

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION
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6 TRANSCRIPT OF PROCEEDINGS
7 Public Hearing held in Jefferson City, Missouri,
8 via videoconferencing in
9 Carthage, Moberly and Union, Missouri
10
11

12 October 3, 2005
13 Jefferson City, Missouri
14 Volume 1
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18 In the Matter of the Request of)
19 Southwestern Bell Telephone, L.P.,)
20 d/b/a SBC Missouri, for Competitive)
21 Classification Pursuant to) Case No. TO-2006-0102
22 Section 392.245.6, RSMo (2005) -)
23 60-Day Petition)
24
25

18 RONALD D. PRIDGIN, Presiding,
19 REGULATORY LAW JUDGE.
20 CONNIE MURRAY,
21 STEVE GAW,
22 LINWARD "LIN" APPLING,
23 COMMISSIONERS.
24
25

23 REPORTED BY:
24 KELLENE K. FEDDERSEN, CSR, RPR, CCR
25 MIDWEST LITIGATION SERVICES

1 P R O C E E D I N G S

2 JUDGE PRIDGIN: Good evening. The Missouri
3 Public Service Commission has set this time for a local
4 public hearings in Case No. TO-2006-0102, in which SBC
5 Missouri seeks Commission classification of its business
6 and residential services as competitive in certain
7 exchanges.

8 The Missouri Public Service Commission
9 regulates the rates charged by investor-only utility
10 companies in Missouri to ensure that those rates are just
11 and reasonable. The Commission also regulates the quality
12 of service and safety of the operations of investor-owned
13 utilities.

14 The Commission is made up of five
15 Commissioners, three of whom are present this evening.
16 They're appointed by the Governor to fixed terms and
17 confirmed by the Senate. The Commissioners employ a staff
18 of engineers, accountants, attorneys, financial analysts
19 and other specialists in the field of utility regulation.

20 I'm Ron Pridgin. I'm a Regulatory Law
21 Judge for the Missouri Public Service Commission, and I
22 will preside over this evening's hearing. With me this
23 evening are Commissioner Gaw in Moberly, and here in
24 Jefferson City with me are Commissioner Murray and
25 Commissioner Appling.

1 This is an official hearing of the Missouri
2 Public Service Commission, and the statements and
3 testimony of witnesses will be recorded by the court
4 reporter and must be given under oath. All of the
5 Commissioners will have the chance to read all of the
6 witnesses' remarks.

7 In addition to this hearing, a trial-type
8 evidentiary hearing is scheduled for October 12th and
9 13th, starting at 8:30 in the morning, here at the
10 Commission's offices at the Governor Office Building in
11 Jefferson City, Missouri. That hearing is a public
12 hearing, and there the company will have the burden of
13 proving its case. The parties will present their
14 witnesses for and against the case at that time.

15 The purpose of this hearing is to hear from
16 you on SBC's request. The company will not present
17 witnesses this evening and will not answer questions
18 during the hearing. This is your chance to testify, and
19 your remarks will be made an official -- part of the
20 official record of this case.

21 I will call the name of each witness who
22 has signed up to speak. When your name is called, I'll
23 ask that you identify yourself, and I will swear you in
24 and I will ask that you please spell your name for the
25 court reporter so she can put it in the record correctly.

1 I will ask a few preliminary questions, such as your name
2 and address, and you can then make your statement. Again,
3 there may be questions from the Commissioners or from me,
4 so I ask that you please do not leave that witness area
5 until you are excused.

6 Again, if there is someone who wishes to
7 testify but for religious reasons cannot take an oath,
8 please let me know and I will ask that your testimony be
9 affirmed instead.

10 Does anyone have any questions about the
11 procedures that we will follow?

12 (No response.)

13 JUDGE PRIDGIN: Hearing no questions, we
14 will begin the public hearing on Case No. TO-2006-0102, in
15 the matter of the request of Southwestern Bell Telephone,
16 LP, doing business as SBC Missouri, for competitive
17 classification pursuant to Section 392.245.6, Revised
18 Statutes of Missouri - 60-day petition.

19 I will ask counsel to make entries of
20 appearance, please, beginning with SBC.

21 MR. OLSON: Your Honor, there's no
22 attorneys here from SBC.

23 JUDGE PRIDGIN: Thank you very much. No
24 counsel from SBC. Any counsel here from Staff?

25 MR. HAAS: Good evening, your Honor.

1 William Haas appearing on behalf of the Staff of the
2 Public Service Commission.

3 JUDGE PRIDGIN: Mr. Haas, thank you. On
4 behalf of the Office of the Public Counsel, please?

5 MR. DANDINO: Thank you, your Honor.
6 Michael Dandino with the Office of the Public Counsel,
7 representing the Office of the Public Counsel and the
8 public.

9 JUDGE PRIDGIN: Mr. Dandino, thank you.
10 Are there any other attorneys who wish to enter an
11 appearance?

12 (No response.)

13 JUDGE PRIDGIN: All right. Hearing none.
14 Before I begin taking testimony, let me see if we have any
15 opening comments from the Commissioners. Commissioner
16 Gaw?

17 COMMISSIONER GAW: Thanks, everyone, for
18 coming tonight. I look forward to the testimony. Thank
19 you very much, Judge.

20 JUDGE PRIDGIN: Commissioner Gaw, thank
21 you. Commissioner Murray?

22 COMMISSIONER MURRAY: I have nothing to
23 add, other than I am looking forward to hearing their
24 comments. Thank you.

25 JUDGE PRIDGIN: Commissioner, thank you.

1 Commissioner Appling?

2 COMMISSIONER APPLING: Nothing, Judge, no
3 more than I'm very happy that we can connect in four
4 different places at one time here, and this is -- I'm
5 looking forward to hearing the comments. Thank you.

6 JUDGE PRIDGIN: All right. Commissioner
7 Appling, thank you. Because -- let me double check.
8 Mr. Henderson, has anybody else shown up to testify there
9 in Carthage?

10 MR. HENDERSON: We have a total of four
11 here.

12 JUDGE PRIDGIN: All right. Ms. Dietrich in
13 Moberly?

14 MS. DIETRICH: No, your Honor.

15 JUDGE PRIDGIN: Still the two witnesses?

16 MS. DIETRICH: That's correct.

17 JUDGE PRIDGIN: And Mr. McKinney in Union?

18 MR. MCKINNEY: We still have two witnesses.

19 JUDGE PRIDGIN: All right. Mr. McKinney,
20 thank you.

21 What I'd like to do, then, is begin with
22 the witnesses in Moberly. I will then at least
23 tentatively plan to go on to Union, and then to Carthage
24 to try to accommodate and get the witnesses in Moberly and
25 Union on home. If somebody has any sort of scheduling

1 conflicts or anything, please let me know and I'll try to
2 adjust accordingly.

3 So in that case, Mr. -- or excuse me.

4 Ms. Dietrich there in Moberly, did you say Tim Carter was
5 the first witness?

6 MS. DIETRICH: That's correct.

7 JUDGE PRIDGIN: All right. Mr. Carter? Is
8 Mr. Carter on camera?

9 MR. CARTER: Yes.

10 JUDGE PRIDGIN: All right. Very good, sir.
11 If you would please raise your right hand to be sworn.

12 (Witness sworn.)

13 JUDGE PRIDGIN: Thank you very much,
14 Mr. Carter. If you would, please state your name for the
15 record and spell your last name for the court reporter.

16 MR. CARTER: My name is Tim Carter,
17 C-a-r-t-e-r

18 JUDGE PRIDGIN: And, Mr. Carter, are you a
19 customer of SBC Missouri?

20 MR. CARTER: Yes, I am.

21 JUDGE PRIDGIN: And do you live in the
22 Moberly area?

23 MR. CARTER: Yes, I do.

24 JUDGE PRIDGIN: All right. Mr. Carter, do
25 you have any remarks for the Commission, sir?

1 MR. CARTER: Briefly, I would just like to
2 say that I am in favor of granting the competitive
3 classification to SBC. I think as a small business owner
4 here in Moberly, competition is a good thing. I think the
5 competition will regulate their prices and costs and the
6 services that we will receive here. And I appreciate you
7 holding this this evening.

8 JUDGE PRIDGIN: All right, Mr. Carter.
9 Thank you. Are there any other remarks you would like to
10 make before we see if the Commissioners have any questions
11 for you?

12 MR. CARTER: No.

13 JUDGE PRIDGIN: All right. Mr. Carter,
14 thank you. Commissioner Gaw, any questions for
15 Mr. Carter?

16 COMMISSIONER GAW: Oh, maybe just a couple.
17 QUESTIONS BY COMMISSIONER GAW:

18 Q. Let me ask you, Tim, first of all, do you
19 know on the business side how many different carriers that
20 are offering service to businesses of your size?

21 A. Exact number, I don't know. I know that in
22 the past I've used at least four different carriers
23 before.

24 Q. Can you name any of those for me?

25 A. Centurytel, AT&T, Verizon,

1 Q. Now, is this long distance or --

2 A. CGI. Both. Actually, I'm not sure which
3 one I used for -- it's rather confusing actually. I had
4 several of them at different times and at the same time.

5 Q. Do you know if any of those carriers
6 currently offer local service in Moberly?

7 A. No.

8 Q. If you were to decide that you wanted to go
9 to some other carrier besides SBC, I'm not suggesting that
10 you would, but if you were to decide to do that, how would
11 you go about finding someone that would -- a carrier that
12 would offer you the best service?

13 A. We receive mailings almost daily from
14 different companies, as well as phone calls also.

15 Q. Do you know if those are long distance
16 carriers or local basic carriers?

17 A. I believe both. Probably the majority of
18 the calls I receive are from long distance carriers.

19 Q. Do you know if on the residential side,
20 just briefly, are you offered -- do you know if there's --
21 do you get cable here in town?

22 A. I'm in rural Moberly.

23 Q. So there's no cable access?

24 A. No, there's not.

25 Q. But you do -- your phone is a Moberly phone

1 at your residence?

2 A. Yes.

3 Q. Can you tell me about, if you want to, you
4 don't have to, tell me about how many lines you have in
5 your business?

6 A. I've got five lines in the business.

7 Q. Do you have broadband?

8 A. DSL.

9 Q. Who's the provider, if you want to tell me?

10 A. SBC.

11 Q. Have you -- have you shopped for any other
12 provider of DSL? Let me ask you this first. Does the DSL
13 service come as a part of the package with the rest of
14 your phone service?

15 A. I -- they helped me build it that way, yes.
16 It's not required to come that way, but that's how I chose
17 to sign up.

18 Q. Do you know whether or not they -- that if
19 you wanted to get that combination of services from
20 someone else at your business, do you know who would offer
21 that service in Moberly?

22 A. No.

23 Q. Okay.

24 A. Not the whole package that I have.

25 COMMISSIONER GAW: Sure. That's all I

1 have. Thank you.

2 MR. CARTER: Thank you.

3 JUDGE PRIDGIN: Commissioner Gaw, thank
4 you. Commissioner Murray?

5 COMMISSIONER MURRAY: Thank you.

6 QUESTIONS BY COMMISSIONER MURRAY:

7 Q. Mr. Carter, do you feel confident that if
8 you were to desire to change providers, that you would be
9 able to do so?

10 A. Yes.

11 COMMISSIONER MURRAY: Thank you. That's
12 all I have.

13 JUDGE PRIDGIN: Commissioner Murray, thank
14 you. Commissioner Applling?

15 COMMISSIONER APPLING: No questions, Judge.

16 JUDGE PRIDGIN: All right. Thank you very
17 much. I don't believe I have any questions for
18 Mr. Carter, and I will assume from counsel if you have any
19 reason to ask for clarifying questions, that you'll alert
20 me. Mr. Dandino, did you have a question?

21 MR. DANDINO: Yes.

22 QUESTIONS BY MR. DANDINO:

23 Q. Mr. Carter, this is Mike Dandino with the
24 Office of Public Counsel. I want to thank you for coming
25 out tonight. Certainly appreciate it.

1 Just a few questions. Do you have wireless
2 service there?

3 A. No.

4 Q. The cell phone?

5 A. Oh, yes, I do. Yes, I do. I'm sorry.

6 Q. I can't say the word cellular.

7 A. I'm not highly technical, so --

8 Q. Well, I'm not either. Like I said, I can't
9 say the word cellular. So cell phone, you have a cell
10 phone?

11 A. Yes, sir.

12 Q. Do you use that primarily for long distance
13 or for local service?

14 A. More long distance than local.

15 Q. Okay. Do you use it more for your -- at
16 home for your personal use or for your business use?

17 A. More for business than personal use.

18 MR. DANDINO: That's all I have. Thank you
19 so much, sir, for coming out tonight. Thank you.

20 MR. CARTER: You're welcome.

21 JUDGE PRIDGIN: Mr. Dandino, thank you.
22 Anything else from counsel? From the Commissioners?

23 (No response.)

24 JUDGE PRIDGIN: All right. Hearing
25 nothing, Mr. Carter, thank you very much for coming out

1 this evening. We appreciate your time and your testimony,
2 sir.

3 MR. CARTER: You're welcome.

4 JUDGE PRIDGIN: And, Ms. Dietrich, did I
5 understand the other witness you have is a Russell Runge?
6 Am I saying that correctly?

7 MR. RUNGE: That's close.

8 JUDGE PRIDGIN: I apologize for getting it
9 wrong. Could you pronounce your last name, sir?

10 MR. RUNGE: Runge.

11 JUDGE PRIDGIN: Thank you. Mr. Runge,
12 could I trouble you to raise your right hand to be sworn,
13 please, sir.

14 (Witness sworn.)

15 JUDGE PRIDGIN: Mr. Runge, thank you very
16 much. If you would, please state your name for the record
17 and spell your last name for the court reporter.

18 MR. RUNGE: Russell Runge, R-u-n-g-e.

19 JUDGE PRIDGIN: And, Mr. Runge, do you live
20 in or near Moberly, Missouri?

21 MR. RUNGE: I live in Moberly, yes.

22 JUDGE PRIDGIN: And are you a customer of
23 SBC Missouri?

24 MR. RUNGE: Yes, I am.

25 JUDGE PRIDGIN: All right. Thank you very

1 much, sir. At this time do you have any statement for the
2 Commission?

3 MR. RUNGE: I am in favor of competition.
4 I think that this will create additional competition. I
5 think there are other providers in the cell industry that
6 normal people I think will order as a general service. I
7 think that competition in general is good. Working in the
8 economic development profession, I see that, and I see
9 that more and more technologies coming in. I think that
10 competition will be necessary as well. So that's all that
11 I have.

12 JUDGE PRIDGIN: All right, Mr. Runge.
13 Thank you very much. Let me see if we have any questions
14 from the Commissioners. Commissioner Gaw?

15 COMMISSIONER GAW: Maybe a couple.

16 QUESTIONS BY COMMISSIONER GAW:

17 Q. Mr. Runge, what do you do?

18 A. I run the local economic development office
19 for Moberly and Randolph County.

20 Q. And do you know who the County has its
21 landline service with?

22 A. I do not.

23 Q. Do you know who you pay the bill to?

24 A. My office has services through a -- local
25 through Southwestern Bell.

1 Q. Okay. That's what I was looking for.

2 A. Yeah.

3 Q. Do you know -- I'll ask you the same
4 question I did Tim. Do you know whether there are other
5 landline companies that are offering local telephone
6 service in Moberly?

7 A. It is my understanding there are two or
8 three.

9 Q. Do you know what their names are?

10 A. No, I don't. But just getting in the phone
11 book and looking through, I did notice there were
12 additional ones.

13 Q. Do you know anybody that's a customer of
14 any of those companies?

15 A. No.

16 Q. And you don't know whether or not those
17 companies are actually providing service over their own
18 facilities or a portion -- or if a portion of their
19 facilities are owned by those carriers, do you?

20 A. I do not know that.

21 Q. Okay. I heard you say you were in favor of
22 competition. What is it that you think in this case that
23 releasing the upward price controls that currently exist
24 on SBC will do for competition in bringing additional
25 competition into the phone business with SBC?

1 A. I do not know that.

2 Q. All right.

3 A. But I think that, as a business, I think it
4 would be beneficial, and I think it will benefit a lot of
5 the areas.

6 Q. From your perspective, do you see this as
7 somehow creating an incentive to bring more carriers in to
8 compete with SBC?

9 A. I think it very well could be.

10 Q. Okay. Is that -- when you say that you
11 think that will make it better, is that what you're
12 focusing on?

13 A. Yes.

14 Q. Okay. So if -- so based on the premise
15 that releasing SBC from price cap will create opportunity
16 for more carriers to compete with SBC?

17 A. Yes.

18 Q. So if that -- if that premise was not
19 correct, you found that premise was not correct, would
20 that influence your opinion in this case?

21 A. That's to be seen, isn't it?

22 Q. Yeah. That's what I'm asking. If that
23 premise turned out to be not correct, is there another --
24 is there another argument that you have in your belief
25 that says this is a positive thing for businesses in

1 Moberly or for residents in Moberly?

2 A. I can't foresee how quickly technology is
3 going to change and be able to utilize other types of
4 services. I don't think that any of us would have
5 imagined the cellular phone technology the way it is ten
6 years ago or the way computers are. I do have DSL at home
7 that's SBC, and I do have DSL at work that's through a
8 local provider. I never would have imagined that we would
9 have had this kind of technology and moved as fast as it
10 is as we're seeing right now on the screen.

11 Who's to say that it could completely
12 surpass the use of landlines, period, in a matter of
13 years? I don't know. I'm no tech whiz either, but it's
14 amazing how quickly the technology is moving. And if it's
15 allowed to grow in a competitive manner, I think we'll see
16 more of it.

17 Q. Do you have -- I think you've already said
18 this. Have you cut the cord at your place of business?
19 Have you gone with all cell usage?

20 A. No, I have not, but I know of some people
21 that have done so.

22 Q. Have you done that at your home?

23 A. No.

24 COMMISSIONER GAW: I think that's all I
25 have. Thank you.

1 JUDGE PRIDGIN: All right. Commissioner
2 Gaw, thank you. Commissioner Murray?

3 COMMISSIONER MURRAY: Thank you.

4 QUESTIONS BY COMMISSIONER GAW:

5 Q. Mr. Runge, do you think that market forces
6 are a better incentive to the development and spread of
7 new technologies than regulation?

8 A. Yes.

9 Q. And I understand your testimony this
10 evening to be that you are in favor of SBC's proposal to
11 be classified as competitive in order to allow the market
12 forces to provide incentive for further competition, is
13 that --

14 A. Yes.

15 COMMISSIONER MURRAY: Okay. Thank you, I
16 really appreciate your testimony.

17 JUDGE PRIDGIN: Commissioner Murray, thank
18 you. Commissioner Appling?

19 QUESTIONS BY COMMISSIONER APPLING:

20 Q. Mr. Runge, I think you already said. Do
21 you feel it is adequate competition in Moberly, Missouri
22 at the present time?

23 A. Is there adequate competition? I'm not
24 sure that there is, but I know there are other
25 individuals, other carriers out there, opportunities that

1 can be utilized, and I think that there will -- that it
2 will continue to grow.

3 COMMISSIONER APPLING: Thank you, sir.

4 JUDGE PRIDGIN: Commissioner Appling, thank
5 you. I don't have any questions for Mr. Runge. Any
6 follow-up questions from counsel? Mr. Dandino?

7 MR. DANDINO: I really don't have -- I
8 don't have a question for Mr. Runge, but I did want to
9 thank him for coming out. We certainly appreciate your
10 testimony.

11 JUDGE PRIDGIN: Mr. Dandino, thank you.
12 Anything else from the Commissioners?

13 COMMISSIONER GAW: One more question.
14 Mr. Runge, how did you find out about tonight's hearing?

15 MR. RUNGE: An SBC representative told me
16 about it.

17 COMMISSIONER GAW: Okay. Thank you.

18 JUDGE PRIDGIN: Anything further from the
19 Bench, from counsel?

20 (No response.)

21 JUDGE PRIDGIN: All right. Hearing
22 nothing. Mr. Runge, thank you very much, sir. We
23 appreciate you coming out tonight. Thank you for your
24 time and your testimony.

25 Ms. Dietrich, has anyone else signed up to

1 testify from Moberly?

2 MS. DIETRICH: No, they haven't.

3 JUDGE PRIDGIN: All right. Ms. Dietrich,
4 what I'll probably do is ask you to hang on for just a
5 little while. We'll go through some other witnesses and
6 see if any other folks have shown up in Moberly to
7 testify.

8 MS. DIETRICH: All right.

9 JUDGE PRIDGIN: Ms. Dietrich, thank you
10 very much.

11 What I'd like to do, then, is go on to
12 Union. And Mr. McKinney, I believe you have two
13 witnesses?

14 MR. MCKINNEY: That's correct,

15 JUDGE PRIDGIN: All right. And
16 Mr. McKinney, could I get the name of the first witness,
17 please?

18 MR. MCKINNEY: Sure. It's Richard
19 Oldenburg.

20 JUDGE PRIDGIN: And can I get the spelling
21 of that last name, please?

22 MR. OLDENBURG: The spelling of the last
23 name is Oldenburg, O-l-d-e-n-b-u-r-g.

24 JUDGE PRIDGIN: Mr. Oldenburg, thank you.
25 If I could ask you to raise your right hand to be sworn,

1 please, sir.

2 (Witness sworn.)

3 JUDGE PRIDGIN: Thank you very much, sir.

4 If you would, please state your name for the record and
5 spell your name for the court reporter.

6 MR. OLDENBURG: Richard R. Oldenburg.

7 Oldenburg is O-l-d-e-n-b-u-r-g.

8 JUDGE PRIDGIN: And, Mr. Oldenburg, do you
9 live in or near Union, Missouri?

10 MR. OLDENBURG: I live just outside the
11 city of Washington, Missouri.

12 JUDGE PRIDGIN: All right. And are you a
13 customer of SBC Missouri?

14 MR. OLDENBURG: I am.

15 JUDGE PRIDGIN: All right. Very good, sir.
16 Do you have any remarks for the Commission?

17 MR. OLDENBURG: I do. I wish to testify in
18 support of the competitive classification in that I
19 believe it will be another tool in attracting new
20 industries to the city of Washington, Missouri, as well as
21 retaining existing industries.

22 During these times of strong competition
23 among states, counties and municipalities,
24 telecommunications services such as this will prove to be
25 very helpful in tipping the local -- in tipping the

1 location selection towards communities like ours.

2 JUDGE PRIDGIN: Mr. Oldenburg, thank you
3 very much. Let me see if we have any questions from the
4 Commissioners. Commissioner Murray?

5 QUESTIONS BY COMMISSIONER MURRAY:

6 Q. Thank you, Mr. Oldenburg. Are you a
7 residential customer or a business customer of SBC?

8 A. I'm a residential customer.

9 Q. Okay. And do you think that if you were to
10 elect to get local telephone service from another
11 provider, that you would be able to do so?

12 A. I will at the present time. I leave that
13 to my other half to really handle that, but we use SBC for
14 local. We use AT&T for long distance. We find it
15 competitively to our advantage.

16 Q. Okay. And I assume you're satisfied with
17 the service that you're getting?

18 A. Yes.

19 COMMISSIONER MURRAY: Thank you very much.

20 JUDGE PRIDGIN: Commissioner Murray, thank
21 you. Commissioner Gaw?

22 QUESTIONS BY COMMISSIONER GAW:

23 Q. Mr. Oldenburg, can you hear me?

24 A. Yes, sir.

25 Q. Good. It's good to hear from you. It

1 sounds like you're in the same room.

2 A. Just about. Telecommunications is what
3 it's all about.

4 Q. I know. So tell me something. First of
5 all, can you give me some of the names of the other local
6 companies that will offer you service in competition with
7 SBC today?

8 A. We talked about AT&T. If I jump to
9 wireless, I can go to cellular, Nextel, that type of thing
10 like that.

11 Q. Okay. I'm wanting to know if you know of
12 any other landline, wireline based companies that are
13 offering service in your area?

14 A. Not in my community at this time.

15 Q. Okay. And I guess I'll ask you the same
16 question. How did you find out about the hearing?

17 A. I heard it from a representative of SBC,
18 said there was a hearing over here on the competitive
19 classification.

20 Q. And did they -- did they encourage you to
21 come?

22 A. Of course, yes, they did.

23 Q. Okay. Did they explain to you what this
24 case was about?

25 A. Well, I've been sort of following it a

1 little bit to find out what we're all about because
2 technology, telecommunication technology is very, very
3 important to my job because of the type of clients we're
4 after. So I had somewhat of an idea of it. I knew this
5 was coming down. They did talk about the competitive
6 classification and what it meant for our community and the
7 businesses in our community.

8 Q. Okay. And what is your understanding of
9 what this -- what this decision that we have in front of
10 us is about?

11 A. It would bring competition to the
12 marketplace.

13 Q. Is that something that SBC told you?

14 A. I think it's something I deduced from the
15 information that I had.

16 Q. Okay. If you could, tell me how you think
17 that this decision could bring additional competition to
18 your area.

19 A. Any time we can bring additional people in
20 with a lower price, it will bring competition. Any time
21 you can bring a lower price in, other people come in and
22 compete. If they start raising the price, even more
23 people will come in. It's sort of a free enterprise
24 system we have here.

25 Q. So do you think that if we decide to grant

1 competitive status in your area under the law, that that
2 will bring lower or higher prices to your phone bill from
3 SBC?

4 A. I think it will bring lower.

5 Q. Okay. And why do you think that?

6 A. Because I think they'll put a lower price
7 in to maintain their level. If they try to raise it,
8 other people will come in, too.

9 Q. Have you been told that today they cannot
10 lower their prices under their existing classification?

11 A. No, I haven't.

12 Q. Okay. Is there a reason why you believe
13 that they're not lowering their prices today under their
14 existing classification?

15 A. I have no answer. I don't know.

16 Q. Okay. Mr. Oldenburg -- oh, by the way,
17 what is your business?

18 A. I'm the economic developer for the City of
19 Washington, Missouri.

20 Q. So you hold a similar position to Mr. Runge
21 in Randolph County?

22 A. Franklin County. It's in Franklin County.
23 I work --

24 Q. Yes.

25 A. I work for a municipality.

1 Q. Okay. That's enough. I appreciate very
2 much you coming, Mr. Oldenburg.

3 JUDGE PRIDGIN: All right. Commissioner
4 Gaw, thank you.

5 Commissioner Murray, did you have a
6 follow-up question?

7 COMMISSIONER MURRAY: Yes.

8 QUESTIONS BY COMMISSIONER MURRAY:

9 Q. I just wanted to ask you, Mr. Oldenburg, if
10 you have other technologies available to in your area,
11 such as cable, for example? Do you have cable available
12 to you?

13 A. We have Charter cable in our area.

14 Q. Okay. And how about satellite?

15 A. I don't know. I really can't say.

16 Q. Okay. And --

17 A. Oh, I would say yes, we do have satellite
18 because we have direct TV. Of course.

19 Q. And do you have a broadband connection?

20 A. DSL.

21 Q. DSL through SBC?

22 A. Correct.

23 Q. And would a broadband connection be
24 available to you through your cable company?

25 A. I don't know that answer.

1 Q. Do you -- do you know if there is any voice
2 over Internet protocol available to you?

3 A. Not at this time.

4 Q. Have you inquired as to whether that
5 technology is in your area, available in your area?

6 A. I do know my community -- my employer, the
7 City of Washington, is looking at that right now, so it is
8 available.

9 Q. It is available?

10 A. Or will be available, I should say.

11 Q. Okay. So is it your understanding that you
12 have other avenues through which to receive
13 telecommunications service other than through the SBC
14 service that you have right now; is that correct?

15 A. I think that's correct.

16 Q. And I take it from listening to you that
17 you are a proponent of allowing market forces to work; is
18 that correct?

19 A. Yes, I am. That's correct.

20 Q. And would it be your position, then, that
21 less regulation would be allowing the market forces to
22 work?

23 A. Yes, I believe that.

24 COMMISSIONER MURRAY: Okay. Thank you very
25 much.

1 JUDGE PRIDGIN: Commissioner Murray, thank
2 you. Commissioner Appling?

3 QUESTIONS BY COMMISSIONER APPLING:

4 Q. Sir, this is Commissioner Appling. I just
5 have one question. The citizens of Washington, do you
6 have a feel for whether they think this is a good idea or
7 not?

8 A. At this point in time, no, I do not. We
9 have not done a public survey or asked that.

10 COMMISSIONER APPLING: Okay. Thank very
11 much, sir. Appreciate you coming tonight.

12 JUDGE PRIDGIN: Commissioner Appling, thank
13 you. Let me see if we have any clarifying questions from.
14 Mr. Dandino?

15 MR. DANDINO: Thank you, your Honor.

16 QUESTIONS BY MR. DANDINO:

17 Q. Good evening, Mr. Oldenburg. Once again,
18 thank you for coming out.

19 You're the economic development manager for
20 the City of Washington; is that right?

21 A. That's correct.

22 Q. Now, do most of the businesses in the city
23 of Washington have SBC as their local service provider?

24 A. Yes, they do. As their local provider,
25 yes, they do.

1 Q. And do you know if most of the people in --
2 or most of the businesses in Franklin County have SBC as
3 their local telephone company?

4 A. I would suspect they do.

5 Q. And would most of the residential customers
6 be SBC customers?

7 A. Yes, that's correct.

8 MR. DANDINO: That's all I have. Thanks so
9 much for coming out. Thank you.

10 JUDGE PRIDGIN: Mr. Dandino, thank you.
11 Let me see if we have any follow-up questions from the
12 Bench.

13 All right. Seeing none. Mr. Oldenburg,
14 thank you very much, sir, for coming out this evening. We
15 appreciate your time and your testimony, sir.

16 Mr. McKinney, did you have another witness
17 there in Union, sir?

18 MR. MCKINNEY: Yes, we do.

19 JUDGE PRIDGIN: Good evening, sir. Can I
20 ask you to state your name, please?

21 MR. GAMACHE: My name is John Gamache,
22 G-a-m-a-c-h-e.

23 JUDGE PRIDGIN: Mr. Gamache, could I ask
24 you to raise your right hand to be sworn, please, sir.

25 (Witness sworn.)

1 JUDGE PRIDGIN: Thank you very much, sir.
2 If you would, please state your name for th record and
3 spell your last name for the court reporter.

4 MR. GAMACHE: It's John Gamache,
5 G-a-m-a-c-h-e.

6 JUDGE PRIDGIN: And Mr. Gamache, do you
7 live in or near Union, Missouri?

8 MR. GAMACHE: No. I live in St. Ann.

9 JUDGE PRIDGIN: All right. And are you a
10 customer of SBC Missouri?

11 MR. GAMACHE: Yes, I am.

12 JUDGE PRIDGIN: All right. Mr. Gamache,
13 any remarks you have for the Commission, sir?

14 MR. GAMACHE: Yes. I'd just like to say
15 that the environment for telephone service has changed
16 greatly in the last decade or so, the explosion of options
17 for consumers, and the time appears to have passed for
18 rate regulation of phone service. Everyone, including
19 seniors, can choose from several landline, Internet or
20 cell phone service providers, and competition drives
21 prices down as we've seen, for example, with cell and
22 Internet service.

23 And additionally, SBC guarantees a low-cost
24 service to low-income seniors through it's Life Line
25 program. I am the planning director Mideast Area Agency

1 on Aging. We often refer seniors to that Life Line
2 service.

3 I've personally been an SBC customer for
4 many years and added their Internet service when that
5 became competitively priced. And I believe it's the
6 competition for customers that made it possible for SBC to
7 offer affordable broadband service. I hope it's -- my
8 hope is that less regulation will make it possible for SBC
9 to increase investment in technology and continue to offer
10 affordable services to customers.

11 That's my statement.

12 JUDGE PRIDGIN: Mr. Gamache, thank you very
13 much. Let me see if we have any questions from the
14 Commissioners. Commissioner Murray?

15 QUESTIONS BY COMMISSIONER MURRAY:

16 Q. Good evening, Mr. Gamache. Just a couple
17 of questions.

18 Do you have cell phone service available in
19 your area?

20 A. Yes.

21 Q. Do you know how many providers?

22 A. I think four or five. Verizon,
23 US Cellular. I can't think of the other ones right now,
24 but I also have Verizon service myself.

25 Q. Okay. And do you have --

1 A. Oh, Sprint is another one.

2 Q. Do you have cable available?

3 A. Yes, Charter.

4 Q. How about satellite?

5 A. I believe dish, and there's one other

6 provider that I can't think of the name of at the moment.

7 Q. And do you know if there is voice over

8 Internet protocol available to you?

9 A. I believe Vonage is available in our area.

10 Q. Okay. Is Skipe available?

11 A. I'm not sure. I'm not sure. I've heard of

12 the company, but I'm not -- I'm not sure if that's

13 available in our area. I believe it is, but I can't say

14 for sure.

15 Q. Okay. Have you ever used voice over

16 Internet?

17 A. No, I haven't.

18 Q. And you are a residential customer of SBC;

19 is that correct?

20 A. Yes.

21 Q. And it's my understanding that you believe

22 if we grant this competitive classification that's being

23 requested, that it will allow the technologies to develop

24 more easily and allow SBC to make investments more easily

25 and will lead to increased competition in your area; is

1 that correct?

2 A. Well, I believe so, based on what's
3 happened especially with the DSL service.

4 Q. And you've been a telecommunications
5 provider for a number of years -- I'm sorry, customer for
6 a number of years, I assume; is that correct?

7 A. Yes.

8 Q. So you've seen -- have you seen a lot of
9 changes in the last -- even the last five years?

10 A. Probably in the last two years I've seen a
11 lot of changes.

12 Q. And a lot more methods of delivery are
13 available to you now; is that correct?

14 A. Yes.

15 COMMISSIONER MURRAY: Okay. I believe
16 that's all I have. Thank you for coming this evening.

17 JUDGE PRIDGIN: Commissioner Murray, thank
18 you. Commissioner Gaw?

19 QUESTIONS BY COMMISSIONER GAW:

20 Q. Mr. Gamache, can you hear me?

21 A. Yes, I can.

22 Q. Good. Thank you for coming tonight.

23 My first question is, how did you find out
24 about tonight's hearings?

25 A. I work for Mideast Area Agency on Aging,

1 and I know Gene Maggert who is, I believe, the hearing
2 manager for SBC, and he's also a member of our board.

3 Q. Did he ask you to come tonight?

4 A. He told me about the hearing, and I'm
5 interested in these issues, so I was interested in coming.
6 Our agency has worked with SBC on telecom issues over the
7 years.

8 Q. Okay. In what way?

9 A. Basically, they provided information to us,
10 and we've let them know about our needs in terms of what
11 seniors require for low-cost telephone service. And I
12 believe that years ago they may have consulted with
13 Mideast Area Agency on Aging when the Life Line service
14 was implemented. That was long before I was with the
15 agency.

16 Q. Okay.

17 A. I don't know that for sure, but I believe
18 that that did happen.

19 Q. Okay. For the record, where does --
20 explain what the Mideast Area on Aging is.

21 A. We provide the services that are spelled
22 out in the Older Americans Act for the counties of
23 St. Louis, St. Charles, Franklin and Jefferson. We
24 operate 27 senior centers in those areas, and we -- in
25 those counties rather, and we also provide information and

1 assistance referrals to seniors 60 and older in those
2 counties.

3 Q. Okay. And the funding for your program
4 comes from where?

5 A. Some funding comes from the federal
6 government through the Older Americans Act, some comes
7 from the State of Missouri, and the rest of it comes from
8 private donations.

9 Q. Have you received any donations from SBC?

10 A. In the past, we have. I don't believe
11 that's happened recently, though.

12 Q. How recently?

13 A. Maybe five years ago.

14 Q. Okay. All right. Now, you say that you
15 deal with delivering -- helping with the phone service.
16 Does that have to do with the delivery of money to help or
17 giving information to help? Give me an idea of what that
18 involves.

19 A. Well, in terms of phone service, that would
20 be an options that we would make seniors aware of.
21 Someone would call us and say that they were in financial
22 trouble and they were having trouble paying bills. They
23 might mention their phone bill, and we would say, are you
24 aware of the Life Line service? And we could make the
25 applications available to them, and that's about the

1 extent of our involvement with Life Line.

2 COMMISSIONER GAW: Okay. Now, Judge, I
3 need to ask you a quick question.

4 JUDGE PRIDGIN: Yes, sir.

5 COMMISSIONER GAW: Can you tell me, we've
6 been talking fairly loosely here about this area in our
7 questions, and I need to narrow that down in regard to
8 Mr. Gamache's testimony so that I know what exchanges in
9 particular he's testifying about.

10 JUDGE PRIDGIN: All right.

11 COMMISSIONER GAW: Can you give me some
12 direction on that?

13 JUDGE PRIDGIN: Let me see what I have in
14 my file, Commissioner.

15 COMMISSIONER GAW: Maybe, Mr. Gamache, if
16 you can enlighten me on that a little bit more. I know
17 you're in Union, but what I don't have in front of me is
18 whether or not you're testifying about the Union exchange
19 exclusively or a larger exchange, more exchanges than
20 that.

21 MR. GAMACHE: Well, basically all of the
22 exchanges that are affected in the St. Louis metro area,
23 including those four counties that our agency serves.

24 COMMISSIONER GAW: Sure. And what I need
25 to know, Judge, just so that this testimony is clearly

1 pertaining to the exchanges that we have in question, if
2 you could enlighten me about what exchanges in that Union
3 area are before us in the 60-day case so that I can ask
4 Mr. Gamache to narrow his comments down to those
5 exchanges.

6 JUDGE PRIDGIN: Let me see if I can get a
7 list of those exchanges, Commissioner. Let me see if
8 counsel -- I don't think I -- I read the application, and
9 I believe it lists the exchanges. Mr. Dandino, are you
10 indicating that you have a copy of that?

11 MR. DANDINO: I have a list that I've
12 prepared of 60-day petition exchanges, listing the
13 business ones and the residential exchanges.

14 JUDGE PRIDGIN: Commissioner Gaw, is that
15 what you're looking for, a list of the business and
16 residential exchanges in that 60-day petition?

17 COMMISSIONER GAW: And more particularly,
18 those that would pertain to Mr. Gamache's testimony.

19 JUDGE PRIDGIN: More in the St. Ann area?

20 COMMISSIONER GAW: Yes.

21 JUDGE PRIDGIN: All right.

22 MR. DANDINO: In the St. Ann area, I don't
23 see -- you have the Union and the St. Clair, which would
24 be in the area of Union and Washington and St. Clair,
25 Missouri. Let's see. Grays Summit I guess is near there.

1 Gravois Mills, is that nearby there? No.

2 MR. OLSON: Hillsboro, Imperial.

3 MR. DANDINO: Right. Hillsboro, Imperial.

4 Cedar Hill?

5 MR. OLSON: Cedar Hill, Maxville.

6 MR. DANDINO: Maxville. Portage des sioux
7 would be in the metropolitan area of St. Louis. That's --
8 I don't know if anyone else has.

9 BY COMMISSIONER GAW:

10 Q. Mr. Gamache?

11 A. Yes.

12 Q. Did you hear those -- some of those
13 exchanges?

14 A. Yes.

15 Q. Okay. Can you tell me -- and this may be
16 tough to do just on the fly here. Can you tell me which
17 of those exchanges you have personal knowledge of?

18 A. Personal knowledge of? We have senior
19 centers in some of those exchanges. We have senior
20 centers in Union and Washington. We have senior centers
21 near Maxville and Cedar Hill, although not in those
22 cities. But we do have, for example, Cedar Hill is served
23 by our High Ridge senior center in Jefferson County.

24 Q. Okay. And just in your testimony tonight,
25 can you tell me --

1 THE REPORTER: I'm sorry. I can't hear
2 him.

3 COMMISSIONER GAW: -- which of those
4 exchanges you would be able to testify about?

5 JUDGE PRIDGIN: Commissioner Gaw, I'm
6 sorry. I think the court reporter had a hard time with
7 that last question.

8 COMMISSIONER GAW: I can't understand that.
9 BY COMMISSIONER GAW:

10 Q. If you could tell me which of those
11 exchanges you have personal knowledge of, that would be
12 helpful.

13 A. Personal knowledge of in terms of knowing
14 someone who's a customer there or --

15 Q. In terms of giving me answers to questions
16 about the status of competition in those exchanges.

17 A. Probably not. I'm not really an expert on
18 that, to be honest with you.

19 Q. Okay. So would you be able to tell me
20 about -- so you're telling me you could not testify about
21 any of those exchanges with personal knowledge?

22 A. Not specifically, no. I'm not aware of the
23 business environment in those -- in those particular
24 areas.

25 Q. Okay. Where is it that you live, then?

1 A. In St. Ann.

2 COMMISSIONER GAW: And, Judge, I think I
3 heard Public Counsel say St. Ann is not before us?

4 JUDGE PRIDGIN: I don't recall hearing
5 St. Ann, and I'm seeing some --

6 MR. DANDINO: It's not.

7 JUDGE PRIDGIN: -- some nods. That's
8 correct, Commissioner.

9 BY COMMISSIONER GAW:

10 Q. Okay. Mr. Gamache, where is your office
11 located?

12 A. In Manchester, Missouri.

13 COMMISSIONER GAW: Okay. Thank you very
14 much for your help. And that's all the questions I have,
15 Judge.

16 JUDGE PRIDGIN: Commissioner Gaw, thank
17 you. Commissioner Appling, any questions?

18 COMMISSIONER APPLING: Judge, I have no
19 questions. Thank you.

20 JUDGE PRIDGIN: Thank you very much,
21 Commissioner Appling.

22 Let me see if we have any follow-up.
23 Mr. Dandino?

24 MR. DANDINO: Thank you, Mr. Gamache, for
25 testifying tonight. Thank you.

1 MR. GAMACHE: Thank you.

2 JUDGE PRIDGIN: Anything further from the
3 Bench? From counsel? All right. Hearing nothing.

4 Mr. Gamache, again, thank you also very
5 much for your time and your remarks this evening. We
6 appreciate them.

7 MR. GAMACHE: Thanks for the opportunity.

8 JUDGE PRIDGIN: You're quite welcome, sir.
9 Mr. McKinney, has anyone else come to Union and asked to
10 testify?

11 MR. McKINNEY: No, I don't believe so.

12 JUDGE PRIDGIN: All right, Mr. McKinney.
13 Thank you. I'll ask you, too, if you'll remain for just a
14 little while and we'll see if we have anybody who shows up
15 late and likes to testify.

16 I then want to go to Carthage and thank
17 those folks very much for their patience. Mr. Henderson,
18 do you have somebody who is ready to testify?

19 MR. HENDERSON: Yes. Mr. Wayne Walter will
20 be our first.

21 JUDGE PRIDGIN: I'm sorry. Mr. Walter,
22 what was your first name again, sir?

23 MR. WALTER: Wayne.

24 JUDGE PRIDGIN: Thank you. Mr. Walter,
25 could I get you to raise your right hand to be sworn,

1 please.

2 JUDGE PRIDGIN: Thank you very much, sir.

3 If you would, please state your name for the record and
4 spell your last name for the court reporter.

5 MR. WALTER: Wayne A. Walter, W-a-l-t-e-r.

6 JUDGE PRIDGIN: And, Mr. Walter, do you
7 live in or near Carthage?

8 MR. WALTER: About 50 feet outside of town.

9 JUDGE PRIDGIN: All right. And are you a
10 customer of SBC Missouri?

11 MR. WALTER: No, sir, I'm not.

12 JUDGE PRIDGIN: All right. Any remarks
13 that you have for the Commission, sir?

14 MR. WALTER: Yes. As a matter of fact,
15 this -- we've had a discussion concerning this raising and
16 lowering the prices at their discretion, SBC's discretion,
17 and it's my feeling that it's entirely possible that they
18 can lower their prices to the point where these other --
19 say like Sage, for instance, would necessarily go out of
20 business. And at this time Sage provides a better service
21 than SBC for me, as a matter of fact. And I'm wondering
22 if there's going to be any regulations concerning that,
23 that sort of prospect.

24 JUDGE PRIDGIN: Okay. Mr. Walter, any
25 further remark before we see if we have any questions from

1 the Commissioners?

2 MR. WALTER: No, actually not.

3 JUDGE PRIDGIN: All right. Thank you very
4 much, sir. Let me see what we have from the
5 Commissioners. Commissioner Murray?

6 COMMISSIONER MURRAY: Thank you.

7 QUESTIONS BY COMMISSIONER MURRAY:

8 Q. Good evening, Mr. Sage.

9 A. Close enough.

10 JUDGE PRIDGIN: It's Mr. Walter.

11 BY COMMISSIONER MURRAY:

12 Q. Mr. Walter, I'm sorry. I was getting ready
13 to ask you how long you had been a customer of Sage.

14 A. About four years.

15 Q. Okay. And how many carriers do you --
16 could you choose to be a customer of, do you know?

17 A. Probably about three. I don't know for
18 sure. Verizon, Sage. Yeah. Well, there's SBC. That's
19 about -- I think that's about all. I don't know of any
20 others. I wasn't interested.

21 Q. Are those providers of local landline
22 service?

23 A. Yes. That's right.

24 Q. And then do you have wireless carriers
25 available to you as well?

1 A. Yes.

2 Q. And how about cable providers?

3 A. Yes.

4 Q. And satellite?

5 A. Uh-huh. Yes, ma'am.

6 Q. Okay. Do you know if voice over Internet
7 is available to you?

8 A. Yes. I've used it.

9 Q. I'm sorry. Would you answer that again?

10 A. Yes. I've used it, yeah.

11 Q. Oh, you have.

12 COMMISSIONER MURRAY: All right. I think
13 that's all I have. Thank you.

14 JUDGE PRIDGIN: Commissioner Murray, thank
15 you. Commissioner Gaw?

16 QUESTIONS BY COMMISSIONER GAW:

17 Q. Mr. Walter, can you hear me?

18 A. Yes, sir, barely.

19 Q. Okay. Thank you for coming tonight. I'll
20 speak up a little.

21 JUDGE PRIDGIN: Commissioner Gaw, is there
22 some way we can get the microphone closer to you, sir?

23 COMMISSIONER GAW: Let me move over here,
24 see if that helps. Does that help? Is that better?

25 MR. WALTER: Yeah, that's better.

1 JUDGE PRIDGIN: Thank you, Commissioner.

2 COMMISSIONER GAW: No problem.

3 BY COMMISSIONER GAW:

4 Q. Mr. Walter, let me ask you first, how did
5 you find out about the hearing tonight?

6 A. Read it in the paper.

7 Q. All right. And when you read it in the
8 paper, you decided that it was important for you to come
9 down?

10 A. Yes, I thought so.

11 Q. All right. Now, you say you're provided
12 your local service by Sage; is that correct?

13 A. Yes. Yes, sir.

14 Q. Okay. When you said earlier that you
15 thought Verizon provided service in your area, do you
16 think they provide local service in your area or long
17 distance?

18 A. I don't know. Well, I don't know.
19 Actually, I'm not interested is the reason I don't know.

20 Q. That's okay. I'm just trying to find out
21 about what you can help us out with on telling us what's
22 going on down there.

23 A. Well, I'm certain -- excuse me.

24 Q. No. Go ahead.

25 A. Okay. I'm certain that Verizon provides

1 wireless long distance and, well, local long distance.

2 Q. They have wireless service and maybe long
3 distance?

4 A. Yes.

5 Q. Okay. Now, when you said earlier that you
6 have cable providers in Carthage, do you know if they
7 provide local telephone service over cable in Carthage?

8 A. No. I don't believe so, no.

9 Q. Okay. And you say that you have used VOIP
10 service or voice over Internet protocol?

11 A. Yes.

12 Q. Where did you do that?

13 A. Well, from my home to -- here in Missouri
14 and to Arkansas and to Florida.

15 Q. Okay. And how -- over -- do you do that
16 over the telephone or over --

17 A. No.

18 Q. -- a computer?

19 A. We do it over the Internet. Over the
20 Internet.

21 Q. Okay. And who is it that provides that
22 service over your computer?

23 A. Well, I guess -- well, I guess the
24 telephone has -- I mean the landline has to be Sage.

25 Q. Okay. So do you have a DSL connection or

1 dial up?

2 A. It's dial up.

3 Q. Okay.

4 A. It's -- let's see. We got Net Advantage is
5 the name of the company in Joplin.

6 Q. Okay. Do you use Net Advantage to call
7 other people in Carthage?

8 A. No. No. Net Advantage is only for my
9 Internet.

10 Q. Okay. Do you know, do you have any idea
11 about how significant the numbers of people in Carthage
12 are that would be using Sage for their local service?

13 A. Well, there's -- there's quite a few.
14 Well, now, of course, I don't knock on doors, you know,
15 but there's several people because I've -- you know, I've
16 showed them the difference in price for one thing.

17 Q. Okay. Can you give me an idea about what
18 your understanding is about the difference in price
19 currently?

20 A. I'd say we save probably 10, \$15 a month.

21 Q. Is that -- I'm sorry. I interrupted you.

22 A. Oh, well, and we also get a one hour free
23 long distance every month.

24 Q. Who is your long distance provider?

25 A. I think it must be AT&T, I thought.

1 Q. Okay.

2 A. I think it just goes through Sage, however,
3 you know.

4 Q. And as I understand it, your concern is
5 that if -- if this hearing rules in favor of competitive
6 status, you're concerned that Sage may not stay in
7 business in Carthage?

8 A. Well, yeah. Yeah. Not just Sage, but
9 any -- anybody that offers a, you know, more competitive
10 price.

11 Q. Okay. I guess that's all I have right now.
12 Thank you very much.

13 A. You're quite welcome.

14 JUDGE PRIDGIN: Commissioner Gaw, thank
15 you. Commissioner Appling?

16 COMMISSIONER APPLING: Judge, I have no
17 questions. It seems like the gentleman know what he's
18 doing down there, so I won't ask him any questions.

19 JUDGE PRIDGIN: Commissioner Gaw, thank
20 you. Let me see if we have any questions from counsel.
21 Mr. Dandino?

22 MR. DANDINO: No questions, but I wanted to
23 thank Mr. Walter for coming out tonight and for his
24 testimony. Thank you.

25 JUDGE PRIDGIN: Mr. Dandino, thank you.

1 Any follow-up questions from the Bench?

2 (No response.)

3 JUDGE PRIDGIN: All right. Seeing none.

4 Mr. Walter, thank you very much, sir, for your time and
5 for your testimony this evening.

6 MR. WALTER: You're welcome. Thank you,
7 sir.

8 JUDGE PRIDGIN: You're welcome, sir,
9 Mr. Henderson, could you let me know who the next witness
10 is, please, sir?

11 MR. HENDERSON: Yes. The next witness will
12 be Walta Moore.

13 JUDGE PRIDGIN: All right. Ms. Moore, good
14 evening. Could I ask you to raise your right hand to be
15 sworn, please?

16 (Witness sworn.)

17 JUDGE PRIDGIN: Thank you very much, ma'am.
18 If you would, please state your name for the record and
19 spell your name for the court reporter.

20 MS. MOORE: My name is Walta Moore. It's
21 W-a-l-t-a, M-o-o-r-e.

22 JUDGE PRIDGIN: Ms. Moore, thank you. And
23 do you live in or near Carthage?

24 MS. MOORE: Yes. I live in the city limits
25 of Carthage.

1 JUDGE PRIDGIN: All right. And are you a
2 customer of SBC Missouri?

3 MS. MOORE: Yes. My wireless is Cingular.
4 My home phone is SBC.

5 JUDGE PRIDGIN: Ms. Moore, thank you. And
6 do you have any statement for the Commission, ma'am?

7 MS. MOORE: What I would like to say is
8 that over the years I have -- the more I experience and
9 observe the way things happen is that nothing demands good
10 service and fair pricing like competition, and so -- and I
11 found out, I mean, it's been a long time since my -- I
12 haven't had a choice.

13 I mean, my telephone service, I have all
14 kinds of choices and freedom to pick any kind of -- almost
15 to a fault. I get so tired of all of these, you know,
16 programs and plans and all that's coming along, but at the
17 same time I feel like it's given us a great of freedom in
18 choosing the kind of service we have.

19 JUDGE PRIDGIN: Ms. Moore, did you have
20 anything else before the Commission had questions for you?

21 MS. MOORE: No. The only thing that I
22 thought about was sometimes price isn't everything and
23 service is worth a lot. And I've worked in an office
24 situation for about 25 years, and over the years we've
25 always had to take quotes on our phone systems, and we've

1 shifted from one phone system to another and come up so
2 disappointed so many times with inferior quality, and
3 I'm -- that's one thing I would like to say.

4 JUDGE PRIDGIN: All right, Ms. Moore.
5 Thank you. Let me see if we have any questions from the
6 Commissioners. Commissioner Murray?

7 COMMISSIONER MURRAY: Thank you.

8 QUESTIONS BY COMMISSIONER MURRAY:

9 Q. Ms. Moore, do you -- are you a residential
10 customer of SBC?

11 A. Yes, ma'am.

12 Q. And are you --

13 A. I am.

14 Q. Are you also a business customer?

15 A. Yes, we are at this time, with SBC. We
16 moved into a new office complex, and we had the SBC system
17 put in place and it has worked so well for us that I guess
18 that's one reason that I'm here is because I've had to
19 deal with systems that did not work for us.

20 Q. And did you have choices of providers when
21 you determined --

22 A. Yes.

23 Q. -- who you were going --

24 A. We have many providers at the business that
25 I work at Joplin, and so we have many providers.

1 Q. So your business is where, did you say?

2 A. I'm sorry. I can't hear you.

3 Q. Where did you say your business is located?

4 A. I still can't hear you.

5 Q. Where is your business located? Can you
6 hear me yet?

7 MR. HENDERSON: Jefferson City, can you
8 hear us?

9 JUDGE PRIDGIN: I can hear, yes. We may
10 have lost Carthage for a minute. Ms. Dietrich, can you
11 hear us?

12 MR. McKINNEY: This is Union, and I can't
13 hear Jefferson City either, but I can hear both Carthage
14 and Moberly.

15 COMMISSIONER GAW: Good.

16 JUDGE PRIDGIN: Can anyone hear from the
17 outlying area? Off the record.

18 (AN OFF-THE-RECORD DISCUSSION WAS HELD.)

19 JUDGE PRIDGIN: We went off the record. We
20 were having sound problems in Jefferson City. Thank you
21 very much for your patience. And I'm not sure I know --
22 Ms. Moore, you are still under oath. And I'm trying to
23 recall. Commissioner Murray, were you asking questions?
24 Ms. Moore, I'm terribly sorry. Please excuse this.

25 BY COMMISSIONER MURRAY:

1 Q. Ms. Moore, I was just asking you where your
2 business is located?

3 A. My business is located in Joplin, Missouri.

4 Q. And your residence?

5 A. Is in Carthage, Missouri.

6 Q. And how long have you been a customer of
7 SBC for your residence?

8 A. Probably about three years. Three years.

9 Q. And you were telling me, I believe, that
10 you had several choices when you were looking for your
11 business provider; is that correct?

12 A. Yes.

13 Q. How about for your residential provider for
14 local service?

15 A. Yes, we have several.

16 Q. And do you have cable service in your area
17 where you live?

18 A. Yes. Yes.

19 Q. And do you have satellite service
20 available?

21 A. Yes.

22 Q. And do you know if you have voice over
23 Internet protocol available to you?

24 A. Yes, I believe we do.

25 Q. And how about wireless carriers? I know

1 you said you use Cingular. Are there other wireless
2 carriers available to you?

3 A. Yes. There's several.

4 Q. And with your wireless phone, are you able
5 to call local as well as long distance?

6 A. Yes.

7 COMMISSIONER MURRAY: All right. I believe
8 that's all I have. Thank you very much.

9 JUDGE PRIDGIN: Commissioner Murray, thank
10 you. Commissioner Gaw?

11 QUESTIONS BY COMMISSIONER GAW:

12 Q. Hello, Ms. Moore. How are you?

13 A. Just fine.

14 Q. Thank you for coming tonight. Can you tell
15 me first how you found out about the hearing?

16 A. It was mentioned in the office.

17 Q. By a coworker or by someone else outside
18 the office?

19 A. Yes. In the office, we were discussing it
20 with coworkers.

21 Q. Okay. And did someone read it in the
22 newspaper or did someone talk to someone from a company
23 about it?

24 A. I believe they talked to someone in a
25 company.

1 Q. What company? Do you know?

2 A. I believe it was -- they were -- my boss
3 was visiting with someone on the phone, and I believe it
4 was with SBC.

5 Q. Okay. And can you -- now, you -- this
6 office that you have, and just to clarify, is in Joplin,
7 correct?

8 A. That's right.

9 Q. All right. Do you have a business location
10 in Carthage?

11 A. Right, we do. We have a -- yes, we have
12 one in -- a senior center in Carthage.

13 Q. Okay. That's the other thing I was going
14 to ask you about. What is it that you do? Who do you
15 work for?

16 A. I'm the nutrition director for the Area
17 Agency on Aging in southwest Missouri.

18 Q. All right. And that -- so that is a --
19 that covers an area about how big?

20 A. Four counties, Jasper, Newton, McDonald and
21 Barton.

22 Q. All right. And the source of funding for
23 this -- for this agency is what?

24 A. State, federal and local contributions.

25 Q. Okay. And do you know whether any of your

1 contributions come from any telecommunications companies?

2 A. No, as far as I know, they do not.

3 Q. All right. And does any telecommunications

4 company provide any services or any assistance to your

5 agency?

6 A. No.

7 Q. All right. Now, are you familiar with the

8 activities that take place within the senior center in

9 Carthage?

10 A. Yes, I am.

11 Q. Okay. Do you go there yourself?

12 A. Yes, regularly. I am the -- I oversee the

13 centers.

14 Q. Okay. Do you know who they have their

15 phone service with?

16 A. The phone service here is now -- is with

17 SBC.

18 Q. In the Carthage --

19 A. Senior center, uh-huh.

20 Q. Okay. All right. On the business side in

21 Carthage, do you know what companies other than SBC

22 provide local telecommunications service, just local basic

23 service?

24 A. Yes. We have Cox Communications is the

25 cable company.

1 Q. Okay.

2 A. We have Cingular, and I think we also have
3 Cellular, I believe it is, and then we have Verizon and
4 Sprint, I believe. There's so many of them, but I know
5 that we have a variety.

6 Q. Okay. When you're mentioning these
7 carriers, can you tell me how they provide the service
8 when you mention their names so I can -- so they can be in
9 the record? You mentioned Verizon. Is that wireless
10 service?

11 A. Yes.

12 Q. And Sprint, is that wireless service?

13 A. Yes. It's also long distance.

14 Q. Okay.

15 A. Sprint is.

16 Q. Okay. And --

17 A. I think.

18 Q. Who else did you mention?

19 A. Cingular and --

20 Q. Is that wireless?

21 A. Yes. And then there's U.S. Cellular, is
22 the name of the other one, and I believe it's in Carthage.

23 Q. Okay. But that's cellular also, correct, I
24 mean wireless?

25 A. Yes, it is.

1 Q. All right. And you mentioned Cox
2 Communications. That's the cable provider?

3 A. Yes, I think that's our cable provider.

4 Q. Okay. Do you know whether or not they
5 offer -- if you know, whether they offer that service to
6 business customers or --

7 A. No, I do not know.

8 Q. Okay. Do you know whether they offer
9 telephone service for residential customers?

10 A. I don't believe so, but I don't -- I
11 couldn't say for sure.

12 Q. Okay. You mentioned that you had utilized
13 other providers in the past. Was that in the Joplin
14 office?

15 A. In the Joplin office. But I worked for 17
16 years in the Carthage School District, and we had bad
17 experiences, was what I would say, with some companies
18 that we put the system in the Carthage School District and
19 then, because of our bad experiences, we had to go back
20 within a couple or three years and redo it again and go
21 with another -- go with SBC.

22 Q. Okay. Now, that's -- I need to clarify.
23 Your testimony in regard to those other providers related
24 to Joplin or Carthage? I think you just said Carthage.

25 A. Both, yes, but we have had bad experience

1 in Carthage when I worked at the school system, with the
2 school district here.

3 Q. How long has that been?

4 A. Pardon?

5 Q. How long ago?

6 A. I worked with them 17 years, and I've been
7 with the Agency the last 8 years.

8 Q. Okay. So when you -- what I'm trying to
9 clarify is, when you refer to the Carthage school system,
10 what's the most recent information that you would have?

11 A. The most recent information is that they
12 are now SBC customers.

13 Q. Okay. All right. So for purposes of
14 describing this problem that the Carthage School District
15 has had in the past, that would include up to the time
16 when they changed to SBC?

17 A. Yes.

18 Q. Okay. And how recent did that occur?
19 Three years?

20 A. No. That was about 11 years ago.

21 Q. Okay. So it's been about 11 years. Do you
22 know what that company -- well, let's strike that. I
23 don't want to go there.

24 COMMISSIONER GAW: I think that's all the
25 questions I have right now. Thank you very much, ma'am.

1 I appreciate you coming.

2 JUDGE PRIDGIN: Commissioner Gaw, thank
3 you. Commissioner Appling?

4 QUESTIONS BY COMMISSIONER APPLING:

5 Q. Mrs. Moore, how are you doing?

6 A. Just fine.

7 Q. I think you mentioned you just moved to a
8 new facility?

9 A. Yes, we did.

10 Q. Can you recall whether that -- the
11 telecommunication for your new building, was that done
12 through a bid process?

13 A. Yes, I believe it was. We have to do
14 everything --

15 Q. You have to do everything by bid, right?

16 A. Uh-huh.

17 Q. Do you have any idea how many people bid on
18 your services?

19 A. No. I'm in the nutrition department, and I
20 really don't have much to do with fiscal.

21 Q. Yeah, you are a little distant from the bid
22 process. Anyway, thank you very much, ma'am. I just
23 wanted to know whether it was a bid process. Thank you.

24 JUDGE PRIDGIN: Commissioner Appling, thank
25 you very much. And I don't have any questions, Ms. Moore.

1 Let me see if we have any clarifying questions.

2 Mr. Dandino?

3 MR. DANDINO: I don't have any questions,
4 but, Ms. Moore, I appreciate -- I appreciate you coming
5 out tonight. Thanks so much for waiting around to
6 testify. We appreciate your testimony.

7 MS. MOORE: You're very welcome.

8 JUDGE PRIDGIN: Ms. Moore, thank you very
9 much again.

10 Just as a quick aside, let me make sure as
11 far as witnesses. Mr. McKinney, I see you there in Union
12 and you look lonely. Do you have anybody else there you
13 think that wishes to testify?

14 MR. MCKINNEY: No, I do not.

15 JUDGE PRIDGIN: I'll leave it to your
16 discretion, Mr. McKinney, if you would like to be excused.
17 I know you've got a bit of a drive ahead of you. You
18 needn't stay on my account, but if you wish to stay, you
19 certainly may.

20 MR. MCKINNEY: I appreciate the thought,
21 but I have been asked to stay until the end of the
22 broadcast. I'm going to do that.

23 JUDGE PRIDGIN: I understand. Thank you
24 very much.

25 Ms. Dietrich, any further witnesses in

1 Moberly, or Commissioner Gaw?

2 MS. DIETRICH: No further witnesses in
3 Moberly.

4 JUDGE PRIDGIN: Very good. Thank you.
5 We'll continue then. Mr. Henderson, we have two witnesses
6 left in Carthage; is that correct, sir?

7 MR. HENDERSON: That is correct, Judge.

8 JUDGE PRIDGIN: All right. If we could go
9 on to the next witness, then.

10 MR. HENDERSON: Okay. It would be K.
11 Lounsbury.

12 JUDGE PRIDGIN: All right. If you would,
13 ma'am, please come forward and be sworn.

14 (Witness affirmed.)

15 JUDGE PRIDGIN: Thank you very much, ma'am.
16 If you would, please state your name for the record and
17 spell your name for the court reporter.

18 MS. LOUNSBURY: I usually use initials. My
19 first name is Kelly, K-e-l-l-y, last name Lounsbury,
20 L-o-u-n-s-b-u-r-y.

21 JUDGE PRIDGIN: And do you live in or near
22 Carthage?

23 MS. LOUNSBURY: Yes.

24 JUDGE PRIDGIN: And are you a customer of
25 SBC?

1 MS. LOUNSBURY: Yes.

2 JUDGE PRIDGIN: All right, ma'am. Thank
3 you very much. Do you have any remarks for the
4 Commission?

5 MS. LOUNSBURY: Yes, a few. I would
6 recommend a no vote. This deregulation would remove
7 limits on what SBC may charge for services for those
8 particular number areas, and caps help keep the phone
9 service available and affordable for many people,
10 especially with some programs they have within the phone
11 system.

12 Deregulation can lead to a rather arbitrary
13 pattern of prices and price changes, like what happened
14 during the '80s when they had cable TV just coming in, and
15 it was soon deregulated and there was -- depended a lot on
16 where you were, what the rates would be for the same
17 service. Especially where they have local arrangement at
18 the time for no other cable companies, the rates often
19 would go up.

20 And there's smaller companies offering
21 mainly or only local service, but this petition does not
22 involve competition between the similar services using
23 same equipment. The products of the named competitors
24 like wireless and voice over the Internet are acquired by
25 individuals buying into wireless or Internet contracts.

1 Those are not as readily or easily attainable in every
2 area as the phone system is, and SBC's at least in this
3 area the main phone system.

4 JUDGE PRIDGIN: All right, Ms. Lounsbury.
5 Thank you. Anything else for the Commission before we see
6 if we have any questions? Anything else, Ms. Lounsbury?

7 MS. LOUNSBURY: No.

8 JUDGE PRIDGIN: Thank you. Let me see if
9 we have any questions from the Commissioners.
10 Commissioner Murray?

11 COMMISSIONER MURRAY: Thank you.

12 QUESTIONS BY COMMISSIONER MURRAY:

13 Q. Good evening, Ms. Lounsbury. Do you have
14 any other provider available to you for local landline
15 telephone service?

16 A. SBC is the main one, but there are, like
17 the other person said, Sage and -- apparently in the area,
18 and there's some companies you can get from, like, payroll
19 advance places where they offer mostly local service.

20 Q. Okay. And do you have a wireless service
21 as well?

22 A. No.

23 Q. I'm sorry?

24 A. There are some available. There are some
25 available in the area, but I don't have that.

1 Q. You don't subscribe. Okay.

2 A. Right.

3 Q. How about cable service?

4 A. There is a cable company in this town and
5 in Joplin, one in each town, that I know of, and I don't
6 have a contract with them.

7 Q. Okay. Do you have Internet service through
8 SBC?

9 A. No.

10 Q. You just have a landline telephone
11 connection; is that correct?

12 A. Right. Right.

13 Q. And how long have you been a customer?

14 A. In this area, since about 2000. I think we
15 had them in Kansas when I lived there, since '97.

16 COMMISSIONER MURRAY: All right. I think
17 that's all I have. Thank you.

18 JUDGE PRIDGIN: Commissioner, thank you.
19 Commissioner Gaw?

20 QUESTIONS BY COMMISSIONER GAW:

21 Q. Ms. Lounsbury, thank you for coming.

22 A. Thank you.

23 Q. Let me ask you the same question I've been
24 asking nearly everyone else. And that is, how did you
25 find out about the hearing tonight?

1 A. An article -- well, a column on the front
2 page of the Friday paper, in the local Carthage paper.

3 Q. And can you tell me, do you have -- do you
4 have knowledge of both the business offerings and the
5 residential offerings in Carthage or more of one than the
6 other?

7 A. Mostly the residential. I don't -- I'm not
8 in the business world. They have -- I haven't had contact
9 that much about it.

10 Q. In regard to the residential side, do
11 you -- do you have any idea about the percentages regard
12 to landlines that are in existence in Carthage and what
13 might belong to SBC as compared to other carriers?

14 A. Most of them probably SBC.

15 Q. Okay.

16 A. There might be some other companies which
17 are more outside the immediate Carthage area, as there
18 might be in like Joplin.

19 Q. In Carthage itself, is Sage the only
20 carrier that you're aware of that's offering landline
21 service?

22 A. Would you say that again? I didn't hear
23 part of it.

24 Q. In Carthage itself, is Sage the only
25 company that you're aware of that may be offering landline

1 service or wireline service?

2 A. Other than -- other than Southwestern Bell,
3 and I just heard about the Sage company awhile ago
4 tonight.

5 Q. Were you aware that Sage was offering that
6 before that comment by the gentleman earlier tonight?

7 A. No. No.

8 Q. What is your main concern about -- I heard
9 you say you wished the Commission to vote no on this.
10 What is your main concern about an approval by this
11 Commission regarding the issue that is in front of us?

12 A. The general public would have a lot less
13 say or a lot less chance of debating or saying anything
14 against what they want to do, and that it's left up to the
15 individuals within SBC's decision department as to what to
16 charge. If they have more leeway, it would more likely be
17 up than down.

18 Q. Okay. Do you believe that there is
19 sufficient competition in Carthage to control the prices
20 that SBC would charge if the price caps were removed?

21 A. That could vary. Like the other fellow
22 said, if it were -- if they were taken off competition.
23 Sage might stay. Sage might not. But there's a chance
24 that SBC might price so low that every other company can't
25 do it, and then they bring prices back up or they be

1 unpredictable.

2 Q. Okay. Do you think that unpredictable
3 prices are -- do you feel that that is a concern in this
4 matter?

5 A. Yes. Different people's income level do
6 not -- some can't leave that much aside in case the rate
7 for the phone service goes up later or in the future.

8 Q. Just to follow up a little bit more,
9 Ms. Lounsbury, do you have any affiliation with any
10 telecommunications company?

11 A. Any competition company? No, not --

12 Q. Any telecommunications company at all?

13 A. No.

14 Q. Okay. I've been asking those kinds of
15 questions of others. I wanted to make sure I didn't leave
16 that one out here.

17 This service that you currently have with
18 SBC, is that a single line into your house?

19 A. Yes. Another point on the risk of
20 deregulation is it's easier to take the caps off than it
21 is to put them back on later. There would be more
22 resistance later if they were off.

23 COMMISSIONER GAW: I think that's all I
24 have, Judge. Thank you very much, ma'am.

25 JUDGE PRIDGIN: Commissioner Gaw, thank

1 you. Commissioner Appling?

2 COMMISSIONER APPLING: Ma'am, I want to
3 thank you very much for coming out tonight. I have no
4 questions for you. I do want to -- and do appreciate you
5 coming tonight. Thank you.

6 JUDGE PRIDGIN: All right. Thank you very
7 much. Mr. Dandino?

8 MR. DANDINO: Yes, thank you very much for
9 coming and testifying tonight. We certainly appreciate
10 it. I know the Commission does, too.

11 JUDGE PRIDGIN: Any follow-up questions
12 from the Bench, commissioner Murray?

13 QUESTIONS BY COMMISSIONER MURRAY:

14 Q. Ms. Lounsbury, I just wanted to ask you, if
15 we did grant SBC's request for competitive status and they
16 did raise -- assume for argument's sake that they did
17 raise their prices. Do you think that would encourage
18 other companies to come in and underprice SBC and take
19 their customers away?

20 A. There's a possibility that it might work
21 that way, or the other companies might come in and raise
22 their prices similar to try and get some of that similar
23 income. It's difficult to foretell.

24 COMMISSIONER MURRAY: All right. Thank
25 you.

1 JUDGE PRIDGIN: All right. Commissioner
2 Murray, thank you. Any further questions? All right.
3 Seeing none. Ma'am, again, thank you very much for your
4 time and for your testimony.

5 And Mr. Henderson, I understand we have one
6 witness left?

7 MR. HENDERSON: That is correct, Judge.
8 That will be Chuck Surface.

9 JUDGE PRIDGIN: Mr. Surface, if you'll come
10 forward to be sworn, please.

11 (Witness sworn.)

12 JUDGE PRIDGIN: Thank you very much, sir.
13 If you would, please state your name for the record and
14 spell your last name for the court reporter.

15 MR. SURFACE: My name is Chuck Surface,
16 S-u-r-f-a-c-e.

17 JUDGE PRIDGIN: Mr. Surface, thank you.
18 And are you a resident of the Carthage, Missouri?

19 MR. SURFACE: No, I am not.

20 JUDGE PRIDGIN: Do you live near Carthage?

21 MR. SURFACE: I live in Joplin.

22 JUDGE PRIDGIN: All right. And are you a
23 customer of SBC?

24 MR. SURFACE: I am.

25 JUDGE PRIDGIN: Mr. Surface, thank you. Do

1 you have any comments for the Commission, sir?

2 MR. SURFACE: Yes. And let me say that
3 it's nice to see Commissioner Murray and Commissioner Gaw
4 again. Nice to talk to you again.

5 I want to anticipate something from
6 Commissioner Gaw, and we've known each other for a few
7 days, but I want to say certainly that I'm not an expert
8 in telecommunications, but I happened to be fortunate
9 enough to be in Legislature in 1997, and I think
10 Commissioner Gaw was still there at that time, and we did
11 do the last significant change in regulations for
12 telecommunications.

13 And there has been a -- I've just seen a
14 strange -- a great change in what we didn't even consider
15 in that time, the voice over Internet protocol, things
16 like this that are just emerging. I stand amazed every
17 day at the changes in telecommunications.

18 And to answer your question, Commissioner
19 Gaw, I was called by SBC to tell us that there was a
20 hearing going to be here. At that point I contacted the
21 Public Service Commission, and they did send a media press
22 release and we got that out. I happen to serve as a
23 commissioner in the county here, and I made sure that the
24 news media was aware, both the Joplin Globe and the
25 Carthage Press, where it would announce that we were going

1 to have these hearings. So these folks apparently got the
2 message and everything. So we tried to get this out to as
3 many people as we can so we can get you some good -- some
4 good feedback from the citizens. So apparently that has
5 worked for us.

6 Again, I said I'm not an expert on
7 telecommunications, but I do know so many of my friends
8 that have dropped their landlines and cellular
9 communications have become just basically the competition,
10 if you will. And I almost did it myself. I'm glad I
11 didn't now, but I almost did it myself.

12 After looking into this, my questions were
13 on this bill, I wasn't extremely familiar with it. I
14 heard of it, but really didn't know the ins and outs of
15 it. I wanted to make sure that the Life Line services and
16 the slamming services would not be affected by this bill.
17 And that is my understanding, that the Life Line rates for
18 our seniors and our core citizens cannot be changed or
19 raised by this bill. I wanted to be assured of that.

20 And I wanted to be sure, and I also asked
21 in the preliminary review before you folks came on,
22 whether that if someone would go to gouging or something
23 or problems concerned, that you could review the
24 competitive balance in this community, and I would want
25 you to do so should that happen. And they were -- I think

1 the answer was yes, you could review it.

2 So let me finish by saying, I followed -- I
3 kind of tend to follow Springfield in the area that we are
4 in competition with Springfield. They are the third
5 largest metro area in the state. The Joplin area is the
6 fourth largest metro area in the state. And I was
7 following the story last Friday in the Springfield News
8 Leader, and I believe it kind of spelled out very well
9 what the gist of this bill is.

10 And then I was interested in just yesterday
11 in the editorial board's comments from the Springfield
12 News Leader, and I think we'd all agree that while we
13 don't always agree with editorial boards, I think they
14 tend to err on the side of the consumer.

15 And here is the last paragraph of their
16 editorial, and I quote, in the meantime, customers who
17 want greater bundled services will benefit from greater
18 competition. The new law is a welcome change once you
19 give it a chance to work.

20 So I followed that, I read that, and I
21 would hope that if this -- and I'm all for -- I have a
22 degree in marketing. I'm all for marketing, and I love
23 packaging things that tend to bring down costs to
24 consumers. I've seen it happen just recently in my own
25 phone bill, and I love it. It's worked for me, and I hope

1 it works for the rest of the folks.

2 That's all I have.

3 JUDGE PRIDGIN: All right. Mr. Surface,
4 thank you. Let me see if we have any questions from the
5 Commissioners. Commissioner Murray?

6 QUESTIONS BY COMMISSIONER MURRAY:

7 Q. Good evening, Mr. Surface. Nice to see --
8 although I'm not seeing you from where I'm sitting, but I
9 hear your voice, and nice that you came to join us this
10 evening.

11 I think you indicated earlier that you've
12 seen a tremendous amount of change since we passed that
13 telecommunications bill in 1996 in terms of the technology
14 that is available. It's far different than I imagined at
15 the time, and I think that's kind of what you were
16 indicating; is that correct?

17 A. That is correct. I was -- I didn't
18 remember whether you were still with us at that time or
19 not.

20 Q. Yes. I think you said '97, but we actually
21 passed it in '96, and that was my last year there.

22 I think it's accurate to say that
23 policymakers of any -- from any branch of government can't
24 figure out what may be just around the corner. I mean, we
25 can't even imagine the technology that may be available

1 tomorrow. So I think that's one of the things that we
2 have seen as a result of that legislation is the changes
3 that have come about have been much greater and different
4 than we could have even imagined.

5 MR. HENDERSON: Judge, we've lost you
6 again.

7 (AN OFF-THE-RECORD DISCUSSION WAS HELD.)
8 QUESTIONS BY COMMISSIONER GAW:

9 Q. Chuck, I can ask you questions, they tell
10 me, and they can hear us, and it's going to be
11 transcribed.

12 First of all, it's great to see you.

13 A. Thank you, sir.

14 Q. I think -- I think you're getting younger.

15 A. It's amazing what some coloring will do.

16 Q. Tell me specifically about how much you
17 know about the status of competition in Carthage.

18 A. I learned tonight basically from listening
19 to the folks that were here earlier, Mr. Walter, about the
20 local offerings in residential services, and that's --
21 that's what I know is what I heard here tonight as far as
22 Carthage, because I live in Joplin.

23 COMMISSIONER GAW: Okay. And Natelle, are
24 we dealing with the Joplin exchange in this set of
25 hearings?

1 MS. DIETRICH: I believe so. Let me double
2 check.

3 BY COMMISSIONER GAW:

4 Q. Okay. Let me ask you about Joplin --

5 A. Okay.

6 Q. -- in regard to residential. Do you know
7 what other carriers that are landline carriers offer local
8 basic service in Joplin today to residential customers?

9 A. I do not know of any other than SBC. Now,
10 I guess my premise earlier was, I have a lot of friends
11 that don't take a land-based carrier anymore, they don't
12 use it because they've just gone totally cell.

13 Q. I understand. In regard to -- is there a
14 cable, cable TV provider in Joplin? I assume there is.

15 A. Oh, yes.

16 Q. Do they offer telecommunications service
17 over that cable in Joplin?

18 A. I don't believe they do at this time, no.

19 Q. Okay. And can you tell me what -- maybe
20 you've already said this. Do you know what wireless
21 carriers there are operating with a number in Joplin?

22 A. We've got every carrier known to man.

23 Q. Can you give me a few of them that you know
24 of?

25 A. U.S. Cellular, Cingular, Sprint, Verizon.

1 Was AT&T before. So quite a few there. The ads every day
2 in the paper were full.

3 Q. And can you get a local Joplin number with
4 those carriers?

5 A. It's a local -- I assume it is. It's a
6 different exchange than our standard 781 or 624, but it's
7 a 434, 439. It's a 400 series. I think that's indicative
8 of Joplin.

9 Q. Okay. So you can call from Joplin, from a
10 Joplin landline to one -- any of these wireless carriers
11 and not pay a toll call?

12 A. Oh, that's correct. Remember, we're the
13 fourth largest metro area.

14 Q. Right. I have to ask these questions. I'm
15 depending on your knowledge of that area, which I know you
16 know well.

17 So in regard to -- let me see if there was
18 anything else I wanted to ask you about.

19 COMMISSIONER GAW: I think that's all I
20 had. Thank you very much, Chuck. It is great to see you.

21 MR. SURFACE: Good to see, sir.

22 JUDGE PRIDGIN: On the chance anyone can
23 hear me, Mr. Surface, can you hear me, sir? Commissioner
24 Gaw?

25 MR. HENDERSON: We have no other witnesses

1 here in Carthage today.

2 JUDGE PRIDGIN: All right. I'm doing this
3 for the court reporter and for the folks in Jefferson City
4 only since we have lost audio. I'm going to call and
5 let -- try to let Commissioner Gaw know that we're
6 finished with witnesses and see if we have any closing
7 remarks.

8 COMMISSIONER GAW: Mr. Surface, I want to
9 call you representative, I want to call you Commissioner.
10 But they told us in Jefferson City that you are free to
11 go, if you wish to. They don't have any more questions
12 for you. You have satisfied their questions.

13 And those are -- as I understand it, the
14 judge is unable to tell you this, all of you this, but
15 this will -- this concludes the hearing for this evening.
16 We want to thank everyone for showing up and for
17 testifying and relaying information that they have.

18 There are additional hearings that will be
19 coming up in other communities. Those will be publicized,
20 and if -- we hope that if you have any questions that you
21 would contact either the Public Service Commission Staff.
22 If you have any questions for Public Counsel, of course,
23 they will be available, and I'm sure representatives from
24 the telecommunications carriers that are involved in this
25 case, SBC, would be available and make themselves

1 available for any questions as well.

2 Again, thank you all very much for all of
3 your comments. We thank you for taking the time to show
4 up tonight. We look forward to hearing more in the future
5 from others in other communities. Thank you very much.

6 JUDGE PRIDGIN: And with Commissioner Gaw's
7 concluding comments, that will concludes the local public
8 hearing. We are off the record.

9 WHEREUPON, the public hearing was
10 concluded.

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