

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³
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Missouri Public
Service Commission

In the Matter of a Further Investigation of)
the Metropolitan Calling Area Service)
after the Passage and Implementation of)
the Telecommunications Act of 1996.)

Case No. TO-2001-391

**ALLTEL MISSOURI, INC.'S
STATEMENT OF POSITION**

COMES NOW ALLTEL Missouri, Inc. ("ALLTEL"), pursuant to the Commission's Order Granting Motion to Extend entered in this matter on April 24, 2003, and respectfully files its Statement of Position on the List of Issues previously submitted by the Staff of the Commission on May 6, 2003.

Introduction

In the Commission's April 7, 2003, Order Directing Filing, the Commission states that it "would be aided in its review of this case if the parties would provide a joint list of issues that are ripe for decision." In construing the Commission's directive of receiving a joint list of issues "that are ripe for decision," ALLTEL understands that the Commission's intent in proceeding in this manner is, to the extent possible, to finally determine, and provide guidance to the parties on, the appropriate scope of future meetings and/or evidentiary hearings to be held in this case. This understanding would conform to statements made during the course of the Prehearing Conference and On-the-Record Presentation held in this matter on May 29 and July 15, 2002, respectively.¹

¹ "And if the Commission does not need any further information to move forward, the Staff would recommend an evidentiary hearing and public hearings if the Commission deems those necessary. . . . We

ALLTEL respectfully submits that there is no competent and substantial evidence in the context of this proceeding – Case No. TO-2001-391 – to support changes to the MCA Plan at this time.

ISSUES

1. Based on the instant record, is it necessary or appropriate to modify or alter the existing MCA plan?

ALLTEL's Position: No modifications or alterations to the existing MCA plan are necessary at this time. As noted in its introduction, ALLTEL would respectfully submit that the filing of the Final Status Report and the informal proceedings to date do not provide a sufficient record upon which the Commission can or should take substantive action.

2. If so, what specific modifications or alterations are necessary or appropriate given the record in this case?

- a. Does the Commission have the authority to modify the MCA Plan?

ALLTEL's Position: While ALLTEL believes that the Commission has the authority to modify the MCA Plan, as discussed above, no specific actions are necessary or appropriate given the record in this case.

1. If the Commission has the authority to modify the MCA Plan, is it necessary or appropriate to do so?

ALLTEL's Position: No, see above.

would just recommend that if there is still disagreement on those [cost or pricing] and that's something the Commission wants to address, that we should just move forward with an evidentiary hearing." (Tr. 11; Prehearing Conference). Further, in response to a question from Judge Ruth seeking to clarify the nature and scope of a one-day on-the-record presentation ("Are you suggesting that as an opportunity for the Commission to ask questions as to whether or not, then, they would want to move forward on a hearing for the MCA-2?"), Staff confirms: "Yeah. Any questions the Commission would need to have answered before they did anything in this case." (Tr. 12; Prehearing Conference). Indeed, Judge Ruth announced the following purpose for the on-the-record presentation of July 15, 2002: "This on-the-record presentation has been called to give the Commissioners an opportunity to ask the parties questions about the final status report of the industry task force, which was filed on January 24, 2002." (Tr. 72). Finally, in addressing criticisms directed towards the Staff's MCA-2 proposal, Staff counsel clearly anticipates that substantive issues will be addressed in an evidentiary hearing: "These and all other additional concerns can be addressed during an evidentiary hearing on the MCA-2 proposal." (Tr. 78-79, On-the-Record Presentation).

2. If the Commission has the authority to modify the MCA Plan and it is necessary and appropriate to do so, should the Commission order implementation of MCA-2?

ALLTEL Position: No, see above.

3. If the Commission orders implementation of MCA-2, what carriers would be subject to the Commission's order?

ALLTEL Position: There is no competent and substantial evidence in the "record" of this case to support the implementation of MCA-2 at this time.

- b. If the Commission orders implementation of MCA-2, what are the appropriate rates?

ALLTEL Position: There is no competent and substantial evidence in the record to determine the appropriate rates for MCA-2. As recommended by many of the parties in this proceeding, additional investigation and meetings of the parties would be required to develop appropriate rates for future Commission consideration.

- c. Is revenue neutrality required or appropriate for all carriers (i.e. price cap carriers, rate of return regulated carriers, competitive carriers, etc.) if the Commission implements revenue impacting changes to the MCA, such as MCA-2?

ALLTEL Position: The Commission is required to maintain revenue neutrality for price cap and rate of return regulated carriers, if the Commission implements any revenue impacting changes to the MCA. ALLTEL takes no position on whether revenue neutrality is required or appropriate for competitive carriers.

1. If revenue neutrality is required or appropriate, how should revenue neutrality be implemented?

ALLTEL Position: The implementation process for achieving revenue neutrality should be determined after future investigation and meetings by the parties to this proceeding.

2. Are implementation costs required or appropriately included as a part of revenue neutrality?

ALLTEL Position: Yes. ALLTEL's implementation costs are required and appropriately included as a part of revenue neutrality.

- d. Are there additional financial impacts to consider if the MCA is modified?

ALLTEL Position: All financial impacts should be considered; however, there is no competent and substantial evidence in the record to identify such impacts should the MCA be modified.

- e. Should wireless carriers be allowed to fully participate in the MCA plan?

ALLTEL Position: As discussed in the Final Status Report at page 18, wireless carriers have traditionally not been included as part of the MCA, and the Task Force was unable to reach an agreement on whether or not this situation should be changed. There is no competent and substantial evidence in the record to address this issue. Further, Staff made the following statement during the On-the-Record Presentation: "However, if Staff's MCA-2 plan is implemented, wireless providers will automatically be included in the MCA's calling scope." (Tr. 76).

1. Is revenue neutrality required or appropriate for all carriers (i.e. price cap carriers, rate of return carriers, competitive carriers, etc.) if wireless carriers are allowed to fully participate in the MCA plan?

ALLTEL Position: As stated above, the Commission is required to maintain revenue neutrality for price cap and rate of return regulated carriers if any changes are ordered for the existing MCA Plan.

- f. Should MCA be available to pay phones, resellers, and aggregators?

ALLTEL Position: As discussed in the Final Status Report at page 19, pay phones, resellers and aggregators have traditionally not been included as part of the MCA. The Task Force was unable to reach an agreement on whether or not this situation should be changed, particularly as it relates to pay phone providers. There is no competent and substantial evidence in the record to address this issue.

1. Is revenue neutrality required or appropriate for all carriers (i.e. price cap carriers, rate of return carriers, competitive carriers, etc.) if MCA service is made available to pay phones, resellers, and aggregators?

ALLTEL Position: As stated above, the Commission is required to maintain revenue neutrality for price cap and rate of return regulated carriers if any changes are ordered for the existing MCA Plan.

- g. Does the Commission have the authority to make tier 3 (or any optional tier) of the current MCA mandatory?

ALLTEL Position: ALLTEL believes that the Commission has the authority to review and modify the existing MCA Plan. However, any changes made to the existing MCA Plan must be implemented consistent with the Commission's existing statutory authority. ALLTEL does not believe that there is competent and substantial evidence in this proceeding to support the expansion of the existing MCA Plan.

1. If so, should tier 3 of the current MCA be made mandatory?

ALLTEL Position: No, see above.

- h. Should MCA subscribers in the optional MCA tiers be allowed to call all telephone numbers in the mandatory MCA areas, regardless of the type of service offered in the mandatory tier?

ALLTEL Position: No. ALLTEL does not believe that MCA subscribers in the optional MCA tiers should be allowed to call all telephone numbers in the mandatory MCA areas, regardless of the type of service offered in the mandatory tier. Again, there is no competent and substantial evidence in the record to support an expansion of the MCA Plan at this time.

- i. Should the current MCA be expanded to include a tier 6 MCA area (or tier 3 in Springfield)?

ALLTEL Position: No. There is no competent and substantial evidence in the record to support an expansion of the MCA Plan at this time.

3. Is the LERG an appropriate mechanism to identify the MCA NXX codes in the future?
 - a. Should LERG "J" codes be used as the proper optional MCA NXX identifier?
 - b. Should LERG "J" codes be used to designate NXX codes in the mandatory MCA areas?

ALLTEL Position: As stated during the On-the-Record Presentation, while these issues were addressed by the Industry Task Force and discussed at pages 13-16 of the Final Status Report, the parties have not come to a consensus on whether the LERG is an appropriate mechanism to identify the MCA NXX codes in the future. This issue requires more investigation and the presentation of competent and substantial evidence in the record before a Commission determination can be made.

4. If the Commission does not change the way NXX codes are currently allocated for MCA service, what if any action should the Commission take regarding the NANPA's denial of MCA NXX codes to local exchange carriers?

ALLTEL Position: The Commission does not need to take any action in the context of this proceeding. The Commission may continue to address these issues on a case-by-case basis.

5. Should MCA traffic be carried on separate trunk groups?

ALLTEL Position: ALLTEL notes that the Task Force was unable to agree on a recommendation regarding this issue, and would again contend that there is no competent and substantial evidence in the record to address this issue. Further, ALLTEL would agree with those members of the task force that believe this case is not the proper forum for addressing this issue.

6. At present, OPC has requests for public hearings pending in response to requests to expand or modify MCA for (A) Lee's Summit/Greenwood, (B) Wright City/Innsbrook, (C) Lexington, and (D) Ozark/Christian County. Should the Commission schedule public hearings for these areas to obtain current customer sentiment for MCA?

ALLTEL Position: No. As stated during the On-the-Record Presentation, ALLTEL believes that it would be premature to hold public hearings at this time.

Respectfully submitted,



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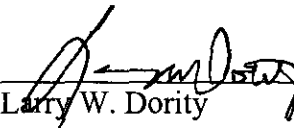
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