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BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

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TRANSCRIPT OF PROCEEDINGS

On-the-Record Proceedings

May 5, 2004

Jefferson City, Missouri

Volume 1

\_\_\_\_\_

In the Matter of the Petition of New )  
London Telephone Company, Orchard )  
Farm Telephone Company and Stoutland ) Case No. TO-2004-0370  
Telephone Company for Suspension of )  
the Federal Communications Commission)  
Requirement to Implement Number )  
Portability )

In the Matter of the Petition of KLM )  
Telephone Company for Suspension of )  
the Federal Communications Commission) Case No. TO-2004-0401  
Requirement to Implement Number )  
Portability )

In the Matter of the Petition of )  
Holway Telephone Company for )  
Suspension of the Federal ) Case No. TO-2004-0403  
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to Implement Number Portability )

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18        Chariton Valley Telecom Corporation )  
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19        Communications Commission Requirement)  
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21        Ellington Telephone Company for        )  
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2 and Modification of the Federal ) Case No. TO-2004-0484  
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5 Higginsville, Missouri, for )  
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12 Fidelity Telephone Company for )  
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20 McDonald County Telephone Company for) Case No. TO-2004-0491  
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9     Craw-Kan Telephone Cooperation for     )  
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12    Miller Telephone Company for     )  
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15    Oregon Farmers Mutual Telephone     )  
16    Company for Suspension and     )  
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17    Communications Commission Requirement)  
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19    MoKan Dial, Inc. for Suspension and     )  
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20    Communications Commission Requirement)  
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22    Choctaw Telephone Company for     )  
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VICKY RUTH,  
SENIOR REGULATORY LAW JUDGE.  
STEVE GAW, Chair  
CONNIE MURRAY,  
ROBERT CLAYTON, III  
COMMISSIONERS.



REPORTED BY:  
TRACY L. THORPE, CSR, CCR  
MIDWEST LITIGATION SERVICES

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Fidelity Telephone Company  
Goodman Telephone Company, Inc.  
Granby Telephone Company  
Grand River Mutual Telephone Corporation  
Green Hills Telephone Corp.  
Holway Telephone Company  
Iamo Telephone Company  
Kingdom Telephone Company  
KLM Telephone Company  
Lathrop Telephone Company  
Le-Ru Telephone Company  
McDonald County Telephone Company  
Mark Twain Rural Telephone Company  
Miller Telephone Company  
New Florence Telephone Company  
New London Telephone Company  
Orchard Farm Telephone Company  
Oregon Farmers Mutual Telephone Co.  
Ozark Telephone Company  
Peace Valley Telephone Co., Inc.  
Rock Port Telephone Company  
Seneca Telephone Company  
Steelville Telephone Exchange, Inc.  
Stoutland Telephone Company

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P R O C E E D I N G S

JUDGE RUTH: My name is Vicky Ruth and I'm the regulatory law judge assigned to many, but not all of these cases. The other regulatory law judges are either in the room or listening through the video streaming.

The cases have not been actually consolidated, we are just holding a joint hearing for today's purposes. Today is Wednesday, May 5th, 2004 and it is 8:35 in the morning. We are here for an on-the-record presentation in the local number portability cases. And I am briefly just going to read the case numbers, not the entire caption.

These cases include TO-2004-0370, TO-2004-0401, TO-2004-0403, TO-2004-428, TO-2004-437, TO-2004-438, TO-2004-439, IO-2004-453, TO-2004-454, TO-2004-455, 456, 457, 458, 459, IO-2004-467, 468, CO-2004-469, TO-2004-480, TO-2004-484, 486, 487, 489, 490, 491, 493, 494, TO-2004-503, 504, 505, 511, TO-2004-526, IO-2004-0545 and 546.

I'd like to begin with entries of appearance and I'm going to start for the group New London, etc., represented by I believe Mr. Trip England. Could you use the microphone?

MR. ENGLAND: Yes. Thank you, your Honor. Let the record reflect the appearance of WR England and Brian T. McCartney on behalf of a number of Small Telephone

1 Companies numbering I believe 30, who have filed individual  
2 suspension or requests for suspension and modification of  
3 the LNP requirements. I think they're more detailed in our  
4 written entry of appearance. Our mailing address is Post  
5 Office Box 456, Jefferson City, Missouri 65102.

6 JUDGE RUTH: Okay. Mr. England, just for the  
7 sake of clarity, I'm often going to refer to your group as  
8 New London or New London, etc. If at any time you need to  
9 answer differently for your different companies, please do  
10 so, but when I say New London, I'm going to mean your entire  
11 group unless we specify otherwise.

12 MR. ENGLAND: That's understood. Thank you.

13 JUDGE RUTH: Okay. And the group Alma, etc.?

14 MS. CHASE: Your Honor, please let the record  
15 reflect that Lisa Chase and Craig Johnson of the law firm  
16 Andereck, Evans, Milne, Peace and Johnson, LLC appear on  
17 behalf of the telephone companies MoKan Dial, Choctaw  
18 Telephone, Alma Telephone, Mid-Missouri Telephone, Northeast  
19 Rural Telephone, Chariton Valley Telephone and Chariton  
20 Valley Telecom. Our address is 700 East Capitol, PO Box  
21 1438, Jefferson City, Missouri 65102.

22 JUDGE RUTH: Okay. Thank you. And, again, I  
23 will probably refer to your group of clients as Alma, etc.  
24 I mean all of your clients unless we specify otherwise.

25 Public Counsel's not present today. Staff?

1                   MR. MEYER: William Haas and David Meyer for  
2 the Staff of the Missouri Public Service Commission. Our  
3 address is PO Box 360, Jefferson City, Missouri 65102.

4                   JUDGE RUTH: Mr. Meyer, is your microphone on?

5                   MR. MEYER: The light's on.

6                   JUDGE RUTH: Great.

7                   And Western Wireless, Mr. Steinmeier?

8                   MR. STEINMEIER: Yes. Let the record  
9 reflect -- that I just pushed the button. Let the record  
10 reflect the appearance of William D. Steinmeier and Mary Ann  
11 Garr Young on behalf of WWC License Western Wireless doing  
12 business as Cellular One. We have intervened in three of  
13 these cases, TO-2004-401, KLM, TO-2000-0504, Cass County,  
14 and TO-2004-0505, Craw-Kan Telephone Cooperative. Our  
15 mailing address is PO Box 104595, Jefferson City, Missouri  
16 65110-4595.

17                   JUDGE RUTH: Okay. Thank you. Now, today's  
18 hearing was scheduled as an opportunity to provide further  
19 information to the Commissioners so that they can ask  
20 questions and perhaps they will determine that an  
21 evidentiary hearing is necessary.

22                   Now, as it's been set up as an on-the-record  
23 presentation, I expect the Commissioners to ask questions of  
24 counsel; however, if a particular question cannot be  
25 answered by counsel, at that time you may say so and if you

1 have a witness that you want to bring up, we will swear the  
2 witness in and let the witness answer the questions.

3 Okay. At the end of all the questions from  
4 the Bench, I will give the parties an opportunity to make  
5 closing statements if you wish. And I do not anticipate the  
6 need for briefs; however, based on questions from the Bench,  
7 that may be necessary and we'll discuss that at the end of  
8 today's on-the-record presentation.

9 The transcript has been expedited and I  
10 believe it will be submitted tomorrow, but we'll verify that  
11 at the end of the hearing. It may depend on how long  
12 today's hearing goes.

13 Are there any other preliminary matters that  
14 need to be addressed?

15 Okay. Seeing none, I am going to go off the  
16 record for two minutes so I can verify whether the other  
17 Commissioners are coming down at this time and then we'll  
18 start with opening statements. If you could stay in the  
19 room, I'd appreciate it.

20 (Off the record.)

21 JUDGE RUTH: Okay. We are back on the record  
22 after a brief break. We are ready for opening statements at  
23 this time. Mr. England, would you please begin and move up  
24 to the podium? Thanks.

25 MR. ENGLAND: Yes, I will. Thank you. Good

1 morning. I'm Trip England. I'm here representing  
2 approximately 30 of the applicants who have requested  
3 suspension and modification of the Telecommunications Act's,  
4 apostrophe "s" obligations to implement local number  
5 portability.

6 The 1996 Act requires all local exchange  
7 companies and then incumbent local exchange companies to  
8 undertake certain obligations. Briefly, Section 251 B,  
9 which applies to all local exchange carriers, which would  
10 include all of the applicants here, requires them to  
11 implement resale, number portability, dialing parity, access  
12 to rights of way and render reciprocal compensation  
13 arrangements for the exchange of local traffic.

14 Section 251 C, which applies only to incumbent  
15 local exchange carriers, which again would apply to all of  
16 the 30 companies we represent, imposes additional  
17 obligations such as the duty to negotiate interconnection  
18 agreements, the obligation to interconnect itself, unbundled  
19 access, resale and collocation.

20 The important thing I'd like to impress upon  
21 the Commission is that the act recognizes a very significant  
22 distinction between large urban LECs and ILECs and rural  
23 ILECs. And that's embodied in Section 251 F regarding  
24 exemptions as well as suspensions and modifications.

25 First, for rural ILECs, which would include

1 all of the 30 companies that we represent, there is an  
2 automatic exemption from all of the requirements of 251 B.  
3 In fact, if someone wants -- or excuse me, C. If someone  
4 wants to interconnect with a small rural LEC, they must come  
5 to the state commission first to have that exemption  
6 removed.

7                   Next, there is permissive suspension and  
8 modifications or modifications that can be requested and  
9 granted by state utility commissions with respect to the  
10 obligations of 251 B. And that seems to be the focus here  
11 today.

12                   State commissions such as yourself can suspend  
13 and/or modify the Act's requirements, in this case  
14 specifically with respect to local number portability, if  
15 there is a significant adverse impact on end-users or it is  
16 unduly economically burdensome or technically infeasible and  
17 then it must be in the public interest.

18                   The point I'm trying to make here is that, in  
19 essence, the Telecommunications Act have given state utility  
20 commissions such as yourself, in essence, the authority to  
21 preempt the act and preempt the rules that are promulgated  
22 by the FCC implementing that act. You hold the trump card,  
23 in other words, with respect to rural ILECs.

24                   With respect specifically to local number  
25 portability, even the FCC recognized a distinction between

1 large LECs on the one hand and rural LECs on the other hand.  
2 They did not require rural LECs to willy-nilly implement  
3 local number portability.

4 The FCC required rural LECs to only implement  
5 local number portability upon the receipt of a bona fide  
6 request. Then rural LECs were given anywhere from 60 to 180  
7 days to implement local number portability depending upon  
8 their -- the efforts that they needed to undertake to do so.  
9 Sixty days if it was simply software upgrades, 180 days if  
10 it were hardware or switch replacement type upgrades.

11 I guess the point I'm trying to make, and in  
12 summary, is that even though the Act was passed in 1996,  
13 there was no automatic requirement on small LECs to  
14 implement LNP. They must receive a bona fide request to do  
15 so.

16 And then once they receive that bona fide  
17 request, they still have the ability under the Act to come  
18 to you and request suspension and modification if they can  
19 meet the criteria that's enumerated in the Act.

20 And two significant events occurred in 2003  
21 that triggered that activity. First, the small ILECs in  
22 Missouri began receiving requests from wireless carriers to  
23 implement local number portability. And then, more  
24 importantly, on November 10th, 2003, the FCC dramatically  
25 changed the rules regarding implementation of local number

1 portability as it applied to wireless and wireline carriers  
2 or what has sometimes been referred to as intermodal  
3 porting.

4 After that order in November, companies began  
5 to assess their ability to implement local number  
6 portability, and as they did so, began to identify specific  
7 costs, whether it required hardware upgrades, software  
8 upgrades, there are ongoing costs such as database  
9 administration and things of that nature.

10 And what we have here in this case is  
11 30 requests for suspension and modification, but sort of a  
12 general distinction, if you will, between those requests.  
13 Approximately -- excuse me a second -- 19 of the 30 requests  
14 that our office filed have requested suspension and  
15 modification. The other 11 have simply requested what we  
16 call modification.

17 And if I may, your Honor, I want to distribute  
18 a summary of those filings that kind of identifies the  
19 companies and those requesting suspension and modification  
20 versus those requesting modification.

21 JUDGE RUTH: Do you have copies for the other  
22 counsel too?

23 MR. ENGLAND: Yes, I do.

24 JUDGE RUTH: Please.

25 Mr. England, are you planning on just



1 referring to this or do you want it marked for  
2 identification purposes?

3 MR. ENGLAND: I suspect there may be some  
4 questions from the Bench with regard to perhaps individual  
5 or groups of requests. I really wasn't planning on going  
6 into it in much more detail other than to briefly explain  
7 the format. And so I guess if we could mark it as an  
8 exhibit, that would be helpful.

9 JUDGE RUTH: We'll mark it as Exhibit 1 for  
10 identification purposes only.

11 (Exhibit No. 1 was marked for identification.)

12 MR. ENGLAND: Exhibit 1 essentially shows in  
13 alphabetical order those companies that our office was  
14 responsible for filing request for suspension and  
15 modification.

16 And as you can see, it's an alphabetical list,  
17 then we have the respective case numbers in the next column,  
18 the date filed. Perhaps the more important thing that I  
19 want to focus on is the third or fourth column, the one  
20 entitled Request for Suspension/Modification. Those that  
21 have S/M mean suspension and modification. Those that have  
22 M mean modification only.

23 The rest of the information is really more our  
24 own internal office information as to the status of the case  
25 and where things are. As I said, I'd be happy to answer any

1 more questions about that if you have any, but I thought  
2 that might be helpful to at least identify those companies  
3 that are requesting suspension and modification and those  
4 that are requesting suspension.

5                   If I can, let me focus on the group of  
6 companies filing for suspension and modification.  
7 Essentially when I say suspension and modification, we're  
8 asking that the Commission suspend the deadline, which is  
9 currently May 24th, for implementing local number  
10 portability.

11                   And the basis for that, generally speaking,  
12 for those companies, is the cost associated with that. Each  
13 of the companies that has requested suspension and  
14 modification has identified their own individual costs, both  
15 one-time, non-recurring capital investment type costs as  
16 well as recurring costs to determine what the per  
17 subscriber, per month cost would be.

18                   Based upon that, they individually made a  
19 determination whether they thought that that cost was  
20 worthwhile, if you will, given the fact that, to my  
21 knowledge, none of the 30 companies have received a request  
22 from any end-user to implement wireline to wireless  
23 portability.

24                   And what you will find then is that 19 of the  
25 companies felt that the costs associated with implementing

1 LNP as expressed on a per subscriber, per month charge  
2 outweighed the benefits of implementing LNP.

3 Now, are we the final arbiter of that  
4 decision? Absolutely not. That's why we've teed it up with  
5 you all. And to give you an idea of the differences of  
6 opinion, if you will, on this, Staff has issued a number of  
7 recommendations regarding these requests, some of which they  
8 support because the cost I believe -- and I'll let Staff  
9 address it themselves, but I believe they believe  
10 the cost is sufficient enough that it may overwhelm the  
11 benefit of implementing LNP.

12 In other cases, the cost, while positive, is  
13 nevertheless not so significant that they think  
14 implementation of LNP and the benefits that might accrue  
15 therefrom would justify the cost. And I have a proprietary  
16 exhibit that was actually prepared by Staff of 13 of those  
17 requests showing the per line charge. And if I may, I'll  
18 distribute that as well, your Honor.

19 JUDGE RUTH: Yes. I'll leave it to you to  
20 just hand it out to counsel and, of course, the court  
21 reporter. This exhibit will be marked as Exhibit 2 HC.

22 MR. ENGLAND: Actually, I believe it's only  
23 proprietary.

24 JUDGE RUTH: Sorry. Correct that.

25 (Exhibit No. 2-P was marked for

1 identification.)

2 JUDGE RUTH: You may proceed.

3 MR. ENGLAND: Without getting into names or  
4 specific amounts, I believe the demarcation point for  
5 Staff -- and, again, I'll let them speak for themselves, but  
6 I believe it was around \$1.50 per subscriber, per month.

7 In other words, if the costs were more than  
8 \$1.50 per subscriber, per month, Staff thought that the cost  
9 of implementing LNP would outweigh the benefits.  
10 Conversely, if the costs were less than \$1.50 per month, per  
11 subscriber, the benefits outweighed the cost. So that was  
12 the demarcation point.

13 But, as I said, you all are going to be the  
14 final arbiter. And a number of the companies that have  
15 requested suspension and modification want you to tell them  
16 that. They feel very strongly -- one company even I believe  
17 is as low as in the 10 to 15 cent per subscriber, per month  
18 range still believes that that cost outcedes the benefit of  
19 implementing LNP. But obviously if you believe otherwise,  
20 you're the final arbiter on that and we'll abide by your  
21 decision.

22 The request for modification, which would  
23 include all 30 by the way, but in some instances --  
24 approximately 11 companies who are going to go ahead and  
25 implement LNP have simply asked for modification. That

1 seeks something different. That says, okay, look, we'll  
2 either agree to implement local number portability or you've  
3 told us to implement local number portability if you think  
4 the costs do not exceed the benefits, but we do not believe  
5 we should have to port the number and the associated call  
6 beyond our local serving area.

7           Now, keep in mind when you port a number,  
8 you're not just porting a number. You're porting a call, a  
9 call that could last anywhere from a minute to many minutes.  
10 In all but one circumstance that I'm aware of with these  
11 30 companies, the wireless carriers who have requested local  
12 number portability have no local presence within the  
13 exchanges of these companies.

14           In other words, there is no facilities there  
15 for these companies to port the number to or to port the  
16 ported call to. So we have a little bit of a dilemma there.  
17 We have a bit of a technical infeasibility because we do not  
18 have the facilities or the business relationships with  
19 intermediate carriers to deliver that ported number and call  
20 to the requesting wireless carrier.

21           And we have -- and if it becomes our  
22 responsibility to do so, we have additional and unknown  
23 costs associated with transporting that call. And the FCC  
24 recognized this issue, they recognize -- I think they called  
25 it a rating and routing issue. They recognized this in

1 their November 10th order, but in my opinion, just blew it  
2 off and said, We'll deal with it later.

3 And they are engaging in a subsequent  
4 proceeding, perhaps rule-making, to address the very real  
5 and very substantial problems associated with porting  
6 numbers outside the local exchange area.

7 All 30 of the companies here are asking you to  
8 suspend -- or excuse me, modify any apparent requirement  
9 that they port a number outside of their local serving area  
10 at the very least until the FCC decides the issue and  
11 figures it out and sets some guidelines.

12 Of interest is the fact that the FCC has not  
13 required wireless carriers to do the reciprocal porting, if  
14 you will. In other words, where a wireless number is not  
15 resident in the local exchange serving area of the local  
16 rural company in this case, the wireless carrier does not  
17 have to port that number to us.

18 In summary, we believe that these requests are  
19 justified. They are certainly allowed pursuant to the Act  
20 and we think it is appropriate for you all to grant them  
21 given the information that is contained in each of the  
22 verified applications.

23 And I think at some point the Commission was  
24 hesitant or to some degree worried about their legal  
25 authority to do anything in this regard. I think that

1 hesitancy and worriness -- worrisome, if you will, should be  
2 allayed by the fact that the Act specifically allows you to  
3 do.

4           And my final exhibit will show you that you're  
5 not alone in this process, that many other states are  
6 grappling with this issue. New Star, an independent third  
7 party that provides certain functions for various telephone  
8 companies including, I believe, database administration for  
9 local number portability, has undertaken an effort to  
10 summarize on a state-by-state basis, the various  
11 applications for suspension and modification that have been  
12 filed since the Commission -- Federal Communication  
13 Commission's November 10th, 2003 order.

14           And I believe we've obtained that through  
15 their website. It's a multi-page document. And with the  
16 Commission's permission, I would mark that as Exhibit 3, not  
17 so much to show you what other commissions have done  
18 necessarily, because I believe in the final analysis, the  
19 decision here is your own based on the facts before you, but  
20 to show you that this is, in fact, a very common exercise or  
21 request right now given the FCC's November 10th, 2003 order  
22 regarding intermodal portability.

23           JUDGE RUTH: Okay. We'll mark for  
24 identification purposes this document as Exhibit 3.

25           (Exhibit No. 3 was marked for identification.)

1                   MR. ENGLAND: Thank you, your Honor. That  
2 concludes my presentation.

3                   JUDGE RUTH: Could you stay at the podium a  
4 minute?

5                   MR. ENGLAND: Certainly.

6                   JUDGE RUTH: I think Commissioner Gaw has a  
7 question.

8                   CHAIR GAW: Mr. England, on the one exhibit  
9 that you have, it's --

10                  JUDGE RUTH: Number two.

11                  CHAIR GAW: Is it No. 2? I'm sure this is  
12 probably something that everyone else understands, but tell  
13 me what MRC stands for there.

14                  MR. ENGLAND: Okay. I believe that's monthly  
15 recurring charge. Remember when I mentioned that there  
16 would be one-time costs --

17                  CHAIR GAW: Yes.

18                  MR. ENGLAND: -- investment costs and then  
19 there would be ongoing monthly recurring charges associated  
20 with implementation. And I believe that MRC column or the  
21 monthly recurring charges when added with the five-year  
22 amortization of the implementation costs earlier in the  
23 column I think gives you your total charge that under the  
24 FCC guidelines we would be able to file as a surcharge with  
25 the FCC through NECA, I believe.



1                   CHAIR GAW: Okay. And R1 -- under Current R1  
2 Basic Local stands for --  
3                   MR. ENGLAND: That would be the basic local  
4 residential --  
5                   CHAIR GAW: Residential.  
6                   MR. ENGLAND: -- one-party access line rate  
7 approved by you all or in our tariffs on file with you all.  
8 As I said, Staff prepared this and I think I can answer  
9 those questions, but if I'm misstating something, I'd  
10 certainly defer to their explanation.  
11                   CHAIR GAW: That's okay. That clarifies that  
12 for now.  
13                   Thank you, Judge.  
14                   JUDGE RUTH: Okay. You may step down.  
15 Thanks.  
16                   MR. ENGLAND: Thank you.  
17                   JUDGE RUTH: Okay. We'll hear from counsel  
18 for Alma, etc. group.  
19                   MS. CHASE: Thank you, your Honor. I don't  
20 want to repeat everything that Mr. England has just voiced  
21 to all of you. I do concur in his opening statement.  
22                   The FCC order of November 2003 did put forth  
23 new requirements on the small companies that -- LNP  
24 requirements that were not previously anticipated. And as  
25 he indicated, the rural companies had not previously been

1 required to provide LNP until they'd received a bona fide  
2 request.

3                   So many of our companies had not previously  
4 equipped their system for LNP because it had not been  
5 requested. In fact, none of them have had customers come to  
6 them and ask for their numbers to be ported to another  
7 company.

8                   The Staff has prepared a similar exhibit for  
9 our companies. I'm afraid I don't have it with me at this  
10 time, but I can explain what type of relief our companies  
11 have been seeking.

12                   We have two companies that are -- or three  
13 companies that are presently seeking suspension and  
14 modification and those are Alma, Mid-Missouri and Northeast.  
15 And then we have four companies that are seeking  
16 modification only, and those are MoKan, Choctaw, Chariton  
17 Valley Telephone and Chariton Valley Telecom. Chariton  
18 Valley Telecom is the only competitive local exchange  
19 company that has been -- that we have that has sought  
20 modification of their LNP requirements.

21                   The regulatory -- the FCC order, as  
22 Mr. England pointed out, now requires rural companies to  
23 port their numbers to carriers that are outside of their  
24 rate centers. And none of the -- no wireless carriers  
25 presently have a point of presence in any of our client's

1 rate centers at this time so to get a call to those  
2 customers, they have no facilities on which to do that and  
3 they have no underlying agreements with third-party carriers  
4 on which to do that as well.

5 The obligation for -- the FCC has explained  
6 that there are rating and routing issues, but has not  
7 clarified what those -- how those issues are to be resolved  
8 between carriers. And that is a big issue for our companies  
9 that we've come to the Commission to seek some guidance and  
10 resolution on that until the FCC -- that's what our  
11 modification request is for. Until the FCC actually sets  
12 forth some guidance at the federal level.

13 As Mr. England indicated, we believe that this  
14 Commission does have jurisdiction based on the 1996 Act  
15 under 251 F2 to grant the suspensions and modifications  
16 requested.

17 And if you have any questions, I'll be happy  
18 to respond.

19 JUDGE RUTH: Not at this time, thank you.

20 Staff? Would you please be sure and adjust  
21 the mike so it picks you up?

22 MR. MEYER: Certainly.

23 JUDGE RUTH: Is it not staying adjusted?

24 MR. MEYER: Kind of. How's that?

25 JUDGE RUTH: Great. Thank you.

1                   MR. MEYER: Good morning. As the Commission  
2 is certainly aware, all of these cases that are before us  
3 this morning contain requests pertaining to the FCC mandate  
4 that local exchange carriers provide local number  
5 portability on a wireline to wireless basis in situations  
6 where they're requesting wireless carriers' coverage area  
7 overlays the geographic location of the rate center in which  
8 the customer's wireline number is provisioned providing that  
9 the porting carrier maintains the number's original rate  
10 center designation following the port.

11                   That mandate directing wireless -- wireline to  
12 wireless portability that came down in November has given  
13 rise to these petitions. Staff has prepared a synopsis of  
14 cases, not unlike Mr. England's, that will show a slightly  
15 more -- slightly more of a breakdown, which I would like to  
16 pass out now.

17                   JUDGE RUTH: Okay. I'd like that marked for  
18 identification purposes as Exhibit 4.

19                   (Exhibit No. 4 was marked for identification.)

20                   MR. MEYER: The first two groups on Staff's  
21 information that I just passed out roughly correspond to the  
22 suspension and modification requests on Mr. England's sheet.  
23 The third group referenced on our sheet is modification for  
24 rating and routing is roughly the equivalent of the  
25 company's listed under M under the request for suspension

1 and modification on Mr. England's sheet.

2                   Staff's first group are not LNP ready and have  
3 requested a two-year suspension of the wireless porting  
4 obligations. These petitions are supported by cost recovery  
5 information proprietary to each case but which has been, at  
6 least for Mr. England's group, provided in the synopsis that  
7 he's provided and as both companies have noted, Staff has  
8 something similar to that for Mr. Johnson and Ms. Chase's  
9 companies, which we can also certainly provide the  
10 Commission.

11                   Staff has reviewed those petitions and  
12 developed a breakpoint. Recovery costs above that  
13 breakpoint Staff has agreed with the Petitioners are high  
14 enough to justify suspending the LNP obligations. Costs  
15 below that breakpoint do not justify suspending those  
16 obligations, but nevertheless, Staff still recommends a  
17 suspension of six months to enable those companies to  
18 prepare for LNP.

19                   Natelle Dietrich, an economist with the  
20 telecommunications department, participated in the  
21 development of that breakpoint and the overall analysis and  
22 is here today and available to testify or respond to  
23 questions about Staff's methodology.

24                   The recovery costs, it's worthy to note, stem  
25 from the need of the small rural telecommunications

1 companies to upgrade existing systems to facilitate LNP and  
2 those upgrades are being performed only for that purpose.

3 The companies are entitled to recover their  
4 costs over five years on a levelized monthly basis by FCC  
5 order and by FCC rule. The upgrading costs will be incurred  
6 immediately making a switch LNP capable. Additional costs  
7 for database queries come into play as soon as but not  
8 before the first porting request comes in.

9 Those costs are reflected in Staff's  
10 attachments to Staff's recommendations that have been filed  
11 in that subset of cases and will be imposed on all customers  
12 of the small telephone company.

13 The second group is also not LNP ready.  
14 That's listed a Issue, dash, Switch Replacement on our  
15 exhibit. They've also requested a two-year suspension of  
16 their wireless porting obligations just as the first group  
17 as, but that group's petitions are supported by allegations  
18 that due to technical limitations, it's simply cost  
19 prohibitive to perform switch upgrades to implement LNP  
20 when the switches are going to be replaced in the next  
21 couple of years anyway.

22 Thus, by upgrading existing switches and then  
23 replacing the existing switches, the companies would face  
24 double costs. And -- and to perform those replacements,  
25 Petitioners state they need additional time. Staff

1 recommends that those suspensions be granted and they are,  
2 in fact, justified.

3                   Finally, the third group is actually LNP  
4 ready, but has requested clarifications of the LNP  
5 methodology as it relates to call rating and routing as  
6 Mr. England discussed. That group has not sought suspension  
7 of the LNP time frame other than as an alternative request  
8 if the Commission does not grant relief before a date --  
9 before May 24th, which is, of course, the LNP implementation  
10 date. The date requested varies from petition to petition.

11                   Staff's provided a description of these rating  
12 and routing problems in its recommendation and also tried to  
13 graphically illustrate those problems, which Staff  
14 acknowledges and agrees with in the attachments to its  
15 Staff's recommendations filed in all the cases because that  
16 issue is common to all cases.

17                   The relief requested in the third group has  
18 actually been requested by all of these companies. And  
19 Staff has provided a consistent recommendation for all these  
20 requests that the Commission authorize the blocking of calls  
21 to ported numbers where no facilities or arrangements have  
22 been established and also to direct local exchange companies  
23 to establish intercept messages so that customers placing  
24 calls can be aware of any rating and routing issues that may  
25 arise.

1                   The Staff believes its recommendations have  
2                   been consistent with federal guidelines, policy and are  
3                   appropriate solutions to genuine problems. I'll be  
4                   available for any questions.

5                   JUDGE RUTH: Okay. Thank you. I think the  
6                   Commission's going to hold its questions for later. Thanks.

7                   And we have an intervenor, Western Wireless.

8                   MR. STEINMEIER: Thank you, your Honor. Good  
9                   morning. Members of the Commission. Western Wireless is an  
10                  Intervenor in three of these cases. Skipping the TO-2004  
11                  part, they are 0401, KLM; 0504, Cass County; and 0505,  
12                  Craw-Kan.

13                  And Western Wireless strongly opposes the  
14                  suspension or modification of the legal requirement that  
15                  those companies provide local number portability beginning  
16                  May 24. We would point out that there are some different  
17                  issues identified in these three petitions.

18                  KLM is requesting a suspension to facilitate  
19                  replacement of obsolete MITEL switches. KLM, Cass County  
20                  and Craw-Kan are all requesting modifications to the FCC LNP  
21                  rules to avoid routing local calls to terminating carriers.

22                  I think it is important to observe here that  
23                  the local exchange companies have been on notice since the  
24                  Telecommunications Act of 1996 that they must provide local  
25                  number portability as required in Section 251 B of the Act.



1 The companies have had eight years to prepare for LNP and to  
2 identify and solve any technical constraints that would need  
3 to be addressed in order to provide LNP.

4 It is the position of Western Wireless that  
5 the Petitioners have provided no factual evidence in this  
6 case upon which the Commission could base a suspension or  
7 modification of the May 24 LNP cutoff. In fact, the parties  
8 seeking suspension have the burden of proof here. They  
9 should have to prove their claims.

10 And the burden for obtaining a suspension of  
11 or modifications to the FCC rules is a very high burden  
12 under Section 251 F2 of the Act. If I may read to you from  
13 this language, it's one of those things that you see  
14 repeated sufficiently often in Staff recommendations and  
15 other documents filed in the case that you stop reading it  
16 closely after a while, in my experience, and I encourage you  
17 to step back and take another read of this language in 251  
18 F2 of the 1996 Act.

19 It permits the state commissions to suspend a  
20 carrier's LNP obligation only to the extent that and for  
21 such duration as the state commission determines that such  
22 suspension or modification is necessary to avoid significant  
23 adverse impact on users of telecommunications services  
24 generally.

25 Not on a provider, but significant adverse

1 impact on users of telecommunications services generally is  
2 necessary to avoid imposing a requirement that is unduly  
3 economically burdensome or is necessary to avoid imposing a  
4 requirement that is technically infeasible and is consistent  
5 with the public interest convenience and necessity.

6           Petitioners have not met this burden.  
7 Petitioners have not proven a significant adverse impact on  
8 users of telecommunications services generally nor that the  
9 requirement is unduly economically burdensome. They have  
10 not shown technical infeasibility nor that suspension or  
11 modification is consistent with the public interest,  
12 convenience and necessity. Petitioners simply have not met  
13 their burden of proof based on what has been submitted in  
14 these cases thus far.

15           The rating and routing issues raised by the  
16 ILECs are red herrings. Those costs are not significant and  
17 routing is not difficult. It is no different than how  
18 wireless traffic is routed to these carriers today. There  
19 is nothing burdensome about a reciprocal routing  
20 requirement.

21           Western Wireless has a witness available here  
22 today, Mr. Ron Williams, who is director of intercarrier  
23 relations and is an expert in routing who would be pleased  
24 to share his expertise with the Commission this morning or  
25 at any other appropriate time.

1                   The costs of routing related to LNP are small  
2 and the ILECs have not shown otherwise. In fact, wireless  
3 carriers use this routing method because it is the most  
4 efficient means of exchanging relatively low volumes of  
5 traffic.

6                   In the modifications requested in these cases,  
7 the call blocking and so forth, would violate FCC rules.  
8 47 USC 153 30 defines local number portability as, quote,  
9 The ability of users of telecommunications services to  
10 retain at the same location existing telecommunication --  
11 telecommunications numbers without impairment of quality,  
12 reliability or convenience when switching from one  
13 telecommunications carrier to another. These modifications  
14 would impair quality, reliability and convenience.

15                   Only KLM suggests that LNP would be  
16 technically infeasible among the three cases in which we  
17 have intervened. I would observe that, again, FCC rule at  
18 CFR Section 52.23 B2 IV provides that if a switch needs to  
19 be replaced in order to provide LNP, the maximum suspension  
20 allowed should be 180 days, not two years, as requested and  
21 recommended here.

22                   Having said that, Western Wireless would also  
23 state this morning that we would not oppose a six-month  
24 suspension for KLM's switch replacement.

25                   In closing, we applaud the Commission for

1 taking an active interest in these cases and for setting  
2 this on-the-record presentation and we encourage the  
3 Commission to make the Petitioners meet their burden of  
4 proof.

5 The pro-competitive policies of the state of  
6 Missouri should not be allowed to be high jacked by a few  
7 companies who are simply not willing to change. Rather than  
8 accept Staff's recommendations and issue a summary judgment  
9 on these matters, we encourage the Commission to take the  
10 time to develop a legal and factual record to judge the  
11 merits of each petition.

12 Failing that and based on the record before  
13 the Commission at this point, the Commission should deny the  
14 petitions since KLM, Cass County and Craw-Kan have failed to  
15 meet their burden of proof for grant of suspension or  
16 modification.

17 Thank you very much. And, again, Mr. Williams  
18 is available to answer any questions the Commission may  
19 have.

20 JUDGE RUTH: Thank you. We'll move then to  
21 questions from the Bench and we'll start with the Chairman.

22 CHAIR GAW: Thank you, Judge.

23 Let me start by asking this question. Do the  
24 parties believe that it is possible for this Commission to  
25 permanently suspend or to basically exempt a carrier from

1 responsibility of LNP under the federal law? And I don't  
2 know who looks the most anxious to answer that question.

3 MR. STEINMEIER: Absolutely not. In our view,  
4 absolutely not.

5 CHAIR GAW: I assumed that was the case there.  
6 I want to know if that -- if everyone else agrees with that;  
7 and if not, why?

8 MR. ENGLAND: We don't agree, but that may be  
9 a moot point because I think the most that any of the  
10 carriers have asked for that we represent is two years. So  
11 we're not seeking a permanent suspension.

12 CHAIR GAW: I still would like -- even though  
13 that may be a moot point because --

14 MR. ENGLAND: Sure. And that wouldn't  
15 preclude us from re-applying at the end of two years, so let  
16 me --

17 CHAIR GAW: That's what I figured.

18 MR. ENGLAND: -- let me address that. 251 F2  
19 talks about your ability -- or I guess our ability to  
20 petition a state commission for suspension and modification.  
21 And it says the commission shall grant such petition to the  
22 extent that if and for such duration as the state commission  
23 determines such suspension and modification is necessary,  
24 and then it recites the criteria that you've heard here  
25 several times.

1                   So it specifically says to the extent and for  
2 such duration. I think if you determine that the costs are  
3 so high to outweigh the benefits of LNP, that you could  
4 impose or grant a suspension for an indeterminate period of  
5 time or at least review it every so often to see if those  
6 costs versus benefits still exist into the future.

7                   CHAIR GAW: Help me to understand something  
8 here, Mr. England. I'm struggling a little with this  
9 concept of how much of the argument that's being made and  
10 the request for relief that's being made. It seems to me  
11 that the -- and maybe I'm just misunderstanding. That  
12 wouldn't be surprising. But the request for relief that I'm  
13 hearing is based -- is based upon an argument about costs in  
14 part.

15                   MR. ENGLAND: Insofar as --

16                   CHAIR GAW: And to me that's an argument about  
17 whether you should or shouldn't do it at all. And I'm  
18 trying to understand how those two pieces fit together or if  
19 we're really talking about something akin to, well, we're  
20 going to request a suspension now for some period of time  
21 and at the end of it some of our carriers are going to  
22 request more time after that.

23                   Are we talking about the cost of implementing  
24 local number portability here at any time or is this some  
25 sort of a problem that exists because you can't get it done

1 in a short period of time without incurring more costs than  
2 it would cost you if you waited for some additional months?

3 MR. ENGLAND: I thought I understood your  
4 question up until the very end. Let me try it this way.

5 CHAIR GAW: Go ahead. I'll ask a better  
6 question.

7 MR. ENGLAND: To the extent we've requested  
8 suspension as opposed to what I call modification of the  
9 requirements, that suspension is primarily, if not  
10 exclusively, based on our belief that the costs associated  
11 with implementing outweigh the benefits.

12 CHAIR GAW: So --

13 MR. ENGLAND: As I said, as we move forward in  
14 time and some of these companies actually replace switches  
15 for other reasons besides upgrading to LNP capability, the  
16 incremental cost of implementing LNP with new switches may  
17 be significantly less than it is today and -- and tilt the  
18 balance, if you will, away from cost to benefit.

19 CHAIR GAW: Well, if you were -- if you were  
20 in a full-blown hearing today, would you be expecting to  
21 present evidence of particular carriers that they intended  
22 within a span of so much time to replace those switches, or  
23 are you just telling me that it may occur and we can -- we  
24 have to wait and see?

25 MR. ENGLAND: I think I would in some cases

1 but not all. For example, looking at Exhibit 2 and the  
2 switch type, which I think is the third column, I would  
3 expect those folks -- and this is just based on discussions  
4 that I've had with them and within the industry -- companies  
5 with MITEL and Seaman switches are having some real  
6 reservations about whether there's going to be support for  
7 those switches in the future and whether they're going to be  
8 able to meet future demands and types of services necessary  
9 to continue to provide high-quality telephone service.

10 So if they've got -- if you see a MITEL or  
11 Seaman switch there, I expect they're looking at switch  
12 replacement. To the extent they've got a Nortel DMS-10, I  
13 don't believe that's the case unless there's something else  
14 driving it, whether it's exhaust or other reasons.

15 Again, then looking at Exhibit 4, the way  
16 Staff has grouped these companies, that middle group I think  
17 is a pretty good indication of the companies that are  
18 looking at switch replacement. In addition, just off the  
19 top of my head, I would add Farber Telephone Company,  
20 because it has a MITEL switch.

21 So I guess the answer to your question is  
22 yes -- yes and no. In some cases we would be looking for  
23 time to implement or install new switches. In other cases,  
24 switch doesn't need to be replaced, but the cost of  
25 upgrading it to LNP capability for only that functionality,



1 we've kind of tossed the ball back into your court. Do you  
2 want to be responsible for imposing that surcharge on the  
3 end-user customer when you weigh that against the benefits  
4 of rolling out LNP?

5 CHAIR GAW: Mr. England, it's not our  
6 responsibility. The FCC has made this order. And the  
7 question I have is on those -- on those requests, if we wait  
8 six months, two years or three years or four years, I don't  
9 know -- I don't know when we're talking about this not being  
10 some sort of a request for an exemption.

11 And I'm trying to understand that part of the  
12 argument because to me, I don't -- I don't see the pieces  
13 being put together to say, you know, we're not going to be  
14 ready until we replace this switch for other reasons, but  
15 it's likely to happen within this two-year period and,  
16 therefore, if you give us some more time, that transition  
17 will be easier for the customers and there is an end date.

18 But for those that don't have that in the  
19 picture here, I don't know when this end date is even -- and  
20 your request, it seems to me, is just a request for a  
21 suspension that's going to be followed with another request  
22 for an additional suspension when it -- when the first one  
23 nears its end.

24 MR. ENGLAND: That could very well be. And I  
25 can't predict the future. But I can see two things

1       happening that would impact the balance even for those  
2       companies that don't have to replace their switch.  There  
3       may be other updates that they make to their DSM-10 switch,  
4       for example.

5                       That may include LNP, but also other  
6       functionalities that they don't currently have, in which  
7       case the -- you know, the cost of LNP may be outweighed by  
8       the benefits of rolling out other functions.  So, I mean,  
9       there may be some other upgrades.  And these switch vendors  
10      do, particularly in Nortel, do updates for a price.

11                      The other thing that could impact that is that  
12      the demand for LNP becomes so large as to suggest that the  
13      benefit of having LNP is well worth this additional cost  
14      that's going to accrue from it.  So I think, as we heard the  
15      other day in the VOIP forum, I think LNP is still in a  
16      very -- particularly wireless to wireline or wireline to  
17      wireless, this intermodal porting is in a very nascent  
18      stage.

19                      I think there's very little demand even in the  
20      rural -- or excuse me, urban areas and absolutely none in  
21      the rural areas.  And I think, yeah, we probably will be  
22      reviewing this on some periodic basis, but for me to  
23      identify each and every circumstance when that -- that  
24      teeter-totter may tilt from cost outweighing benefit to  
25      benefit outweighing cost, I just can't tell you.  But I

1 suspect it will happen. And you certainly at some point can  
2 say, That's it, enough's enough, implement.

3 CHAIR GAW: Would you like to respond to that  
4 or you can add to that.

5 MR. JOHNSON: Yes, I think your question,  
6 Commissioner Gaw, was an excellent one. When we were  
7 framing these requests for modifications, to me that was one  
8 of the keys in asking for the relief, how long are we asking  
9 for this? Because if the demand never changes, it basically  
10 becomes an indefinite or permanent modification.

11 And I think in order to answer that, if I were  
12 you, I would put in a procedure for terminating the  
13 modification. And that procedure would require a wireless  
14 carrier that wants and can demonstrate sufficient demand for  
15 local number porting in a rural exchange to come in and show  
16 you that. At that point in time you can terminate the  
17 modification or make arrangements for it to be terminated.

18 And the reason I mention this is when I step  
19 back, I think the intent of local number porting or  
20 portability is to allow in this situation regarding  
21 intermodal porting a wireless carrier to go into a rural  
22 exchange and say, We're competing with you for local  
23 customers and we need to be able to offer them the same  
24 number they currently have in order to be an effective  
25 competitor there.

1                   So I think the motivation behind porting  
2                   envisions that the wireless carrier's going to compete with  
3                   the rural LEC for the local customer itself, which suggests  
4                   that the local customer is going to view the wireless  
5                   service as a substitute for his land-line service.

6                   And I don't know based on what I heard at the  
7                   VOIP forum if today as the customer's demands have been made  
8                   known, if they're really viewing wireless service as a  
9                   substitute for local service or rather as a compliment to  
10                  it.

11                  And I would emphasize that for the companies  
12                  that we represent, in the six months since we've had this  
13                  FCC intermodal porting order we have not had one customer  
14                  come to us and say, I want to take my number from you to a  
15                  wireless carrier.

16                  So when I look at this as a Commission -- if I  
17                  were a Commissioner, if I don't have anybody that wants it,  
18                  why would I make everyone pay for something that nobody  
19                  wants?

20                  And I think the key to that is if Western  
21                  Wireless or some other wireless carrier actually makes  
22                  arrangements to come to us to compete in our exchanges and  
23                  actually take customers away from us, if there's a  
24                  sufficient demand at that time, if they say, We've got 100  
25                  or 200 or 500 or 1,000 customers that want to switch, then

1 you've got in your hands the beginnings of the process or  
2 the demand that you need in order to create the process to  
3 terminate the modification.

4 But you are right, if we never have the  
5 demand, the numbers are never going to be different and this  
6 modification could end up being a permanent one.

7 CHAIR GAW: Can I get Staff or Western to  
8 respond or comment?

9 MR. MEYER: This may be somewhat of a minor  
10 and perhaps semantical point, but I don't believe that the  
11 Commission has the authority to grant a permanent exemption  
12 based on the language of 251 F, which talks about exemption  
13 applying to only subsection C of 251. And the local number  
14 portability concepts are under subsection B. The --

15 CHAIR GAW: Could you explain that a little  
16 bit for me?

17 MR. MEYER: Yes. Subsection B grants state  
18 commissions authority to grant suspensions and  
19 modifications.

20 CHAIR GAW: Okay.

21 MR. MEYER: Subsection 2 of that section, the  
22 one I'm talking about, the exemption concept only applies to  
23 areas other than local number portability. So, in effect,  
24 if the Commission were to grant an indefinite suspension, I  
25 would think that could be construed as an exemption and that

1 is something the Commission doesn't have the authority to  
2 do.

3 CHAIR GAW: Well, let me ask you this. Could  
4 we grant one for five years?

5 MR. MEYER: Where that line is, I'm not sure.

6 CHAIR GAW: You know where I'm headed?

7 MR. MEYER: Yes.

8 CHAIR GAW: I'm trying to understand if  
9 there's -- you know, is there a clear line here that we  
10 can't go beyond or is this --

11 MR. MEYER: Not having researched it, I don't  
12 know where that line is, but I feel fairly sure that it  
13 would be developed if commissions -- and I'm not sure we're  
14 not the only state in that position -- started granting  
15 exemptions longer than two years. And as I understand it,  
16 no commissions have granted any of that line. I think it  
17 would be something that would need to be constantly  
18 revisited.

19 MR. STEINMEIER: Mr. Chairman, a couple of  
20 things. Now, I don't believe you can permanently postpone  
21 implementation as a matter of law. How long can you  
22 postpone? Actually, FCC rules and the section I cited in my  
23 opening comments addresses that subject and they go into  
24 several different scenarios and suggest and provide for 30  
25 days, 60 days, 180 days -- 180 days being the longest if a

1 switch has to be replaced.

2 I would point out that the costs of  
3 implementing LNP are not going to go down by postponing it  
4 for one or two or three or four years unless a switch is  
5 being replaced for other reasons.

6 In terms of demand for the product and use of  
7 the product, it strikes me that an incumbent local exchange  
8 company is almost necessarily and understandably going to  
9 have a different perspective on that issue than an objective  
10 observer of competitive markets or even someone looking for  
11 the public interest.

12 Clearly they see -- and it's easy to see  
13 anybody switching their phone number from their system to a  
14 wireless phone as a threat to their business and a threat to  
15 their revenue base. But from a public perspective, it is an  
16 increase in competitive service options, it's an increase in  
17 customer flexibility.

18 There may be reasons people would want to  
19 carry a phone number that a certain body of people in their  
20 life knows through a wireless phone and yet replace it with  
21 a wireline at home with a new number.

22 Studies are indicating and predicting wireless  
23 substitution may range from 8 to 30 percent over the next 5  
24 to 10 years. One would expect logically those numbers to be  
25 lower in rural areas, the areas that are under discussion

1 here. Western predicts a 3 to 5 percent annual substitution  
2 in its areas.

3 And I would just ultimately go back to the  
4 first point, which is the legal point. No, we need to  
5 figure out how to get this done. As a matter of law, I  
6 think that's what needs to be done.

7 CHAIR GAW: Would you go back to the -- to  
8 your -- you were talking about the 180 day time line. Tell  
9 me where you're getting that, whether or not that's of  
10 significance to this decision that we're making and get  
11 responses from the other parties as well to this.

12 MR. STEINMEIER: That is from 47 Code of  
13 Federal Regulations, CFR, Section 52.23, paren, small b as  
14 in boy, closed paren, paren 2, closed paren, paren Roman  
15 numeral four, IV, closed paren.

16 And it provides that after the deadline for  
17 deployment of number portability, an LEC must deploy number  
18 portability in that MSA and additional switches upon request  
19 within the following time frames. And then it sets out  
20 30 days for remote switches supported by a host switch  
21 equipped for portability; 60 days if software changes are  
22 required but not hardware changes; 180 days for switches  
23 that require hardware changes to provide portability; 180 --  
24 within 180 days for switches not capable of portability that  
25 must be replaced.



1                   CHAIR GAW: Are you suggesting that the  
2 longest the Commission can suspend is 180 days or is this  
3 just something for us to reference as a matter of guidance?

4                   MR. STEINMEIER: My reading is that that is  
5 the FCC rule and that that is the maximum amount of time  
6 that you can suspend for the purpose sought, for example, by  
7 KLM in our case or companies who require a switch change in  
8 order to be able to provide LNP.

9                   CHAIR GAW: All right. Can I get a response  
10 from Mr. Johnson or Mr. England, whoever wants to go first?

11                  MR. ENGLAND: At best, your Honor, I would say  
12 that is guidance. As I said in my opening statement, we are  
13 automatically given those kinds of time frames by the FCC  
14 rules upon receipt of a bona fide request.

15                  If that were to be the limitation on a  
16 suspension and modification that state commissions are  
17 empowered to grant, then what's -- there's no reason for  
18 having a suspension and modification.

19                  CHAIR GAW: Have the companies already taken  
20 advantage of that particular provision in getting that  
21 waiver for that -- for the periods of time that are  
22 mentioned?

23                  MR. ENGLAND: I don't know taken advantage of  
24 it, but assuming -- we've always assumed we had that. And,  
25 for example, with respect to Mr. Steinmeier's client, two of

1 the three companies that they have opposed, to the best of  
2 our knowledge and a review of our records, we still have not  
3 received a bona fide request from them to implement number  
4 portability. Now, we have from one or other wireless  
5 carriers, but not from Western.

6 And I believe there are some -- some  
7 companies, not the three we're talking about with Western,  
8 that to this day have not received a BFR. And I would tell  
9 you or argue to you that depending on their capability, what  
10 they need to do, those guidelines that Mr. Steinmeier read  
11 to you would apply at the moment they received a BFR. And  
12 then I believe in addition to that, we have the ability  
13 under the Act to come to you to request suspension and  
14 modification beyond that.

15 CHAIR GAW: And I don't know how important  
16 this is, if at all, but if your theory is correct and if I  
17 follow you down through there, are there time lines then  
18 when -- if you were going under that particular regulation,  
19 that we could determine when that would expire without our  
20 intervention on time for a company?

21 I mean, is that something that if we ever  
22 looked at it, someone could provide us with the information  
23 saying this is the -- this is the longest period of  
24 suspension we can have for this company without you  
25 intervening?

1 MR. ENGLAND: We could --

2 CHAIR GAW: "We" meaning the Commission.

3 MR. ENGLAND: We could, I think generally

4 speaking. And I haven't gone back through each and every

5 application, but as I said, the majority of these companies

6 have received at least one request from a wireless company

7 to implement local number portability. So I would view our

8 automatic, if you will, time line running out on May 24th of

9 this year. Like I said, there may be a couple that haven't

10 gotten it and I don't know who they are.

11 CHAIR GAW: So you do believe that May 24th is

12 probably the date -- all of this other --

13 MR. ENGLAND: For this --

14 CHAIR GAW: -- stuff aside, that's probably

15 what we're dealing with?

16 MR. ENGLAND: For the vast majority of these

17 companies, yes, sir.

18 CHAIR GAW: Well, that gives me a background a

19 little better.

20 Tell me -- let me switch to another topic. On

21 the issue of what you do with these calls when you receive

22 them if somebody has ported their number to a wireless

23 carrier and they do not -- I'm assuming the issue is when

24 they do not have a local number.

25 In other words, if I'm in an exchange, I

1 can't -- I can't just dial the number without dialing the 1  
2 to get to it and there are costs -- somebody to transfer  
3 that call from your switch over to whatever that number is  
4 in whatever exchange that number is actually assigned to.  
5 Am I -- am I following this so far? I want to make sure I'm  
6 understanding --

7 MR. ENGLAND: I believe you are.

8 CHAIR GAW: -- what the problem is.

9 So normally in that case would that be a call  
10 that was transited over somebody's network to get -- tell me  
11 what the -- how that's going to work.

12 MR. ENGLAND: Perhaps it's best to take a  
13 specific example.

14 CHAIR GAW: That would be fine.

15 MR. ENGLAND: The easiest ones I can think of  
16 and we use is a lot is the Citizens Higginsville exchange  
17 which is approximately 40, 50 miles due east of Kansas City.

18 Citizens Telephone Company is a local exchange  
19 company providing service in Higginsville and Corder and  
20 Mayview, I believe. But that's the extent of their  
21 certificate, the extent of their offering of service. It's  
22 a local exchange offering.

23 I can't recall -- I think it may be Verizon  
24 Wireless that is one of the companies that has requested  
25 portability. We specifically asked Verizon Wireless --

1 first of all, we challenged -- before the November 10th  
2 order, we challenged them as to saying this really isn't  
3 portability that the Commission rules talk about. You have  
4 to have a presence in our local exchange.

5 The November 10th order says, well, at the  
6 very least you can't require interconnection and you  
7 don't -- you can't require local numbers, but they still  
8 haven't told us how to get that call to them.

9 In this case we could do one of several  
10 things. We could arrange for, as you said, a transit  
11 carrier, which we don't have today, which would take that  
12 ported number and the call from Higginsville to wherever  
13 within the LATA the wireless carrier tells us to bring it  
14 to.

15 CHAIR GAW: Who's supposed to pay for that?

16 MR. ENGLAND: Well, I suspect if you ask  
17 Western, they will tell you Citizens. Citizens will tell  
18 you not them.

19 Another way to do that -- because today --  
20 let's keep using Verizon Wireless as an example since they  
21 don't have a local presence in Higginsville. Today if a  
22 Citizens subscriber wants to call a Verizon Wireless  
23 customer, they do so by dialing 1-plus because that Verizon  
24 NPA NXX is a long distance call. It's not associated with  
25 the Higginsville wire center.

1                   So another way to port that number would be to  
2 say, okay, that number just got ported to Verizon Wireless,  
3 we have to carry it to Kansas City where their switch is,  
4 which is outside our local exchange area, that's a  
5 traditional long distance call. We will simply route that  
6 call, default that call, if you will, to the calling party's  
7 interexchange carrier of choice.

8                   So the person making the call would incur a  
9 toll call even though he's dialing a local number, that's  
10 the number that got ported, so that the interexchange  
11 carrier could take the call to Kansas City and drop it off  
12 at Verizon Wireless's switch. So that's another way to  
13 handle that, if you will.

14                   We don't think that's a very good way to do it  
15 because we think the subscriber who dials a local number  
16 thinks they're calling a local number.

17                   CHAIR GAW: Well, yes. I would think so too.

18                   MR. ENGLAND: And would all of a sudden get  
19 toll charges associated with that number. Our solution --

20                   CHAIR GAW: Who's going to bill them for that,  
21 by the way?

22                   MR. ENGLAND: Their long distance carrier who  
23 they have presubscribed to.

24                   CHAIR GAW: Do you think that we can -- do you  
25 think that the Commission can make a modification saying

1 that if they're not -- if they're not within that exchange,  
2 that you don't have to port the number?

3 MR. ENGLAND: Absolutely. Now, we've been  
4 very careful not to say they have to interconnect with us or  
5 establish local numbers. What they have to do is make  
6 arrangements through a transit carrier or lease the  
7 facilities or however they want to do it to pick up that  
8 ported call at our switch and haul it to wherever they want  
9 to switch it themselves.

10 CHAIR GAW: And then who pays for that? Who's  
11 paying for that cost as far as the end-use customer is  
12 concerned or the --

13 MR. ENGLAND: We would think the wireless  
14 carrier should pay for that. If you recall the conversation  
15 on Monday, this is very close --

16 CHAIR GAW: Yes, it is.

17 MR. ENGLAND: -- to the virtual NXX that you  
18 were told by some people is nothing more than FX. Well, I  
19 would agree it's FX. And if it were an FX service, the  
20 carrier that's located in Kansas City would have -- under  
21 today's tariffing provisions, would have to pay to get that  
22 local call in Higginsville to their Kansas City presence.

23 CHAIR GAW: Let me see if I can get Western to  
24 respond.

25 MR. STEINMEIER: Mr. Chairman, I would deeply

1 appreciate Mr. Williams being given an opportunity to answer  
2 your questions on this subject.

3 CHAIR GAW: Okay. That's okay.

4 JUDGE RUTH: Okay. Then we'll call  
5 Mr. Williams up to the stand, please. Mr. Williams, would  
6 you remind of your first name?

7 MR. WILLIAMS: Ron.

8 JUDGE RUTH: Thanks.

9 (Witness sworn.)

10 JUDGE RUTH: Okay. You may answer the  
11 question.

12 RON WILLIAMS testified as follows:

13 CHAIR GAW: Let me ask, first of all, where  
14 are you from and what do you do, sir?

15 MR. WILLIAMS: Okay. I'm an employee of  
16 Western Wireless. I am the director of intercarrier  
17 relations. In that capacity primarily two things. I deal  
18 with interconnection with all of the other carriers that we  
19 exchange traffic with; and more recently, the last year,  
20 I've been dealing with number portability implementation,  
21 both for Western and also with respect to these other  
22 carriers that we deal with.

23 CHAIR GAW: Okay. Go ahead, if you can, or  
24 I'll ask the questions again. But if you remember them, go  
25 ahead.



1                   MR. WILLIAMS: It might be helpful rather than  
2 take something in the abstract, I have a couple diagrams  
3 that might help explain this if --

4                   CHAIR GAW: That would be fine.

5                   MR. WILLIAMS: -- I could use those. They  
6 won't take well in the transcript, but I think for your  
7 understanding, they'll be helpful. I don't even know if  
8 they'll be big enough and if they're not, I can re-create  
9 them on the board. And I don't know if you can see this.

10                  CHAIR GAW: Not very well, but --

11                  MR. WILLIAMS: How about if I just re-create  
12 them then?

13                  CHAIR GAW: I don't know if you can get that  
14 board to work.

15                  MR. ENGLAND: It's electronic.

16                  THE WITNESS: It's an electronic board?

17                  CHAIR GAW: Yeah. We're having a course on  
18 using that, by the way, for counsel and Staff coming up some  
19 time soon. So hopefully we'll get use out of this thing.

20                  JUDGE RUTH: There might be some white board  
21 paper over here to my left, but I'm not sure. I can see the  
22 easel, but I can't tell if there's paper on it.

23                  THE WITNESS: It looks like it's been used up.  
24 Well,

25                  JUDGE RUTH: We're at a good breaking point.

1 CHAIR GAW: Why don't we do that and see --

2 JUDGE RUTH: We've been on the record  
3 90 minutes, so this is a good time to break for -- we'll  
4 make it 10 minutes. By the clock in the back it will be 10  
5 minutes after 10:00 and I'll see if we can find some more  
6 paper for that board.

7 (A recess was taken.)

8 JUDGE RUTH: We are back on the record then.  
9 We took a short break.

10 Before we left, you indicated that in order to  
11 answer your question -- it's Mr. Williams. Right?

12 MR. WILLIAMS: Right.

13 JUDGE RUTH: -- you wanted to use visual aide.  
14 So we have the board here. And if you can do your best  
15 maybe not to write at the very bottom of that page, you may  
16 proceed. Thank you.

17 MR. DANDINO: Your Honor, just for the moment,  
18 I'd like to enter my appearance in this case as Michael  
19 Dandino, Office of the Public Counsel, Post Office Box 2230,  
20 Jefferson City, Missouri 65102.

21 I apologize, your Honor. I was late and I  
22 have been in the room for about the last hour, but I still  
23 wanted to make an oral appearance on the record.

24 JUDGE RUTH: Yes, Mr. Dandino. I'm sorry. I  
25 saw you in the back of the room earlier and I didn't catch

1 your eye and tell you to come on up.

2 MR. DANDINO: That's fine. I wanted to listen  
3 to the proceedings here and participate and be available for  
4 the Commission questions.

5 JUDGE RUTH: Thank you.

6 You may proceed now, Mr. Williams.

7 MR. WILLIAMS: All right. I think the good  
8 news here is that I will leave these drawings, which will be  
9 much more easy to follow later on than my handwriting here  
10 on this flip chart, but I'll try to re-create them as we go.

11 And what I'm going to do is try and explain  
12 how routing happens today between a local call on a wireline  
13 to wireline basis and then two different propositions on how  
14 routing would occur if that number was ported. And one of  
15 those being the more difficult challenge, when a number is  
16 ported that has a rating point -- or routing point that is  
17 outside of the teleco's local calling area.

18 And I'll explain how those happen and the  
19 difference between a rate center and a rate center location  
20 and the routing methodology that needs to be used to deliver  
21 that local call.

22 So we'll start here with two telephone users.  
23 And they are served by the same LEC switch. And I'll just  
24 try and use lay terms here so that everybody hopefully can  
25 stay in sync. Right now when a local call is made -- and

1 these might be neighbors even, this caller dials a local  
2 number, seven-digit number, and it rings the phone over at  
3 this house. And that is handled exclusively by this LEC  
4 switch.

5 And we won't go into other hierarchies that it  
6 might be a host or remote relationship with the switches,  
7 but for all intents and purposes, the logic is right here,  
8 the call never leaves this local wire center and that's  
9 what's happening today.

10 There's a couple other components in the  
11 network today that are important. One of those is a tandem  
12 switch. And for our purposes here today, let's just say  
13 that that's an SBC tandem switch. And then the other thing  
14 that's going on in the world today is there's also a  
15 wireless switch. And contrary to Mr. England's  
16 characterization, there's also wireless facilities in the  
17 local calling area.

18 And what I'm going to do right now is going to  
19 create a local calling area. And we'll just call that a LEC  
20 rate center and a wireline center. And obviously there's  
21 many users within this area. The users -- if they're  
22 wireline users, they're connected to this switch, if they're  
23 wireless users, their signal goes to the cell site and then  
24 goes to the wireless switch.

25 Now, today when calls are exchanged between a

1 wireless user and this rate center and one of these  
2 land-line calls, here's what -- here's what will happen.  
3 The wireless call will be originated on this cell site, will  
4 go to the wireless carrier's switch. That wireless  
5 carrier's switch is connected to the LATA tandem and the  
6 wireless carrier, in our case Western Wireless, would hire  
7 SBC then to pick up that traffic here and deliver it here.

8           And we pay SBC a fee for that. The fee we pay  
9 them is right about three-tenths of a cent per minute,  
10 very -- and that's -- we pay for this function to take it  
11 from this switch to any other switch for any other carrier  
12 in the LATA, whether the carrier is a LEC or whether the  
13 carrier is another wireless carrier or another land-line  
14 carrier like a Sprint or Spectra or somebody else that might  
15 be operating in the LATA. Same price, we use the same  
16 interconnection for that. So that's what's happening in  
17 today's world.

18           Now, what happens -- what we're talking about  
19 here is number portability. And we're talking about the  
20 possibility of that going away (indicating) and that being  
21 replaced by, you know, a cell phone or a reasonable  
22 rendition thereof.

23           Now, then this is at the crux of the matter.  
24 What happens today -- or what would happen is one of two  
25 things, and this is equivalent to the -- to the description

1 that Trip was using relative to the Higginsville exchange, I  
2 believe.

3                   There are no -- there are no wireless  
4 interconnections with the teleco in the rate center. If  
5 there were a direct interconnection facility, then I don't  
6 think -- at least my understanding would be there would be  
7 no issue.

8                   What would happen in that case is the wireline  
9 company -- the wireline user here calls this number, which  
10 is now a wireless number, but this user wouldn't necessarily  
11 know that. Same seven or -- seven-digit dialing. The LEC  
12 would switch that call. With number portability there's  
13 another function that goes on, they go to look up in a  
14 database that is kind of a national database everybody uses  
15 where to route that call.

16                   They would get back a routing indicator and  
17 this switch would be programmed to understand that that  
18 routing indicator would have them put the traffic on this  
19 direct connection. And I don't think there's any dispute  
20 here about that function.

21                   But let's assume, as in most cases with the  
22 Petitioners here, that this connection does not exist. So  
23 then what happens? Well, the call generates here  
24 (indicating), it goes to this switch. This switch looks up  
25 and says, Where's the routing point for this call? The

1 routing point is designated here (indicating) outside the  
2 local calling area, but still designated here.

3 And this is -- this is consistent with the  
4 central office code administration guidelines when a carrier  
5 applies to be assigned a number range. They have to specify  
6 what the rating point is or the rate center, but they also  
7 have to specify what the routing point is, which could be  
8 here or it could be here (indicating).

9 And so the practice is in place today  
10 pre-number portability, not necessarily in Missouri that I'm  
11 aware of, but I know we have it in practice in three or four  
12 states that we're operating in. So separate rating and  
13 routing point is another kind of terminology that applies to  
14 this.

15 But what would happen under this scenario is  
16 the call would go here to this switch, it would do the look  
17 up and it would say the routing point is over here  
18 (indicating). Western Wireless would contend, and I think  
19 industry practice supports it, that that -- on a local call,  
20 it's the originating carrier's responsibility to deliver a  
21 local call to the terminating carrier. That's the practice  
22 that's been used in the industry for years and years, kind  
23 of a default level of expectation.

24 So we would say if the wireline caller is  
25 originating that call, it's their responsibility to deliver

1 it to the terminating local carrier. The way to do that  
2 would be to utilize a common interface trunk group, deliver  
3 it to SBC. And that delivery would probably -- or could  
4 probably take place at the meet-point between SBC and the  
5 LEC, and then hire SBC to deliver it to like Western's  
6 meet-point at the tandem switch.

7 It's my understanding that this LEC would have  
8 to make arrangements to do this, but they could do it for  
9 the same price that we deliver traffic in the opposite  
10 direction.

11 Now, that was a description of how the call  
12 would be treated if it was originated by the wireline  
13 customer.

14 If it was originated by the wireless customer,  
15 well, that customer would also dial seven digits to reach  
16 this subscriber or probably ten digits because we require in  
17 most areas our callers to call ten, but they are still local  
18 calls.

19 The wireless call then would go to the cell  
20 site, go to the switch and we would complete that call again  
21 by hiring SBC to deliver that call to the LEC switch and  
22 then it would terminate here (indicating).

23 So what we're talking about in this scenario  
24 where there is no direct exchange of traffic is really a  
25 reciprocal arrangement. If there is no direct connect, then



1 we -- this is the most efficient method to exchange traffic.

2                   And it's most efficient and, in fact, wireless  
3 uses it today because the cost of establishing separate  
4 trunk groups with each exchange is -- is inefficient for  
5 both the wireless carrier and for the LEC because there's  
6 just not enough traffic exchange between these carriers to  
7 justify the cost of establishing a T1, investing in a  
8 switchport here, investing in a switchport here (indicating)  
9 and then maintaining the monthly cost for that -- for that  
10 T1.

11                   In order for that to be justified, we don't  
12 usually look at that until we see traffic of 150,000 minutes  
13 a month, which frankly, we don't exchange with any of the  
14 Petitioners in this proceeding. And so for us, this is the  
15 most efficient method and I would think that the economic  
16 study for the LECs would produce a similar result. So  
17 that's -- it's a complex concept, but that would be our  
18 interpretation of how it should happen.

19                   The concern we have is this. If you've got  
20 this scenario where we started out with two neighbors, if  
21 you will, that are both on wireline service and if one of  
22 these neighbors switches service providers to wireless and  
23 if you allow this LEC to block those calls, first of all, I  
24 think you're in violation of this customer's expectations as  
25 to what a local call would be and also this customer's

1 expectations of how they would receive local calls, but I  
2 think that would fly right in the face of the FCC's rules  
3 around number portability where you should be able to change  
4 service providers without affecting how the service is  
5 priced in terms of calls to and from and how the service  
6 is -- how convenient the service is, in other words, make  
7 the -- you know, not change the number of digits that have  
8 to be dialed, not forcing them to dial 1-plus or anything  
9 else of that nature.

10 So hopefully that helped. I will leave these  
11 and to the extent that you folks want copies, I can  
12 certainly make them available.

13 CHAIR GAW: Let me ask you, in the scenario  
14 where the call was -- let's see if it makes a difference.  
15 The call that is being made from the land-line carrier over  
16 to the wireless carrier --

17 MR. WILLIAMS: Uh-huh. From here -- this way  
18 (indicating)?

19 CHAIR GAW: Yes. How would the rural ILEC  
20 recover its costs to transit that call over SBC?

21 MR. WILLIAMS: Well, again, the costs we would  
22 expect to be, you know, roughly in the neighborhood of  
23 three-tenths of a cents per minute. Those costs would be  
24 part of the operating costs of the -- of the LEC. We don't  
25 believe that transport of local calls is recoverable under

1 the surcharge with the FCC so that would be recoverable in  
2 whatever the normal cost of doing business would be for that  
3 LEC.

4 CHAIR GAW: But you would expect the local  
5 land-line company to pay for that service?

6 MR. WILLIAMS: Yeah. We believe it's -- it's,  
7 again, their obligation to deliver that local call.

8 CHAIR GAW: Not that I grasp it, but it sort  
9 of reminds me of a farmer with a horse and another farmer  
10 comes over and says, I like that horse, I want that horse.  
11 And the farmer says, Well, I -- that's nice. What will you  
12 give me for him? He says, I'm not going to give you  
13 anything for him. And, Oh, by the way, I want you to buy a  
14 truck and trailer and haul him over to my house for nothing.  
15 This sort of reminds me of that.

16 CHAIR GAW: I'm trying to understand how the  
17 rural ILECs are supposed to recover -- you're asking them to  
18 pay for the loss of their -- not only -- I understand that  
19 we're in competition, customers are going to move, but I'm  
20 -- this scenario asks that local company to pay for the  
21 contin-- I guess pay for the continuing transfer of that new  
22 call and whatever maintenance there is. I guess he's got to  
23 pay for the feed and the hay too now that I think about it.

24 So -- and maybe that's what's anticipated with  
25 this -- from the FCC, but I'm trying to gauge once this

1 occurs where -- I guess that this is eventually supposed to  
2 wind up in local rates as a part of the cost of the -- of  
3 anybody else that continues to utilize their land-line  
4 service with that rural ILEC. And so they're going to be  
5 paying more money for that as well as more money for the  
6 transfer of the equipment and everything else.

7 Is that -- is that everyone's understanding  
8 here that is what we're dealing with? And I guess my real  
9 question is, is that what the FCC is really ordering with  
10 the orders that have come down from them? Anybody want to  
11 venture down that road? Mr. England?

12 MR. ENGLAND: Never being shy to wage in on  
13 this, no, I don't think that's what the FCC envisioned.

14 JUDGE RUTH: Can you point the microphone up?

15 MR. ENGLAND: Certainly.

16 I don't believe the FCC envisioned it. In  
17 fact, the FCC hasn't addressed the matter. They've  
18 specifically said, We recognize there are some issues and  
19 we're going to deal with them later in their November 10th,  
20 2003 order. So it hasn't been resolved at the federal  
21 level.

22 The other thing -- I'd mention several items.  
23 Mr. Williams mentioned industry practice and what have you.  
24 I would also point out that this local exchange boundary is  
25 the boundary within which the local exchange company is

1 authorized to provide telephone service. It is not  
2 authorized to provide service outside its local exchange  
3 boundary. So he's having us either establish a line or  
4 lease a line to provide service outside our authorized  
5 boundary.

6                   The three cents a minute -- or three-tenths of  
7 a cent minute rate that Western and other wireless carriers  
8 get for transiting that call to us has not been made  
9 available to us. There's no guarantee we're going to get  
10 that rate. In fact, I suspect Southwestern Bell would treat  
11 that as any other land-line call coming from our exchange to  
12 theirs as an interexchange call and want access rates for  
13 transporting that, which would be 10 plus times three-tenths  
14 of a cent.

15                   If this customer moves to Kansas City, it's  
16 really no longer local number portability, or if they work  
17 in Kansas City more time than they really spend at their  
18 home in Higginsville, again, it's not local portability, if  
19 you will.

20                   And what if this were an ISP provider who  
21 established or wanted to establish a presence in  
22 Higginsville, but now they don't have to make that  
23 investment in Higginsville. They can simply stay here, have  
24 the local exchange company bear the cost of carrying the  
25 call to them and these people could be dialing local numbers

1 and staying on 24/7 to access an Internet service provider  
2 in the Kansas City area. And even at three-tenths of a  
3 second -- or three-tenths of a cent per minute, you're going  
4 to incur some substantial costs over time.

5 The bottom line is you're absolutely right,  
6 Commissioner Gaw. It's going to be the customers who remain  
7 the customers of the local exchange company who are going to  
8 have to pay for this, creating, if you will, a competitive  
9 disadvantage for the wireless company who has captured this  
10 customer.

11 And the final matter is right now the FCC  
12 specifically said these guys (indicating) don't have to do  
13 it in reverse to us. So right now it's a one-way street, if  
14 you will.

15 CHAIR GAW: Could you go a little farther with  
16 that? If I want to port a wireless number over to a local  
17 exchange, what's --

18 MR. ENGLAND: If the wireless customer moves  
19 to Higginsville and wants to take service from Citizens but  
20 wants his Kansas City wireless number --

21 CHAIR GAW: Right.

22 MR. ENGLAND: -- wireless carriers aren't  
23 required to port that number.

24 MR. WILLIAMS: Can I explain on that?

25 CHAIR GAW: Sure. Go ahead. And I want to

1 let the other Commissioners ask this witness questions  
2 before I ask other questions too, so go ahead.

3 MR. WILLIAMS: Let me explain what -- wireless  
4 carriers are required to port numbers to wireline carriers  
5 as long as the numbers are in the same rate center -- I  
6 mean, the issue is rate center location. If the number is  
7 in a rate center and rated out of a rate center, a wireline  
8 carrier can port in a wireless number.

9 CHAIR GAW: Help me out here. When you say  
10 "rate center," what does that mean when you say rate center?

11 MR. WILLIAMS: Well, think of it maybe as an  
12 exchange or a wire center. For these carriers it's one in  
13 the same for the most part. When we get into a larger city,  
14 the definitions diverge a little bit.

15 CHAIR GAW: All right.

16 MR. WILLIAMS: But there's a common nationwide  
17 data base that says where a number has a rate center and  
18 there can only be one rate center for every number and  
19 that's the Local Exchange Routing Guide.

20 CHAIR GAW: If that's the case, why shouldn't  
21 rural be the same for both sides? Why should we say that  
22 the rural ILECs have to port numbers outside of their  
23 exchange if the -- if the wireless carriers don't have to do  
24 that?

25 MR. WILLIAMS: Well, the rule is that the

1 number -- the rate center has to remain the same on a  
2 wireline -- on any kind of a port, whether it's wireline to  
3 wireline, wireline to wireless or wireless to wireless.  
4 Having the rate center remain the same is not the same thing  
5 as having the routing remain the same thing. And there's a  
6 difference there.

7           And in terms of going back to some comments  
8 that were made on the routing, in a competitive environment,  
9 every telecommunications carrier has the same access to the  
10 same set of services as any other carrier. A LEC  
11 transporting a local call and using SBC transit is eligible  
12 to transport that call at transit rates, assuming they make  
13 the business arrangements with SBC to do that. So there's  
14 really no contention about it being three-tenths or three  
15 cents. It's available at three-tenths. The business  
16 arrangements have to be put in place.

17           You know, in terms of long-term compensation  
18 and how -- how do costs get resolved, you know, I think  
19 that's part of what is envisioned as a competitive  
20 marketplace. Again, it's not like this is a one-way  
21 proposition. Today we are paying to deliver that traffic  
22 there. We don't ask these LECs to come and pick it up from  
23 us. We pay to have it delivered to them.

24           Now, all we're asking for is in the event of a  
25 ported number, that they would pay that same cost to deliver



1 it to us. Now, both -- when traffic gets to a point that  
2 it's significant, you know, in 100 -- you know, let's just  
3 take 100,000 minutes a month. You know, at three-tenths of  
4 a cent, I think that's \$300. At that point it may become  
5 reasonable for both parties to conspire to put this direct  
6 connect in because both parties then can contribute, you  
7 know, a shared -- to the shared cost and install this.

8 And so you've really -- you get to a point  
9 where you've got kind of a virtual threshold of what the  
10 costs to be absorbed would be. So, again, a little bit  
11 different perspective on that issue.

12 CHAIR GAW: Let me pass this.

13 JUDGE RUTH: Commissioner Murray, do you have  
14 any questions along this line?

15 COMMISSIONER MURRAY: Give me just a minute to  
16 think about this.

17 CHAIR GAW: And I can go on too.

18 COMMISSIONER CLAYTON: We know that.

19 CHAIR GAW: Actually, I can go on for three or  
20 four more hours if you want.

21 COMMISSIONER MURRAY: Well, let me ask this  
22 question, Mr. Williams. The Petitioners here, is it  
23 accurate that all of the Petitioners have requested  
24 modifications to the rating and routing issue?

25 MR. WILLIAMS: Well, the ones that we are

1 concerned with, certainly. And I think many others as well.

2 COMMISSIONER MURRAY: And is the effect of  
3 that really a request for permanent modification?

4 MR. WILLIAMS: Well, the way I -- the way I  
5 read it and the way I read Staff's recommendation relative  
6 to that, it indicated that it was a permanent modification,  
7 but I -- I have to go look at the language again.

8 COMMISSIONER MURRAY: I think my questions are  
9 less about the technical aspects of this than they are about  
10 the legal aspects, so I may just pass this onto Commissioner  
11 Clayton, if he has any questions for you.

12 COMMISSIONER CLAYTON: Thank you,  
13 Commissioner.

14 Judge, may I? Thank you.

15 I was confused in your scenario here. If you  
16 could help me clarify a couple of things. In this -- in  
17 this instance and if we keep picking on Higginsville, and  
18 the CMRS is Western Wireless, the cell towers that are  
19 within the Higginsville area, in this scenario is Western  
20 Wireless serving that area with local numbers in this  
21 scenario or are all of the Western Wireless numbers  
22 non-Higginsville phone numbers? Does that make sense?

23 MR. WILLIAMS: It does. It does. And I'll  
24 answer it in a more general way since I don't believe we  
25 actually serve Higginsville. But there are LEC rate centers

1 that we have -- we service, we have customers in that do not  
2 have local numbers.

3 What that means today is that LEC telephone  
4 callers in those exchanges have to dial toll to reach our  
5 cellular customers that are in this area. We don't  
6 necessarily -- we don't agree with that, but that's the  
7 current mode that we operate under.

8 COMMISSIONER CLAYTON: In this scenario,  
9 before we get to the scenario of having local number  
10 portability and you have the two neighbors that are side by  
11 side, the customer of Western Wireless dials -- one of those  
12 people there is going -- they're going to be from outside  
13 that exchange, so it's going to be a 1-plus number and,  
14 therefore, it's going to be a long distance call. Correct?

15 MR. WILLIAMS: No. Western Wireless -- let's  
16 talk about the state of Missouri. Western Wireless within  
17 Missouri delivers -- I believe we deliver all calls to  
18 anywhere in Missouri as -- as local. In other words, our  
19 customers don't receive long-distance charges for those  
20 calls. So they're rated as local calls.

21 They may be routed -- depending upon the local  
22 exchange carrier, they may be routed just in the way we've  
23 depicted here, or in the case of calls, for example, to the  
24 St. Louis LATA or even the Springfield LATA in some cases,  
25 will be routed to an interexchange carrier and then

1 delivered as access to the LEC, but we wouldn't charge a  
2 toll call to our customer.

3 COMMISSIONER CLAYTON: But in terms of  
4 routing, it would be routed in a long-distance manner? It  
5 wouldn't be -- you'd have to go through SBC tandem switch.  
6 Correct?

7 MR. WILLIAMS: Well, not in all circumstances.  
8 There are many circumstances --

9 COMMISSIONER CLAYTON: Let's stay on this  
10 circumstance before we talk about variations and exceptions  
11 and move along.

12 MR. WILLIAMS: Sure.

13 COMMISSIONER CLAYTON: Stay on this because  
14 you'll lose me too quickly. You'll lose me eventually.

15 MR. WILLIAMS: That call would be delivered as  
16 a local call.

17 COMMISSIONER CLAYTON: In terms of the rate  
18 that they would pay, it would be --

19 MR. WILLIAMS: In terms of the rate they would  
20 pay and in terms of how the call is routed. We would take  
21 it to the tandem as an intraLATA interconnection call and  
22 that would be routed at the three-tenths of a cent --

23 COMMISSIONER CLAYTON: So it would be routed  
24 as a traditional intraLATA long-distance call. Right?

25 MR. WILLIAMS: No. SBC would recognize it as

1 a local call. They would charge us their fee for transit  
2 and they would deliver it to the LEC -- you know, in the old  
3 days they would deliver it over a Feature Group C trunk as a  
4 miscellaneous call and that -- and the LEC would not receive  
5 access for that.

6 COMMISSIONER CLAYTON: Let me change the  
7 scenario. If your company, say Western Wireless, any cell  
8 company, was serving within that area, within the LEC --  
9 within Higginsville and have Higginsville NXX --

10 MR. WILLIAMS: Okay.

11 COMMISSIONER CLAYTON: -- numbers, how would  
12 those calls be routed and rated, I guess? Is that the  
13 proper way to ask the question?

14 MR. WILLIAMS: Yes. Well, they might be rated  
15 or routed in two different ways as we have both these  
16 configurations in our network today. If we had numbers  
17 assigned to our customers that were -- had the same rate  
18 center, we would -- one of two things would happen.

19 We would have a direct connection in place, in  
20 which case a wireless call would be transported to our  
21 switch and then we would transport that on a shared cost  
22 basis, we would share the cost of this circuit and deliver  
23 it to the LEC that way. Similarly, a LEC call to that  
24 wireless number would go through this switch and then they  
25 would deliver that to us here.

1                   The other way we do that, and we do this in  
2 several of our states also, is this doesn't exist  
3 (indicating). We have numbers rated as local to this rate  
4 center and assigned to our customers and this LEC agrees to  
5 ship that traffic to the tandem to our meet-point at the  
6 tandem and we exchange traffic this way. And, again, for  
7 many instances, that's just the most efficient way to do  
8 it -- cost efficient way to do it.

9                   COMMISSIONER CLAYTON: Who covers the cost of  
10 transporting it to the tandem switch in that instance? Does  
11 the LEC pick up that three-tenths of a cents you mentioned  
12 or is it a different charge or --

13                   MR. WILLIAMS: In most instances, yes; not in  
14 all.

15                   COMMISSIONER CLAYTON: But they have to agree  
16 to that. You say that would be part of an agreement. They  
17 couldn't be forced to do that outside of an agreement?

18                   MR. WILLIAMS: Well, we believe -- well, we  
19 know through arbitration, for example, in Oklahoma that  
20 that's exactly what they were forced to do.

21                   COMMISSIONER CLAYTON: In Oklahoma?

22                   MR. WILLIAMS: In Oklahoma. Now, in other  
23 locations -- for example, I mean with SBC here in the state,  
24 that's what they do and with other independent telecos in  
25 North Dakota -- I'm trying to think. With Citizens in a

1 couple of their operating states, that that's -- that's what  
2 they do.

3 COMMISSIONER CLAYTON: Now, in terms of the  
4 context of local number portability, does the Act make any  
5 distinction between the circumstance of a wireless carrier  
6 that has local NXX's versus a wireless carrier that does  
7 not?

8 MR. WILLIAMS: I don't believe so. What  
9 the -- what the -- what the intermodal porting order is what  
10 we're talking about here from last November. What it does  
11 is basically takes the -- takes the position that this  
12 routing issue is not relevant to number porting and that  
13 it's being addressed in another proceeding.

14 And so what they do is kind of -- once you  
15 take the specifications of the routing out of the number  
16 portability order, you're left with, you know, the  
17 obligations that I stated earlier of number portability,  
18 which is to allow a service provider change without changing  
19 the quality or the convenience of the service. And --

20 COMMISSIONER CLAYTON: Forgive me. So there  
21 is a distinction or there is no distinction?

22 MR. WILLIAMS: The FCC is just -- there is no  
23 distinction.

24 COMMISSIONER CLAYTON: Okay. Okay. Good.  
25 Now, I believe it was your suggestion that

1       there would be a reciprocal compensation arrangement with  
2       traffic going in each direction between the cell carrier  
3       through the tandem switch to the LEC and then back in terms  
4       of who would be covering the costs; is that --

5                     MR. WILLIAMS:  Well --

6                     COMMISSIONER CLAYTON:  Was that a correct  
7       interpretation of what you said?

8                     MR. WILLIAMS:  Let me just clarify.  There is  
9       a reciprocal obligation to transport local traffic.  And to  
10      the extent that these parties get together and agree to a  
11      reciprocal compensation arrangement, you know, that could be  
12      part of the relationship between the carriers as well.

13                    COMMISSIONER CLAYTON:  Now, in instances of --  
14      before LNP where you have a wireless carrier that does not  
15      have an NXX within that exchange and that wireless customer  
16      dials into the Higginsville exchange, although wireless  
17      would treat it as a local call and would -- and SBC would  
18      treat it as a local call --

19                    MR. WILLIAMS:  Uh-huh.

20                    COMMISSIONER CLAYTON:  -- would the wireless  
21      carrier be responsible to pay a certain amount per minute to  
22      SBC?

23                    MR. WILLIAMS:  Well, we would pay SBC because  
24      we've hired them to do the transport and, again, that's  
25      three-tenths of a cent.  And then in Missouri we would



1 either have an interconnection agreement with this LEC or we  
2 would be, under Missouri law, subjected to the wireless  
3 termination tariff.

4 COMMISSIONER CLAYTON: Okay. So you would --  
5 so the wireless carrier would pay an amount to SBC for  
6 that -- to terminate that call as well as an amount to the  
7 LEC --

8 MR. WILLIAMS: Correct.

9 COMMISSIONER CLAYTON: -- is that correct?

10 And what generally is that rate that comes --  
11 I guess that's access, wouldn't it --

12 MR. WILLIAMS: Well, no. It -- that rate,  
13 because it's a local call, would be for -- it would be  
14 different for different carriers. For SBC, the rate  
15 is .0007 tenths of a cent per minute and, you know, for some  
16 of the carriers represented here it would be their wireless  
17 termination tariff rate, which is something around 5 or 6  
18 cents, I think.

19 COMMISSIONER CLAYTON: So to complete that  
20 call, the wireless carrier would be cutting a check to SBC  
21 and to the LEC?

22 MR. WILLIAMS: Correct.

23 COMMISSIONER CLAYTON: Okay. And is doing  
24 that right now?

25 MR. WILLIAMS: Correct.

1                   COMMISSIONER CLAYTON: In terms of local  
2 number portability, you have one of the two neighbors  
3 decides they want to exercise that and they would have a  
4 Higginsville NXX. And when the neighbor calls, absent some  
5 direct interconnection to the wireless carrier, the call  
6 would go from the LEC to SBC, then down to the wireless  
7 carrier to the tower?

8                   MR. WILLIAMS: Correct.

9                   COMMISSIONER CLAYTON: Now, would the LEC be  
10 responsible for paying SBC for that three-tenths of a cents  
11 per minute. Correct?

12                  MR. WILLIAMS: We would suggest as a default  
13 mode, yes, that would be the case. They would be  
14 responsible as the originating carrier for two things,  
15 looking up in the number portability number base where that  
16 call should be routed and then routing it within the LATA to  
17 whatever designated local routing point that would be. And  
18 in the case we're talking about, that local routing point  
19 would be here (indicating).

20                  COMMISSIONER CLAYTON: Now, would the LEC be  
21 responsible of paying any amount to the wireless carrier to  
22 terminate that call?

23                  MR. WILLIAMS: Only if there was a reciprocal  
24 compensation arrangement in place; otherwise, no. We have  
25 no wireless -- we don't have the reciprocal of a wireless

1 termination tariff here, so we wouldn't be compensated for  
2 terminating that.

3 COMMISSIONER CLAYTON: Okay. In the  
4 circumstance where the wireless carrier has an NXX block of  
5 numbers within the exchange, the call from the neighbor  
6 who's still on the wireline, it would go into the LEC  
7 switch, would then be transported through a direct  
8 interconnection or some other arrangement through the  
9 tandem?

10 MR. WILLIAMS: Could be here or could be here  
11 (indicating).

12 COMMISSIONER CLAYTON: Okay. Okay. In that  
13 instance there theoretically wouldn't be any transport  
14 charge -- I'm not sure what you call it, a transiting  
15 charge, transport charge?

16 MR. WILLIAMS: Under this instance of a direct  
17 connect, you know, SBC doesn't get any business from us on  
18 that and they don't get paid.

19 COMMISSIONER CLAYTON: Okay. Mr. England, do  
20 you have any other -- with the questions that I've asked in  
21 this scenario, is there any clarification that needs to be  
22 made or --

23 MR. ENGLAND: Mr. Williams talked about the  
24 old days Feature Group C. We're still in the old days as  
25 you well know and that is a Feature Group C connection

1 between the Southwestern Bell tandem and Higginsville. And  
2 in answer to your question, that wireless call rides the  
3 same facilities as intraLATA toll calls would ride. So  
4 there's no distinction as far as the facilities are  
5 concerned.

6 JUDGE RUTH: Could you tip your microphone up?  
7 Thank you.

8 MR. ENGLAND: And then secondly, calls from  
9 this wire center -- and let's take Higginsville out -- let's  
10 say that's a Bell office (indicating), that sub-tends a Bell  
11 tandem. Calls from this end-office to a wireless carrier or  
12 wireless customer who has an NPA NXX rated outside the local  
13 calling area will be toll even for Bell.

14 And the FCC specifically acknowledged that in  
15 a decision involving TSR Wireless. And they said it is  
16 perfectly permissible for the RBOC in that case, I think it  
17 was down in Texas, to charge its customers a toll rate for  
18 that call that must cross exchange boundaries to get to a  
19 CMRS customer even though it may still be within the same  
20 MTA.

21 So there -- this is toll call, whether it's  
22 Bell exchange to exchange or Citizens to Bell exchange to  
23 exchange. That's the way it has been, that's the way it  
24 continues to be and that has been acknowledged by the FCC.

25 MR. WILLIAMS: I'd like to respond to that. I

1 wouldn't disagree with Mr. England's characterization of  
2 that particular case, which is under appeal; however, in the  
3 instance of number portability, SBC has taken quite a  
4 different position.

5                   SBC says they will, in fact, route a ported --  
6 a call to a ported number anywhere in the LATA as long as  
7 the wireless carrier has established a point of  
8 interconnection there. In fact, I have a letter from SBC.  
9 I'd be happy to read that into the record, but SBC has --  
10 has taken a position relative to number portability that is  
11 different than the position they have taken to general --  
12 the general routing of calls to wireless.

13                   MR. ENGLAND: And the distinction is that SBC  
14 has toll and local authority in this state. And that  
15 facility is owned by SBC. So it's not as much skin off  
16 their nose to do that as it is for an independent company  
17 who doesn't have the authority to carry that call, who  
18 doesn't have the facilities, who doesn't have the  
19 arrangement with Southwestern Bell.

20                   And I guarantee you Southwestern Bell is going  
21 to want to be paid for being the guy in the middle on this  
22 call.

23                   COMMISSIONER CLAYTON: In the circumstance of  
24 the wireless call that has not yet been changed, no LNP, for  
25 the wireless call that comes from outside the NXX that is

1 routed through the SBC tandem to the LEC switch, now, is  
2 that -- what does the LEC receive to terminate that call?  
3 Does the LEC receive anything?

4 MR. ENGLAND: Let me make sure I understand  
5 the scenario. The wireless customer is placing a call to,  
6 in this case, the Citizens land-line customer?

7 COMMISSIONER CLAYTON: Yeah.

8 MR. ENGLAND: One of two things. Ron was  
9 right. It's either the wireless termination tariff rate or  
10 it is a rate that's been agreed to in reciprocal  
11 compensation arrangements that Citizens has, for example,  
12 right now with Verizon Wireless and Sprint PCS.

13 And if I can digress for just a second,  
14 Citizens does have a true interconnection with Mid-Missouri  
15 Cellular. They connect right at Citizens' office. And  
16 Mid-Missouri Cellular has asked for local number portability  
17 and we intend to comply with that. And that would be the  
18 type of connection Mr. Williams was talking about here  
19 except that the CMRS provider is within -- within our  
20 exchange.

21 COMMISSIONER CLAYTON: So if there is that  
22 direct interconnection and there's an agreement between the  
23 two entities, then it makes it far less troublesome for  
24 local number portability purposes?

25 MR. ENGLAND: Absolutely. It's the routing

1 issue that the FCC has really declined to address. Ron is  
2 probably right. They think it's irrelevant, we think it's a  
3 big deal. We hope you think it's a big deal.

4 COMMISSIONER CLAYTON: Okay. Thank you,  
5 gentlemen, very much.

6 JUDGE RUTH: Commissioner Murray, did you have  
7 any --

8 COMMISSIONER MURRAY: Well, could I ask one  
9 follow-up tech-- I did have another technical question. We  
10 heard references to those instances in which a switch needs  
11 to be replaced and the maximum suspension that should be  
12 allowed for that under the FCC rule, as Mr. Steinmeier said,  
13 being 180 days. What is the reference to a switch needing  
14 to be replaced?

15 MR. WILLIAMS: I'm going to explain in a  
16 general sense. Most switches that have -- that are in  
17 the -- been employed in the last decade would have  
18 capability to accept new software that provides number  
19 portability functionality. And so it's just then a software  
20 upgrade.

21 COMMISSIONER MURRAY: To the LEC switch?

22 MR. WILLIAMS: To the LEC switch, correct.  
23 We -- we have gone and made those investments and upgraded  
24 our switches just like the LECs would have to do. I mean,  
25 it's the same process.

1                   But for -- for recent LEC switches, again,  
2                   within the last decade or so, they can buy a software,  
3                   software, load that on their switch and, you know, do the  
4                   testing and be ready to go for number portability.

5                   Depending upon how recent their last software  
6                   release was, that could -- that software could be pre-loaded  
7                   on their switch and it just has to be unlocked by the  
8                   vendor. In other cases, it's a new kind of download similar  
9                   to CD-ROM kind of loaded on the switch.

10                  For switches that are -- are older and may be  
11                  in the area of kind of not being fully supported by their  
12                  vendors -- and I think reference was made to MITEL,  
13                  reference was made to some of the old Seaman's product and I  
14                  know there are a couple other switch vendors out there  
15                  where, you know, they're just -- I don't disagree with the  
16                  LECs.

17                  They're looking at these and saying, My switch  
18                  support is declining, my switch capabilities need to be  
19                  increasing and it's time to assess this differently than  
20                  just buying the next software load. And there very well  
21                  might be a reason -- well, many reasons, one of which might  
22                  be number portability, why they might say it's time to  
23                  switch horses and get a new switch.

24                  COMMISSIONER MURRAY: And then one other  
25                  question and I don't know if you can answer this or not. Do



1 you have anything to do with marketing to customers or --

2 MR. WILLIAMS: Not directly. I -- I -- if you  
3 want to ask a specific question, I could try. I mean, I do  
4 know about -- quite a bit about market communications  
5 relative to number portability.

6 COMMISSIONER MURRAY: All right. Well, my  
7 question is with the situation as it is now, you don't know  
8 that you can offer customers in this exchange right here  
9 where we're referring to service where they were -- would be  
10 able to keep their local telephone number; is that correct?

11 MR. WILLIAMS: That's correct. We -- yes.

12 COMMISSIONER MURRAY: So I'm assuming that  
13 you're not going out and marketing that to them at this  
14 point?

15 MR. WILLIAMS: That's correct. But we --  
16 until May 24th, we won't be marketing number portability in  
17 almost all of our markets. We're a rural carrier. We don't  
18 operate in the big markets that have already gone to number  
19 portability with some very small exceptions. And so our  
20 whole orientation in number portability is kind of built  
21 around May 24th.

22 COMMISSIONER MURRAY: So it doesn't seem like  
23 it would -- that we would expect that a lot of customers  
24 would be requesting number portability at this point in  
25 time; is that --

1                   MR. WILLIAMS: Well, I think that's a fair  
2 statement. This whole idea of, you know, proving demand is  
3 a chicken and the egg problem. And, you know, I think the  
4 FCC wrestled hard with this when they dealt with number  
5 portability, you know, back in -- with implementation of the  
6 Telecom Act. And you know, they ultimately made a judgment  
7 call that it was in the -- you know, in the public interest  
8 and moved on from there.

9                   But, you know, prediction of demand, there  
10 has -- I think everybody would acknowledge there has been  
11 some substitution of wireline for wireless services or  
12 vice-versa. The -- there are forecasts available from many  
13 resources that would suggest that that will accelerate with  
14 the implementation of number portability.

15                   And, you know, in addition, number portability  
16 offers, you know, other competitive advantages for the LEC  
17 customers that might not even choose to port, but would be  
18 the recipient of general competitive benefits for a  
19 competitive marketplace.

20                   COMMISSIONER MURRAY: And if you were to make  
21 a request to a carrier that had been granted the  
22 modification for the rating and routing issue, would that  
23 request only be available for you to make if you had a  
24 switch within that LEC's geographic local exchange area?

25                   MR. WILLIAMS: We would contend that, for

1 example, if this Commission were to implement the  
2 recommendations of Staff, that wouldn't prohibit us from  
3 issuing a bona fide request to a carrier. What that would  
4 force us to do, in order to be able to market to any of  
5 these customers, it would force us to establish a point of  
6 interconnection somewhere in this -- in this rate center.

7 COMMISSIONER MURRAY: And in a rate center  
8 where you do not currently have a point of interconnection,  
9 any request you would make would not be considered a bona  
10 fide request; is that right?

11 MR. WILLIAMS: Well, no, I believe they would  
12 be bona fide requests.

13 COMMISSIONER MURRAY: I mean, if they had the  
14 modification granted.

15 MR. WILLIAMS: I would still think under FCC  
16 rules, they would be a bona fide request. You know, the  
17 issue would be then if -- if there is no point of  
18 interconnection, then, you know, the rule that you're  
19 considering -- rule modification you're considering would  
20 basically result in a null set of portable customers.

21 COMMISSIONER MURRAY: Would it put us back to  
22 where we were prior to November of 2003?

23 MR. WILLIAMS: Well, I think it -- it changes  
24 the dynamics of competition in the marketplace. What it  
25 says is you've got to disregard what the FCC said about

1 obligations and routing and then you're imposing a cost on  
2 the competitive carrier to establish a point of  
3 interconnection here that we know not to be economical.

4 COMMISSIONER MURRAY: And was that the case  
5 prior to November of 2003? Was that connection still  
6 possible, the bona fide request still possible under that  
7 scenario?

8 MR. WILLIAMS: Yes.

9 COMMISSIONER MURRAY: So really it puts us  
10 back to prior to November of 2003. Is that tech--

11 MR. WILLIAMS: Yes.

12 COMMISSIONER MURRAY: -- technically what it  
13 does?

14 MR. WILLIAMS: Yes. In some ways it does.

15 COMMISSIONER MURRAY: Okay. Thank you.

16 CHAIR GAW: Thank you, Judge. I have just a  
17 few more questions, but thank you, sir.

18 MR. WILLIAMS: Would it be of value to leave  
19 these for your reference?

20 MR. STEINMEIER: Your Honor, could I ask  
21 perhaps that three exhibit numbers be reserved and I'll  
22 provide photocopies of those diagrams for the Commission and  
23 parties?

24 JUDGE RUTH: That's just what I was going to  
25 say. If you're going to leave those, I need to mark them

1 for identification purposes. And I don't know how easily we  
2 can copy those in color so if you can provide those. We'll  
3 set a schedule at the end of the hearing for those to be  
4 late-filed exhibits, but I need to get a little information.  
5 For the first one the number would be five --

6 MR. WILLIAMS: I'll just leave these. These  
7 don't travel well anyway, so --

8 JUDGE RUTH: The first one I'm going to call  
9 the pre-port routing document. And the next one is the  
10 post-port tandem routing, so that one is Exhibit 6 for  
11 identification purposes. And the last one, 7, is post-port  
12 direct routing. And actually, I'm going to mark for  
13 identification purposes Exhibit 8 this page from the white  
14 board and we'll see also about getting that scanned into the  
15 record in some form. So that's exhibits 5, 6, 7 and 8 for  
16 identification purposes.

17 Commissioner Gaw, did you want to continue  
18 with your questions?

19 CHAIR GAW: Thank you.

20 I want to ask a question about a scenario and  
21 see whether or not this could occur. If I am a customer --  
22 let's assume a customer in a -- in a rural -- that is a  
23 customer of a rural ILEC and I don't have -- there is not a  
24 wireless carrier that has a local number there or perhaps I  
25 want to utilize a wireless carrier that doesn't have a local

1 number in this exchange.

2                   Could I do this if I wanted to create that  
3 local number? Could I port my land-line number to that  
4 wireless carrier that I chose to utilize even though they  
5 didn't have -- that's not a local number, make my -- thereby  
6 making my wireless number local and then request a second  
7 line from the rural ILEC in order to achieve a local number  
8 for my wireless -- for my wireless service and keep my  
9 land-line access? Anybody want to tackle that or do I need  
10 to go through it again?

11                   MR. WILLIAMS: I could answer that, if you  
12 want to hear from me

13                   CHAIR GAW: Yes, sir.

14                   MR. WILLIAMS: Yes, you could port your  
15 primary wireline number to the wireless carrier and,  
16 therefore, and your -- and replace, in essence, your  
17 wireless phone number or you could establish a new wireless  
18 account with that new phone number and then -- there's  
19 nothing that would prevent you then from going back to the  
20 local telephone company and ordering another line with a new  
21 number if that was important to you.

22                   CHAIR GAW: Anybody else disagree with that?

23                   MR. JOHNSON: Your Honor, this is Craig  
24 Johnson. I don't disagree with what Mr. Williams said,  
25 although I think we're getting to the point where maybe

1       clever ordering of service is evading the intent of  
2       portability.  As I understood number portability, it's the  
3       right to keep your same phone number when you change  
4       carriers.

5                       In that scenario I have a problem with the  
6       concept that you're really changing carriers when what  
7       you're really doing is just ordering additional wireless  
8       service and keeping your service as a rural ILEC.

9                       CHAIR GAW:  What's keeping me from doing it?

10                      MR. JOHNSON:  Nothing.  Well, a very --  
11       very -- a rural ILEC that's got a good police system, I  
12       guess.

13                      CHAIR GAW:  Even if they did, what are they  
14       going to do about it?

15                      MR. JOHNSON:  I'm not sure.  I --

16                      CHAIR GAW:  I mean, in essence, have we  
17       created, at the expense of the rural ILEC, an opportunity to  
18       create a local number on the wireless service with -- where  
19       the wireless service chose not to pay for establishment of  
20       that local number in that exchange to begin with?

21                      MR. ENGLAND:  Absolutely.  And ironically, I  
22       don't know if Mr. Williams' companies was one of the  
23       commenters before the FCC, but Mid-Missouri Cellular was.  
24       And they were adamantly opposed to this routing arrangement  
25       because they, as a rural wireless carrier, have made an

1 investment in the rural communities, established points of  
2 presence with Citizens, they've established a direct  
3 interconnection.

4 And now their major competitor, a nationwide  
5 carrier, simply by the stroke of LNP can provide a local  
6 presence without making those physical investments that  
7 Mid-Missouri Cellular has. And they vehemently opposed the  
8 FCC order in this regard and, unfortunately, were not  
9 successful in that respect.

10 The other question I'd have on your scenario,  
11 Commissioner, is if the land-line customer for one reason or  
12 another is unsatisfied with the wireless service and wants  
13 to port the number back to a wireline, I'm not sure that  
14 that can happen, that the wireless carrier has an obligation  
15 to port that number back to the originating LEC that it got  
16 from, if you will.

17 MR. WILLIAMS: I can --

18 CHAIR GAW: I'm sure Western could respond to  
19 that.

20 MR. WILLIAMS: It is absolutely -- if we can  
21 port in a number from another carrier, we are obligated to  
22 be able to port it back.

23 CHAIR GAW: Can you give us the authority for  
24 that from the FCC, if you know?

25 MR. WILLIAMS: Well, it would be the number



1 portability rules. The number -- the only criteria is that  
2 it be ported back to the same rate center. So, for example,  
3 Higginsville -- if we were to port a number out of  
4 Higginsville and then our carrier was -- our customer was  
5 displeased and they said, I want my wireline service back,  
6 they absolutely could port back to their carrier in  
7 Higginsville.

8 CHAIR GAW: Because that number is still tied  
9 to that exchange?

10 MR. WILLIAMS: Forever. And that's why the  
11 condition -- for example, if our customer decided to move to  
12 Kansas City, there aren't many -- there aren't many people  
13 that reside in Kansas City that want a local number, you  
14 know, in Higginsville, for example, or some other place.

15 It's just -- you know, it may happen in a very  
16 small number of cases, but by and large people want numbers  
17 where they live and work and play and they want people that  
18 are in that vicinity to be able to reach them as a local --  
19 local call.

20 CHAIR GAW: Thank you.

21 Public Counsel, have you taken a position on  
22 this case at this point?

23 MR. DANDINO: Mr. Gaw, our position is that  
24 we're in favor of granting suspensions to these companies.  
25 Basically going to the idea that right now -- we understand

1 that the national purpose and the national goal of the FCC  
2 is for this number portability, but the situation and  
3 circumstances aren't right for it. The demand for it isn't  
4 there.

5 And more important, I think is the -- one of  
6 the goals of the Federal Telecommunications Act is where you  
7 do not give any technology an advantage or disadvantage any  
8 technology.

9 In this situation, we could have very large  
10 surcharges being paid by the wireline customers and, in  
11 fact, to allow their neighbors to become wireless customers.  
12 And I don't think that's really within the intent of the  
13 Act.

14 And I think if we give it time and allow the  
15 FCC to work out some of the -- these routing matters and  
16 some of these compensation matters, I think we'd be in a  
17 better position, especially since when you kind of go back  
18 to the idea that, yes, the FCC set this goal of local  
19 portability.

20 But the whole essence of the Federal  
21 Telecommunications Act is that the local -- the state have  
22 the ability in certain circumstances, and this is one of  
23 them, to kind of tailor it a bit, to grant a variance to it,  
24 to postpone it depending on local circumstances. And I  
25 think it's very important.

1                   We have to address problems -- exactly what  
2                   you brought up about, you know, are people going to just --  
3                   they're not using it as a substitute, they're just going to  
4                   use it as an additional line. I think some of the testimony  
5                   that we saw in the -- I'm trying to think what case it  
6                   was -- Fidelity case, public -- people had both telephones.  
7                   They're not necessarily -- in the rural areas they're not  
8                   substituting, they're using both because they're using the  
9                   land-line for local, they're using the wireless for long  
10                  distance and that's not a substitution in our view.

11                  As far as is this a permanent or should the  
12                  Commission look it as a permanent waiver, I do not think so.  
13                  I do not think the statute even allows a permanent waiver.  
14                  It talks about a duration, which I think it should be a  
15                  set -- set period of time with the ability, I think, to  
16                  review it depending on technology changing.

17                  What we've seen is technology can make a big  
18                  difference in this. And I think it's important to go slow  
19                  since, once again, it all comes back to my local customer,  
20                  my local client who's going to have to pay for all this. In  
21                  some cases pay substantially every month.

22                  This -- the local portability surcharge, when  
23                  Southwestern Bell put it on their bills, there was a  
24                  considerable amount of complaints coming in our office and  
25                  to -- and, you know, you see it in the press and talk radio

1 where people are complaining, five years we're paying for  
2 this and we don't even have it yet. Residential customers  
3 didn't even have an option, yet they paid something like  
4 46 cents a month for number portability for five years. I  
5 don't want to see this happen to the rural areas as it did  
6 in the metropolitan areas. Thank you.

7 CHAIR GAW: I think that's all I have, Judge.  
8 Thank you.

9 JUDGE RUTH: Okay. Commissioner Murray, do  
10 you have any questions at this time?

11 COMMISSIONER MURRAY: I have a few. Thank  
12 you.

13 I'll follow up right away with Mr. Dandino  
14 since you just made some statements. The complaints that  
15 you received from when SBC, you said, put the surcharge on,  
16 there was nothing -- there's nothing in the law that  
17 provides that they can get an exemption or a suspension, is  
18 that right, or a modification?

19 MR. DANDINO: At that time? I don't -- I  
20 didn't think so at that -- they might have, but I don't  
21 recall. Because I think it was also -- it was number  
22 portability -- not necessarily for the wireline, it was to  
23 the CLECs. And that they port that number to the CLECs.

24 And that's what the people were -- were  
25 calling us and saying, We don't even -- there isn't even a

1 competitor here but we're going to have to pay for that cost  
2 recovery.

3 COMMISSIONER MURRAY: But nonetheless  
4 metropolitan customers were treated that way. Correct?

5 MR. DANDINO: That wasn't necessarily -- I  
6 wasn't referring necessarily to the wireline. I was  
7 necessarily referring to the porting to the CLEC and that's  
8 the way -- that's the way the law provided it for.

9 COMMISSIONER MURRAY: Let me see who I want to  
10 ask. Would somebody please define what this phrase means,  
11 Where the requesting wireless carrier's coverage area  
12 overlaps the geographic location of the rate center in which  
13 the customer's wireline number is provisioned. Specifically  
14 define that phrase.

15 MR. WILLIAMS: The best way might be to do it  
16 with just a quick diagram.

17 COMMISSIONER MURRAY: If you could do that,  
18 Mr. Williams.

19 MR. WILLIAMS: Actually, I thought one of --  
20 somewhere in the filings there was a diagram that was  
21 produced by a national LEC organization. But let's go back  
22 to kind of real simple drawings because that's what I'm  
23 capable of.

24 Now, this will be the LEC switch we talked  
25 about before. Now we've got a square rate center and, you

1 know, there's just basically wired telecommunications  
2 services available throughout this rate center. Okay.

3 Now you've got this amorphous wireless carrier  
4 who -- you know, who has cell sites in different locations  
5 that don't match up to rate center boundaries. And each one  
6 of these cell sites provides some coverage -- radio  
7 coverage.

8 And that coverage area for -- let's say for  
9 this rate center might look like that. It's -- the coverage  
10 area is broader than the rate center, but it does provide  
11 coverage in the rate center. And so that -- the language  
12 is -- you know, if the coverage area overlaps -- I think  
13 overlaps is the word -- the rate center, then the porting is  
14 eligible.

15 COMMISSIONER MURRAY: And how do you define  
16 coverage area?

17 MR. WILLIAMS: Well, the FCC I think defines  
18 it as where you can get a radio signal. And really, I mean,  
19 when you look at from -- back to that marketing question,  
20 when you look at it from a marketing perspective, you sure  
21 don't want to be selling service where your coverage isn't  
22 any good.

23 People -- that's the instance where we're  
24 going to get somebody who ports in and then says, Your  
25 service is awful and ports right back again. So we have to

1 be smart enough, and most of the time we are, not to sell to  
2 people that are at the periphery or outside of our coverage  
3 area.

4 COMMISSIONER MURRAY: So you're not able to --  
5 under this scenario here, to offer number portability to any  
6 customer who would be across the state, for example?

7 MR. WILLIAMS: No. We -- Western particularly  
8 has a relatively small license area in Missouri. And within  
9 that license area we cover -- cover a lot of it, but not 100  
10 percent of it.

11 And we -- we would only be seeking and only  
12 allowed to -- to port numbers that -- that would be within  
13 this coverage area, whatever rate center they might -- they  
14 might touch. And, you know, we've got the situation where  
15 we've got, you know, multiple rate centers that may be owned  
16 or -- owned or operated by multiple telephone companies, but  
17 we can only port numbers from within this coverage area,  
18 nowhere else in the state.

19 COMMISSIONER MURRAY: And the result of that  
20 to the customer, the end-user customer would be an expanded  
21 local calling scope; is that correct?

22 MR. WILLIAMS: That -- well, that could be one  
23 of the benefits, yes, in addition to mobility or some  
24 calling features and our price structure versus a local  
25 carrier's price structure.

1                   COMMISSIONER MURRAY:  But it would expand  
2                   their local calling scope, would it not?  If they ported  
3                   their local number from the rate center in the middle there,  
4                   over which your geographic location overlapped, their local  
5                   calling scope would be larger, would it not?

6                   MR. WILLIAMS:  I suspect in almost every  
7                   instance here it would be, yes.

8                   COMMISSIONER MURRAY:  And do you think that's  
9                   perhaps what the FCC was trying to accomplish in promoting  
10                  competition between providers of local telephone services?

11                  MR. WILLIAMS:  Well, I do think -- I mean,  
12                  that's the underlying issue here with number portability.  
13                  And I think we've obviously got a different value  
14                  proposition than the wireline companies do.

15                  And that's -- you know I think what the FCC is  
16                  saying is, Okay, let's make sure that people are on an even  
17                  footing here and let the customer decide whose value  
18                  proposition is best.

19                  We know we don't have the right value  
20                  proposition for all wireline -- all customers today.  That  
21                  should go without saying.  But I think the reverse is coming  
22                  true, that wireline companies don't necessarily have the  
23                  right value proposition for everyone they serve today.  And  
24                  to the extent that there's choice available in the  
25                  marketplace, people will then weigh the benefits of one



1 carrier versus another.

2 COMMISSIONER MURRAY: Okay. Thank you.

3 I'd like to ask Mr. England and/or  
4 Mr. Johnson, is it accurate that all of the Petitioners have  
5 requested a modification to the rating and routing issue?

6 MR. ENGLAND: That's accurate for the  
7 30 companies that we filed for.

8 MR. JOHNSON: That's correct, your Honor.

9 COMMISSIONER MURRAY: And that results in a --  
10 if that modification were granted, wouldn't that put those  
11 Petitioners back in the same spot they were before November  
12 of 2003 in terms of what is required of them?

13 MR. ENGLAND: No, your Honor.

14 COMMISSIONER MURRAY: How would you be  
15 required to do more today if you were granted that  
16 modification?

17 MR. ENGLAND: We would be required to port  
18 outside our rate center as long as the wireless carrier made  
19 arrangements to take that ported number and associated call  
20 outside the rate center. We are not requiring local  
21 interconnection.

22 That existing facility that Mr. Williams told  
23 you about that they utilize under an agreement with  
24 Southwestern Bell for three-tenths of a cents a minute can  
25 be used and can be paid for by Western to haul that call --

1 that ported call to their facilities. We don't require  
2 local interconnection. That was something we thought we  
3 were entitled to and would be required prior to  
4 November 10th, but that's been specifically eliminated.

5 COMMISSIONER MURRAY: So how does what the FCC  
6 ordered in November change what the wireless carrier could  
7 do now in terms of requesting -- you're talking about a  
8 payment arrangement differing from what the wireless  
9 carriers think they have to establish under the FCC's local  
10 number portability requirements; is that right?

11 MR. ENGLAND: I don't mean to be evasive, but  
12 I -- what we have -- what we have an issue over is who's  
13 going to transport that call outside our local rate center,  
14 who's going to be responsible for doing that, and I guess,  
15 most importantly, who's going to be responsible for paying  
16 for that. That's the compensation area.

17 COMMISSIONER MURRAY: And you're not  
18 contesting who transports it necessarily, but you're  
19 contesting that it not be paid for by the wireless carrier  
20 in both directions; is that right?

21 MR. ENGLAND: I'm saying we can't, under our  
22 current scope of authority and under the existing  
23 arrangements business, legal, otherwise that we have -- we  
24 do not have the ability to carry calls outside our local  
25 exchange.

1                   And if the wireless carrier wants to establish  
2 a local interconnection, they certainly have the right to do  
3 that. If they want to use that Southwestern Bell transit  
4 facility that they currently use to terminate traffic to us  
5 now to haul that traffic back when the number has been  
6 ported, they're certainly free to do that.

7                   COMMISSIONER MURRAY: As long as they pay in  
8 both directions?

9                   MR. ENGLAND: That's correct.

10                  COMMISSIONER MURRAY: So what is the purpose  
11 of them for porting that number? What do they get out of  
12 it?

13                  MR. ENGLAND: The new customer and the revenue  
14 from that customer.

15                  COMMISSIONER MURRAY: Does Staff have -- I'm  
16 sorry, Mr. Johnson. You wanted to --

17                  MR. JOHNSON: I thought I sensed some  
18 confusion when you heard Mr. England's response. And I  
19 think the last response was if they'll pay for the facility  
20 so the traffic can come out of our exchanges, then they will  
21 have the ability to compete for customers and offer our  
22 telephone numbers to their new customers, which we don't  
23 have today.

24                  COMMISSIONER MURRAY: If they put in another  
25 trunk directly connecting --

1                   MR. JOHNSON: I'm not sure it has to be an  
2 additional trunk. Trunks handle traffic in both directions,  
3 but it might be an additional trunk, yes.

4                   COMMISSIONER MURRAY: Does Staff have an  
5 opinion on that?

6                   MR. MEYER: I think I'd like to suggest  
7 that -- that perhaps might be technical enough that we might  
8 seek to have Natelle Dietrich respond.

9                   JUDGE RUTH: Ms. Dietrich, I'd like you to  
10 come up to the first stand. First time you answer a  
11 question, we're going to swear you in, you can answer. If  
12 any more questions are directed to you, I'll remind you that  
13 you'll still be under oath.

14                   (Witness sworn.)

15                   JUDGE RUTH: You may be seated. And why  
16 don't you start off your answer with stating your name for  
17 the record, spelling it and explaining your position. By  
18 position, I'm sorry, I mean what position you hold with the  
19 Commission.

20 NATELLE DIETRICH testified as follows:

21                   MS. DIETRICH: My name is Natelle,  
22 N-a-t-e-l-l-e, Dietrich, D-i-e-t-r-i-c-h. I'm a regulatory  
23 economist with the Public Service Commission  
24 telecommunications department staff.

25                   JUDGE RUTH: Okay. You may proceed with your

1 answer.

2 MS. DIETRICH: Your question was how is this  
3 different than what would happen before the November order I  
4 think was where you started out with this.

5 COMMISSIONER MURRAY: I believe that is where  
6 I started. If the Petitioners were granted the  
7 modifications as to the rating and routing issue.

8 MS. DIETRICH: Uh-huh. Okay. Well, first of  
9 all, I guess what I would start off by saying is what Staff  
10 is recommending is that the modification only be granted  
11 until such time as the FCC addresses the issue.

12 We're suggesting that the wireline carrier  
13 not -- or the wireline customer not be responsible for the  
14 charge that basically is a result of the porting of the  
15 number to the wireless carrier. In other words, they would  
16 be responsible for a charge for a customer that they no  
17 longer had.

18 We're not requiring or suggesting that the  
19 wireless carrier establish a point of presence within the  
20 rate center. What we are suggesting since the wireless  
21 carrier is outside the Commission's jurisdiction, is that  
22 the Commission grant the modification and basically say,  
23 Wireline carrier, you and your customer are not responsible,  
24 it's up to the wireless provider to determine how to  
25 transport that call.

1                   And I think by Mr. Williams' previous  
2 drawings, he talked about a couple different manners. It  
3 could be a direct connection or an indirect connection,  
4 which is what they have today, to transport the calls that  
5 are not -- are not ported to get a wireless call in and  
6 outside of the rate center.

7                   So we're not saying that you have to go in  
8 there and spend the money to set up that connection. You  
9 can do it the same way you do today. And so that -- that  
10 would be kind of what's different from the November -- or  
11 prior to November. I guess --

12                   COMMISSIONER MURRAY: Let me stop you there.  
13 What is being modified then?

14                   MS. DIETRICH: What's being modified is -- and  
15 perhaps modified is not the correct word. I mean, in my  
16 mind, we're clarifying who is responsible for making that  
17 connection, who is responsible for transporting that call,  
18 who's responsible for paying for that call.

19                   COMMISSIONER MURRAY: And do you think that  
20 the FCC order as it stands makes the LEC who originally had  
21 the number responsible after that call -- that number is  
22 ported?

23                   MS. DIETRICH: No. I think the FCC's order is  
24 more or less silent on that. They recognize there is an  
25 issue, they say we're addressing it in other proceedings so

1 it's not proper to address it at this time. And so I don't  
2 think they're saying one way or another who should be  
3 responsible, which is what's created the confusion.

4 COMMISSIONER MURRAY: But Staff's  
5 recommendation is that a modification be made on a temporary  
6 basis. Is that what you're recommending?

7 MS. DIETRICH: Correct. Clarify -- make the  
8 modification saying that, Small LECs, you are not  
9 responsible, your customer is not responsible and that  
10 provides the clarification until the FCC addresses it.

11 And if I may, just to give you an example, we  
12 had talked about two customers within the same exchange and  
13 today they're next-door neighbors, they're able to call each  
14 other by the seven-digit number and it's a local call.

15 Well, in the environment after the porting  
16 takes place, one of the neighbors decides to port to the  
17 wireless carrier. He still has his seven-digit number, the  
18 number that you and I have been used to for years.

19 I go to call my next-door neighbor using this  
20 seven-digit number, the call is allowed to go through  
21 because whatever method has been set up. The person placing  
22 the call, it still appears as a seven-digit dialed number so  
23 the call goes through. And then when I get my bill or when  
24 the customer gets the bill, there's these toll charges  
25 because it, in effect, is a 1-plus call without having to

1 dial the additional digits.

2 So the customer is not aware until after the  
3 fact that they have -- by the porting of the number it, in  
4 effect, becomes a long-distance call.

5 So what we're recommending is that either, you  
6 know, set it out, let the wireless carriers determine how  
7 they're going to transport that call and then the wireline  
8 carrier would put on their -- on their switch some kind of  
9 intercept message that would say, If you dial this number,  
10 it is no longer a local number, you must dial 1-plus or say,  
11 The wireless carrier has not set up the appropriate means,  
12 we're not able to complete this call, but somehow let the  
13 customer know that it would be a long-distance charge if the  
14 call is completed.

15 COMMISSIONER MURRAY: And I don't understand  
16 why it would be a long-distance call.

17 MS. DIETRICH: Because in order to transverse  
18 the wireless network, it is going outside of the local  
19 call -- the local company's rate center or local calling  
20 area. So it's going out and coming back in which, in  
21 effect, makes it a toll call.

22 COMMISSIONER MURRAY: Does anybody here  
23 disagree with that interpretation?

24 MR. ENGLAND: Commissioner Murray, I don't  
25 know that I disagree, but it doesn't have to be a toll call.



1 The issue to us is there is an additional cost per minute  
2 cost involved in porting that number outside our local rate  
3 boundary. And one way to handle that is to have toll  
4 carriers carry that call as they do today.

5 The other way -- the suggestion that we have  
6 is to require the wireless carrier to establish the  
7 facilities or arrangements with intermediate carriers to  
8 have that call hauled to them.

9 COMMISSIONER MURRAY: But you're only porting  
10 it to an area which is a local area to the wireless carrier  
11 that --

12 MR. ENGLAND: Right. You are --

13 COMMISSIONER MURRAY: And that carrier's  
14 geographic area encompasses your local area and a little bit  
15 more; isn't that right?

16 MR. ENGLAND: Under the premise that -- which  
17 I tend to agree with -- that their, quote, local calling  
18 area is far greater than our land-line local calling area.

19 COMMISSIONER MURRAY: And it's not like you're  
20 having to -- well --

21 MR. ENGLAND: I think Commissioner Gaw's story  
22 was somewhat telling. It's like, you know, having us not  
23 only give you the horse, but we have to make arrangements to  
24 haul it to you as well.

25 COMMISSIONER MURRAY: Isn't that what the

1 large ILECs have been doing?

2 MR. ENGLAND: I don't necessarily agree with  
3 that. I think in our defense, we brought this -- you make a  
4 good point with your questioning with Ms. Dietrich about  
5 whether the FCC has really told us to do this or not.

6 We think they have -- at least it's apparent  
7 from their order, but I'm not sure it's specific and they've  
8 obviously put it over for more proceedings. Certainly the  
9 wireless carriers believe that's our responsibility and  
10 we're asking you until the FCC -- at the very least until  
11 the FCC clarifies it, not to make us do this.

12 I mean, there is a real cost involved in us  
13 porting that number from Higginsville to Kansas City. The  
14 difference between Southwestern Bell porting that number  
15 from one of their end-offices to their tandem is that they  
16 own that facility, those costs are embedded, have been  
17 recovered historically and they have no additional cost in  
18 hauling that call from their end-office.

19 I'd like to know if CenturyTel and Sprint have  
20 that same view, because they don't have as many tandems or  
21 the ubiquitous LATA-wide network that Southwestern Bell  
22 does. So when they sub-tend a Southwestern Bell tandem like  
23 we do, are they taking it upon themselves to port that call  
24 from the Bell tandem to the wireless carrier? I don't know  
25 the answer to that.

1                   COMMISSIONER MURRAY: They didn't petition for  
2 a modification or suspension, did they?

3                   MR. ENGLAND: No, they didn't.

4                   MS. DIETRICH: CenturyTel did.

5                   MR. ENGLAND: But I wouldn't be a bit  
6 surprised if some of them are taking the position they ain't  
7 going to do and they're going to beg for forgiveness after  
8 the fact rather than ask for permission ahead of time.

9                   JUDGE RUTH: Did you want to add --

10                  MS. DIETRICH: I was just going to clarify  
11 CenturyTel did originally ask for a suspension back in  
12 January and they ended up withdrawing it when the FCC came  
13 out with a subsequent order addressing some of their  
14 concern. They had areas that were within the top 100 MSAs.

15                  COMMISSIONER MURRAY: Mr. Steinmeier?

16                  MR. STEINMEIER: Commissioner, it's also our  
17 understanding that Sprint is in the same situation as Bell  
18 on that issue.

19                  I would just point out -- and I don't know if  
20 this is the -- if this is the proper forum for doing it, but  
21 as we sit here and listen to the discussion on Western  
22 Wireless's point of view, we would be willing to pay for  
23 land-to-mobile transport on an interim basis if it helped  
24 move LNP long at SBC transit rates assuming the telecos  
25 could make the necessary arrangements.

1                   But that might be an interim measure that  
2 helps advance the ball until the FCC has completed its  
3 resolution of some of these related issues.

4                   COMMISSIONER MURRAY: Do the Petitioners have  
5 a response to that?

6                   MR. ENGLAND: In the case -- by the way, we're  
7 only talking about three Petitioners with respect to Western  
8 Wireless. With respect to two of those Petitioners,  
9 specifically Craw-Kan and Cass County, they will be  
10 implementing local number portability as required by the end  
11 of the month. The only thing they asked for was the  
12 modification we've been talking about.

13                   If I understand Mr. Steinmeier's interim  
14 suggestion, I think that meets the terms of our requested  
15 modification, so I don't know that we'd have an objection.

16                   KLM, the third company, is a company that is  
17 looking at switch replacement rather than upgrading a MITEL  
18 switch whose vendor has indicated they will stop supporting  
19 that switch I believe at the end of 2007. So we've asked  
20 for suspension of the obligation to even implement LNP there  
21 for I believe two years to pursue switch replacement, which  
22 we think is more advantageous than spending the money now on  
23 a switch that won't be supported several years from now.

24                   COMMISSIONER MURRAY: That switch replacement,  
25 is that actual hardware replacement or is that software?

1                   MR. ENGLAND: That would be an entirely new  
2 switch, as I understand it.

3                   COMMISSIONER MURRAY: And why should that take  
4 longer than six months?

5                   MR. ENGLAND: Physically I don't know, but  
6 there are financial considerations involved, bids from  
7 vendors depending on their time frame to put it in and turn  
8 it up.

9                   COMMISSIONER MURRAY: And have those bids been  
10 sought in this first six months since November?

11                  MR. ENGLAND: No.

12                  COMMISSIONER MURRAY: Why not?

13                  MR. ENGLAND: The easy answer is I don't know.  
14 We were hoping -- well, let me back up. I think we were  
15 hoping for suspension. Obviously switch replacement's going  
16 to be expensive and that may trigger a significant request  
17 for rate increase if it's substantial enough.

18                  COMMISSIONER MURRAY: And is your thought in  
19 two years you'll come back and request another suspension?

20                  MR. ENGLAND: It depends on -- again, back to  
21 my original comment, it depends upon the cost associated  
22 with implementing LNP versus the benefit.

23                  COMMISSIONER MURRAY: Assume it goes up  
24 instead of down. Does that mean you'll probably come back  
25 in two years and request further suspension?

1                   MR. ENGLAND:  If the costs continue to exceed  
2                   the benefits, under that hypothetical, it is very likely we  
3                   might ask for continued suspension.  And keeping in mind  
4                   that I -- we understand you're the final arbiter.  You may  
5                   have a different view.  You may think the costs no longer  
6                   outweigh the benefits and it's time to implement.

7                   COMMISSIONER MURRAY:  And those benefits we're  
8                   talking about are to the customers, the end-users.  Right?

9                   MR. ENGLAND:  Correct.

10                  COMMISSIONER MURRAY:  Ms. Dietrich, I'm sorry.  
11                  We've got you on the stand and asking other people  
12                  questions.

13                  MS. DIETRICH:  That's okay.

14                  COMMISSIONER MURRAY:  Let me see if I have any  
15                  other questions for you while you're up here.

16                  MS. DIETRICH:  Okay.

17                  COMMISSIONER MURRAY:  Does Staff have any  
18                  opinion as to whether Petitioners should have been doing  
19                  more toward implementation of the FCC requirements during  
20                  this first six-month period?

21                  MS. DIETRICH:  I think part of the problem was  
22                  they were asking for clarification both at the FCC level and  
23                  at various state levels.  And then once it became clear that  
24                  perhaps the clarification was not coming, then at that point  
25                  some of the carriers that had moved forward, had tied up a

1 lot of the switch vendors and database vendors and that type  
2 of thing.

3 So it does push the deadline back further  
4 because the vendors are a limited number and not able to  
5 meet the needs, the requests that are coming in at this time  
6 for the entire country.

7 I do also think -- I agree with -- I think it  
8 was Mr. Steinmeier that mentioned earlier that local number  
9 portability in these areas did not just pop up in November.  
10 I mean, they've been addressing these issues and discussing  
11 these issues since at least 1998 when the first report was  
12 released to the FCC identifying concerns.

13 What did change was the method that they had  
14 to provide the number portability and some of these other  
15 things we've been talking about today, which they were not  
16 aware would come down so fast and would be required within  
17 six months or whatever the time frame, you know, happened to  
18 be.

19 COMMISSIONER MURRAY: And I see in Staff's  
20 recommendation for some of the carriers you've recommended a  
21 six-month suspension and there are a handful, it looks like,  
22 where you have recommended a two-year suspension. Why in  
23 those instances have you recommended a period as long as two  
24 years?

25 MS. DIETRICH: On the companies that we

1 recommended two years, it was either the carriers that we  
2 felt after doing the cost recovery analysis that it was cost  
3 prohibitive for their customers to pay for the local number  
4 portability or they were the companies that had asked for  
5 the time to do their switch replacements realizing that they  
6 would have to go through the RFP process, determine which  
7 vendor to go with, get the vendor contracts in place,  
8 implement and so on and so forth.

9 COMMISSIONER MURRAY: And you don't think  
10 that's a six-month project?

11 MS. DIETRICH: I think taking all of that in,  
12 it would be longer than six months. Now, there was one  
13 carrier -- and I don't remember off the top of my head which  
14 company it was, but there was one carrier that they've  
15 already signed the contract with the vendor for switch  
16 replacement and the vendor said, We can have it done,  
17 assuming there aren't any difficulties, by November. So  
18 that was I believe signed in March. So even that would be  
19 outside the six-month time frame.

20 COMMISSIONER MURRAY: And what did you  
21 recommend for that carrier?

22 MS. DIETRICH: For that carrier we recommended  
23 the suspension until the end of the year to allow the  
24 implementation or the -- to allow the switch to be installed  
25 by November and then a testing period or whatever else they



1 needed to do to actually make number portability available.  
2 So we gave them basically an extra month of what they were  
3 requesting.

4 COMMISSIONER MURRAY: Now, obviously that  
5 carrier had gone forward --

6 MS. DIETRICH: Correct.

7 COMMISSIONER MURRAY: -- prior to today?

8 MS. DIETRICH: Right.

9 COMMISSIONER MURRAY: Why could that carrier  
10 have gone forward and gotten the RFPs in place and know when  
11 they can implement it without -- whereas, the other carriers  
12 have not?

13 MS. DIETRICH: I'm not sure, you know, their  
14 individual business plans or their discussions as to when  
15 they made the decision that, yes, it made more sense to go  
16 with the switch than to do the upgrades.

17 There was another set of carriers that asked  
18 for two years and said, We're in the RFP process and we're  
19 trying to determine whether it would make more sense to do a  
20 switch replacement or to do the software upgrades.

21 And for that set of carriers we recommended a  
22 six-month suspension, I believe it was, and asked for  
23 periodic reports as to the status of the RFP process and the  
24 status of their cost -- or their cost/benefit analysis as  
25 opposed to saying two years right away.

1                   And then we -- we recommended that the  
2 Commission at the end of that period if -- assuming that the  
3 company determined to go with switch replacement, take a  
4 look at that time as to how long it would take to replace  
5 it.

6                   COMMISSIONER MURRAY: And do you, in fact,  
7 know they are in the RFP process?

8                   MS. DIETRICH: They submitted a verified  
9 application, so I mean -- that said they've already sent out  
10 the RFPs and everything, so we took their word for it.

11                   COMMISSIONER MURRAY: And for those that you  
12 recommended two years, they're the ones who haven't done  
13 anything to-date?

14                   MS. DIETRICH: Correct. Or, like I said, the  
15 ones that we felt were cost prohibitive and would not be  
16 doing anything.

17                   COMMISSIONER MURRAY: And do you expect the  
18 costs to go down in the future?

19                   MS. DIETRICH: Well, that was one thing that  
20 we discussed internally was, you know, why two years as  
21 opposed to four years, one year, you know? And we talked to  
22 the industry representatives.

23                   And basically the way the costs would go down  
24 would be depending on technological changes. So it's  
25 something that we don't know. But that, in my opinion,

1 would be the cause of the cost going down would be, you  
2 know, if there were technological changes that would make  
3 something different two years from now than it is now.

4           Keeping in mind though the ones that we did  
5 recommend the two-year suspension have indicated that they  
6 wanted to do the switch replacement, so we didn't think it  
7 was an issue for them as to what would change two years from  
8 now. The ones that were cost prohibitive, it was based on  
9 the equipment that they have now and the cost that it would  
10 cost them to implement LNP based on the equipment they have  
11 now and the ongoing monthly cost to do the database dips.

12           COMMISSIONER MURRAY: So the cost prohibitive  
13 ones are the ones who have, what, more outdated equipment?

14           MS. DIETRICH: No. Largely fewer subscribers.  
15 The way the FCC has structured this is estimate what your  
16 cost is to implement LNP and divide that by your number of  
17 subscribers, divide it by five years. And in addition to  
18 that amount, add to that what it would cost for to you check  
19 the database that everyone's referring to when a number is  
20 ported so you can determine wherein the call goes. So it's  
21 those two costs added together for these few companies that  
22 have minimal subscribers that the costs appear to be  
23 prohibitive.

24           In addition to that, we also looked at what  
25 their current basic local rate was compared to what the

1 increase would be. And for some of them it was 40, 50, one  
2 of them was over 100 percent increase to their basic local  
3 rate.

4 COMMISSIONER MURRAY: And that was Exhibit  
5 No. -- was that shown on Exhibit No. 2 I believe? Yes.  
6 Which is proprietary, but --

7 MS. DIETRICH: Right. Basically on the  
8 exhibit you're looking at, it would be the top four  
9 companies in the way it's sorted would be the ones that we'd  
10 recommended that it was cost prohibitive.

11 COMMISSIONER MURRAY: And why do you think  
12 those numbers cost prohibitive? How do they compare, for  
13 example, to a customer hour in a metropolitan calling area?

14 MS. DIETRICH: Well, let me explain what we  
15 looked at and maybe that will answer your question. I think  
16 Mr. England referenced earlier that it appeared \$1.50 or  
17 somewhere in that range was our cut-off point.

18 We first took -- took the numbers that were  
19 provided to us and plugged them into the database to see if  
20 there was an obvious cut-off point and there was. It was  
21 roughly \$1.50. And the next one was quite a bit more than  
22 that, without giving the proprietary numbers.

23 But then instead of just stopping there,  
24 because, you know, what we discussed was, okay, if we use  
25 \$1.50 as your cut-off point, why does it make sense for a

1 customer to have to pay the charges for \$1.50, but then the  
2 next one that comes in at \$1.51 and all of a sudden that one  
3 penny is not acceptable.

4                   So we went further than that. We compared it  
5 to what their current basic local rates are. And if you  
6 look at the first four companies, you can see the column  
7 that says Total MRC. Compared to their current basic local  
8 rate, they're significant increases or they're significant  
9 chunks of what they already are paying, you know, the  
10 additional increase. For instance, the top four goes  
11 anywhere from 43 percent all the way up to over 100 percent  
12 of an increase. And so we looked at that.

13                   And then we also looked at what you're talking  
14 about the companies such as Southwestern Bell and Sprint and  
15 CenturyTel that have had to implement local number  
16 portability for the past five years, what their charges were  
17 to their customers, which I think Mr. Dandino pointed out  
18 were significantly less than some of these.

19                   But as he said, in those areas for several of  
20 those customers they've been paying for five years and did  
21 not have the choice of switching to a competitive carrier  
22 until this wireless portability came into play back in  
23 November. And so now in some of these areas if the customer  
24 chooses to take advantage of it where there is no  
25 competitive LEC, they can now take their number to a

1 wireless carrier.

2 We took a look at the various type of switches  
3 that the customer -- or that the carrier has, their  
4 implementation costs. I talked to our technical staff to  
5 determine why, for instance, if what appears to be the same  
6 type of switch from one company, they're estimating, say,  
7 \$5,000 to implement and another carrier with the exact same  
8 switch may say 25,000.

9 And these are all just arbitrary numbers so we  
10 don't have to go in-camera, but basically from what I  
11 understand is even though the switches appear to be the same  
12 type of switch, there are different versions of these  
13 switches, they've received different upgrades through the  
14 years and so it just depends on how far each of these  
15 carriers have to go to be able to become local number  
16 portable capability.

17 COMMISSIONER MURRAY: So part of the  
18 determination is based on how up to date their switches are  
19 currently; is that right?

20 MS. DIETRICH: Well, that was one thing we  
21 considered to determine whether the costs they were  
22 representing were adequate or, you know, whether they were  
23 inflating costs somehow. We compared them to each other to  
24 determine that.

25 COMMISSIONER MURRAY: If the customers in

1 these areas are -- if they receive number portability with  
2 the wireless carriers, would that effect be to give them the  
3 option of expanded local calling scope?

4 MS. DIETRICH: It could have that effect, yes.  
5 I mean, right now they have the ability to go to the  
6 wireless carrier in their area and have that local calling  
7 scope, but then, you know, they would presumably have their  
8 land-line and wireless phone where if they had number  
9 portability, they could transfer their number and have the  
10 wireless calling scope.

11 COMMISSIONER MURRAY: Okay. It would give  
12 them the opportunity to have an expanded local calling scope  
13 and not have to change their telephone number basically; is  
14 that correct?

15 MS. DIETRICH: Correct. Right.

16 COMMISSIONER MURRAY: How would that -- how  
17 would those calling scopes -- those expanded local calling  
18 scopes compare in size to the local calling scopes in  
19 metropolitan areas?

20 MS. DIETRICH: Well, I think that would depend  
21 on the wireless carrier that they went to. As we saw in the  
22 Mid-Missouri case that we had a few weeks ago, their  
23 wireless calling area is quite a bit smaller than, say, for  
24 instance, Cingular. So it would just depend on which  
25 wireless carrier they went with.

1                   COMMISSIONER MURRAY:  And how do these  
2 rates -- the highest rate that you show there, five year  
3 plus basic local, how does that compare to the highest basic  
4 local rate in the state?

5                   MS. DIETRICH:  Just one second.  I don't know  
6 about the highest rate in the state.  I have samples of  
7 CenturyTel, SBC and Sprint bills and that number is  
8 comparable to the Sprint bill.  It's a little bit more than  
9 CenturyTel and maybe -- oh, about \$4 more than CenturyTel  
10 and it's almost double SBC -- not quite double.

11                   COMMISSIONER MURRAY:  And you think that  
12 rate -- or say the rate four steps down from that on your  
13 chart, three steps down from that, three companies down on  
14 the list there --

15                   MS. DIETRICH:  Okay.

16                   COMMISSIONER MURRAY:  -- is a significant  
17 adverse economic impact on the users?  Let's take -- let's  
18 take the third number down.  I'm assuming that it's less  
19 than -- quite a bit less actually than CenturyTel's, for  
20 example.

21                   MS. DIETRICH:  Well, all -- let me say it this  
22 way.  All four of those are more than SBC's or equal -- or  
23 fairly equal to SBC's.  Except for the first one, they're  
24 less than Sprint.  And I think the third and fourth were  
25 less than CenturyTel.



1                   MR. ENGLAND: Excuse me. If it helps, I think  
2 it's certainly permissible to refer to the numbers, the  
3 dollars if you want, just don't tie them to any particular  
4 company.

5                   COMMISSIONER MURRAY: So why is it an adverse  
6 economic impact on, say, Peace Valley customers, but a rate  
7 greater than that is not an adverse economic impact to  
8 Sprint or CenturyTel customers?

9                   MS. DIETRICH: Because -- well, first of all,  
10 as you pointed out earlier, the Sprint customers didn't have  
11 a choice. The large LECs were told you have to implement  
12 LNP and you can pass this charge on to your customers.

13                   With these carriers they're being told you  
14 have to implement LNP. But for the rural carriers, the FCC  
15 did say unless there was -- as long as customers are  
16 expected to reasonably receive a benefit from this. So what  
17 we had to basically define was what was reasonably receive a  
18 benefit.

19                   In the areas where there are few customers and  
20 it's anticipated that few of those customers will port, was  
21 the benefit for the remaining customers worth these costs  
22 that are outlined on this chart? And if few or no customers  
23 port, than these carriers would still fall into, say, for  
24 instance, thousand block pooling capability by having local  
25 number portability so that would be perhaps one advantage to

1 these customers in the state is number conservation.

2 But beyond that, if there was not an interest  
3 or if wireless coverage in some of these areas was not as  
4 good as it is in the urban areas because of terrain and that  
5 type of thing, you know, it -- basically some of it was a  
6 judgment call.

7 And that's why we tried to instead of just  
8 saying, okay, it should be \$1.50 and nothing more or it  
9 should be \$2.00 and nothing more, trying to just draw a  
10 bright line, we tried to consider some of these other  
11 factors that are constant to all these carriers.

12 I guess I would also add too that we didn't  
13 have all these requests all at the same time. They trickled  
14 in over the past couple of months. So to say that, you  
15 know, some of our these compared to others would have made a  
16 difference or not, we don't know because we didn't have all  
17 the numbers at the same time. We had to make a  
18 determination with what we had in the beginning and apply  
19 that going forward.

20 COMMISSIONER MURRAY: okay. I think that may  
21 be all I have for you, but if anybody else would like to  
22 follow up --

23 JUDGE RUTH: Commissioner, I was going to say  
24 this might be a good time to break. We've been going almost  
25 two hours and I think our court reporter --

1                   COMMISSIONER MURRAY: That's fine. I'm almost  
2 done.

3                   JUDGE RUTH: Could we have at least a  
4 10-minute break for the court reporter and then come back  
5 on?

6                   COMMISSIONER MURRAY: Sure.

7                   JUDGE RUTH: Okay. We'll go off the record  
8 for approximately 10 minutes. That would make it we'll say  
9 25 after 12:00 sharp. That's when I'm starting. We're off  
10 the record now.

11                   (A RECESS WAS TAKEN.)

12                   JUDGE RUTH: Before we took the short break, I  
13 think Commissioner Murray was going to ask some of her  
14 questions of other parties. And if that's true, I'm going  
15 to let Ms. Dietrich step down at this time unless your  
16 question was for --

17                   COMMISSIONER MURRAY: Let me ask one more  
18 question before you do.

19                   Ms. Dietrich, do you know why other wireless  
20 carriers did not intervene in this proceeding?

21                   MS. DIETRICH: No. And I was curious as to  
22 why Western only intervened in three of the cases. I  
23 assumed maybe they were doing a sampling, but that wasn't  
24 the case either, so I'm not sure.

25                   COMMISSIONER MURRAY: Does Western have a

1 response to that?

2 MR. WILLIAMS: Yes. To speak to why we  
3 intervened in the three we did is because those are really  
4 the only ones in our coverage area for that diagram up there  
5 that made sense in terms of number porting opportunity.

6 And then I'll speak in general for the other  
7 wireless carriers. And this is from Western's perspective.  
8 Western is exclusively a rural operator. And if we don't  
9 create opportunities like this in the areas in the rural  
10 areas, there are no opportunities for us.

11 And that certainly is not the case with the --  
12 you know, the Cingulars and the Verizons. They have --  
13 their opportunities are dominated by their more urban  
14 presence.

15 COMMISSIONER MURRAY: Is Western Wireless the  
16 only wireless carrier that's predominantly rural?

17 MR. WILLIAMS: No. That's not the case.  
18 We're probably -- I would say we're the largest rural  
19 carrier, but there are -- I mean, Mid-Missouri isn't a good  
20 example, but there's -- I would say, you know, 30, 40, 50  
21 other regional rural carriers around. Not -- I don't know  
22 that any of them provide service here other than  
23 Mid-Missouri.

24 COMMISSIONER MURRAY: Explain one more time  
25 why it was you picked the three to intervene.

1                   MR. WILLIAMS: Because we have actual radio  
2 coverage that overlaps their areas and --

3                   COMMISSIONER MURRAY: And you don't in the  
4 others?

5                   MR. WILLIAMS: And we don't in the others.

6                   COMMISSIONER MURRAY: Thank you. I think that  
7 is all for you, Ms. Dietrich.

8                   MR. STEINMEIER: Your Honor -- oh, I'm sorry.  
9 If I could just a second, while we've just referred back to  
10 this page, would you reserve Exhibit No. 9 for that second  
11 white page?

12                  JUDGE RUTH: Yes. I'd made a note to myself.  
13 Exhibit No. 9 for identification purposes is the second  
14 drawing. And, again, at the end of the hearing we'll make  
15 arrangements for that to actually be admitted into the  
16 record. And I just labeled it as the second drawing. Thank  
17 you.

18                  And, Ms. Dietrich, you may step down. Please  
19 remain available and you'll still be under oath if there are  
20 additional questions later on in the hearing.

21                  COMMISSIONER MURRAY: And I'd just like to ask  
22 if there is anybody else that would like to respond to  
23 anything I was asking Ms. Dietrich about before I move onto  
24 a couple of other questions? Mr. England?

25                  MR. ENGLAND: To clarify, I think you had some

1 questions regarding KLM and what they've been doing. As I  
2 said, most of our companies, if not all of them, didn't  
3 really have an obligation to port until November 10th, I  
4 believe they did, of 2003. KLM filed their application for  
5 suspension and modification in February -- I believe  
6 February 17th if Exhibit No. 1 is correct.

7 And I think your question went to why they  
8 weren't doing anything beyond that. Well, we felt like we'd  
9 made a sufficient case for suspension and modification and  
10 it really wouldn't make sense to go ahead and start spending  
11 the money and begin implementation until we got our decision  
12 on our request.

13 So I believe that KLM and others acted as  
14 quickly as they could after the time when they knew and it  
15 became apparent that they had a problem and that number  
16 portability was imminent.

17 COMMISSIONER MURRAY: If you get the  
18 suspension, then what will you do? What will KLM do?

19 MR. ENGLAND: Well, we will continue to look  
20 at replacing the switch. I think that is definitely on the  
21 horizon for this company. Because whether it's local number  
22 portability or something else, or the fact that MITEL is not  
23 going to support this switch beyond 2007, they've got to do  
24 something.

25 COMMISSIONER MURRAY: 2007. But you're asking

1 for a two-year extension -- two-year suspension. Right?

2 MR. ENGLAND: Correct.

3 COMMISSIONER MURRAY: Are you going to move  
4 forward to try to get that accomplished within the next two  
5 years?

6 MR. ENGLAND: Yeah. I think we'll have a lot  
7 more information and we may, in fact, replace the switch  
8 within two years.

9 COMMISSIONER MURRAY: And would it be possible  
10 to accomplish that within six months?

11 MR. ENGLAND: Certainly possible. Is it  
12 economically wise? I don't know the answer to that  
13 question.

14 COMMISSIONER MURRAY: Anybody else have  
15 anything regarding what we've already discussed?  
16 Mr. Johnson?

17 MR. JOHNSON: I'm not sure it's an important  
18 point but as I understood some of your earlier questions  
19 comparing the recovery charges from Century, SBC or Sprint  
20 to some of those being proposed here, you seemed to assume  
21 that there was an equation of those recovery charges to a  
22 level that wasn't unduly burdensome economically.

23 And I was just going to point out that there  
24 never was a suspension or modification available. Those  
25 were imposed by those companies without your say-so, so

1 there never was an opportunity to make that decision there.

2 COMMISSIONER MURRAY: That's not what I was  
3 comparing it to, but thank you, Mr. Johnson. I was  
4 comparing the overall rates that a customer would have to  
5 pay for basic local service across the state and considered  
6 burdensome to some and higher rates not considered  
7 burdensome to others.

8 Now, during the break Commissioner -- Chair  
9 Gaw and I were discussing something which has raised a  
10 question as to interpretation here. If a wireless carrier  
11 who did not have a local presence within, for example, let's  
12 take the -- oh, let's just take the first one here on this  
13 list -- BPS exchange, had a customer -- or had -- let's say  
14 a customer of BPS in BPS's local exchange wanted to port  
15 that customer's number to a wireless carrier that did not  
16 have a local -- the ability to provide local service within  
17 the BPS exchange, is that number portability available to  
18 the wireless carrier?

19 And I'm probably not asking this very  
20 understandably here. But what I'm trying to understand is  
21 if that number portability is available to a wireless  
22 carrier who does not overlay that local geographic scope  
23 with a local calling -- local wireless calling scope?

24 MR. ENGLAND: I think this gets back to  
25 Mr. Williams' description of coverage area. And if they



1 don't cover, provide service such that you could receive and  
2 send cellular calls in the BPS territory, then I don't think  
3 that they can request or require local number portability.

4 COMMISSIONER MURRAY: And is that that they  
5 have to provide service so that you could send and receive  
6 local wireless calls within that territory?

7 MR. ENGLAND: The FCC requirements just say  
8 coverage area. How you define local, at least as I  
9 understand from the wireless perspective, is how you market  
10 your service. Many of them provide -- make no distinction  
11 between -- I mean, it's in this case -- their local calling,  
12 if you will, is nationwide.

13 COMMISSIONER MURRAY: But -- I'm going to pass  
14 this to Commissioner Gaw, because he and I have a different  
15 understanding of this and I'm not asking the way it ought to  
16 be asked.

17 CHAIR GAW: I'm not sure I can improve on  
18 that, but let me see if I can give an example of an area  
19 that I have some familiarity with. Who's the land-line  
20 company in Keytesville, Missouri? Who knows that?

21 MR. JOHNSON: Is it Chariton Valley?

22 CHAIR GAW: I don't think it's Chariton  
23 Valley. Chariton Valley serves Salisbury. We can use  
24 Salisbury maybe. Maybe not. US Cellular doesn't -- isn't  
25 part of its coverage area in Chariton County?

1 MR. JOHNSON: I believe that's right.

2 CHAIR GAW: But US Cellular does not offer  
3 what would be considered to a land-line customer in  
4 Salisbury a local call if I dial from land-line to cell --  
5 to the cell phone; is that correct?

6 MR. JOHNSON: I don't know. I'll take your  
7 word for it.

8 CHAIR GAW: Let's assume that's the case.  
9 Okay? But that as far as US Cellular is concerned, they  
10 have towers there. Is that a plausible scenario, first of  
11 all?

12 MR. JOHNSON: Yes.

13 CHAIR GAW: So if I'm a land-line customer in  
14 Salisbury, Chariton Valley customer, and I want to call  
15 somebody in Salisbury that has a US Cellular phone, that's  
16 not a local call. Correct? Under my scenario, that would  
17 not be a local call?

18 MR. JOHNSON: That's correct.

19 CHAIR GAW: But if I want to call from the  
20 US Cellular phone to a customer in Salisbury that's  
21 land-line, as far as what's local and not local, that might  
22 be considered a local call?

23 MR. JOHNSON: It would depend on the package  
24 you purchased from US Cellular.

25 CHAIR GAW: If they have their towers -- in

1 other words, I'm on my cell tone in Salisbury and the tower  
2 is a US Cellular phone tower.

3 MR. JOHNSON: Yes. I think from an  
4 intercarrier compensation standpoint, it may be considered  
5 local because it's in the same MTA. From the customer's  
6 standpoint it's what he's --

7 CHAIR GAW: Yeah. Whatever his package is.

8 MR. JOHNSON: Right.

9 CHAIR GAW: What I'm getting to though is from  
10 the land-line customer's perspective. And my -- I think the  
11 question is if I'm a land-line customer in Salisbury and I  
12 want to port my number to US Cellular, can I do that under  
13 the rules that the FCC as established?

14 MR. JOHNSON: I think the answer to that is  
15 yes as long as US Cellular gives you a signal in the area  
16 that includes Salisbury exchange.

17 CHAIR GAW: That's my understanding as well.  
18 Does anybody disagree with that?

19 MR. WILLIAMS: I would agree with that.

20 CHAIR GAW: So if I am a land-line customer of  
21 Chariton Valley and I say I want to port my number to  
22 US Cellular and I get that -- and I do that, then anyone who  
23 calls me from a land-line in Salisbury on my US Cellular  
24 phone with the ported number out of Salisbury could receive  
25 that as a local -- could take that call as a local call

1 after that? Is that not correct?

2 MR. JOHNSON: The US Cellular customer could  
3 make the call to --

4 CHAIR GAW: No, no. The other way around.  
5 Another Chariton Valley land-line customer calling that  
6 US Cellular phone with a ported number from a Salisbury  
7 land-line, would that not be a local call?

8 MR. ENGLAND: It would appear to the customer  
9 to be a local call, but depending on how you clarify how  
10 that call is going to be transported and if it's the  
11 responsibility of the local exchange carrier, how those  
12 additional costs are going to be recovered, it may or may  
13 not have some charges associated with them.

14 CHAIR GAW: May or may not. But if we don't  
15 clarify it at all, what occurs?

16 MR. JOHNSON: If you don't clarify it at all,  
17 it depends upon whether Chariton Valley offers that number  
18 to its customers to reach on a seven-digit dial basis. And  
19 I think right now the answer to that is, no, they wouldn't  
20 because that number doesn't reside in the Chariton Valley  
21 switches as a local number.

22 CHAIR GAW: So it's not a local number even  
23 though it was originally a Chariton Valley number?

24 MR. JOHNSON: Once it's ported, it becomes a  
25 US Cellular number.

1                   CHAIR GAW:  But somebody calling that number  
2                   from Salisbury on a Chariton Valley line would not -- would  
3                   not recognize that as anything but a local number, would  
4                   they?

5                   MR. JOHNSON:  The caller might not unless they  
6                   knew the customer is served by US Cellular now.  The caller  
7                   would have every reason from looking at the phone book to  
8                   think he's still calling a local number, you're correct.

9                   And I might point out that the Act talks about  
10                  number portability.  And I think sometimes when they call it  
11                  LNP or local number portability, it creates the potential  
12                  for confusion.  But what's local is always a function of  
13                  what the carrier serving the customer offers as a local  
14                  call.  The number is ported, that's just a question of  
15                  whether the number's going to be ported, but it has nothing  
16                  to do with whether the number is ported locally or long  
17                  distance.

18                  Originally local number portability was  
19                  supposed to be available to people who were changing  
20                  customers at the same location.  And when you get into at  
21                  the same location with wireless, the FCC has decided that  
22                  the same location means if the wireless signal touches the  
23                  land-line exchange.

24                  So you need to be careful in deciding what --  
25                  when you talk about local service and you have your

1 questions understandably from the customer's viewpoint, that  
2 may not have anything to do with number portability as the  
3 FCC has ordered it today.

4 CHAIR GAW: May have a whole lot to do with  
5 how we decide this case.

6 MR. JOHNSON: That's correct

7 MR. WILLIAMS: Could I --

8 CHAIR GAW: If you're telling me I don't have  
9 to worry about the carriers on their compensation, I'll just  
10 throw that concern out in my deliberation. You all are  
11 telling me you've already solved the problem it sounds like.

12 MR. ENGLAND: I'm not telling you that.

13 CHAIR GAW: I don't know what the answer is to  
14 this question. And my concern is that what we're doing here  
15 has a direct bearing on the customer who's making that call  
16 and also has a direct bearing on whether or not you truly  
17 have -- have local number portability for -- if I'm a  
18 business and I want to transfer my number, am I going to be  
19 told that anybody that calls you from Salisbury, Missouri  
20 now on a land-line is going to pay a long-distance charge or  
21 pay something in addition to that or the phone's going to be  
22 blocked?

23 I mean, who is going to deal with all those  
24 issues? Where are those issues being dealt with? Here?  
25 With the FCC? What's the answer to that?

1                   MR. JOHNSON: Commissioner Gaw, going back to  
2 your Chariton Valley, Salisbury example, if we obtain the  
3 modification that Chariton Valley is requesting, I envision  
4 they'll put a recording on their local switch so anybody in  
5 their exchange that tries to dial that number that's been  
6 ported and the carrier hasn't made arrangements to pick up  
7 that call, the recording will say something to the effect  
8 of, This customer is no longer served by Chariton Valley,  
9 although he still has his old phone number, and because his  
10 new provider doesn't have a presence in our exchange or  
11 something like that, unfortunately, you're going to have to  
12 dial a one.

13                   So then that person is going to know at least  
14 that they're going to have to make that long distance call.  
15 I don't think that -- I mean --

16                   CHAIR GAW: It doesn't sound like the kind of  
17 number portability that I would have thought would have been  
18 envisioned by the FCC, but maybe I'm wrong.

19                   MR. ENGLAND: Well, it -- your Honor,  
20 Commissioner Gaw, and that's the problem with intermodal  
21 porting. It's a relatively simple matter with LEC to LEC.  
22 And the FCC has made it clear you're not going to port  
23 beyond the rate center.

24                   So the competitive LEC has to have a  
25 interconnection agreement with the incumbent LEC and then

1 numbers are ported within that land-line local calling area,  
2 as we've discussed over and over, when you've got wireless  
3 carriers with calling areas that far exceed the boundaries  
4 of land-line local exchanges and you introduce this rating  
5 and routing issue, virtual NXX, whatever you want to call  
6 it.

7                   And that's the very real problem that we're  
8 asking modification from at least on a temporary basis until  
9 the FCC gives us some guidance.

10                   JUDGE RUTH: I wanted a little bit of  
11 clarification, and I guess I'll ask Mr. Johnson first. Can  
12 you explain to me briefly when it is -- if the Commission  
13 were to do nothing, not grant any type of modification, I'm  
14 confused about whether or not that's when the person makes  
15 the phone call to the neighbor who has now ported the  
16 number, thinks it's going to be a local call, but it's  
17 actually going to be one of the calls that goes out somehow  
18 and comes back in, is that call going to go through and  
19 they're going to get a long-distance bill or is that call  
20 not going to go through and they're going to get this  
21 message? If the Commission does not grant the petitions,  
22 what is going to happen?

23                   MR. JOHNSON: I'm not sure I know the answer  
24 to that question.

25                   JUDGE RUTH: Okay. Go ahead. Finish your



1 answer.

2 MR. JOHNSON: I mean, if -- I think it --  
3 well, I haven't thought my way through this, but to me the  
4 recording -- the benefit of the recording that tells the  
5 customer you're going to have to dial this on a 1, although  
6 we don't like to have to tell them that, at least it tells  
7 them they're going to have to make a toll call they can  
8 expect on their toll bill.

9 And if they dial the 1, the call is going to  
10 go out, as it does today, with their chosen picked  
11 interexchange carrier that today they need to use in order  
12 to reach a US Cellular customer. If we just automatically  
13 put it in translations where it goes and -- it goes on a  
14 Bell facility, whatever facility and whether or not the  
15 compensation arrangements are made, there's an argument  
16 about whether we're properly routing the call in conjunction  
17 with our local tariffs and our local exchange offerings and  
18 honoring their chosen choice of carriers to channel their  
19 long-distance calls.

20 JUDGE RUTH: I'd like to hear from Mr. England  
21 on that issue also.

22 MR. ENGLAND: One -- and I'm just going to  
23 give you, as I said earlier, some examples. One way to  
24 handle that, as Mr. Johnson said, is to default that  
25 seven-digit dialed call to the customer's presubscribed

1 interexchange carrier and allow them to carry that call just  
2 like they would a 1-plus call outside the local exchange  
3 area.

4 The obvious problem is if you haven't advised  
5 the customer that that's going to happen, they're going to  
6 be hit with toll charges that they thought was otherwise  
7 local.

8 JUDGE RUTH: Your answer is if the Commission  
9 does not grant the petitions, then this situation could be  
10 handled one of several ways and the Commission doesn't know  
11 which way you all are going to pick?

12 MR. ENGLAND: Ex-- and I'll give you another  
13 example. If a cooperative in this state is not regulated by  
14 this Commission with respect to its local rates, its  
15 membership could decide that if you were going to call a  
16 seven-digit dialed number that has been ported outside your  
17 local rate area to a wireless carrier, they are going to  
18 implement a surcharge on that local call, a per minute  
19 surcharge to recover their costs.

20 And I would think they're perfectly capable of  
21 doing that. Whether they would or not, that's a different  
22 question, but that's another way to address it. A company  
23 that's rate base rate of return regulated is obviously going  
24 to have to get approval for any kind of tariff restructuring  
25 or new tariff, rate increase or whatever you want to call

1 it.

2 If those costs are significant, in addition to  
3 their existing costs, they're going to be back before you  
4 asking to recover those cost either through their overall  
5 rates or through perhaps some sort of surcharge or other way  
6 to do it.

7 So, I mean, there are different ways to  
8 address this, but the bottom line is if you don't at least  
9 for the interim, what I understand Western has agreed to,  
10 put that cost burden on the wireless carrier, it's going to  
11 be born by the local exchange carrier and that local  
12 exchange carrier one way or another is going to recover it  
13 from its end-user. And ironically it's going to be the  
14 end-users who didn't port their numbers and didn't get the  
15 benefit of local number portability.

16 JUDGE RUTH: Did anyone else want to respond  
17 to that question or scenario?

18 MR. WILLIAMS: Yeah. I probably have a couple  
19 comments on that. And it hinges upon how the FCC has  
20 defined local number portability. And I think it's unfair  
21 to say you're going to offer local number portability and  
22 then not abide by the definition that the FCC has provided.  
23 And I want to go through that and break it down into a  
24 couple pieces.

25 Local number portability is defined by the

1 federal act as the ability of users of telecommunications  
2 services to retain at the same location and then -- at the  
3 same location.

4 For wireline to wireline CLEC -- or LEC to  
5 CLEC, that was pretty easy to figure out because the wires  
6 ended up in the same spot. So there was no issue for that.  
7 The FCC in its intermodal order said, We're defining the  
8 same location to be the rate center. So it's not a specific  
9 address, per se. It's, you know, a terrain that's defined  
10 by the -- really by the LEC's -- historical development of  
11 rate centers for the LECs. So that's the definition of same  
12 location within the rate center.

13 And then it goes on to say, Existing  
14 telecommunication -- retain existing telecommunication  
15 numbers without impairment of quality, reliability or  
16 convenience when switching from one telecommunications  
17 carrier to another.

18 Now, I don't know where you put toll calling,  
19 whether you put it under, you know, quality or convenience,  
20 but if the difference is one day it's a local call,  
21 seven-digit dialed and the next day the call goes to a  
22 message that says, Now you have to dial toll for this call,  
23 I would say that you're in violation of the convenience  
24 standard set forth by number portability.

25 Now, these issues were all addressed in the

1 intermodal issue -- intermodal order. And what was  
2 addressed in there was also the fact that, yes, this raises  
3 compensation issues, but that compensation issues are  
4 outside the scope of number portability, there are other  
5 venues to resolve compensation between carriers.

6 JUDGE RUTH: Staff, did you want to respond to  
7 the original question that I had asked, the hypothetical?

8 MR. MEYER: I don't have anything to add that  
9 the parties haven't already expressed.

10 JUDGE RUTH: That's fine. And Public Counsel,  
11 did you want to add anything?

12 MR. DANDINO: No, thank you.

13 JUDGE RUTH: Thank you for letting me  
14 interrupt, Mr. Chairman.

15 CHAIR GAW: Just to briefly follow up on this  
16 concept, if I were living in Salisbury again and I had a  
17 land-line and I decided I wanted to port my number to a  
18 number that was a CLEC or maybe even an ILEC in Moberly, I  
19 couldn't do that, could I? I couldn't do that. Correct?

20 MR. JOHNSON: Correct.

21 MR. WILLIAMS: Correct.

22 MR. ENGLAND: I agree.

23 CHAIR GAW: Thank you. And yet if I have a US  
24 Cellular phone which possesses a Moberly local number and  
25 I'm in Salisbury, what happens then? I can port it.

1 Correct

2 MR. ENGLAND: I believe so.

3 CHAIR GAW: Anybody else have any opinion on  
4 that? My US Cellular number, if I had one and I lived in  
5 Salisbury, would be -- normally be a Moberly number. Let's  
6 make that assumption. I think that's accurate.

7 MR. JOHNSON: Your US Cellular telephone  
8 number is a Moberly number?

9 CHAIR GAW: Yes. I'm in Moberly.

10 MR. JOHNSON: That's correct. I understand.

11 CHAIR GAW: Now, can I port that number to a  
12 Salisbury number, land-line number?

13 MR. ENGLAND: No.

14 MR. WILLIAMS: No.

15 CHAIR GAW: Okay. If I am a Salisbury,  
16 Chariton Valley customer -- I want to keep saying Chariton  
17 as much I can so I keep those of you who say Chariton from  
18 saying it.

19 If I'm a Chariton Valley land-line customer  
20 and I want to port my number to a US Cellular number -- or  
21 phone, I should say, can I do that?

22 MR. ENGLAND: Yes.

23 CHAIR GAW: I think the answer to that is yes  
24 too. Anybody disagree with that?

25 MR. JOHNSON: No.

1                   CHAIR GAW:  And therein lies the predicament,  
2  doesn't it, on at least a portion of this?

3                   Okay.  Thank you, Judge.

4                   JUDGE RUTH:  Commissioner Murray?

5                   COMMISSIONER MURRAY:  Yes.  I'm trying to  
6  understand the significance of that.  Because if you live in  
7  Salisbury, you're served by Chariton Valley; is that  
8  correct?  Chariton Valley, not Chariton.

9                   And you want to port your Chariton Valley  
10 land-line number to your US Cellular phone, which has a  
11 Moberly number and you can do that.  But if you did that,  
12 your reason for doing it would be that you wanted your --  
13 the Chariton Valley friends to -- you wanted to get rid of  
14 your land-line and you wanted your Chariton Valley friends  
15 to be able to call you --

16                  CHAIR GAW:  Local call.

17                  COMMISSIONER MURRAY:  -- locally on your  
18 US Cellular number, but we've already established that it's  
19 not a local call.  So why would you do it?

20                  CHAIR GAW:  I think what we've established is  
21 that we don't know how it's going to be treated by the  
22 various carriers.  And if I understand this correctly from  
23 Western, Western I believe is saying you have to treat it as  
24 a local Salisbury number if you port your Salisbury  
25 land-line number over to US Cellular.

1                   MR. WILLIAMS: We believe those are the  
2 obligations of the number portability. If you port a  
3 wireline number to a wireless phone and it stays in the same  
4 rate center, which it has to do, otherwise it's not eligible  
5 to be ported, then you have to treat calls to that number as  
6 local if they were local prior to the port.

7                   CHAIR GAW: Yeah.

8                   COMMISSIONER MURRAY: What rate center is your  
9 Moberly number then?

10                  MR. WILLIAMS: A Moberly number must always  
11 remain in the Moberly rate center. And that's, I think,  
12 getting -- kind of cutting through here, Chariton does not  
13 have a point of presence in Moberly so -- and does not offer  
14 service in Moberly. So you couldn't port your Moberly  
15 number to Chariton.

16                  But if Chariton wished to establish a point of  
17 presence there or -- then you could. Or from our  
18 perspective -- from a wireless perspective, if Chariton  
19 wished to establish a point of presence at the LATA tandem,  
20 that would also work.

21                  COMMISSIONER MURRAY: And in this scenario  
22 we've just gone through, US Cellular has towers in the rate  
23 center area of Chariton Valley?

24                  MR. WILLIAMS: Right. US Cellular couldn't  
25 play in this game if they didn't have radio coverage or



1 towers there.

2 Kind of -- the issue in terms of calling  
3 differences between one rate center and another is not -- is  
4 very seldom an issue of mobile callers to land-line. It's a  
5 question of land-line callers to -- I'm sorry, to mobile  
6 numbers or to the ported number.

7 And so if a number ports from a wireless  
8 carrier to a wireless carrier, calling is going to remain  
9 the same as it did before. There's no issue about that. If  
10 a -- but if a wireline number ports to a wireless carrier,  
11 then we've got two different -- two different things that  
12 may happen. One is the number will complete as a local  
13 call; the other is some carriers might force that to become  
14 a toll call.

15 COMMISSIONER MURRAY: And in forcing it to  
16 become a toll call, they're forcing it to be set over --  
17 transported by an IXC?

18 MR. WILLIAMS: As I would understand it, if --  
19 if the telephone company chose -- after a number was ported,  
20 did not want to route that call out of its rate center and  
21 there were no direct connections with the carrier it was  
22 ported to, then they would -- if one of their customers  
23 dialed that number, they would send it to a message. The  
24 message would say something like that call cannot be  
25 completed as dialed, you must dial 1-plus 10 digits,

1 something to that effect.

2 And then for that land-line caller to complete  
3 the call, they would dial 1-plus 10 digits. It would then  
4 be routed to their interexchange carrier and delivered in  
5 that fashion. And it would be rated presumably differently  
6 because the interexchange carrier would want to make some  
7 money on that call.

8 COMMISSIONER MURRAY: Are there any cellular  
9 providers in Chariton Valley exchange that have local  
10 calling to the wireless carrier from Chariton Valley  
11 customers?

12 MR. WILLIAMS: The -- the case that we  
13 discovered -- discussed, Salisbury -- there are -- it's my  
14 understanding there are no wireless numbers rated out of  
15 Salisbury today. And so calls to wireless would be all  
16 toll.

17 MR. JOHNSON: Commissioner Murray, it's my  
18 understanding that Chariton Valley Wireless and Chariton  
19 Valley do have a direct connection in Huntsville and that  
20 they can call each other on a local basis.

21 CHAIR GAW: I think that's right.

22 MR. JOHNSON: I don't know if any other  
23 wireless carrier can with Chariton Valley besides its  
24 affiliate, Chariton Valley Wireless.

25 COMMISSIONER MURRAY: Only its affiliate. So

1 we're talking about a customer who wants to use a wireless  
2 other than a local -- the affiliate of the local carrier and  
3 wants to not have the local carrier as their carrier any  
4 longer in order to port their -- that would be the reason,  
5 I'm assuming, they'd want to port to US Cellular or some  
6 other wireless carrier?

7 MR. WILLIAMS: In the case -- and this is news  
8 to me, but Chariton Valley does have a wireless affiliate.  
9 There will be issues that will occur also if Chariton Valley  
10 Wireless ports the number to US Cellular, for example, and  
11 US Cellular doesn't have a point of interconnection there.

12 Then -- although calls may route fine between  
13 the two wireless companies, the local exchange carrier,  
14 because they have a different relationship with one wireless  
15 carrier than with the other, will be forced into the same  
16 decision that is faced by these other carriers.

17 COMMISSIONER MURRAY: Can discriminate in  
18 favor of their affiliate. Correct?

19 MR. WILLIAMS: Possibly.

20 MR. JOHNSON: I agree with that statement,  
21 your Honor, but Chariton Valley has the arrangement with its  
22 affiliate because its affiliate has a direct connection with  
23 them that neither US Cellular nor any other wireless carrier  
24 does have. So we're still talking about apples to apples  
25 here.

1                   COMMISSIONER MURRAY: I can't think of any  
2 more questions. Thank you.

3                   CHAIR GAW: I hate to belabor this very much  
4 more, but if I -- let's go back to Salisbury and give you a  
5 different scenario. Number portability exists from one cell  
6 company to another. Correct? We know that.

7                   Okay. So let's assume I'm a Chariton Valley  
8 Cellular customer and I want to move to US Cellular in  
9 Salisbury. Now, if I'm a land-line customer calling that  
10 Chariton Valley customer initially before they move their  
11 number, that's a local call. Correct?

12                  MR. WILLIAMS: Correct.

13                  CHAIR GAW: All right. Once I port my number  
14 to US Cellular and if I have a land-line customer in  
15 Salisbury calling me, is it still a local call or has it  
16 become long distance?

17                  MR. WILLIAMS: It should be a local call, but  
18 based on what Chariton Valley, the LEC, might choose to do  
19 with the routing on that call, I heard that it could become  
20 a toll call.

21                  CHAIR GAW: Anybody else have any opinion on  
22 that? I don't know the answer obviously.

23                  MR. JOHNSON: I thought the scenario was a US  
24 Cellular customer with a US Cellular number -- or no,  
25 Chariton Valley Wireless customer with a Chariton Valley

1 Wireless number ports that number to US Cellular.

2 CHAIR GAW: It was.

3 MR. JOHNSON: Then the question becomes whose  
4 obligation, if any, is it to transport the call between the  
5 Chariton Valley Wireless switch and the US Cellular switch.  
6 And I'm not sure I know the answer to that question,  
7 although I did hear Mr. England say that wireless carriers  
8 don't have a port -- a transporting obligation associated  
9 with number portability.

10 MR. WILLIAMS: I would clarify that in two  
11 ways. We do have a transport obligation to port -- to route  
12 ported numbers. In fact, we do it today. Because we route  
13 numbers to CLECs, for example, that are ported numbers from  
14 other carriers. And we -- we route those over a different  
15 set of circuits than we route those in most cases to the  
16 RBOC that ported those numbers. So we do have and  
17 acknowledge and perform our transport obligations with  
18 respect to number portability.

19 On the other matter of -- to clarify on the  
20 porting, once a number ports from Chariton Wireless to  
21 US Cellular, Chariton Wireless is no longer involved in the  
22 call at all. It never sees their switch so there is no  
23 carrying forward transport for Chariton Wireless. The call  
24 then would originate on the wireline center and then we're  
25 back to our original discussion today about how that call

1 originates or is transported.

2 CHAIR GAW: I still have -- you still have the  
3 question about whether or not a land-line customer of  
4 Salisbury calling is going to pay long distance or not. Put  
5 that aside for a moment.

6 How is that so easy to do so that you all get  
7 completely out of the picture as a wireless carrier once the  
8 number is ported?

9 MR. WILLIAMS: I think it's --

10 CHAIR GAW: In comparison to the fact that it  
11 appears to be not possible for the land-line carrier to  
12 suddenly say, Okay, that number is not my responsibility  
13 anymore to carry?

14 MR. WILLIAMS: Well, we -- when a number is  
15 ported, I mean, the carriers that have responsibility are  
16 the originating and the terminating carrier.

17 CHAIR GAW: Right.

18 MR. WILLIAMS: And there doesn't need to be  
19 any other carrier involved. And to the extent that we are  
20 either the originating or terminating carrier, you know, we  
21 are involved. To the extent that we're neither, we're not  
22 involved because we're not a -- we don't operate in --

23 CHAIR GAW: From the standpoint of how these  
24 numbers are handled, the number actually gets transported in  
25 some data base somewhere, I assume, so it's recognized that

1 number no longer belonged to Chariton Valley, now belongs to  
2 US Cellular. That's -- I'm assuming because of the  
3 technology with wireless, that it's just -- it is feasible  
4 for -- you all don't know -- you all no longer have any  
5 responsibility for dealing with any calls to that number.

6 MR. WILLIAMS: Let me clarify then. And this  
7 will be a good example. Our coverage area, which is a small  
8 part of Missouri, and it's all within the Kansas City LATA  
9 and we only have connections in the Kansas City LATA, it is  
10 possible for a wireless carrier based in Springfield in the  
11 Springfield LATA to port one of our numbers.

12 And if they did that, we would be obligated to  
13 route traffic that originates on our network to the  
14 Springfield tandem for delivery. Now, we would -- our  
15 customers would dial the same number of digits, we would  
16 absorb the cost of transporting that call from Kansas City  
17 to Springfield, we would hire an IXC to do that. But there  
18 wouldn't be any end-user charges associated with it.

19 CHAIR GAW: Okay. So there is still some  
20 responsibility in that scenario?

21 MR. WILLIAMS: Absolutely. For traffic that  
22 originates on our network, for numbers that are ported off  
23 our network, absolutely.

24 CHAIR GAW: But if they don't originate on  
25 your network, then --

1 MR. WILLIAMS: We're not involved.

2 CHAIR GAW: -- you're not involved.

3 That's different for land-line companies.

4 Correct? That is a different -- that's different than what  
5 happens with land-line companies on numbers that are ported?  
6 Yes or no or --

7 MR. WILLIAMS: It shouldn't be different. If  
8 a call -- once a -- take a land-line number. If it's ported  
9 to a wireless carrier, the only calls that that land-line  
10 company will be responsible for are calls that originate in  
11 the local exchange. They are not responsible for any other  
12 calls that originate either from a wireless carrier or the  
13 adjoining exchange or the adjoining other telephone company.

14 CHAIR GAW: Anybody disagree with that?

15 MR. JOHNSON: I don't disagree with it, but  
16 today we're only responsible for the calls that both  
17 originate and terminate in our exchange.

18 CHAIR GAW: Right, right. Okay.

19 MR. ENGLAND: I don't know enough to say I  
20 agree or disagree.

21 CHAIR GAW: You've got heads behind you that  
22 are nodding in different directions.

23 MR. ENGLAND: Try to ignore them, if you will,  
24 please. That's why I'm looking forward.

25 CHAIR GAW: They seem to understand my



1 question, which worries me.

2 MR. ENGLAND: You are engaging in a lot of  
3 what-ifs that, quite honestly, we have gone through and I'm  
4 not sure we know all the answers. And I thought one of the  
5 questions got to the issue of what if it's the second port  
6 or the third port --

7 CHAIR GAW: It could -- you can go down that  
8 road.

9 MR. ENGLAND: I have complete ignorance on  
10 that. I mean, it's -- it just complicates what is already a  
11 complicated problem to begin with.

12 CHAIR GAW: Let me ask one additional  
13 question. Earlier Western suggested that they would be  
14 willing to pick up on a temporary basis or something on the  
15 transiting charges, as I understood -- understood it that --  
16 and is that -- is that correct? You might define it a  
17 little better than I did.

18 MR. WILLIAMS: I think the general sense is  
19 correct. Based on the fact that the FCC has pending  
20 decisions in other cases on compensation, in order to go --  
21 move forward with number portability, Western would agree to  
22 reimburse the three parties that we're interested in here  
23 for any calls that they have to transit to the -- you know,  
24 through SBC to get to us.

25 CHAIR GAW: Now, the part of my question that

1 is -- I hope is not difficult and I hope it's not -- I hope  
2 it's not another issue. Are the land-line carriers here  
3 intending on charging terminating access under their --  
4 under their wireless terminating access tariffs in the event  
5 that a phone call comes from one of your land-line -- one of  
6 your land-lines, is transited over Bell's network and then  
7 terminated back into your -- it would go the other way, I  
8 guess, from the wireless carrier and transited back over and  
9 then terminating in your local exchange. Are there any  
10 issues about terminating -- wireless terminating access  
11 charges in this scenario at all?

12 MR. WILLIAMS: I might make that easy for  
13 everybody. To the extent that terminating access tariffs --  
14 terminate -- wireless termination tariffs apply, they would  
15 also apply for traffic, for example, from a number that was  
16 ported to a wireless carrier and that now that customer is  
17 calling back into the local exchange.

18 CHAIR GAW: Okay. So you think they would  
19 apply?

20 MR. WILLIAMS: The wireless termination  
21 tariffs would apply, which are different from the access  
22 tariffs.

23 CHAIR GAW: I understand what you're saying.  
24 I'm just not sure that I'm -- that everybody's on the same  
25 page on this. And although you all may have flipped from

1 where I thought you all would be, I would kind of like to  
2 know what we're dealing with.

3 MR. ENGLAND: If I've done that, you need to  
4 straighten me out.

5 CHAIR GAW: Not you guys. I wasn't sure where  
6 Western would be and I wasn't sure where you all would be.  
7 And I'm sort of anticipating the possibility that there  
8 could be a controversy here and I'm hoping that's not the  
9 case. So go ahead.

10 MR. JOHNSON: I think the calls we're talking  
11 about right now are calls that are land-line customers would  
12 make to a former customer who has ported his number. And  
13 that call is not going to terminate in our exchange.

14 CHAIR GAW: Yeah. You're not going to have  
15 any terminating --

16 MR. JOHNSON: So there shouldn't be --

17 CHAIR GAW: Go the other way for me though.  
18 Go from the wireless carrier that's had a number ported from  
19 that exchange and is calling back to that exchange to an  
20 end-user that's a wireline customer.

21 MR. ENGLAND: My guess is that that call would  
22 be captured by Southwestern Bell at the tandem just like any  
23 other call --

24 CHAIR GAW: Right.

25 MR. ENGLAND: -- from Western. And as part of

1 the records that they create today, summary records, in the  
2 future the call detail records, it would look like any other  
3 call from Western, for example --

4 CHAIR GAW: Yeah.

5 MR. ENGLAND: -- to the LEC.

6 CHAIR GAW: In other words, the wireless  
7 tariffs would apply --

8 MR. ENGLAND: I believe so.

9 CHAIR GAR: -- on the termination, which I  
10 think is what Western's saying too. That helps me. That's  
11 all I have, Judge. Thank you

12 JUDGE RUTH: Commissioner Murray, do you have  
13 any additional questions?

14 COMMISSIONER MURRAY: I don't believe so.  
15 Thank you.

16 JUDGE RUTH: Then I told the parties in the  
17 beginning that if you wanted an opportunity for closing  
18 statements, I would allow you to have that. That's what  
19 we'll move on to next. Then I'll follow up with some  
20 housekeeping matters regarding the exhibits and the  
21 transcripts.

22 We'll start back with Mr. England. Did you  
23 want to make a closing statement? And if so, I'd like you  
24 to move up to the podium.

25 MR. ENGLAND: Thank you, your Honor. I'll try

1 to be brief. Do I need to move it away the --

2 JUDGE RUTH: Could you, please? I can't use  
3 the detail stuff.

4 MR. ENGLAND: As I indicated in my opening  
5 statement and I think we've -- we at least understand now  
6 that there are two separate requests going on here. One is  
7 a request by less than all companies for suspension of their  
8 obligations to implement local number portability based on  
9 the costs associated therewith.

10 And, as I said at least once, if not several  
11 times, we're going to leave that in your hands. If you  
12 think that that is significant and adverse and not in the  
13 public interest, then we would ask for the suspension of the  
14 obligation. If you do not think it is significant, adverse  
15 and not in the public interest, then obviously tell us and  
16 we will implement local number portability.

17 The other request is the one that seems to  
18 have drawn most of the attention and what we've discussed  
19 quite a bit and that is the rating and routing issue with  
20 ported numbers outside the local rate centers of our  
21 customers.

22 We do not want to surprise them with charges,  
23 we do not want to, frankly, levy charges on them for these  
24 calls. We don't believe that they're the ones that are  
25 really creating the costs. It's the customers who have

1 chosen to port their calls and leave, if you will, the area  
2 at least spiritually if not -- not necessarily physically,  
3 that perhaps should bear the cost of the -- of the porting  
4 outside the local rate center.

5 Let me back up. We don't have a problem, by  
6 the way, porting where we do have direct interconnection.  
7 As I mentioned, Citizens has a direct interconnect. Western  
8 has asked for and we will be negotiating I believe direct  
9 intersection with Cass County, so that's off the table.  
10 It's not an issue. It's these long-distance porting, if you  
11 will, requests that are troublesome.

12 What I've heard today, however, is that at  
13 least Western is willing, on an interim basis, to  
14 essentially absorb those costs. That would certainly be  
15 sufficient. That's all we ask. And we would ask that you  
16 wait to see what the FCC does on a long-term basis with this  
17 issue.

18 I think the fact that no other wireless  
19 carrier has intervened and opposed these requests, at least  
20 for the 27 other companies that I represent, speaks volumes  
21 about the importance, the criticality, if you will, of local  
22 number portability in rural exchanges.

23 So I think that the Staff has done a  
24 reasonable job of approaching this. They support our  
25 request for modification, we do have a difference of opinion

1 with them with respect to suspension, but I appreciate and  
2 understand where they're coming from and they were trying to  
3 make a reasoned break mark between what they think is an  
4 acceptable cost versus a non-acceptable cost.

5 We, of course, continue to believe that any  
6 cost is unacceptable if there's no demand for the service,  
7 but we will live by your decisions in that regard. Thank  
8 you.

9 JUDGE RUTH: Mr. Johnson?

10 MR. JOHNSON: Try to be as brief as I can.  
11 First of all, none of our customers have requested that  
12 their numbers be ported to a wireless carrier. Secondly, no  
13 wireless carrier has opposed any of my clients' request for  
14 suspension and modification.

15 What we're basically asking in the  
16 modification aspect of this case is that you clarify or  
17 mod-- and modify by clarifying that piece of the FCC's order  
18 that doesn't address whose responsibility it is to carry  
19 calls outside of the local exchange company's area.

20 And to assure you you do have the authority to  
21 clarify or modify the FCC in that regard, Section 251 F2  
22 says that you can do that to the extent that and for such  
23 duration that you think these questions as to undue economic  
24 burden or impact are going to persist.

25 Which is why I suggest that the best structure

1 for an order for you to do is to grant the modification  
2 request and create a procedure for a wireless carrier to  
3 come in and say, Now I have sufficient demand to prove to  
4 you that there is no longer an undue economic impact or  
5 undue burden and now there's enough demand for porting that  
6 you should allow it to happen. Thank you.

7 JUDGE RUTH: Staff?

8 MR. MEYER: First, I'd just like to take the  
9 opportunity to the throw out a couple of legal points that  
10 haven't come out yet along the way.

11 There actually is a federal regulation that  
12 does govern the Commission's analysis here. It's 47 CFR  
13 Section 51.405, encaptioned Burden of Proof. And perhaps in  
14 keeping with what Mr. Johnson just said subsection D, and  
15 I'll just read this straight in.

16 It states, In order to justify a suspension or  
17 modification under Section 251 F2 of the Act, a LEC must  
18 offer evidence the application of Section 251 B or C -- and  
19 we're talking about a request under 251 B -- of the Act  
20 would be likely to cause undue economic burden beyond the  
21 economic burden that is typically associated with efficient  
22 competitive entry.

23 I think that's something that should frame the  
24 Commission's considerations here. And I think there's been  
25 substantial discussion and evidentiary production in this



1 case to address that.

2 Another legal point I'd like to make,  
3 Mr. Steinheier mentioned earlier there is a federal  
4 regulation addressing -- I'm sorry, Mr. Steinmeier addressed  
5 a regulation that says that a LEC must make available upon  
6 request its switches, etc., and gave some time lines that I  
7 believe Commissioner Murray had some questions about.

8 Staff believes those time lines are basically  
9 guidance in this and not binding. And our source in part  
10 for that belief is that the regulation in its fullest  
11 extent -- and this is Section 47 CFR, Section 52.23 sub B,  
12 sub sub 2, sub sub sub Roman numeral IV, the full length of  
13 that actually says, After the deadline for deployment of  
14 number portability in an MSA in the 100 largest MSAs,  
15 according to the deployment schedule set forth in the  
16 appendix to this part, a LEC must deploy number portability,  
17 and then it goes on to give those -- those standards.

18 It's possible that this does, in fact, only  
19 apply to the 100 MSAs. This is an older regulation that  
20 predates November of '03. It actually stems back to circa  
21 1996, '97. So it's unclear whether, in fact, those are  
22 supposed to be binding. At the time they were written for  
23 certainly the small ILEC, rural ILEC concept as it stood  
24 after November of '03 had not come into play.

25 I'd also just note that in light of the offer

1 proposal, suggestions of Western Wireless, that that is the  
2 proposal or suggestion of one wireless company. Of course,  
3 it's the only one before the Commission today, but there  
4 are, of course, many other wireless companies involved which  
5 we do not know what they may do.

6 The other points I'd like to make just address  
7 potential exhibits. Staff actually has an exhibit compiled  
8 that consolidates all of the proprietary information, not  
9 just the proprietary information from Mr. England's  
10 companies, which we can certainly offer. I think most of  
11 the parties have actually already received that and it might  
12 give the Commission a broader overview.

13 Also, the exhibit to Staff's recommendations  
14 that actually addressed whether or not the routing and  
15 rating issue should be addressed by the Commission -- in  
16 other words, if Staff recommended suspension, then we did  
17 not address the issues of routing and rating.

18 Those recommendations that did address rating  
19 and routing have an attachment that has a chart that is more  
20 or less, I believe, a representation of what is before us  
21 here today with the highlighting. And I would just draw the  
22 Commission's attention to that as perhaps a more detailed  
23 version of that.

24 JUDGE RUTH: You mentioned the proprietary  
25 additional exhibit. I'm not sure if I followed you. Is

1 that something that --

2 MR. MEYER: I would propose if the Commission  
3 likes, that I could late file that. I've talked to the  
4 counsel for the parties and they have had no objection to us  
5 providing that proprietary information to you. It's a  
6 compilation of the proprietary information that's in each  
7 one of the separate cases so that you could get an overview.  
8 It's certainly something you could comply yourself looking  
9 at each of the cases, but we've already done that.

10 JUDGE RUTH: Are you suggesting that be  
11 actually admitted into the record as opposed to just marked  
12 since we have not discussed that document?

13 MR. ENGLAND: Your Honor, it's my  
14 understanding that what Staff has, it's a similar exhibit to  
15 Exhibit 2, I believe, except for all of the requesting  
16 carriers.

17 MR. MEYER: It has a number of other carriers'  
18 information on that.

19 MR. ENGLAND: I have no objection to that. If  
20 you want to just substitute that for the current Exhibit 2,  
21 it would just be a more comprehensive, if you will, exhibit.

22 JUDGE RUTH: Rather than substitute, let's  
23 mark it as Exhibit 10.

24 MR. MEYER: It's not something I have  
25 physically at this time, so I would actually offer it as a

1 late filed.

2 JUDGE RUTH: As a late filed. I'll make a  
3 note that Exhibit 10, that number, is reserved for Staff to  
4 file the proprietary documents. What should I title it?  
5 Proprietary chart?

6 MR. MEYER: It says LNP Implementation  
7 Comparison March and April of '04 -- 2004.

8 JUDGE RUTH: LNP Implementation Comparison --

9 MR. MEYER: March -- actually 3/2004 and  
10 4/2004.

11 JUDGE RUTH: So I'll expect to see the  
12 document LNP Implementation Comparison 3/2004 through  
13 4/2004. At this time it's just being marked for  
14 identification to assist in following some of the  
15 discussion. Staff, can you provide that fairly quickly?

16 MR. MEYER: I can provide it electronically  
17 when I get back upstairs.

18 JUDGE RUTH: We'll expect to see that later  
19 today.

20 MR. MEYER: Certainly.

21 JUDGE RUTH: I also note that Exhibits 5, 6,  
22 7, 8 and 9 were documents either -- they were used by  
23 Western Wireless in their discussion. And it's my  
24 understanding that Western Wireless anticipates actually  
25 getting copies of these into the record rather quickly; is

1 that true?

2 MR. STEINMEIER: Yes, your Honor.

3 JUDGE RUTH: Can you tell me would you be able  
4 to get those into the record by Friday?

5 MR. STEINMEIER: We believe we can do that.

6 JUDGE RUTH: I'm going to expect to see it  
7 Friday. If they're not available Friday, then you'll need  
8 to file a notice indicating that there's an issue going on  
9 with those documents.

10 I'll also mark that Exhibits 1, 2, 3 and 4  
11 have been marked for identification purposes also. Did you  
12 have something to add?

13 MR. ENGLAND: Your Honor, only that my  
14 understanding would be that Exhibit 10, like Exhibit 2,  
15 would be proprietary.

16 JUDGE RUTH: Yes, you're right. Exhibit 2 and  
17 10 are both proprietary.

18 MR. ENGLAND: Thank you.

19 JUDGE RUTH: Okay. Now, I told you in the  
20 beginning of the on-the-record presentation that I did not  
21 expect to order briefs. I'm still not going to order  
22 briefs. However, if any party wants to follow up with a  
23 brief, you need to mention that now and we'll discuss  
24 whether a schedule should be set. If briefs are not  
25 ordered, then the Commission will not be waiting for them

1 and will at least discuss it, move forward on an order very  
2 quickly.

3 I got interrupted and forgot that I'd not  
4 offered everyone an opportunity for their closing  
5 statements. In fact, I skipped two parties. OPC, did you  
6 have --

7 MR. DANDINO: I have no closing, your Honor.  
8 Thank you.

9 JUDGE RUTH: And Western, I have a feeling  
10 you'll want to give a closing.

11 MR. STEINMEIER: I would appreciate that  
12 opportunity, your Honor. And I thank you.

13 Mr. England just told you that any cost is too  
14 much and that there is no demand for this service. And if  
15 these petitions are granted, I guess it's probably true that  
16 there never will be. Getting call intercepts will also  
17 discourage the development of that market.

18 And LNP needs to retain quality, reliability  
19 and convenience. These petitions, in our opinion, will help  
20 assure rural consumers never receive the benefits of  
21 telecommunications competition as encouraged by the  
22 Telecommunications Act of 1996.

23 And, again, it's important to observe that the  
24 local exchange companies have been on notice since the  
25 passage of that Act that they must provide local number

1 portability. Section 251 B of the Act required it. This  
2 was not a surprise to the incumbent local exchange  
3 companies. They've had eight years now to prepare for LNP  
4 and identify those issues that need to be addressed in order  
5 to provide it.

6 It's also remarkable to me that so many rural  
7 ILECs are encountering insurmountable problems in meeting  
8 this deadline. One might -- I might more readily expect a  
9 handful of scattered companies to have some unique problems,  
10 but the mere number of petitions that are currently pending  
11 on this issue says something to me about willingness as well  
12 as capacity.

13 Now, in our view, KLM, Cass County and  
14 Craw-Kan have provided no cost evidence demonstrating that  
15 providing LNP would have a significant adverse economic  
16 impact on the users of telecommunications services generally  
17 nor be unduly burdensome.

18 In fact, telecommunications users generally  
19 will be much better off by having additional service options  
20 in rural communities. Further, providing LNP is not unduly  
21 burdensome economically.

22 We continue to believe that the rating and  
23 routing issues raised by the ILECs are not major, that the  
24 costs involved are not significant and that routing is not  
25 difficult and that there's nothing burdensome about a

1 reciprocal routing requirement.

2 We've also made movement and suggestions on  
3 the record here today that we hope might move us closer  
4 together to these three companies and resolution of the  
5 outstanding issues pending ultimate determinations by the  
6 Federal Communications Commission.

7 And, of course, it's only KLM that suggests  
8 that LNP would not be technically infeasible. We continue  
9 to fail to understand how an additional two years should be  
10 necessary to comply even in the case of needing new  
11 switching. They've already had six months. We would not  
12 oppose an additional six months, but must oppose an  
13 additional two years.

14 Again, the parties seeking suspension and  
15 modification have the burden of proof here. They should  
16 have to prove their claim. And the burden for obtaining a  
17 suspension or modifications to the FCC rules is a very high  
18 burden under Section 251 F2 of the Act.

19 The FCC has also clarified the limited nature  
20 of this state commission review process. Quote, Congress  
21 intended exemptions, suspension or modification of the  
22 Section 251 requirements to be the exception rather than the  
23 rule. We believe that Congress did not intend to insulate  
24 smaller or rural LECs from competition, closed quote.

25 So, again, we applaud the Commission for



1 taking an active interest in these cases and for engaging in  
2 this dialogue today and absorbing the information that has  
3 been made available to you.

4 We are rather disappointed that no ILECs  
5 pursued or called Western Wireless, asked for input in the  
6 process of developing their proposals for implementing LNP.  
7 Western Wireless did not receive calls requesting input from  
8 the Staff in developing its recommendations in the case.

9 I think that participation of the wireless  
10 industry -- and perhaps there were other wireless carriers  
11 who were involved, I can't speak to that. But I think that  
12 Western Wireless's participation in that process might have  
13 helped facilitate some movement short of where we are today  
14 with this bevy of pending petitions.

15 But we believe that it would be premature for  
16 the Commission at this time to accept Staff's  
17 recommendations and to issue summary judgments on these  
18 matters. And we would encourage you to take the time to  
19 develop a legal and factual basis in order to judge the  
20 merits of each petition. Thank you very much.

21 JUDGE RUTH: Okay. Thank you. And, again, I  
22 apologize. I think I was getting a bit hungry and started  
23 to rush there. But I think everyone's had an opportunity  
24 now for a closing statement.

25 As I was saying, Exhibits 1 through 10 have

1       been reserved for exhibits for identification purposes.  
2       Some of those exhibits will actually be provided by Friday  
3       unless I hear otherwise.

4                     And the briefing issue, I'm not going to order  
5       briefs.  If a party is quite interested in providing a  
6       brief, I need to hear from you now; otherwise, the  
7       Commission will not expect briefs.  Anyone want to speak to  
8       that?

9                     MR. ENGLAND:  Your Honor, on our behalf, we  
10       have no desire to file a brief.  We're obviously interested  
11       in an expeditious decision.

12                    JUDGE RUTH:  May I hear from the other  
13       parties?

14                    MR. JOHNSON:  We're not asking for a brief,  
15       your Honor.

16                    MR. DANDINO:  Neither is Public Counsel.

17                    MR. MEYER:  We have nothing to add.

18                    JUDGE RUTH:  Is your microphone not working?

19                    MR. MEYER:  It's lit.  It must be me.  I don't  
20       know.  We have nothing to add.

21                    JUDGE RUTH:  Thank you.

22                    Mr. Steinmeier?

23                    MR. STEINMEIER:  We do not request the filing  
24       of briefs.  Thank you.

25                    JUDGE RUTH:  Okay.  There will be no briefs

1 then and this matter is now adjourned. We're off the  
2 record. Thank you very much.

3 (Exhibit Nos. 5 through 9 were marked for  
4 identification.)

5 WHEREUPON, the hearing was adjourned.

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1	EXHIBITS INDEX	Marked	Rec'd
2	Exhibit No. 1		
3	Local Number Portability Petitions for Suspension and Modification	17	
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21	LNP Implementation Comparison		Late Filed
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