

1                   BEFORE THE PUBLIC SERVICE COMMISSION  
2                   OF THE STATE OF MISSOURI

3  
4                   TRANSCRIPT OF PROCEEDINGS

5                   Public Hearing held in Jefferson City, Missouri  
6                   Via videoconferencing in  
7                   Excelsior Springs and Kennett, Missouri

8  
9                   October 4, 2005  
10                  Volume 2

11                  In the Matter of the Request of            )  
12                  Southwestern Bell Telephone, L.P.,        )  
13                  d/b/a SBC Missouri, for Competitive        ) Case No.  
14                  Classification Pursuant to                ) TO-2006-0102  
15                  Section 392.245.6, RSMo (2005) -            )  
16                  60-Day Petition                                )

17  
18                  VICKY RUTH, Presiding,  
19                  Senior Regulatory Law Judge  
20                  JEFF DAVIS, Chairman,  
21                  CONNIE MURRAY,  
22                  LINWARD "LIN" APPLING,  
23                  Commissioners.

24  
25                  REPORTED BY:  
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## A P P E A R A N C E S

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1 PROCEEDINGS

2 JUDGE RUTH: Okay. Good evening. I want to  
3 welcome everyone here tonight and in our satellite locations.  
4 My name is Vicky -- my name is Vicky Ruth, and I'm a Senior  
5 Regulatory Law Judge with the Missouri Public Service  
6 Commission, and I will preside over tonight's hearing. The  
7 Commission has set this time for local public hearings in  
8 Case No. TO-2006-0102, in Southwestern Bell Telephone, L.P.,  
9 d/b/a SBC Missouri requests that the Commission classify as  
10 competitive the company's business and residential services  
11 in certain exchanges.

12 The Commission consists of five Commissioners  
13 appointed by the Governor and confirmed by the Senate.  
14 Tonight, we have with us Chairman Davis from the Commission,  
15 Commissioner Murray and Commissioner Appling. The Commission  
16 employs a staff of engineers, accountants, attorneys, and  
17 financial analysts and other specialists in the field of  
18 utility regulation.

19 Here in Jefferson City tonight, we have  
20 Mr. Bill Haas, an attorney representing the Staff of the  
21 Missouri Public Service Commission; with him is John Van  
22 Eschen. We also have the Office of Public Counsel  
23 represented by Mr. Mike Dandino. It is the job of the Public  
24 Counsel to represent you, the public, in hearings before the  
25 Commission. The company has a representative here tonight

1 also,  
2 Ms. Melanie Musick-Foley.

3                   The purpose of tonight's hearing is to give  
4 the public an opportunity to offer your comments and  
5 suggestions regarding SBC's Petition. Tonight, we are using  
6 videoconference in order to simultaneously conduct hearings  
7 in Jefferson City, Kennett, and Excelsior Springs.  
8 Commissioners and I are here in Jefferson City, and we have  
9 one staff member, Larry Henderson in Kennett, Missouri, and  
10 Walt Cecil is in Excelsior Springs. We are also streaming in  
11 this hearing over the Internet via our website.

12                   This is an official hearing of the Missouri  
13 Public Service Commission, and the statements given tonight  
14 will be recorded and given under oath. The transcript of  
15 tonight's proceeding will be made available to the  
16 Commissioners who were not able to participate tonight. In  
17 addition to the local public hearing this evening, the  
18 Commission conducted local public hearings in Carthage,  
19 Moberly, and Union last night, and on Wednesday, the  
20 Commission will conduct a local public hearing in Marshall.  
21 On Friday, the Commission will have local public hearings in  
22 Hannibal, Kirksville, and Mexico.

23                   A trial-type evidentiary hearing will be held  
24 on October 12th and 13th, here in the Commission's offices in  
25 Jefferson City. At that time, the parties will present

1 witnesses for and against the Petition. That hearing will be  
2 open to the public.

3                   As for the procedure tonight, I will call the  
4 names of each person on the witness list in Kennett and  
5 Excelsior Springs. Since we are using videoconferencing  
6 technology, it is especially important that only one person  
7 speak at a time, and that you speak very clearly. Once your  
8 name is called, please move to the front of your room. I  
9 will swear you in, and I will ask you to spell your name for  
10 the Court Reporter. I will also ask a few preliminary  
11 questions, such as your name and address, and then you may  
12 make your statement. If a previous speaker has already made  
13 the points that you wanted to make, you're welcome to simply  
14 state that you agree with what the previous person said.

15                   After you speak, there may be a few questions  
16 from the Commissioners, from me, or from one of the attorneys  
17 here tonight. There may be someone who wishes to testify,  
18 but because of religious convictions, cannot take an oath.  
19 If so, please tell me when your name is called, and you will  
20 be affirmed instead.

21                   I'll ask if anyone has any questions about the  
22 procedure in Excelsior Springs. Mr. Cecil? Mr. Cecil, would  
23 you ask the people present in your room if anyone has any  
24 questions regarding the procedure?

25                   MR. CECIL: Do you have any questions?

1 They've indicated they have not.

2 JUDGE RUTH: Thank you. And Mr. Henderson,  
3 would you ask the persons present in Kennett if they have any  
4 questions regarding the procedure?

5 MR. HENDERSON: Judge Ruth, they do not have  
6 any questions.

7 JUDGE RUTH: Thank you. Chairman Davis, would  
8 you like to make any opening remarks at this time?

9 CHAIRMAN DAVIS: I'd just like to thank  
10 everyone for coming and thank them for their interest.

11 JUDGE RUTH: Commissioner Murray?

12 COMMISSIONER MURRAY: I have nothing to add.  
13 Thank you.

14 JUDGE RUTH: And Commissioner Appling?

15 COMMISSIONER APPLING: I have nothing to add.  
16 The Chair said it very well.

17 JUDGE RUTH: Thank you. And for the attorneys  
18 that are present, I'd like you to make your entries of  
19 appearance. Staff?

20 MR. HAAS: William Haas appearing on behalf of  
21 the Staff of the Public Service Commission. Thank you.

22 JUDGE RUTH: And Public Counsel?

23 MR. DANDINO: Michael Dandino, Office of the  
24 Public Counsel, representing the Office of the Public Counsel  
25 and the public.

1 JUDGE RUTH: Thank you. Mr. Cecil, I'll ask  
2 you first how many persons have signed the witness list there  
3 with you?

4 MR. CECIL: Three people, your Honor.

5 JUDGE RUTH: Thank you. And in Kennett,  
6 Mr. Henderson, has anyone signed the witness list with you?

7 MR. HENDERSON: Judge, I have five that would  
8 like to testify.

9 JUDGE RUTH: Okay. Thank you. Mr. Henderson,  
10 could you please give me the names of the five people in your  
11 location?

12 MR. HENDERSON: Yes, I can. Mary Lynn  
13 Jones-Wright, Elizabeth Mobley, Barbara Pemberton, Joshua  
14 Pemberton, Jordan Shelton.

15 JUDGE RUTH: Okay. Thank you. And Mr. Cecil,  
16 would you give me the names of the people on your witness  
17 list?

18 MR. CECIL: R.D. Parker.

19 JUDGE RUTH: Could you repeat that, please?

20 MR. CECIL: R.D. Parker, P-A-R-K-E-R.

21 JUDGE RUTH: Thank you.

22 MR. CECIL: Bob Nance, N-A-N-C-E.

23 JUDGE RUTH: Okay.

24 MR. CECIL: And Jim Hampton, H-A-M-P-T-O-N.

25 JUDGE RUTH: Okay. Thank you very much.

1 We'll start in Kennett, and I'll ask Mary Lynn Jones-Wright  
2 to please come forward. Ms. Wright, I need you to please  
3 raise your right hand. Have you done so?

4 MS. JONES-WRIGHT: Yes.

5 JUDGE RUTH: Do you solemnly swear or affirm  
6 that the testimony you are about to give is the truth, the  
7 whole truth, and nothing but the truth?

8 MS. JONES-WRIGHT: I do.

9 JUDGE RUTH: Okay. Would you please state  
10 your name for the record, and also spell it?

11 MS. JONES-WRIGHT: My name is Mary Lynn  
12 Jones-Wright, M-A-R-Y, L-Y-N-N, last name J-O-N-E-S, hyphen,  
13 W-R-I-G-H-T.

14 JUDGE RUTH: Thank you. And would you state  
15 your address?

16 MS. JONES-WRIGHT: I live at 311 North Jackson  
17 Street in Kennett, Missouri.

18 JUDGE RUTH: Are you currently a customer of  
19 SBC Missouri?

20 MS. JONES-WRIGHT: Yes, I am.

21 JUDGE RUTH: And do you have a statement or  
22 comment that you would like to make?

23 MS. JONES-WRIGHT: Yes, I do. I believe that  
24 in the long run, competition is good for all parties  
25 involved. I think it is good for the customer. I think it



1 is good for the businesses. I believe that an equal playing  
2 field is good for everyone to be able to compete for the  
3 consumer business.

4 JUDGE RUTH: Do you have anything else you'd  
5 like to add?

6 MS. JONES-WRIGHT: No, thank you.

7 JUDGE RUTH: Okay. Thank you. If you'll stay  
8 up at the front of the room for just a moment, I'll see if  
9 there are any questions from the Commissioners for you.  
10 Chairman Davis?

11 CHAIRMAN DAVIS: Thank you, ma'am, just one  
12 question. Do you think there is competition in the Kennett  
13 exchange for phone service?

14 MS. JONES-WRIGHT: Yes, at this time, there is  
15 competition.

16 CHAIRMAN DAVIS: And that would be from  
17 wireless providers, et cetera?

18 MS. JONES-WRIGHT: Yes, sir.

19 CHAIRMAN DAVIS: Thank you.

20 JUDGE RUTH: Commissioner Murray, do you have  
21 any questions for this witness?

22 COMMISSIONER MURRAY: Ms. Wright, thank you  
23 for being present this evening. Do you have -- are you a  
24 residential customer of SBC?

25 MS. JONES-WRIGHT: Yes, I am.

1 COMMISSIONER MURRAY: Are you a business  
2 customer?

3 MS. JONES-WRIGHT: No.

4 COMMISSIONER MURRAY: Okay. And do you have  
5 any wire line -- I mean wireless service that you subscribe  
6 to?

7 MS. JONES-WRIGHT: Yes, I do.

8 COMMISSIONER MURRAY: And who is that provided  
9 by?

10 MS. JONES-WRIGHT: It's provided by Cingular  
11 at this time.

12 COMMISSIONER MURRAY: Okay. And do you have  
13 Internet service available?

14 MS. JONES-WRIGHT: Yes.

15 COMMISSIONER MURRAY: And who -- do you  
16 receive that through a connection through SBC, or do you  
17 receive that over cable, or some other way?

18 MS. JONES-WRIGHT: I receive it through our  
19 city, light, gas, and water company.

20 COMMISSIONER MURRAY: Oh. And do you have  
21 cable service available?

22 MS. JONES-WRIGHT: Telephone? Yes.

23 COMMISSIONER MURRAY: Cable?

24 MS. JONES-WRIGHT: Yes, ma'am.

25 COMMISSIONER MURRAY: Okay. Great. Thank

1 you. I think that's all I have.

2 JUDGE RUTH: Ma'am, this is Vicky Ruth  
3 speaking. One of our Commissioners, Commissioner Steve Gaw,  
4 was not able to be present tonight, but he did ask that I ask  
5 the witnesses a few questions for him. And the first  
6 question is can you tell me how you learned about this  
7 hearing?

8 MS. JONES-WRIGHT: It was in our newspaper,  
9 and then it has been discussed among my friends and in civic  
10 clubs and around. Information has been out about this  
11 hearing.

12 JUDGE RUTH: Commissioner Gaw's next question  
13 is have you had any communications about this issue or this  
14 particular case with any telecommunications carrier or  
15 carrier representative?

16 MS. JONES-WRIGHT: I have been in conversation  
17 with retired employees and maybe current employees, just to  
18 ask a little bit more about what this hearing was about.

19 JUDGE RUTH: I think that's all the questions  
20 I have for you. Let me ask if the attorneys present have any  
21 follow-up questions. Mr. Haas?

22 MR. HAAS: No questions.

23 JUDGE RUTH: Mr. Dandino?

24 MR. DANDINO: I have no questions, but I  
25 wanted to thank her for coming out and testifying. Thank

1     you.

2                   JUDGE RUTH:  Yes.  Thank you very much.  We  
3     appreciate your comments, and you are excused.

4                   Okay.  According to my list, the next witness  
5     in Kennett would be Elizabeth Mobley.  Ms. Mobley, would you  
6     please raise your right hand and tell me when you have done  
7     so?

8                   MS. MOBLEY:  I have.

9                   JUDGE RUTH:  Thank you, ma'am.  Do you  
10    solemnly swear or affirm that the testimony you give in this  
11    proceeding is the truth, the whole truth, and nothing but the  
12    truth?

13                  MS. MOBLEY:  Yes, I do.

14                  JUDGE RUTH:  Thank you.  Ma'am, would you  
15    please state your name and spell it for the record?

16                  MS. MOBLEY:  Elizabeth Mobley,  
17    E-L-I-Z-A-B-E-T-H, M-O-B-L-E-Y.

18                  JUDGE RUTH:  And your address, please?

19                  MS. MOBLEY:  306 West Washington Street in  
20    Kennett, Missouri.

21                  JUDGE RUTH:  Are you currently a customer of  
22    SBC Missouri?

23                  MS. MOBLEY:  Yes.

24                  JUDGE RUTH:  And do you have any comments that  
25    you would like to make tonight?

1 MS. MOBLEY: I don't have anything real  
2 intelligent to say, I just -- I found out about this hearing  
3 from a friend, and through -- and believed that it was a  
4 hearing to ascertain that people in Kennett had competition  
5 for their phone service. And it seems like a fairly  
6 reasonable thing to assume, that people in Kennett would  
7 realize that, and I just wanted to see what the hearing was  
8 really all about and what a waste of time and money this  
9 might be. I guess I'm a crack pot, I guess. It just seems  
10 like of course people have competition available -- other  
11 services available in Kennett. And why wouldn't you think  
12 so?

13 JUDGE RUTH: Do you have any other comments  
14 that you'd like to make, ma'am?

15 MS. MOBLEY: Not really, no.

16 JUDGE RUTH: Okay. Thank you. Let me see if  
17 there are any questions for you from the Commissioners, and  
18 I'll start with Chairman Davis.

19 CHAIRMAN DAVIS: No questions for Ms. Mobley.

20 JUDGE RUTH: Thank you. And Commissioner  
21 Murray?

22 COMMISSIONER MURRAY: Good evening,  
23 Ms. Mobley. It sounds as if you are quite convinced that you  
24 do have various choices available for you for  
25 telecommunications; is that correct?

1 MS. MOBLEY: That is correct.

2 COMMISSIONER MURRAY: And are you a  
3 residential customer of SBC, or a business customer, or both?

4 MS. MOBLEY: At our residence, we have SBC; at  
5 my husband's business, it's something else.

6 COMMISSIONER MURRAY: Okay. And do you have  
7 cable service available?

8 MS. MOBLEY: Yes, through Kennett Cable Vision  
9 with Time Warner.

10 COMMISSIONER MURRAY: And how about wireless  
11 carriers? Do you know how many wireless --

12 MS. MOBLEY: Verizon Wireless, Verizon.

13 COMMISSIONER MURRAY: You subscribe to Verizon  
14 Wireless?

15 MS. MOBLEY: Yes.

16 COMMISSIONER MURRAY: Okay. Are there other  
17 wireless carriers available in your area?

18 MS. MOBLEY: Sure, Cingular, SBC.

19 COMMISSIONER MURRAY: Okay. And do you have  
20 Internet service?

21 MS. MOBLEY: Yes. I just recently switched to  
22 SBC via cell from city, light, gas, and water service.

23 COMMISSIONER MURRAY: Okay. And do you have  
24 Voice over Internet Protocol available?

25 MS. MOBLEY: I don't think I could figure out

1     how to use that, so I couldn't tell you.

2                   COMMISSIONER MURRAY:   So have you not inquired  
3     whether it's available?

4                   MS. MOBLEY:   No, I'm not interested in that.

5                   COMMISSIONER MURRAY:   It's very easy to use.  
6     I use it, and I wouldn't be able to if it weren't easy.  
7     Thank you very much.

8                   JUDGE RUTH:   Commissioner Appling?

9                   COMMISSIONER APPLING:   Ma'am, I don't have any  
10    questions, but I do really appreciate you coming out tonight  
11    and really appreciate your sense of humor.   Thank you very  
12    much.

13                   JUDGE RUTH:   And Staff, do you have any  
14    follow-up questions?

15                   MR. HAAS:   No questions.

16                   JUDGE RUTH:   Public Counsel?

17                   MR. DANDINO:   Yes.   Thank you, your Honor.

18    Ms. Mobley, my name is Mike Dandino, I'm with the Office of  
19    Public Counsel.   I just have a couple questions.   You've  
20    probably gotten a lot of phone calls in the last couple years  
21    from telephone companies trying to get your business; is that  
22    right?

23                   MS. MOBLEY:   Well, I'm on the No-Call list, so  
24    I don't get those anymore, but I used to get them frequently.

25                   MR. DANDINO:   Sure.   And when you talk about

1 the competition, is there other local telephone companies to  
2 provide the local service, or are there more long distance  
3 companies?

4 MS. MOBLEY: Well, I used to get calls from  
5 Sprint, MCI. I've even known people that had Sprint in the  
6 past; don't know anybody currently. Then there are several  
7 others you see advertised for, that I, you know -- but I  
8 couldn't tell what you they are, but you see them advertised  
9 in the paper.

10 MR. DANDINO: Okay. You said that Time Warner  
11 is -- runs the cable television?

12 MS. MOBLEY: Yes.

13 MR. DANDINO: Do they offer telephone service,  
14 too?

15 MS. MOBLEY: I'm not sure. I know they offer  
16 the Roadrunner Internet.

17 MR. DANDINO: Okay.

18 MS. MOBLEY: You can get Internet access  
19 through the Roadrunner.

20 MR. DANDINO: Sure. Okay. Then thank you so  
21 much for coming out. I certainly appreciate it, and thank  
22 you for your testimony.

23 JUDGE RUTH: Ms. Mobley, this is Vicky Ruth  
24 again, and I just realized that I neglected to ask  
25 Commissioner Gaw's questions of you, and if you'll bear with



1 me for just a moment, then I have just a few questions for  
2 you. Can you tell me how you learned about this hearing?

3 MS. MOBLEY: I said a friend of mine, I heard  
4 about it.

5 JUDGE RUTH: And have you had any  
6 communications about this issue with any telecommunications  
7 carrier or carrier representative?

8 MS. MOBLEY: No, just the friend, and she  
9 doesn't have -- she's not an employee or anything.

10 JUDGE RUTH: And I believe you said earlier  
11 that you have SBC for your residential service.

12 MS. MOBLEY: Yes.

13 JUDGE RUTH: And is that for the Kennett  
14 exchange, then?

15 MS. MOBLEY: Yes.

16 JUDGE RUTH: Okay. Thank you for bearing with  
17 me. Just quickly, Staff or OPC, do you have any follow-up?

18 MR. HAAS: No.

19 MR. DANDINO: No.

20 JUDGE RUTH: Thank you very much, Ms. Mobley.  
21 We appreciate your time, and you are excused.

22 The third witness we have at Kennett is  
23 Barbara Pemberton. Ms. Pemberton, would you please come  
24 forward in your room and raise your right hand and tell me  
25 when you have done so?

1 MS. PEMBERTON: I'm ready.

2 JUDGE RUTH: Okay. Thank you. Ma'am, do you  
3 solemnly swear or affirm that the testimony you give in this  
4 proceeding shall be the truth, the whole truth, and nothing  
5 but the truth?

6 MS. PEMBERTON: Yes, I do.

7 JUDGE RUTH: Okay. Thank you. Would you  
8 please state your name and spell it for the record?

9 MS. PEMBERTON: My name is Barbara Pemberton,  
10 B-A-R-B-A-R-A, P-E-M-B-E-R-T-O-N.

11 JUDGE RUTH: And your address, please?

12 MS. PEMBERTON: 13005 State Highway CC, like  
13 Charles Charles, the town is Senath, Missouri, 63876.

14 JUDGE RUTH: Could you please spell the name  
15 of your town for me?

16 MS. PEMBERTON: Yes, ma'am, S-E-N-A-T-H.

17 JUDGE RUTH: Thank you. Are you currently an  
18 SBC Missouri customer?

19 MS. PEMBERTON: At home, I am not; where we  
20 work -- where I work, we are.

21 JUDGE RUTH: And do you have a statement or  
22 comment that you would like to make tonight?

23 MS. PEMBERTON: Yes. I have a friend who is  
24 an employee of SBC in Austin, Texas. Now, that's not really  
25 related to this directly, I don't suppose, but I know from

1 her point of view, SBC has to compete on an unlevel playing  
2 field with all of the new wireless providers, and I think  
3 that that is unfortunate because SBC has a wonderful record  
4 of being involved in helping the communities that they serve  
5 be better places.

6                   You know, they give money to the Delta  
7 Children's Home, and do things for our community that we --  
8 we appreciate, and I don't see that kind of interest in  
9 making the community a better place from all of the new  
10 upstart providers. And so I think that it's unfortunate if  
11 SBC is regulated in a different way so that they can't be as  
12 profitable as those new companies.

13                   JUDGE RUTH: Does that conclude your comment,  
14 ma'am?

15                   MS. PEMBERTON: I think so.

16                   JUDGE RUTH: Okay. Then I'll move to the  
17 Commissioners and see if there are any follow-up questions.  
18 Chairman Davis?

19                   CHAIRMAN DAVIS: Thank you, Ms. Pemberton. I  
20 just have a couple of questions, and they may be a little bit  
21 silly, but would you indulge me?

22                   MS. PEMBERTON: Yes.

23                   CHAIRMAN DAVIS: Ms. Pemberton, you're from  
24 Senath, correct?

25                   MS. PEMBERTON: I live about halfway between

1 Senath and Kennett out in the country.

2 CHAIRMAN DAVIS: Okay. Have you ever heard of  
3 what they call the Senath lights?

4 MS. PEMBERTON: Yes, I have; I've seen it.

5 CHAIRMAN DAVIS: You've seen it?

6 MS. PEMBERTON: I've seen it, back in the  
7 60's.

8 CHAIRMAN DAVIS: Okay. So they do exist?

9 MS. PEMBERTON: Well, it did exist in the  
10 60's. I don't hear much about it anymore.

11 CHAIRMAN DAVIS: All right. Thank you, ma'am.  
12 No questions.

13 MS. PEMBERTON: You're welcome.

14 JUDGE RUTH: Commissioner Murray?

15 COMMISSIONER MURRAY: Yes. Ms. Pemberton,  
16 good evening. You said that you are a business -- or at --  
17 where you work is a customer of SBC; is that correct?

18 MS. PEMBERTON: That is correct. I work for  
19 Dalton Cotton Company, and the telephone provider is SBC  
20 there, and we also have SBC for our wireless -- or for our  
21 Internet connection. And it's a wonderful -- we had two or  
22 three providers before SBC Global, and SBC Global is head and  
23 shoulders above anybody else that we've tried.

24 COMMISSIONER MURRAY: And who is your  
25 residential provider, or do you have a land line?

1 MS. PEMBERTON: My land line at home is Sage.

2 COMMISSIONER MURRAY: Sage. Okay. And do you  
3 have a wireless provider?

4 MS. PEMBERTON: Yes, Verizon.

5 COMMISSIONER MURRAY: Do you have cable  
6 service?

7 MS. PEMBERTON: We have DirectTV satellite  
8 service out in the country. We're not eligible for cable;  
9 there's no cable where we live.

10 COMMISSIONER MURRAY: Okay. And do you have  
11 Internet service at home?

12 MS. PEMBERTON: Yes, through Bootheel.

13 COMMISSIONER MURRAY: And have you ever used  
14 Voice over Internet Protocol for making phone calls?

15 MS. PEMBERTON: No, I have not.

16 COMMISSIONER MURRAY: Okay. And your  
17 testimony tonight is that you are in favor of SBC being  
18 granted competitive status in your area; is that correct?

19 MS. PEMBERTON: Yes, ma'am, very much.

20 COMMISSIONER MURRAY: Okay. Thank you very  
21 much.

22 MS. PEMBERTON: Thank you.

23 JUDGE RUTH: Okay. Ms. Pemberton, this is  
24 Vicky Ruth again, and I have a few questions from  
25 Commissioner Gaw. The first one, can you tell me how you

1 learned about this hearing?

2 MS. PEMBERTON: From a friend.

3 JUDGE RUTH: Can you tell me if the friend has  
4 any connection to a telecommunications carrier?

5 MS. PEMBERTON: Not that I'm aware of.

6 JUDGE RUTH: Okay. Have you spoken to any  
7 representative of any telecommunications carrier about this  
8 case?

9 MS. PEMBERTON: No. The -- the SBC employee  
10 that I referred to, my last communication with her was back  
11 in the summer, but she's a lobbyist in Texas, and you know, I  
12 know that's what she was involved with.

13 JUDGE RUTH: And you mentioned you live in  
14 Senath, if I've pronounced that correctly. Can you tell me  
15 which exchange that is? Is it part of the Kennett exchange,  
16 or is it a different exchange?

17 MS. PEMBERTON: Well, we have a different  
18 prefix. I don't -- I guess it's part of the Kennett  
19 exchange, perhaps, but we -- our prefix is 738 instead of 888  
20 or 717 like in Kennett, but I guess it's still part of the  
21 Kennett exchange. I'm not exactly sure how that gets broken  
22 down.

23 JUDGE RUTH: Okay. Thank you very much.  
24 Staff, do you have any follow-up questions?

25 MR. HAAS: No questions.

1 JUDGE RUTH: Public Counsel?

2 MR. DANDINO: Yes, your Honor. Thank you.

3 Ms. Pemberton, my name's Mike Dandino with the Office of  
4 Public Counsel. Good evening.

5 MS. PEMBERTON: Good evening.

6 MR. DANDINO: Ms. Pemberton, I would love to  
7 ask you about those lights, but I think I'll defer that and  
8 ask the Chairman about it after this hearing.

9 I did want to ask a couple questions. You  
10 said that you have Sage as your local provider. Why did you  
11 select Sage?

12 MS. PEMBERTON: Oh, I thought they sounded  
13 like they would be less expensive.

14 MR. DANDINO: And --

15 MS. PEMBERTON: I'm not sure that it is, now  
16 that I have gotten regular bills from them, you know.  
17 It's -- but that is why I switched.

18 MR. DANDINO: How long have you been a Sage  
19 customer?

20 MS. PEMBERTON: Several months, at least.  
21 Maybe as long as a year. I'm not really sure.

22 MR. DANDINO: Are you thinking about switching  
23 back to SBC?

24 MS. PEMBERTON: Perhaps, yes.

25 MR. DANDINO: Did you have SBC before you had

1 Sage?

2 MS. PEMBERTON: Yes.

3 MR. DANDINO: And you said you have Verizon  
4 Wireless. Why did you select Verizon Wireless?

5 MS. PEMBERTON: We travel some, and I think  
6 Verizon has the best overall coverage. I'm not sure that  
7 that's absolutely accurate, but that's my -- my estimation of  
8 the facts.

9 MR. DANDINO: Okay. Well, that's very  
10 important. Your Internet service is with Bootheel, is that  
11 correct?

12 MS. PEMBERTON: Yes, and it's very poor,  
13 actually.

14 MR. DANDINO: Is that on a dial-up where you  
15 dial over your telephone?

16 MS. PEMBERTON: Yes, yes.

17 MR. DANDINO: Because when you said you had  
18 DirecTV, I didn't think you had cable TV.

19 MS. PEMBERTON: No.

20 MR. DANDINO: Let's see. I think that's all I  
21 have. Thank you very much, and I'll be interested to find  
22 out about those Senath lights. Thank you.

23 MS. PEMBERTON: Okay.

24 JUDGE RUTH: Ms. Pemberton, thank you very  
25 much for your time. Your comments are appreciated, and you



1 are excused.

2 MS. PEMBERTON: Thank you.

3 JUDGE RUTH: The fourth witness is Joshua  
4 Pemberton. Mr. Pemberton, would you come to the front of  
5 your room, raise your right hand, and tell me when you have  
6 done so?

7 MR. PEMBERTON: I have.

8 JUDGE RUTH: Okay. Mr. Pemberton, do you  
9 solemnly swear or affirm that the testimony you give in this  
10 proceeding shall be the truth, the whole truth, and nothing  
11 but the truth?

12 MR. PEMBERTON: I do.

13 JUDGE RUTH: Okay. Thank you. Would you  
14 state your name and spell it for the record, please?

15 MR. PEMBERTON: Joshua Pemberton, J-O-S-H-U-A,  
16 P-E-M-B-E-R-T-O-N.

17 JUDGE RUTH: And state your address.

18 MR. PEMBERTON: 13005 State Highway CC,  
19 Senath, Missouri, 63876.

20 JUDGE RUTH: And are you currently a customer  
21 of SBC Missouri?

22 MR. PEMBERTON: No, I'm not.

23 JUDGE RUTH: Do you have a statement or  
24 comment you'd like to make?

25 MR. PEMBERTON: I pretty much agree with

1 everything that the people ahead of me have said.

2 JUDGE RUTH: Okay. Thank you. I'll see if  
3 the Commissioners have any additional follow-up for you.  
4 Mr. Chairman?

5 CHAIRMAN DAVIS: No questions, thank you for  
6 coming.

7 JUDGE RUTH: Commissioner Murray?

8 COMMISSIONER MURRAY: No questions, but thank  
9 you.

10 JUDGE RUTH: Commissioner Appling?

11 COMMISSIONER APPLING: No questions, please.  
12 Thank you.

13 JUDGE RUTH: Sir, I have just a few questions  
14 from Commissioner Gaw. The first question, like all the  
15 others, is how did you learn about this hearing?

16 MR. PEMBERTON: I heard from my mother, and  
17 one of her friends.

18 JUDGE RUTH: Okay. And have you had any  
19 communications about this issue with any telecommunications  
20 carrier?

21 MR. PEMBERTON: No, ma'am.

22 JUDGE RUTH: Okay. And since you are also in  
23 Senath, are you the 738 exchange, or do you have a different  
24 exchange?

25 MR. PEMBERTON: 738, correct, ma'am.

1 JUDGE RUTH: Thank you very much. Staff, do  
2 you have follow-up questions?

3 MR. HAAS: No questions.

4 JUDGE RUTH: Mr. Dandino?

5 MR. DANDINO: No questions. Thank you, sir,  
6 for coming.

7 JUDGE RUTH: Okay.

8 MR. PEMBERTON: Thank you.

9 JUDGE RUTH: Mr. Pemberton, thank you very  
10 much for your time, and you are excused.

11 Okay. My understanding that the last witness  
12 for Kennett is Jordan Shelton. And I assume is this a  
13 Mr. Jordan Shelton?

14 MS. SHELTON: No, ma'am.

15 JUDGE RUTH: Sorry.

16 MS. SHELTON: Oh, I'm sorry.

17 JUDGE RUTH: One of those names that can be  
18 either way. I apologize. Ma'am, would you go to the front  
19 of your room, raise your right hand, and tell me when you  
20 have done so?

21 MS. SHELTON: I'm ready.

22 JUDGE RUTH: Okay. Do you solemnly swear or  
23 affirm that the testimony you give in this proceeding shall  
24 be the truth, the whole truth, and nothing but the truth?

25 MS. SHELTON: I do.

1 JUDGE RUTH: Would you state your name for the  
2 record and spell it?

3 MS. SHELTON: My name is Jordan Shelton,  
4 J-O-R-D-A-N, S-H-E-L-T-O-N.

5 JUDGE RUTH: And your address?

6 MS. SHELTON: 1620 North Lincoln Circle,  
7 Kennett, Missouri.

8 JUDGE RUTH: Are you currently a customer of  
9 SBC Missouri?

10 MS. SHELTON: No, ma'am, I'm not.

11 JUDGE RUTH: And do you have a statement you  
12 would like to give tonight?

13 MS. SHELTON: I pretty much agree with  
14 everything that's been said here.

15 JUDGE RUTH: Okay. Thank you. Chairman  
16 Davis, do you have any follow-up?

17 CHAIRMAN DAVIS: No questions, thank you.

18 JUDGE RUTH: Commissioner Murray?

19 COMMISSIONER MURRAY: Thank you. Ms. Shelton,  
20 I don't recall whether you said you are or are not a customer  
21 of SBC.

22 MS. SHELTON: No, ma'am, I'm not.

23 COMMISSIONER MURRAY: Who is your provider, or  
24 do you have a local land line telephone?

25 MS. SHELTON: I'm not quite sure who our

1 provider is.

2 COMMISSIONER MURRAY: Okay. Do you subscribe  
3 to a wireless service?

4 MS. SHELTON: Yes, we use Verizon Wireless.

5 COMMISSIONER MURRAY: And are you also in an  
6 area that does not have cable available, or do you have  
7 cable?

8 MS. SHELTON: We do have cable available, but  
9 we use Dish Network.

10 COMMISSIONER MURRAY: Okay. So you have both?

11 MS. SHELTON: Yeah.

12 COMMISSIONER MURRAY: And have you ever used  
13 Voice over Internet Protocol for making telephone calls?

14 MS. SHELTON: No, I haven't.

15 COMMISSIONER MURRAY: Are you aware whether  
16 it's available to you?

17 MS. SHELTON: No.

18 COMMISSIONER MURRAY: Do you have Internet  
19 service?

20 MS. SHELTON: Yes.

21 COMMISSIONER MURRAY: And is that high speed  
22 or dial-up?

23 MS. SHELTON: It's wireless.

24 COMMISSIONER MURRAY: Okay. So you have that  
25 through Verizon; is that right?

1 MS. SHELTON: No, we have -- our Internet  
2 provider is CLGW.

3 COMMISSIONER MURRAY: Would you say that  
4 again?

5 MS. SHELTON: City, light, gas, and water.

6 COMMISSIONER MURRAY: Oh, thank you. And your  
7 testimony, you said you had agreed with the other people that  
8 testified this evening, so I assume that means you are  
9 testifying in favor of this Commission granting SBC  
10 competitive status in your area.

11 MS. SHELTON: Yes, ma'am.

12 COMMISSIONER MURRAY: Okay. Thank you very  
13 much.

14 JUDGE RUTH: Commissioner Appling?

15 COMMISSIONER APPLING: I'm sorry, but I have  
16 no questions.

17 JUDGE RUTH: Ms. Shelton, I have a few  
18 questions from Commissioner Gaw, and the first one is how did  
19 you hear about this proceeding tonight?

20 MS. SHELTON: I heard about it from a friend.

21 JUDGE RUTH: Did the friend have any  
22 connection to any telecommunications carrier?

23 MS. SHELTON: No, ma'am.

24 JUDGE RUTH: And have you discussed this case  
25 with any representative from a telecommunications carrier?

1 MS. SHELTON: No.

2 JUDGE RUTH: And your exchange is the Kennett  
3 exchange; is that correct?

4 MS. SHELTON: Yes.

5 JUDGE RUTH: All right. Staff, do you have  
6 follow-up questions?

7 MR. HAAS: No questions.

8 JUDGE RUTH: And Public Counsel?

9 MR. DANDINO: Yes, your Honor. Thank you.  
10 Ms. Shelton, my name is Mike Dandino with the Office of  
11 Public Counsel. I wanted to ask, what telephone company  
12 serves your place of employment, do you know?

13 MS. SHELTON: I'm not employed; I'm a student.

14 MR. DANDINO: Okay. Do you know what the  
15 company is -- do you go to college?

16 MS. SHELTON: No, I'm in high school.

17 MR. DANDINO: Okay. What year are you?

18 MR. DANDINO: I'm a sophomore.

19 MR. DANDINO: Okay. Thank you. That's all I  
20 have.

21 JUDGE RUTH: Ms. Shelton, thank you very much  
22 for your time. We appreciate your comments, and you are  
23 excused. Mr. Henderson, it's my understanding these were the  
24 five witnesses that had signed up; is that correct?

25 MR. HENDERSON: At this point in time, that is

1 correct, Judge. I will poll it one more time to see if  
2 anyone else would like to comment.

3 JUDGE RUTH: What I'll do is move onto  
4 Excelsior Springs, and we'll come back to Kennett. And at  
5 that time, if anyone else has signed up, we'll give them an  
6 opportunity to speak. In Excelsior Springs, I have a list of  
7 three names. Have any more been added onto these, Mr. Cecil?

8 MR. CECIL: Yes, Judge, and we've had one  
9 person leave as well. The addition is Denise Reese,  
10 R-E-E-S-E.

11 JUDGE RUTH: And which name should I mark off?

12 MR. CECIL: Bob Nance.

13 JUDGE RUTH: Okay. Thank you. First, I'd  
14 like to call R.D. Parker.

15 MR. PARKER: Yes, ma'am, I'm here. I'm here.

16 JUDGE RUTH: I'm looking at the screen, can  
17 you raise your right hand so I'll know where you are?

18 MR. PARKER: Can you see me?

19 DANIEL: The video is out.

20 JUDGE RUTH: We are having a small technical  
21 difficulty. I can't see you at this time, so what I'll ask  
22 is that you raise your right hand and you tell me when you  
23 have done so.

24 MR. PARKER: I have done so.

25 JUDGE RUTH: Okay. Mr. Parker, do you



1 solemnly swear or affirm that the testimony you are about to  
2 give is the truth, the whole truth, and nothing but the  
3 truth?

4 MR. PARKER: Yes, ma'am.

5 JUDGE RUTH: Thank you very much. Would you  
6 state your name and spell it for the record?

7 MR. PARKER: My name is Roland Parker,  
8 R-O-L-A-N-D, P-A-R-K-E-R.

9 JUDGE RUTH: And your address?

10 MR. PARKER: 412 Old Orchard, Excelsior  
11 Springs, Missouri.

12 JUDGE RUTH: Are you currently a customer of  
13 SBC Missouri?

14 MR. PARKER: Yes, I am.

15 JUDGE RUTH: And do you have a statement you  
16 would like to make tonight?

17 MR. PARKER: Yes, ma'am.

18 JUDGE RUTH: Please proceed.

19 MR. PARKER: I am fortunate to be the mayor of  
20 Excelsior Springs, and I'm here as a life-long resident of  
21 Excelsior Springs to say that SBC has been my provider as  
22 long as I can remember. They've done a good job providing  
23 service to my community.

24 The unfortunate thing is that the rate of  
25 which they are charging my residents is, in my opinion, way

1 too high. We do have alternative customers or alternative  
2 telephone companies in this community. In fact, there's 21  
3 listed in the phone book. A number of the most prominent is  
4 Sage, Birch, MCI, McCloud, and we are offered all the  
5 different wireless customers that -- or wireless companies  
6 that are available.

7                   We are basically a bedroom community to Kansas  
8 City. We're approximately 20 miles northeast. The last  
9 census, I had approximately 70 percent of my residents work  
10 and commute back and forth to Kansas City daily. As you can  
11 understand, with the family going to Kansas City and working,  
12 there's family members that need to be in contact. So a  
13 large usage of this MCA service that Southwestern Bell offers  
14 to us is being utilized by my community.

15                   We are, in fact, I think, being charged an  
16 unfair and basically being in that -- I know that's not what  
17 you want to hear to talk about that, but what I'm trying to  
18 get to is if we are offered a competitive classification as a  
19 community, I feel that SBC can give us a better rate for all  
20 the residents of my community. Quite honestly, I was unaware  
21 of SBC's regulatory standings that they have to have your  
22 permission to change rates and some of the competition does  
23 not. I think that's not a fair playing field for everybody  
24 as far as offering services to my residents.

25                   I'd like to see -- I'd like to see that the

1 PSC do something as far as the -- the classification. I am,  
2 in fact, switched sometime back to Sage because of the rate  
3 that was there, and I have switched back to SBC. They give  
4 my community a good service. But unfortunate as it is, they  
5 are forced to charge a higher rate, and I think that's not  
6 good for my community and the growth of it.

7 I am -- I am a user of SBC at home as well as  
8 in the business, and I'd like to see you have an opportunity  
9 to help my community by lowering our rates to our residents.  
10 And by the classification, the competitive classification, I  
11 think we can do that.

12 JUDGE RUTH: Does that conclude your  
13 statement, sir?

14 MR. PARKER: Yes, I think that kind of covers  
15 it.

16 JUDGE RUTH: Okay. Chairman Davis, do you  
17 have any follow-up questions?

18 CHAIRMAN DAVIS: Mr. Mayor, thank you for  
19 coming. It's great to have -- have your -- a person of your  
20 stature in the community to actually show up at one of these  
21 hearings and express interest, and your testimony did peak my  
22 curiosity a little bit, so I do have a question for you. And  
23 that is, you know, if you feel like that pricing flexibility  
24 for SBC is good, and that SBC should be free to either raise  
25 or lower their rates, you know, however they see fit, are

1   you -- are you aware that SBC right now is -- I guess here's  
2   my question: Are you aware that SBC is currently price cap  
3   regulated?

4                   MR. PARKER: No, I was not.

5                   CHAIRMAN DAVIS: Okay. So right now, they  
6   can't -- can't raise rates on their basic local services, but  
7   on certain services that are defined as competitive, they  
8   can -- could raise their rates under the old statute, I  
9   believe it was up to eight percent a year, and under the new  
10  statute, it's now, I believe, five percent a year. Are you  
11  aware that SBC has -- has been consistently raising those  
12  rates for those -- those services?

13                  MR. PARKER: No, sir, I was not.

14                  CHAIRMAN DAVIS: And, you know, I mean, do you  
15  think that if SBC is granted competitive classification in  
16  your area, that they will, in fact, lower rates?

17                  MR. PARKER: That's what I've been assured.

18                  CHAIRMAN DAVIS: That's what you've been  
19  assured? Who assured you of that?

20                  MR. PARKER: By different people that are in  
21  the SBC service, that they want to be competitive, and for  
22  them to be competitive, if they have a competitive  
23  classification, that we, in fact, could be offered a lower  
24  rate.

25                  CHAIRMAN DAVIS: So do you find it

1 inconsistent that they would -- what services they could  
2 raise the price on, they would automatically seek the -- the  
3 maximum increase for those services?

4 MR. PARKER: I was not aware that that was an  
5 alternative. I thought this was only a hearing that was  
6 going to be whether they were offered competitive  
7 classifications enabling them to be competitive and lower  
8 their rates. I was not under the impression that this is  
9 also giving them an opportunity to raise rates.

10 CHAIRMAN DAVIS: So Mr. Mayor, it surprises  
11 you to know that -- that they could, in essence, raise their  
12 rates infinitely if they chose to do so?

13 MR. PARKER: That is a surprise, sir, yes.

14 CHAIRMAN DAVIS: And how do you feel about  
15 that?

16 MR. PARKER: I'm not very happy that they can  
17 raise their rates, but I want to do what's best for my  
18 community. And if we, in fact, can get whatever this  
19 classification is, I think that's an opportunity for our  
20 residents to have possibly a better -- better rate on their  
21 phone system. My hopes that they're going to have a better  
22 rate on their phone system.

23 CHAIRMAN DAVIS: Okay. So you're willing to  
24 roll the dice, then, and see if they can get a better rate,  
25 and you're willing to accept the risk that they may not get a

1 better rate, that they could, in fact, get a worse rate?  
2 Either in the immediate future or, you know, five or ten  
3 years down the road?

4 MR. PARKER: Believe me, I have no love for  
5 SBC. I have a love for this community, and I want to have  
6 whatever company, if it takes somebody else -- if I have 21  
7 alternatives that's offered to my community, I don't have to  
8 stay with SBC. If they want to raise their rates, then  
9 they're going to lose more customers.

10 CHAIRMAN DAVIS: All right. Mr. Mayor, thank  
11 you again. No further questions.

12 MR. PARKER: Thank you.

13 JUDGE RUTH: Commissioner Murray?

14 COMMISSIONER MURRAY: Thank you. Mayor  
15 Parker, I wanted to follow-up on that, because I was just  
16 about to ask you that question. If SBC did foolishly raise  
17 its rates significantly after being granted competitive  
18 status, do you think that would encourage competitors to come  
19 in and take their customers away from them?

20 MR. PARKER: I'm very sure that that will  
21 happen.

22 COMMISSIONER MURRAY: And also, do you think  
23 that if we give SBC competitive status, that this would allow  
24 them to respond to -- better to competition and basically  
25 create -- if SBC could respond to its competition and then

1 the competitors would respond to SBC, would that have a  
2 tendency, in your opinion, to work to lower rates and provide  
3 perhaps --

4 MR. PARKER: That's my opinion. Yes, I think  
5 competition is good for anything, and I think the more the  
6 competition, the better the rate that would be offered to my  
7 residents.

8 COMMISSIONER MURRAY: And do you think it  
9 might provide more services available to your community  
10 through competition?

11 MR. PARKER: I am in hopes that, yes, we are  
12 going to be offered more services by other companies.

13 COMMISSIONER MURRAY: So is it your feeling  
14 that when you have competitors out working in the  
15 marketplace, that each competitor has the incentive to price  
16 their services in a way that attracts customers as well as  
17 provide services that perhaps are better than their  
18 competitors' services in order to get as many customers as  
19 possible?

20 MR. PARKER: Absolutely.

21 COMMISSIONER MURRAY: Thank you for your  
22 testimony.

23 MR. PARKER: Thank you for your time.

24 JUDGE RUTH: Commissioner Appling?

25 COMMISSIONER APPLING: Mr. Mayor, thank you

1 for coming out. We're here tonight to try to make sure  
2 that -- that we have competition within your community. Do  
3 you feel -- maybe you might know that you do have sound and  
4 good competition within your community at the present time.

5 MR. PARKER: I do. I have a number of  
6 companies that are already in my community. SBC has been my  
7 provider -- my main provider to the community for a number of  
8 years, but because of their rate structure and their fees,  
9 there has been a number of companies that have come in and  
10 offered services to our -- to our community, and I think  
11 there's, like, 21 companies, but we would like to have it,  
12 quite honestly, a good playing field for all companies and  
13 for my community. And if, in fact, we can be a competitive  
14 classification with SBC, I think that would be more  
15 competition for the -- the other companies, and hopefully I  
16 can get the best rates for my residents.

17 COMMISSIONER APPLING: Good, sir, that was the  
18 only question I had. Thank you for coming out tonight. It's  
19 good to have a mayor of a community that thinks enough of  
20 this to come out and talk to us tonight. Thank you.

21 MR. PARKER: I appreciate your time, sir.  
22 Thank you.

23 COMMISSIONER APPLING: Bye-bye.

24 JUDGE RUTH: Mr. Mayor, I have a few questions  
25 that Commissioner Gaw has left. First, can you tell me how



1   you heard about tonight's hearing?

2                   MR. PARKER:   From the newspaper.

3                   JUDGE RUTH:   And have you had any  
4   communications about this case with any telecommunications  
5   carrier, including SBC?

6                   MR. PARKER:   Yes.

7                   JUDGE RUTH:   And was -- were those  
8   communications with SBC, then?

9                   MR. PARKER:   Yes.

10                  JUDGE RUTH:   Okay.   And I want to make sure I  
11   understand, you have your residential service is with SBC?

12                  MR. PARKER:   Yes, ma'am, and my business.

13                  JUDGE RUTH:   And your business.   And those are  
14   both for the Excelsior Springs exchange, is that true?

15                  MR. PARKER:   That is true.

16                  JUDGE RUTH:   Okay.   Thank you.   Staff, do you  
17   have follow-up questions?

18                  MR. HAAS:   No questions.

19                  JUDGE RUTH:   Public Counsel?

20                  MR. DANDINO:   Yes.   Thank you.   Mayor Parker,  
21   this is Mike Dandino with the Office of Public Counsel.   I  
22   wanted to say I used to live in Kansas City, and I'm familiar  
23   with Excelsior Springs, and the wonderful revitalization you  
24   folks have done up there with the elms and the whole city.

25                  MR. PARKER:   Thank you.

1                   MR. DANDINO: I also wanted to ask you, do you  
2 think -- you said that there's 21 local companies that are  
3 competing with SBC; is that right?

4                   MR. PARKER: That is correct, sir.

5                   MR. DANDINO: If -- if there's -- if there's  
6 so many companies competing, why are the people still staying  
7 with SBC as their main telephone company?

8                   MR. PARKER: Maybe we're just creatures of  
9 comfort. We don't like to change, I guess. Once you start  
10 with someone and you've been satisfied with the service, it  
11 usually takes a big increase or something to upset you enough  
12 that you're going to switch, and so we all started with SBC,  
13 and the alternatives have come on since then, and people,  
14 quite honestly, just don't like to change.

15                  MR. DANDINO: Do you think if more companies  
16 would come in, that the people would move to those new  
17 companies, or would they stay with SBC?

18                  MR. PARKER: I think they would be happy to  
19 stay with SBC. I, quite honestly, think that the fee  
20 structure is the biggest issue with SBC. They've been  
21 satisfied with the service all along. It's never been an  
22 issue of service; it's always been an issue of fee. And if  
23 we can offer a better fee structure, I think they're going to  
24 be very satisfied to stay with SBC. And if it's not offered,  
25 or they raise their fees, I'm sure there are going to be more

1 of them to move to alternative companies.

2 MR. DANDINO: Do you think it would take a  
3 pretty hefty increase in rates for customers to be so  
4 dissatisfied to move from SBC to an alternative company?

5 MR. PARKER: I think we've about stretched our  
6 residents to the limit as far as the fee they're paying right  
7 now. An increase would probably generate them to consider  
8 moving to alternatives. They would be more considered, and  
9 that's why they're here tonight and why they've voiced their  
10 opinion that they would like to stay with SBC, and they would  
11 like to see a reduction in what their telephone rates are.

12 MR. DANDINO: Just to follow-up on something  
13 that the Chairman Davis had talked with you about, is under  
14 the -- under price cap regulation, are you aware that the  
15 company can now reduce their rates at, you know, just by  
16 filing a tariff to compete with local -- with other local  
17 telephone companies?

18 MR. PARKER: I understand that they can. I  
19 understand this is a time structure, that it takes the timely  
20 manner to get the tariffs approved, or any type of a rate  
21 reduction that they have to follow, but the competition  
22 doesn't have to follow those guidelines.

23 MR. DANDINO: So it's a matter of timing then?

24 MR. PARKER: That's what I've been told, sir,  
25 yes.

1                   MR. DANDINO: Okay. Well, thank you so much,  
2 Mayor. Once again, thank you for coming out. I appreciate  
3 your testimony, and your input. Thank you.

4                   MR. PARKER: Thank you.

5                   JUDGE RUTH: Mr. Mayor, thank you again for  
6 your time and your comments. We appreciate you giving up  
7 part of your evening to share your comments with us, and you  
8 are now excused.

9                   MR. PARKER: Thank you. As far as the  
10 Commission, we appreciate your time and interest in our  
11 community, and we hope you can help us in the future. Thank  
12 you.

13                  JUDGE RUTH: The next witness I have on my  
14 list is Mr. Jim Hampton. Is Mr. Hampton available?

15                  MR. HAMPTON: Present.

16                  JUDGE RUTH: Sir, would you please raise your  
17 right hand and tell me when you've done so?

18                  MR. HAMPTON: I have done so.

19                  JUDGE RUTH: Do you solemnly swear or affirm  
20 that the testimony you give in this proceeding shall be the  
21 truth, the whole truth, and nothing but the truth?

22                  MR. HAMPTON: I do.

23                  JUDGE RUTH: Would you please state and spell  
24 your name for the record?

25                  MR. HAMPTON: Jim Hampton, J-I-M,

1 H-A-M-P-T-O-N.

2 JUDGE RUTH: And your address?

3 MR. HAMPTON: 110 Northwest Berry Road, Kansas  
4 City, Missouri, 64155.

5 JUDGE RUTH: I'm sorry, sir, I didn't catch  
6 the address, would you repeat that?

7 MR. HAMPTON: 110 Northwest Berry Road, Kansas  
8 City, Missouri, 64155.

9 JUDGE RUTH: And are you currently a customer  
10 of SBC Missouri?

11 MR. HAMPTON: I am.

12 JUDGE RUTH: For your residential, or your  
13 business?

14 MR. HAMPTON: Both.

15 JUDGE RUTH: And what exchanges are you  
16 customers in?

17 MR. HAMPTON: 468 -- or 816-468 and 816-436.

18 JUDGE RUTH: And do you have a statement you'd  
19 like to make tonight?

20 MR. HAMPTON: Yes, I would like to state I'm  
21 in support of this competitive classification for the city of  
22 Excelsior Springs. And if I may, I'd like to say my job  
23 duties are the Economic Development Director for the County  
24 of Clay, of which Excelsior Springs is a part of. So a  
25 competitive classification is some tool that would allow us

1 to reduce the cost of our companies that are doing business  
2 in this community, or the companies we're trying to attract  
3 to expand or make additional investments would be enhanced by  
4 any tool that would allow more competitive rate.

5 JUDGE RUTH: Does that conclude your comments,  
6 sir?

7 MR. HAMPTON: Yes, ma'am.

8 JUDGE RUTH: Thank you. I'll ask the  
9 Commissioners, then, if they have any follow-up questions.  
10 Mr. Chairman?

11 CHAIRMAN DAVIS: No questions, thank you.

12 JUDGE RUTH: Commissioner Murray?

13 COMMISSIONER MURRAY: Thank you. Mr. Hampton,  
14 as the Economic Developer for your county, do you believe  
15 that freedom from regulation will allow -- freedom from rate  
16 regulation would allow SBC to respond more -- in a more  
17 timely fashion and in a more appropriate fashion to  
18 competitive pressures by other carriers?

19 MR. HAMPTON: Absolutely.

20 COMMISSIONER MURRAY: And do you think that  
21 has a tendency to bring more services into your area?

22 MR. HAMPTON: More services and to respond  
23 faster.

24 COMMISSIONER MURRAY: And do you think it is  
25 likely to have the tendency to drive rates lower?

1 MR. HAMPTON: Yes, I do.

2 COMMISSIONER MURRAY: Okay. Thank you very  
3 much.

4 JUDGE RUTH: Commissioner Appling?

5 MR. HAMPTON: Thank you.

6 COMMISSIONER APPLING: Sir, I have no  
7 question. I'm just in hopes that all of this will go well  
8 for you up there, because you have a fast-growing community,  
9 and you just need all the help you can get to -- to ensure  
10 that that continues. Thank you.

11 MR. HAMPTON: Thank you.

12 JUDGE RUTH: Mr. Hampton, I have just a few  
13 questions from Commissioner Gaw. And the first one is how  
14 did you learn about this hearing?

15 MR. HAMPTON: The newspaper.

16 JUDGE RUTH: And have you had any  
17 conversations with any telecommunications carriers about this  
18 case or issue?

19 MR. HAMPTON: Yes.

20 JUDGE RUTH: And which company or companies  
21 have you discussed it with?

22 MR. HAMPTON: SBC.

23 JUDGE RUTH: Okay. I'll ask Staff if you have  
24 any follow-up questions.

25 MR. HAAS: No questions.

1 JUDGE RUTH: And Public Counsel?

2 MR. DANDINO: Yes. Mr. Hampton, this is Mike  
3 Dandino with Public Counsel. What would you estimate the  
4 percentage of businesses in Clay County that have SBC as  
5 their local telephone company?

6 MR. HAMPTON: I would anticipate more than 90  
7 percent.

8 MR. DANDINO: What about for residential  
9 customers, do you have a feel for that?

10 MR. HAMPTON: I'm just speculating, 70 to 80  
11 percent.

12 MR. DANDINO: And who do you think is the --  
13 is probably SBC's biggest competitor for local service in the  
14 business arena, in Clay County?

15 MR. HAMPTON: Kansas City is home to Sprint,  
16 NexTel.

17 MR. DANDINO: Okay. So the hometown company  
18 then.

19 MR. HAMPTON: There's Birch, there's Gage,  
20 there's MCI, there's McCloud. There are a lot of companies.

21 MR. DANDINO: But who would be the biggest  
22 competitor? Sprint, for local service?

23 MR. HAMPTON: That would be my guess.

24 MR. DANDINO: Okay. That's all I have, sir.  
25 Thanks so much for coming out and testifying.



1 MR. HAMPTON: Thank you.

2 JUDGE RUTH: Mr. Hampton, thank you very much  
3 for your time. We appreciate your comments, and you are  
4 excused.

5 MR. HAMPTON: Thank you.

6 JUDGE RUTH: The next witness is Denise Reese.  
7 Ms. Reese, will you please tell me when you are ready and you  
8 have your right hand raised?

9 MS. REESE: Ready.

10 JUDGE RUTH: Ma'am, do you solemnly swear or  
11 affirm that the testimony you are about to give is the truth,  
12 the whole truth, and nothing but the truth?

13 MS. REESE: I do.

14 JUDGE RUTH: Thank you very much. Would you  
15 state your name and spell it for the record, please?

16 MS. REESE: Denise Reese, D-E-N-I-S-E,  
17 R-E-E-S-E.

18 JUDGE RUTH: And your address, please?

19 MS. REESE: 101 Richmond Street, Excelsior  
20 Springs, Missouri.

21 JUDGE RUTH: Are you currently a customer of  
22 SBC Missouri?

23 MS. REESE: Yes.

24 JUDGE RUTH: For residential or business?

25 MS. REESE: Residential, and someday we may be

1 business.

2 JUDGE RUTH: And do you have a comment that  
3 you would like to make tonight?

4 MS. REESE: Yes. We just moved from Kansas  
5 City, Missouri, north of the river to Excelsior Springs to  
6 buy the historic Roosevelt school. We were told by the city  
7 of Excelsior Springs that we could only get SBC or Sage.  
8 Those were the only two.

9 It took us over a week to get telephone --  
10 anybody to answer us in Southwestern Bell, but we already had  
11 been a Cingular customer in Kansas City, so we tried to stay  
12 with that so we could get DSL. But when my husband gave me  
13 some of the bills from -- we had MCI in Kansas City, and the  
14 bills are just astronomical. The jump from north of the  
15 river to Excelsior Springs, which is less than 25 miles, and  
16 we did live here before we moved back to Kansas City.

17 And to get -- for a month, I got a regular  
18 basic -- I couldn't even call somebody five miles away. The  
19 only people I could call was just in the downtown part of  
20 Excelsior, so we had to go to a metro line, which really  
21 raised it up. And it's -- my husband gave me some of the  
22 bills from Kansas City. Our bill in Kansas City was, like,  
23 \$17.99 a month, and then it added all the taxes for MCI.

24 And then we went to SBC here, which was a  
25 basic, it went to -- with the taxes, it went to \$61.40, so

1     that was less than twenty to \$61.40. And now we have a  
2     partial bill, which is over \$105.22, and we've only lived  
3     here since the 2nd of August, so it doesn't look to me like  
4     SBC is very competitive to this community. And we do have  
5     Cingular -- we do have Cingular Wireless.

6                     JUDGE RUTH: Ms. Reese, I don't want to cut  
7     you off, but did that conclude your comments?

8                     MS. REESE: Yes.

9                     JUDGE RUTH: Let me see if I can clarify,  
10    then. Are you in favor of or opposed to SBC receiving  
11    competitive classification?

12                    MS. REESE: Well, I have to roll the dice with  
13    the mayor, that I think that I am being optimistic that they  
14    can come -- they can come down with competition because this  
15    community is a very fast growing community, and north of the  
16    river is very much of a growing community, and Kansas City,  
17    there's -- so I'm hoping they will -- I know competition is  
18    good, that they can lower the rates.

19                    JUDGE RUTH: Chairman Davis, do you have any  
20    follow-up questions for the witness?

21                    CHAIRMAN DAVIS: I'll let you go ahead and ask  
22    Commissioner Gaw's questions first.

23                    JUDGE RUTH: Okay. Ms. Reese, can you tell me  
24    how you learned about this hearing tonight?

25                    MS. REESE: At the city council meeting last

1 night.

2 JUDGE RUTH: And can you share with me how it  
3 was brought up at the city council meeting?

4 MS. REESE: It was just mentioned that anyone  
5 that would like to come and make a statement was very welcome  
6 to come tonight at the high school.

7 JUDGE RUTH: And who mentioned that at the  
8 city council meeting?

9 MS. REESE: I really don't know that.

10 JUDGE RUTH: That's fine. Thank you. And  
11 have you had any communications with any representative from  
12 a telecommunications company about this case?

13 MS. REESE: No.

14 JUDGE RUTH: And I want to clarify, then, the  
15 exchange that you are in for your residence -- residential  
16 service is the Excelsior Springs exchange?

17 MS. REESE: That's a -- it's a metro line.

18 JUDGE RUTH: Thank you. Mr. Chairman?

19 CHAIRMAN DAVIS: Ms. Reese, are you aware if  
20 there was anyone from SBC present at the city council meeting  
21 last night?

22 MS. REESE: No, I was not.

23 CHAIRMAN DAVIS: Okay. And so just to  
24 clarify, I know the judge already asked you about competitive  
25 classification, but in your opinion -- in your opinion, you

1     would give -- correct me if this is wrong. You would give  
2     SBC the flexibility to raise or lower their rates however  
3     they see fit; is that correct?

4                     MS. REESE: Yes -- yes. I'm hoping that  
5     that -- they would be competitive.

6                     CHAIRMAN DAVIS: Okay. Thank you for your  
7     testimony, ma'am. Thank you for coming.

8                     JUDGE RUTH: Commissioner Murray?

9                     COMMISSIONER MURRAY: Thank you. Ms. Reese,  
10    thank you for being here this evening, and do you believe  
11    that regulation -- unnecessary regulation keeps prices higher  
12    than they need to be?

13                    MS. REESE: I don't -- I don't know that.

14                    COMMISSIONER MURRAY: If you don't know the  
15    answer, you can just say you don't know. Okay. I don't  
16    think I have any other questions. Thank you for being here.

17                    JUDGE RUTH: Commissioner Appling?

18                    COMMISSIONER APPLING: Ms. Reese, thank you  
19    for coming out tonight. Your testimony was kind of  
20    enlightening, and I would be interested to know a few months  
21    down the road if SBC is awarded for competition, I'd like to  
22    know what your bills are, so don't hesitate to tell me, okay?

23                    MS. REESE: How do I contact you?

24                    COMMISSIONER APPLING: Well, somebody there  
25    from the Public Service Commission tonight, they'll be happy

1 to tell you how to contact me.

2 MS. REESE: Thank you.

3 JUDGE RUTH: Mr. Cecil, I'll ask you, if  
4 you'll take care of getting an address and phone number for  
5 the Commission to Ms. Reese in a few minutes.

6 MR. CECIL: I'll take care of it.

7 JUDGE RUTH: Thank you.

8 CHAIRMAN DAVIS: Judge, can I just interrupt  
9 and say that for anybody that's there at either one of our  
10 hearing audiences, we have a consumer hotline that's open,  
11 usually Monday through Friday, on any day that's not a  
12 holiday. It's 1-800-392-4211, so if you have 1-800-392-4211,  
13 and we've got people on staff here to answer any questions  
14 that you might have about utility service, and manufactured  
15 housing. Thank you.

16 MS. REESE: Would you please tell me that  
17 gentleman's name, please?

18 CHAIRMAN DAVIS: Yes, ma'am, I'm Jeff Davis,  
19 Chairman of the Missouri Public Service Commission.

20 MS. REESE: And the other gentleman's name?

21 CHAIRMAN DAVIS: Commissioner Lin Appling.

22 MS. REESE: Thank you.

23 JUDGE RUTH: Staff, do you have any follow-up  
24 questions for Ms. Reese?

25 MR. HAAS: No questions.

1 JUDGE RUTH: Public Counsel?

2 MR. DANDINO: I have no questions, but thank  
3 you, Ms. Reese, for coming out, and you said you brought the  
4 Roosevelt school.

5 MS. REESE: Yes.

6 MR. DANDINO: And you're going to make a bed  
7 and breakfast or something with that?

8 MS. REESE: No, I have an 88-year-old mother  
9 that's getting very, very bad shape, and we need room, and  
10 maybe someday I'll be able to have a country-western music  
11 show in our theater, and I would like to do something for  
12 Excelsior, because I fell in love with this town in 1980 when  
13 I was brought here by the federal government for a  
14 rehabilitation seminar in Kansas City.

15 MR. DANDINO: Okay. Good luck. Thank you.

16 JUDGE RUTH: Ms. Reese, we thank you very much  
17 for your time and your comments, and you are now excused.  
18 Mr. Cecil, it's my understanding I have called the three  
19 witnesses that you had on your list. Have you had anyone add  
20 their name?

21 MR. CECIL: No, your Honor. That's all.

22 JUDGE RUTH: And Mr. Henderson, have you had  
23 any people add their names to the witness list in Kennett?

24 MR. HENDERSON: Judge, we have not.

25 JUDGE RUTH: Okay. That concludes, then, the

1 witnesses that signed up previously, and it's my  
2 understanding that there have been no other witnesses add  
3 their names, so I will thank all of you who are in attendance  
4 for coming to the public hearings and offering your comments  
5 and suggestions.

6                   The Commissioners do very much appreciate your  
7 time, and as I said, a record is being made. The transcript  
8 will be provided to all the Commissioners, and will be  
9 reviewed prior to the Commission making their decision. I'll  
10 ask the Commissioners if anyone has any closing remarks.

11                   CHAIRMAN DAVIS: I'd just like to thank  
12 everyone for coming, to thank you for your participation and  
13 your interest in good government.

14                   JUDGE RUTH: Okay. Thank you very much. We  
15 will now adjourn. Good night.

16                   WHEREUPON, the recorded portion of the public  
17 hearing was concluded.

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