

Exhibit No.:

Issues: Telephone Specific

Witness: William L. Voight

Sponsoring Party: Mo PSC Staff

Type of Exhibit: Rebuttal Testimony

Case No.: TO-2005-0144

Date Testimony Prepared: December 9, 2005

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY OPERATIONS DIVISION**

**REBUTTAL TESTIMONY**

**OF**

**WILLIAM L. VOIGHT**

**KANSAS CITY METROPOLITAN CALLING AREA PLAN**

**CASE NO. TO-2005-0144**

**Jefferson City, Missouri  
December 2005**

**\*\*Denotes Highly Confidential Information\*\***

**NP**

**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**


In the Matter of a Request for the )  
Modification of the Kansas City )  
Metropolitan Calling Area Plan to Make )  
the Greenwood Exchange Part of the )  
Mandatory MCA Tier 2. )

Case No. TO-2005-0144

**AFFIDAVIT OF WILLIAM L. VOIGHT**


**STATE OF MISSOURI**     )  
                                      ) ss  
**COUNTY OF COLE**     )

William L. Voight, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 4 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

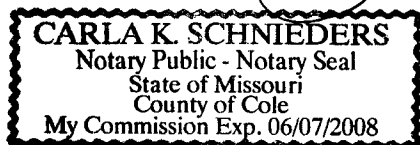


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William L. Voight

Subscribed and sworn to before me this 9<sup>th</sup> day of December, 2005.

  
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Notary Public

My commission expires June 7, 2008



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**OF**  
**WILLIAM L. VOIGHT**  
**KANSAS CITY METROPOLITAN CALLING AREA PLAN**  
**CASE NO. TO-2005-0144**

**Q. Are you the same William L. Voight who filed Direct Testimony in this case?**

**A. Yes.**

**Q. What is the purpose of your Rebuttal Testimony?**

**A. My purpose is to respond to the Direct Testimony of Ms. Barbara Meisenheimer, Chief Utility Economist for the Office of the Public Counsel (OPC).**

**Q. Ms. Meisenheimer states that the Staff has opposed expanded calling-scope public hearings when such hearings would be held without benefit of a specific calling-scope proposal. Ms. Meisenheimer states that Staff opposed such public hearings because “the Staff claimed that the people would say they want something for nothing.” (Meisenheimer Direct, page 5, line 22). What is your response?**

**A. In addressing a community’s desire for expanded calling, local public hearings can be more productive if the public is asked to provide feedback to a specific proposal. If a specific proposal is not presented at a public hearing, then it is my experience that little constructive discussion can be gained by holding a public hearing.**

**Q. What was the OPC’s recommendation to address the Greenwood petition?**

1           A.       Pursuant to an Order of the Commission, the OPC's Final Greenwood  
2       Petition Recommendation was filed on April 29, 2005.<sup>1</sup> OPC's Final Recommendation  
3       recognized revenue neutrality considerations for Southwestern Bell Telephone Company  
4       (SBC). As stated: "[T]here is some merit to considering the practical effects of  
5       reclassifying an exchange in an optional tier to an exchange in a mandatory tier where the  
6       MCA charge is not an additive, but is included in the price of local basic service.  
7       Therefore, Public Counsel would consider an adjustment to the MCA pricing plan to  
8       compensate for the special situation posed by the Greenwood exchange classification.  
9       Public Counsel would consider an additive not to exceed \$2.00 month residential, \$3.00  
10      month business as a possible price adjustment under these unique "annexation"  
11      circumstances." <sup>2</sup>

12           **Q.       Did Ms. Meisenheimer's testimony address the \$2.00 and \$3.00 rate**  
13      **adjustments referenced in the OPC's Final Recommendation?**

14           A.       No. Ms. Meisenheimer's testimony does not address the \$2.00 and \$3.00  
15      considerations as discussed under the pricing and terms section of OPC's Final  
16      Recommendation. Pricing of Greenwood MCA Tier 2 service is discussed beginning at  
17      page 8, line 2, of Ms. Meisenheimer's Direct Testimony. There, Ms. Meisenheimer  
18      advocates "the same rate" for the Greenwood exchange as SBC charges all other Tier 2  
19      MCA customers. No consideration is given by Ms. Meisenheimer to the "practical  
20      effects" of reclassifying the Greenwood exchange and eliminating the optional MCA rate  
21      charges. Similar statements are made at page 13, line 18, of Ms. Meisenheimer's  
22      Direct Testimony. As stated: "Therefore, Public Counsel proposes that local basic  
23      service in Greenwood be initiated after modification of the MCA plan at the prevailing

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<sup>1</sup> Order Directing Filing, April 21, 2005.

<sup>2</sup> Office of the Public Counsel's Final Recommendation, page 2.

1 MCA rate: \$12.07 for residential and \$38.50 for business, with the MCA charge included  
2 in that rate.”

3 **Q. Does Ms. Meisenheimer advance any form of revenue neutrality or**  
4 **revenue recovery mechanism in return for SBC’s reclassification of the Greenwood**  
5 **exchange from MCA Tier 3 to Tier 2?**

6 A. No. Instead, Ms. Meisenheimer points to SBC’s competitive classification  
7 and states that SBC “can make its own decision if and how it wants to recover any  
8 revenue loss it perceives it will have with the modification of the MCA as proposed.”  
9 (Meisenheimer Direct, page 16, line 14).

10 **Q. Does Ms. Meisenheimer’s proposal to reclassify the Greenwood**  
11 **exchange from MCA Tier 3 to Tier 2 result in revenue “perceptions?”**

12 A. No. The revenue effects of the OPC’s proposal are not mere perceptions.  
13 To the contrary, the revenue effects are quite real. The OPC’s proposal results in a  
14 negative revenue impact to SBC of approximately \*\* C----- \*\* annually. This revenue  
15 impact is calculated by taking the current exchange revenue attributable to Greenwood  
16 customers and subtracting the future exchange revenue expected to be generated under  
17 the OPC’s revised proposal. Additionally, a conservative estimate of lost exchange access  
18 revenue is also attributed to the calculation.

19 **Q. Does the Staff support the OPC’s new proposal, without the**  
20 **additional \$2.00 and \$3.00 fees, as advocated by Ms. Meisenheimer?**

21 A. I do not object to the OPC’s most recent proposal; however, SBC chose  
22 not to file Direct Testimony in this case. Therefore, at this point, the Record is devoid of  
23 whatever proposal SBC may or may not have. The Staff reserves the right to comment on

Rebuttal Testimony of  
William L. Voight

1 the OPC's proposal in light of other proposals that might be forthcoming in Rebuttal  
2 Testimony. As previously discussed, the proposal described in Ms. Meisenheimer's  
3 testimony is different than the OPC's proposal presented earlier in this case. The OPC's  
4 most recent proposal could be considered more controversial than its earlier proposal.  
5 Although the Staff does not object to the OPC's newest proposal, the Staff would be  
6 willing to consider supporting other solutions that address the Greenwood citizens  
7 petition.

8 **Q. Does this conclude your Rebuttal Testimony?**

9 **A. Yes, it does.**