

Exhibit No.:

Issues: Investigation into Signaling Protocols,
Call Records, Trunking and Traffic

Witness: Arthur P. Kuss

Sponsoring Party: MOPSC Staff

Type of Exhibit: Rebuttal Testimony

Case No.: TO-99-593

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

FILED
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Missouri Public
Service Commission

REBUTTAL TESTIMONY

OF

ARTHUR P. KUSS

**In the Matter of the Investigation into Signaling Protocols, Call Records,
Trunking Arrangements, and Traffic Measurement**

CASE NO. TO-99-593

Jefferson City, Missouri
December 20, 2000

Rebuttal Testimony of
Arthur P. Kuss

1 toll-free traffic. I have also filed written testimony in Case No. TO-2000-667, regarding
2 resale of traffic identified with the Trade Name "Local Plus."

3 ***Q. What is the purpose of your rebuttal testimony?***

4 A. My purpose is to respond to the Direct Testimonies of:

- 5 • David Jones, on behalf of the Missouri Independent Telephone Company
- 6 Group (MITG).
- 7 • Joyce L. Dunlap, representing Southwestern Bell Telephone Company
- 8 (SWBT).
- 9 • Richard T. Scharfenberg, on behalf of SWBT.
- 10 • Robert C. Schoonmaker, representing the Small Telephone Company Group
- 11 (STCG).

12 The members of MITG and STCG are hereinafter referred to as small Local
13 Exchange Carriers (LECs).

14 ***Q. What are the proposals suggested by the above-named witnesses?***

15 A. Mr. Schoonmaker and Mr. Jones recommend the Commission authorize changes
16 in the business relationships for terminating intraLATA traffic. Ms. Dunlap and Mr.
17 Scharfenberg argue that the current arrangement is satisfactory, and change will be costly¹.

18 ***Q. Do you agree the current arrangement is satisfactory?***

19 A. The evidence indicates problems with the current arrangement. The traffic test
20 revealed billing and record discrepancies between companies.

21 ***Q. What was the purpose in conducting the traffic test for this case?***

¹ Direct Testimony of Richard T. Scharfenberg, Pages 15 and 16, Lines 12 through 15, and 1 through 3, respectively.

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1 A. A concern was expressed that Feature Group C traffic was not being properly
2 recorded or compensated.² By comparing all company LEC-to-LEC traffic records for an
3 agreed-upon test period, discrepancies in records and compensation could perhaps be
4 identified, and solutions proposed.

5 ***Q. What may be inferred from the test results?***

6 A. Preliminary test results suggest certain interexchange traffic may not be properly
7 recorded or compensated.³ Some of this unrecorded traffic may have included SWBT's
8 Local Plus traffic as mentioned in Case No. TO-2000-667.⁴ Other traffic from undetermined
9 sources may remain at issue.⁵ Problems related to this other unrecorded traffic were also at
10 issue in Case No. TC-2001-20, in which a member of MITG had threatened to interrupt
11 traffic flowing from the SWBT common trunk group. In any case, it appears to have been
12 demonstrated the current system of reporting and billing traffic is less than perfect.

13 ***Q. Has the test established ultimate responsibility for all errors in traffic***
14 ***recording and compensation?***

15 A. Not entirely. The results of the traffic test are continuing to be reviewed, and all
16 issues have not been fully evaluated at this time. A final report of the test results is being
17 compiled and is expected to be complete early next year.

18 ***Q. Is it easy for a terminating LEC to resolve a billing discrepancy problem?***

19 A. No, it does not appear to be easy to resolve such billing problems. The testimony
20 of Mr. Jones indicates the difficulty encountered by at least one terminating LEC to resolve a

2 Direct Testimony of David Jones, Pages 9, 10 and 11, Lines 9 through 22,
1 through 23, and 1 through 8, respectively.

3 Direct Testimony of Robert C. Schoonmaker, Page 10, Lines 6 through 17.

4 Direct Testimony of Joyce L. Dunlap, Page 9, Lines 18 through 20.

5 Schoonmaker, Page 12, Lines 16 through 22.

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1 billing discrepancy regarding terminating switched access. The cause of the billing
2 discrepancy was identified and the problem was resolved only after Mid-Missouri Telephone
3 Company (Mid-Mo) started to take steps to block certain traffic.

4 ***Q. What do the small LECs propose?***

5 A. I see the small LECs advancing essentially a two-part proposal:

6 1. The company responsible for the terminating common trunk(s) from the tandem
7 switch to the terminating LEC will be responsible for all of the residual traffic volumes
8 remaining after subtracting out certain types of traffic.

9 2. The terminating LEC has the option to bill terminating compensation based upon
10 the terminating LEC's measurement of total terminating usage.

11 ***Q. Do you have any comments claiming the Commission has previously rejected***
12 ***such a proposal?***

13 A. Ms. Dunlap maintains that the Commission has already decided against such a
14 proposal in Case Nos. TO-99-254, TO-96-440 and TT-97-524. In contrast, I don't believe
15 these Commission decisions clearly rejected such a proposal. In Case No. TO-99-254, the
16 Commission only declined to order such a plan as being unnecessary to resolve the issues in
17 that Case.⁶ In Case No. TO-96-440 concerning interconnection agreements, the Commission
18 did not make any general findings concerning compensation arrangements other than
19 specifically addressing the situation of SWBT's Metropolitan Calling Area (MCA) service
20 when provided through another party.⁷ In Case No. TT-97-524, concerning revisions to
21 wireless carrier interconnection agreements, again it appears that the Commission did not

6 Case No. TO-99-254 Report and Order, Pages 10 through 15.

7 Case No. TO-96-440 Report and Order, Page 6.

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1 make any general findings concerning compensation arrangements beyond the situation of
2 SWBT's relationships with a particular type of traffic carrier.⁸

3 ***Q. Is there a need to consider allowing changes in business relationships?***

4 A. I agree with Mr. Jones that there is minimal incentive for a carrier to assure that
5 its traffic measurement is correct when it is not responsible for the compensation of that
6 traffic.⁹ The small LEC proposal appears to remedy that problem.

7 ***Q. Do you support the proposal submitted by the small LECs?***

8 A. At this time, I have no objections to it. The traffic test verified there are
9 shortcomings to the business arrangement as it exists, and identification of problems and
10 their correction and compensation are slow to proceed. In the opposite view, it may be
11 costly to initiate changes in established switching and recording systems, and such changes
12 may require a significant amount of time. However, the figures quoted in the SWBT
13 Testimony apply only to a particular effort to accommodate a change in signaling protocol,
14 and do not specifically address the small LECs' proposal.

15 ***Q. In summary, what are your recommendations?***

16 A. I concur with the statements made by the parties in regard to the necessity for
17 accurate recording and compensation for toll traffic. I have no objections to Mr. Jones's and
18 Mr. Schoonmaker's suggestions in regard to changing the business relationships for
19 terminating intraLATA traffic. Ms. Dunlap and Mr. Scharfenberg contend that changes to
20 SWBT's systems will be lengthy and costly. Pending review of the Rebuttal Testimonies of

8 Case No. TT-97-524 Report and Order, Pages 13 through 16.

9 Jones, Page 7, Lines 4 through 14.

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1 the parties regarding the small LECs' proposals, I do not oppose the small LECs positions at
2 this time.

3 ***Q. Does this conclude your rebuttal testimony?***

4 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Investigation into
Signaling Protocols, Call Records,
Trunking Arrangements, and Traffic
Measurement

Case No. TO-99-593

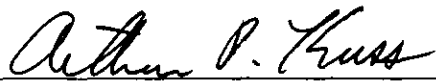
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STATE OF MISSOURI

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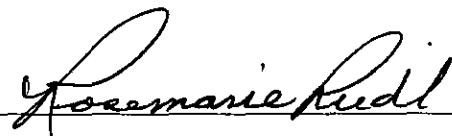
COUNTY OF COLE

Arthur P. Kuss, of lawful age, being duly sworn and on his oath states: that he hereby swears and affirms that his answers contained in the attached rebuttal testimony to the questions therein propounded, consist of 6 pages to be presented in the above case; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.



Arthur P. Kuss

Subscribed and sworn to before me this 20th day of December 2000.



Notary Public, State of Missouri
County of Cole
My Commission Expires June 1, 2001

Service List for:

Case No. TO-99-593

Revised: December 20, 2000 (lb)

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