they're seeking a
- 16 modification.
- 17 COMMISSIONER MURRAY: And their modification
- 18 includes what you just said here?
- 19 MR. ENGLAND: No. We did not address
- 20 the MCA.
- 21 COMMISSIONER MURRAY: Okay. Now you've
- 22 confused me.
- 23 CHAIRMAN GAW: It's just another option.
- 24 COMMISSIONER MURRAY: You're just pointing
- 25 out that there is another option, other than the way that

- 1 it was addressed in the stip?
- 2 MR. ENGLAND: Yes.
- 3 COMMISSIONER MURRAY: And why was that not
- 4 the first option that was presented?
- 5 MR. ENGLAND: I hate to admit this, but
- 6 probably because we didn't think of it. At the time we put
- 7 the Oregon Farmers and a lot of these stipulations
- 8 together, we were thinking one thing, and the opportunity
- 9 of using the MCA really didn't become an -- not an issue,
- 10 but an alternative or an option to us until we were writing
- 11 testimony in the Cass County case as we were brainstorming.
- 12 COMMISSIONER MURRAY: So the Stipulation &
- 13 Agreement for it would be all of the TDS -- I mean, that's
- 14 one Stip & Agreement?
- 15 MR. ENGLAND: Right. And that's another
- 16 point. Two of the three companies are not in an MCA. New
- 17 London's up by Hannibal and Stoutland's down by Lebanon.
- 18 COMMISSIONER MURRAY: But that Stip &
- 19 Agreement could be modified to address Orchard Farm, as
- 20 you've just suggested, could it not?
- 21 MR. ENGLAND: Well, I think that's your
- 22 prerogative. The parties didn't agree to that, and again,
- 23 I'm speaking on my behalf. Staff, I know, has not
- 24 acquiesced or not agreed to Cass County's recommendation to
- 25 use the MCA to terminate these calls or transport these

- 1 calls.
- 2 COMMISSIONER MURRAY: Has Staff opposed
- 3 that?
- 4 MR. ENGLAND: I don't think they -- they
- 5 just said it ought to be addressed in this task force. And
- 6 I don't mean to -- again, they can speak for themselves.
- 7 MR. MEYER: I think you responded for me,
- 8 but yeah, that's correct.
- 9 COMMISSIONER MURRAY: So with the parties
- 10 that are here that have entered into the Stip & Agreement
- 11 for TO-2004-04 -- I'm sorry -- TO-04-0370, which is the
- 12 TDS, there would not be agreement to modify that Stip &
- 13 Agreement?
- 14 MS. O'NEILL: Public Counsel is not prepared
- 15 to agree to that at this point, Commissioner. We have seen
- 16 some company testimony in that regard, but we are not -- we
- 17 have some concerns about it that we haven't been able to
- 18 resolve within our own office. So we would not be on board
- 19 with that at this time.
- 20 COMMISSIONER MURRAY: And the concerns would
- 21 be regarding the MCA area or --
- 22 MS. O'NEILL: That's something that we would
- 23 need to look into further. Maybe Ms. Meisenheimer can be a
- 24 little bit more specific.
- 25 MS. MEISENHEIMER: This concept of the MCA,

- 1 I believe, was presented in the testimony of Robert
- 2 Schoonmaker that you're going to hear in another group of
- 3 these cases. I had hoped to file some testimony, but was
- 4 unable to because I was testifying in the MGE hearing, and
- 5 so I guess we will have to do things through
- 6 cross-examination.
- 7 We are continuing to look at that option as
- 8 proposed. We are not at this time willing to sign on to
- 9 that as an acceptable resolution that we think is fully
- 10 consistent with the MCA plan right now, you know. We still
- 11 need to look at it. I will admit that.
- MR. ENGLAND: And if I may, maybe the best
- 13 thing to do is to wait until that third group of cases and
- 14 companies later this month. As I said, we've teed it up in
- 15 testimony and Staff has responded. Obviously Public
- 16 Counsel has some interest in it. We can explore it more in
- 17 that proceeding, and if you determine to do something that
- 18 might impact Orchard Farm or Lathrop or Mo-Kan or whoever,
- 19 certainly you can come back and revisit these other cases,
- 20 I would think.
- 21 COMMISSIONER MURRAY: Okay. Thank you,
- 22 Mr. England.
- MR. ENGLAND: Certainly.
- JUDGE RUTH: Additional questions?
- 25 CHAIRMAN GAW: Mr. England, while you're up

- 1 here on your drawing, if we were looking at the FX
- 2 compensation system, how similar is that to just paying
- 3 for -- as far as the compensation of Bell is concerned, was
- 4 there a difference in their compensation rate on the FX
- 5 than there was on a normal Feature Group C call.
- 6 MR. ENGLAND: Under the old FX arrangement,
- 7 my understanding was the customer in St. Louis would pay
- 8 toll rates to get that call from New Florence to St. Louis,
- 9 toll rates being probably higher than -- I wouldn't say
- 10 significantly, but probably higher than access rates, if
- 11 they're recovering their cost, and certainly higher than
- 12 intercarrier local reciprocal compensation rates, because
- 13 today this wireless carrier is able to terminate a wireless
- 14 call in New Florence and only pay Bell, I believe, a half a
- 15 cent a minute for transit rates for local traffic, because
- 16 wireless traffic within these large MTAs are considered
- 17 local.
- 18 So they're able to transit or require Bell
- 19 to transport that call at a local transit rate, which is
- 20 far less than Bell's access transport rate for that same
- 21 facility.
- 22 CHAIRMAN GAW: So as far as the compensation
- 23 system is concerned, there really isn't any way for us to
- 24 address that without having Bell in?
- MR. ENGLAND: Probably not. I would note

- 1 that many of these wireless carriers, in their
- 2 interconnection agreement with Southwestern Bell, have an
- 3 alternative known as an area-wide calling plan, and that
- 4 was formerly in Southwestern Bell's wireless tariff. I
- 5 believe they've pull it out, but they put it in these
- 6 agreements, and that has the effect of giving wireless
- 7 carriers local presence in -- I'm not sure about New
- 8 Florence's but certainly a Southwestern Bell exchange
- 9 outside this metropolitan area.
- 10 It's sort of a reverse 800 service. The
- 11 wireless carrier pays Bell whatever the costs are to bring
- 12 that back, but it allows customers in these remote
- 13 exchanges to call wireless customers with St. Louis
- 14 NPA/NXXs on a toll-free basis.
- 15 CHAIRMAN GAW: Would there be a reason why
- 16 that compensation system couldn't be applied to an LNP
- 17 case?
- 18 MR. ENGLAND: I have to work that through
- 19 with my witnesses, but I think we may be addressing that in
- 20 the -- we still have one more opportunity in the Western
- 21 Wireless cases, and that's something we're looking at.
- 22 CHAIRMAN GAW: Okay. And -- but that would
- 23 not be an option in every one of these exchanges, or would
- 24 it, do you know?
- 25 MR. ENGLAND: Well, it would -- first of

- 1 all, it would probably have to be an interconnection
- 2 agreement between the wireless carrier and SBC where that
- 3 plan is available. There's also -- some of these
- 4 agreements are rather nebulous on their definition -- or
- 5 vague on their definition of transit traffic. We've always
- 6 thought transit traffic was wireless carrier to landline
- 7 traffic, but if you'll read these agreements, they're not
- 8 that precise.
- 9 They might be read to include two-way
- 10 traffic, so theoretically, the wireless carrier might be
- 11 able to take advantage of that transit rate coming back
- 12 from New Florence, the half a cent a minute rate.
- 13 CHAIRMAN GAW: That's why -- that's
- 14 interesting to me.
- 15 MR. ENGLAND: We'll address that as well in
- 16 the Western Wireless. We've got copies of their
- 17 interconnection agreements.
- 18 CHAIRMAN GAW: Is Bell in that case?
- MR. ENGLAND: No.
- 20 CHAIRMAN GAW: Thank you, Mr. England.
- 21 Thank you, Judge.
- JUDGE RUTH: Back to Commissioner Murray.
- 23 COMMISSIONER MURRAY: Don't sit down yet. I
- 24 wanted to go back to something that has been a concern, I
- 25 know, that Chair Gaw has expressed concern, and I'm

- 1 concerned as well about the intercept message that
- 2 customers would receive.
- 3 And I haven't -- I haven't heard a
- 4 sufficient explanation of why the carriers can't say that
- 5 they would provide the message that gives the customers
- 6 knowledge of what it is they have to do to get through to
- 7 that customer they're trying to call. And I was wondering
- 8 if before we approve these stipulations and agreements, is
- 9 there some further concession that your clients could make
- 10 if they went back and looked at that issue, what kind of
- 11 message can they supply and what kind of message are they
- 12 willing to supply to satisfy this Commission that the
- 13 customers aren't going to be hung out there with no way to
- 14 get through to their friends or relatives?
- 15 MR. ENGLAND: Well, within reason, I think
- 16 we're willing to do whatever we can that's possible to
- 17 satisfy your concerns. If I heard Lisa correctly, it looks
- 18 like Northeast Missouri has contacted their switch vendor
- 19 to see if they can put a longer message in that intercept.
- 20 And again, I hate to speak for somebody else, but I got the
- 21 impression that they can.
- 22 I will check with my clients and their
- 23 particular switch vendors to see what we can put in that
- 24 intercept message, and if we can put in something that's
- 25 more descriptive than just that number can't be completed

- 1 as dialed, I will bring that information back to you, and I
- 2 think I indicated I will try to have that -- as much as I
- 3 can information back to you by, say, next Friday.
- 4 COMMISSIONER MURRAY: Okay. I apologize.
- 5 We probably went through and somehow my mind was straying.
- 6 MR. ENGLAND: I don't know that I made that
- 7 promise. We talked about it before, and we are not adverse
- 8 to putting in whatever message we can that makes sense.
- 9 COMMISSIONER MURRAY: So you think you would
- 10 be prepared to amend the Stipulation & Agreement to be more
- 11 specific about the message, depending on what you are
- 12 technically able to do?
- 13 MR. ENGLAND: Yeah, and I think the
- 14 stipulation talks in terms of at a minimum we would provide
- 15 an intercept that says it can't be dialed, but if possible,
- 16 we would add more illustrative or descriptive or
- 17 explanatory information.
- 18 COMMISSIONER MURRAY: And you will let us
- 19 know by next Friday --
- MR. ENGLAND: Yes.
- 21 COMMISSIONER MURRAY: -- whether you can be
- 22 more descriptive?
- MR. ENGLAND: Correct.
- 24 COMMISSIONER MURRAY: Thank you.
- JUDGE RUTH: Okay. Any other questions from

- 1 the Bench?
- 2 (No response.)
- 3 JUDGE RUTH: All right. Then we just have
- 4 housekeeping as far as I want to give every party an
- 5 opportunity to answer any question that was asked of
- 6 another party but not directly to your particular party.
- 7 And if you need a minute to review your notes, that's fine.
- 8 We'll take that.
- 9 After we do that cleanup, Staff has an
- 10 exhibit to offer, it's my understanding, and then we'll
- 11 have to just go over at the end any deadline for late-filed
- 12 exhibits and other items. So if you want to take a minute
- 13 to look at your notes, see if there's another question that
- 14 another party was asked that your party did not have an
- 15 opportunity to answer, you might signal me when you're
- 16 ready.
- 17 MR. MEYER: I can just go on ahead.
- 18 JUDGE RUTH: Sure. If you're ready, please
- 19 proceed.
- 20 MR. MEYER: Sure. There were some questions
- 21 asked of Ms. Meisenheimer that I guess I have some sort of
- 22 follow-up comments on; perhaps she might have been able to
- 23 clarify.
- 24 As I understand, there was a specific case
- 25 that addressed the cost study issues; it was Case

- 1 TR-2001-65. There were many parties to that case,
- 2 including Sprint and a number of other CLECs, ILECs, IXCs,
- 3 Staff and, of course, the Public Counsel. As I understand
- 4 it, that proceeding is not before the Commission at this
- 5 time, and the Commission in that case did not, in fact,
- 6 determine any appropriate costs or costing methodologies,
- 7 but that, again, TR-2001-65 would be the reference that I
- 8 think was indirectly being discussed.
- 9 In response to Commissioner Gaw's questions,
- 10 I can go ahead ask that the Commission take notice of the
- 11 FCC's November 7 Order in FCC 03-284. I believe that has
- 12 probably previously been provided to at least the Law Judge
- 13 in this case, and we can certainly provide it to any of the
- 14 Commissioners, but we would ask that they take Commission
- 15 of that -- I'm sorry -- take notice of that.
- 16 And just perhaps this might help Chair Gaw's
- 17 consideration of this. I found a specific paragraph in
- 18 that November order where the Commission addressed what it
- 19 intended to do, and I'll just read that paragraph. The FCC
- 20 writes, we recognize the concerns of these carriers -- and
- 21 this is addressing the rating and routing issues that have
- 22 been raised in the previous paragraph in the Order -- but
- 23 find that they are outside the scope of this Order.
- 24 As noted above, our declaratory ruling with
- 25 respect to wireline to wireless porting is limited to

- 1 ported numbers that remain rated in their original rate
- 2 centers. We make no determination, however, with respect
- 3 to the routing of ported numbers because the requirements
- 4 of our LNP rules do not vary depending upon how calls to
- 5 the number will be routed after the port occurs.
- 6 Moreover, as CTIA notes, the rating and
- 7 routing issues raised by the rural wireline carriers have
- 8 been raised in the context of non-ported numbers and are
- 9 before the commission in other proceedings.
- 10 And there is a footnote to the case that we
- 11 will specifically monitor and believe was related to this.
- 12 It's entitled, in the matter of Sprint petition for
- declaratory ruling obligation of incumbent LECs to load
- 14 numbering resources lawfully acquired and to honor routing
- 15 and rating points designated by interconnecting carriers,
- 16 Sprint petition for declaratory ruling, cc Docket No.
- 17 01-92, filed July 18, 2002.
- 18 So in the interest of clarifying on the
- 19 record that this is what we were referencing, there you
- 20 have it.
- 21 JUDGE RUTH: Public Counsel, did you have
- 22 any responses to certain questions?
- MS. O'NEILL: Nothing further, your Honor.
- JUDGE RUTH: Thank you. Petitioner Alma?
- MS. CHASE: I have just confirmed that

- 1 Mr. England was correct when he was talking about Northeast
- 2 Telephone Company. They have contacted their vendor, and
- 3 they can have a longer message. I will contact the rest of
- 4 our clients as well and provide updated information by
- 5 Friday as well.
- 6 JUDGE RUTH: In your updated information
- 7 would you provide some specificity as to how long a
- 8 message, perhaps? I think perhaps some of the
- 9 Commissioners have some text even in mind.
- 10 MS. CHASE: I will to the extent that I can
- 11 get that information, yes.
- 12 JUDGE RUTH: And the New London group, did
- 13 you have any comments to any questions that might have been
- 14 asked of any other party, but not asked of you?
- 15 MR. ENGLAND: Not that I can think of.
- 16 JUDGE RUTH: Okay. Then Staff, at this time
- 17 would you pull out the document you wanted to offer?
- 18 MR. MEYER: It's actually the testimony of
- 19 Natelle Dietrich in each one of these seven cases, and so I
- 20 guess to do that, I would call Natelle Dietrich to the
- 21 stand if I may.
- 22 (Witness sworn.)
- JUDGE RUTH: Staff, I think we're ready for
- 24 No. 18.
- MR. MEYER: Okay. Actually, may I approach?

- 1 JUDGE RUTH: Yes.
- 2 MR. MEYER: I think it may be Exhibit 19.
- 3 18 was the chart.
- 4 JUDGE RUTH: You're right. It is Exhibit
- 5 19.
- 6 NATELLE DIETRICH testified as follows:
- 7 DIRECT EXAMINATION BY MR. MEYER:
- 8 Q. Ms. Dietrich, could you state and spell your
- 9 name, please?
- 10 A. My name is Natelle, N-A-T-E-L-L-E, Dietrich,
- 11 D-I-E-T-R-I-C-H.
- 12 Q. And by whom are you employed?
- 13 A. I'm employed by the Missouri Public Service
- 14 Commission.
- 15 Q. And in what capacity?
- 16 A. I'm a regulatory economist in the
- 17 telecommunications department.
- 18 Q. I've handed you a stack of prefiled
- 19 testimony in the cases that are before us. Is that
- 20 testimony that you had prepared?
- 21 A. Yes, it is.
- 22 Q. And I guess we'll probably go one by one.
- 23 In the first case, TO-2004-0370, I believe that's been
- 24 marked as Exhibit 19, or will be shortly. Is that -- is
- 25 that before you?

- 1 A. Yes, it is.
- 2 Q. Do you have any corrections or additions to
- 3 make to that at this time?
- 4 A. No. I do not.
- 5 Q. And are the answers provided there true and
- 6 accurate to the best of your knowledge?
- 7 A. Yes, they are.
- 8 Q. And if I asked you the same questions today,
- 9 would the answers be the same?
- 10 A. Yes, they would.
- MR. MEYER: Okay.
- 12 MR. ENGLAND: Your Honor, if it would help
- 13 short circuit things, we have no objection to the admission
- 14 of that testimony and all the dockets in which it was
- 15 filed.
- JUDGE RUTH: If the parties will all agree
- 17 to that, we can move more quickly. There would be
- 18 Ms. Dietrich's testimony in all seven cases, correct?
- MR. MEYER: Correct.
- JUDGE RUTH: And 370 would be 19, and then
- 21 403 would be 20. 437 would be 21. 22 would be 438. 453
- 22 is 23. Correct me if I skip one.
- 23 MR. MEYER: Is that 23 or 24?
- JUDGE RUTH: I have 22 is 438; is that
- 25 correct?

- 1 MR. MEYER: I think we're one off.
- JUDGE RUTH: Let's back up then. The first
- 3 one, 19, 370, correct?
- 4 MR. MEYER: Correct.
- 5 JUDGE RUTH: 20, 403.
- 6 MR. MEYER: Yes.
- 7 JUDGE RUTH: 21 would be 437. 22, 438. 23,
- 8 453. 24, 503. And 25, 511. Did I make an error, Staff?
- 9 MR. MEYER: My error. I understand. Got
- 10 it.
- JUDGE RUTH: Okay. It's my understanding
- 12 that the parties are all agreeing that this document may be
- 13 admitted into the record, is that correct, from OPC?
- MS. O'NEILL: That's correct, your Honor.
- JUDGE RUTH: And Alma?
- MS. CHASE: That is correct, your Honor.
- JUDGE RUTH: New London Group?
- MR. ENGLAND: No objections.
- 19 JUDGE RUTH: Okay. Then Exhibits 19 through
- 20 25 are received into the record.
- 21 (EXHIBIT NOS. 19 THROUGH 25 WERE MARKED AND
- 22 RECEIVED INTO EVIDENCE.)
- JUDGE RUTH: And you may step down.
- It's my understanding that's all the
- 25 exhibits that the parties intended to offer; is that

- 1 correct? The late-filed exhibit we'll discuss the deadline
- 2 for at the end.
- 3 (No response.)
- 4 JUDGE RUTH: Then I'll offer the parties an
- 5 opportunity to make brief closing statements, closing
- 6 arguments, if you wish.
- 7 Do the parties -- the parties did not
- 8 propose any order for this. Is it acceptable to move
- 9 Staff, Public Counsel and then Petitioners or do you want
- 10 to flip that?
- 11 You were starting to stand up. Were you
- 12 ready to go, Mr. England?
- 13 MR. ENGLAND: If I get the opportunity to go
- 14 last, I always would like to do that.
- 15 JUDGE RUTH: I should probably have you go
- 16 first then.
- 17 MR. ENGLAND: That's what I get for saying
- 18 that. Fair enough.
- 19 JUDGE RUTH: And, you know, I've had a
- 20 little trouble with the camera today, and I actually have
- 21 the camera panned towards the back where you're at now. So
- 22 if you would stay there at this time, that would be great.
- MR. ENGLAND: And I will try to be very
- 24 brief and just urge the Commission to adopt the unanimous
- 25 stipulation and agreements that have been entered into by

- 1 the parties in these seven cases. I understand there may
- 2 be some further language or modification regarding an
- 3 intercept message, and obviously, as I said earlier, we
- 4 have no problem with that as long as it's something that we
- 5 would be technically capable of doing. And we'll try to
- 6 get that information to the Commission by the end of next
- 7 week. Thank you.
- JUDGE RUTH: Okay. Alma, Petitioner.
- 9 MS. CHASE: I would urge the Commission to
- 10 adopt the Unanimous Stipulations and Agreements as well,
- 11 and we will with the potential modifications with respect
- 12 to the intercept message, and we will also get that
- information to the Commission by the end of next week.
- JUDGE RUTH: Okay. Public Counsel?
- 15 MS. O'NEILL: Thank you, your Honor. We do
- 16 believe that it would be appropriate and we would urge the
- 17 Commission to adopt the Unanimous Stipulation & Agreement
- 18 regarding suspension and modification regarding local
- 19 number portability between wireline and wireless
- 20 telecommunications carriers. That's what the petition set
- 21 forth, that's what the Stipulation & Agreement addresses,
- 22 and I think as we all also agree, that's really the only
- 23 type of portability that's an issue with these conditions
- 24 right now.
- We also believe it would be helpful to

- 1 customers to have as much accurate information as possible
- 2 in any intercept messages that are given, and we would be
- 3 amenable to language -- any changes in language regarding
- 4 that paragraph that would assist the customers in knowing
- 5 what they need to do to complete their calls. Thank you.
- JUDGE RUTH: And Staff?
- 7 MR. MEYER: I would just echo the sentiments
- 8 just expressed by the other parties in this case
- 9 recommending approval of the stipulation, and would also
- 10 suggest or provide that Staff will be happy to work with
- 11 the other parties in coming up with appropriate intercept
- 12 language. I think we had previously discussed with the
- 13 parties some thoughts along those lines and will continue
- 14 to do so as that component continues to play out.
- 15 JUDGE RUTH: Okay. Then I want to move on
- 16 to some final housekeeping matters. As for the exhibits,
- 17 just clarify for the record that Exhibits 11 through 16 and
- 18 18 through 25 have been received into the record. Exhibit
- 19 17 is the number I reserved for the late-filed exhibit to
- 20 be offered by Alma; it's the stipulation in the 453 case.
- 21 And let me ask counsel if you would be able to provide that
- 22 by Friday, the 9th?
- MS. CHASE: I'll be able to provide that
- 24 after lunch, if that's convenient.
- 25 JUDGE RUTH: That would be great. I would

- 1 anticipate, based on the other cases we've seen, there
- 2 would not be objections. However, once it is filed, if
- 3 there are any objections, those objections would need to be
- 4 filed within one business day. So if you get it in today,
- 5 the parties will have one business day to file any
- 6 objections if there are any. If there are no objections,
- 7 I'll issue a notice saying that is received into the
- 8 record. If there are objections, we'll take those up.
- 9 Okay. That takes care of the exhibits.
- 10 Remind the parties that the transcript's expedited. It's
- 11 to be submitted within one business day; it will take
- 12 another day or so after that for it to be on EFIS. If you
- 13 want your electronic copy, you need to talk to the court
- 14 reporter before you leave today.
- 15 Now, the parties have indicated that they
- 16 will attempt to get some additional information regarding
- 17 this intercept message from the vendors. And I believe
- 18 next Friday was the date mentioned, which is the 16th. And
- 19 although the 16th is acceptable for most of the cases, let
- 20 me say, because of the deadline in TO-2004-0370, I will
- 21 request that -- that is the first case, and the deadline
- 22 for that is August 7th, this commission must make a
- 23 decision. If you can get the information for this one case
- 24 a few days sooner, I would appreciate it.
- 25 In looking at the Commission's calendar for

- 1 hearing dates, et cetera, I may need an extra few dates to
- 2 get that one out. So again, if you can try and get those
- 3 in first, perhaps by Wednesday, it would be appreciated.
- 4 Okay. Do the parties have any final matters
- 5 that need to be discussed? I do not see the need for
- 6 Briefs unless a party particularly wants to provide those,
- 7 and if you're going to want to provide one, you need to
- 8 tell me now.
- 9 (No response.)
- 10 JUDGE RUTH: Okay. I'm seeing no hurry to
- 11 provide Briefs, so we will not expect Briefs, and that will
- 12 conclude this hearing. I suggest we take an early lunch,
- 13 come back on to the record at 12:30 for the second group of
- 14 hearings.
- 15 Comment from Mr. England?
- MR. ENGLAND: Yes. Are we off the record?
- JUDGE RUTH: We're still on the record.
- 18 MR. ENGLAND: It's a comment as far as
- 19 housekeeping matters for the purposes of the second
- 20 proceeding that we might be able to address now before
- 21 lunch, so when we come back we can go right to the question
- 22 and answer.
- JUDGE RUTH: I'm a bit uncomfortable going
- 24 off the record unless you can tell me more what it's about.
- MR. ENGLAND: What we have in these

- 1 contested -- in these cases where there's a bit of a
- 2 contested issue with regard to length of the suspension, we
- 3 were going to offer as exhibits our verified petition, the
- 4 proprietary cost information that was submitted, I think
- 5 subsequently to the filing of the petition, and the
- 6 Stipulation & Agreement with a revised page 9, which has an
- 7 erroneous typographical error.
- 8 JUDGE RUTH: Okay. Are you suggesting
- 9 perhaps that after we go off the record for this case, we
- 10 could spend a few minutes marking those exhibits?
- MR. ENGLAND: Exactly.
- 12 JUDGE RUTH: That would be a wonderful idea.
- 13 We'll do that.
- 14 Any other housekeeping items before I
- 15 conclude this hearing? Staff?
- 16 (No response.)
- JUDGE RUTH: Okay. Then we are adjourned
- 18 for this hearing. We're off the record. We'll take back
- 19 up with the second hearing at 12:30.
- 20 MR. ENGLAND: May I suggest one o'clock,
- 21 depending on how long it takes to go through all this
- 22 stuff?
- JUDGE RUTH: You realize the later we start
- 24 the more likely it is we need to come back tomorrow?
- 25 I can do one o'clock. Just keep that in mind.

MR. ENGLAND: I understand. I'm an eternal optimist, your Honor. I'm hoping that a lot of the questions that were asked this morning we can incorporate that by reference for the purpose of the afternoon and just focus on the cost issue. JUDGE RUTH: It's good to have optimism in the room. We'll make it one o'clock, especially since we're going to take up marking some exhibits at this time. Off the record; back on at one o'clock by the clock in the back of the room. WHEREUPON, the hearing was concluded.

1	EXHIBITS INDEX		
2		MARKED	RECEIVED
3	EXHIBIT NO. 11 Unanimous Stipulation and Agreement		
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8	Case No. TO-2004-0437	217	219
9	EXHIBIT NO. 14 Unanimous Stipulation and Agreement		
10	Case No. TO-2004-0438	217	219
11	EXHIBIT NO. 15 Unanimous Stipulation and Agreement		
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17	EXHIBIT NO. 18 LNP Suspension Requests	218	220
18	EXHIBIT NO. 19		
19	Testimony of Natelle Dietrich Case No. TO-2004-0370	308	308
20	EXHIBIT NO. 20 Testimony of Natelle Dietrich		
21	Case No. TO-2004-0403	308	308
22	EXHIBIT NO. 21 Testimony of Natelle Dietrich		
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	EXHIBIT NO. 23		
2	Testimony of Natelle Dietrich	200	200
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