

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

In the Matter of a Further Investigation of the	)	
Metropolitan Calling Area Service after the	)	<b><u>Case No. TO-2001-391</u></b>
Passage and Implementation of the	)	
Telecommunications Act of 1996.	)	

**STATEMENT OF POSITION OF AT&T**

COMES NOW AT&T Communications of the Southwest, Inc. ("AT&T") and submits its Statement of Position on the joint issues list developed by the parties to this proceeding.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

AT&T believes the Commission does have the authority to modify calling scopes, and therefore, has the authority to modify the MCA plan.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

Depending on the specifics of the Commission's order, all carriers could be subject to the Commission's order.

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

The MCA 2 rates proposed by the ILECs participating in the MCA have been designated as Highly Confidential. Because of the limitations contained in the protective order, AT&T's internal experts have been unable to review the proposed rates or the methodology used to derive the proposed rates. For this reason, AT&T is unable to take a position on those rates at this time.

Competitive local exchange carriers should have complete flexibility in setting rates for MCA service.

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

Legally, it is unclear how the concept of revenue neutrality is consistent with price cap regulation. However, if revenue neutrality is deemed to be appropriate, it should be implemented in a manner that is non-discriminatory among type of carriers, as well as among customers. Customers of other services should not be forced to pay higher rates to recover costs or lost revenues associated with modifications to the MCA plan.

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

*See Response to 1c, above.*

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

AT&T takes no position on this issue at this time. AT&T does reserve the right to respond to testimony on this issue during this proceeding.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

Legally, it is unclear how the concept of revenue neutrality is consistent with price cap regulation. However, if and where revenue neutrality is deemed appropriate, it should be implemented in a manner that is non-discriminatory among type of carriers, as well as customers. Customers of other services should not be forced to pay higher rates to recover costs or lost revenues associated with modifications to the MCA plan.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

Legally, it is unclear how the concept of revenue neutrality is consistent with price cap regulation. However, if and where revenue neutrality is deemed to be appropriate, it should be implemented in a manner that is non-discriminatory among types of carriers, as well as customers. Customers of other services should not be forced to pay higher rates to recover costs or lost revenues associated with modifications to the MCA plan.

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

AT&T believes the Commission has the authority to make this change.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

AT&T believes the MCA plan as established in Case No. TO-93-116 contemplates customers in the optional MCA tiers will be allowed to call all telephone numbers in the mandatory MCA areas, regardless of the type of service offered in the mandatory tier. AT&T does not believe that it is necessary to change this.

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

As a general matter, AT&T believes the broader public interest would be better served by directly addressing the problem underlying the current local calling scopes, which is excessive switched access rates, rather than continuing the band-aid approach of creating "expanded local calling" where access rates do not apply to interexchange calls for select areas. In addition to benefiting only select customers, this approach prevents all carriers, namely interexchange carriers, from participating fully in the interexchange marketplace by making such calls local, a market where competition is just developing and the ILEC remains the dominant provider. Rather, than addressing the access price issue, the Commission would be sacrificing customer choice for the lower local service rate offered in the expanded MCA largely by the dominant carrier. As to the specifics of expanding the current MCA, AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

3. Is the LERG an appropriate mechanism to identify the MCA NXX codes in the future?

Yes. *See* Response to 3.b below.

- a. Should LERG “J” codes be used as the proper optional MCA NXX identifier?

AT&T believes the use of the “J” code is an acceptable identifier if the current MCA plan is retained.

- b. Should LERG “J” codes be used to designate NXX codes in the mandatory MCA areas?

AT&T believes the use of the “J” code is an acceptable identifier. However, AT&T does not believe that the use of the “J” code is necessary in the mandatory areas. AT&T believes the MCA plan as established in Case No. TO-93-116 contemplates customers in the optional MCA tiers being allowed to call all telephone numbers in the mandatory MCA areas, regardless of the type of service offered in the mandatory tier. For this reason, there is no need to separately identify MCA codes in the mandatory tiers.

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

AT&T believes the Commission should establish an expedited process for issuing an order overturning a decision from NANPA withholding numbering resources in the case where a carrier is requesting an additional code to be able to offer optional MCA service.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

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

AT&T takes no position on this issue at this time. AT&T reserves the right to respond to testimony on this issue during this proceeding.

Respectfully submitted this 19th day of May, 2003.

**AT&T COMMUNICATIONS OF THE  
SOUTHWEST, INC.**

By: Rebecca B. DeCook by DRF

Rebecca B. DeCook, CO Bar No. 14590  
1875 Lawrence Street, Ste. 1575  
Denver, CO 80202  
Tel: 303-298-6357  
Fax: 303-298-6301  
decook@att.com

J. Steve Weber, MO Bar #20037  
101 W. McCarty, Ste. 216  
Jefferson City, MO 65101  
Tel: 573-635-5198  
Fax: 573-635-9442  
jweber@att.com

**Certificate of Service**

I certify that copies of the foregoing were served on the following by U.S. Mail on May 19, 2003.

*Rebecca B. DeLoach by DR#*

Office of Public Counsel  
PO Box 7800  
Jefferson City, MO 65102

Carl J. Lumley/Leland B. Curtis  
Curtis, Oetting, Heinz, Garrett &  
Soule, PC  
130 S. Bemiston, Ste. 200  
St. Louis, MO 63105

Mark W. Comley  
Newman Comley & Ruth  
PO Box 537  
Jefferson City, MO 65102-0537

Edward Cadieux/Carol Keith  
NuVox Communications of  
Missouri, Inc.  
16090 Swingley Ridge Rd, #500  
Chesterfield, MO 63006

James F. Mauze/Thomas Pulliam  
Ottsen, Mauze, Leggat & Belz  
112 S. Hanley Road  
St. Louis, MO 63105-3418

MCI Telecommunications Corp.  
100 South 4<sup>th</sup> Street  
St. Louis, MO 63102

Mary Ann Young  
2031 Tower Drive  
PO Box 104595  
Jefferson City, MO 65102-4395

Nancy Krabill  
XO Missouri, Inc.  
1300 W. Mockingbird Lane, Ste.  
200  
Dallas, TX 75247

General Counsel  
Missouri Public Service Comm.  
PO Box 360  
Jefferson City, MO 65102

Peter Mirakian/Wendy DeBoer  
Spencer, Fane, Britt & Browne LLP  
1000 Walnut, Ste. 1400  
Kansas City, MO 64106-2140

Paul Lane/Leo Bub/Anthony  
Conroy/Mimi MacDonald  
Southwestern Bell Tel. Company  
One Bell Center, Room 3510  
St. Louis, MO 63101

Lisa Hendricks  
Sprint Missouri, Inc.  
5454 W. 110<sup>th</sup> Street  
Overland Park, KS 66211

Charles Brent Stewart  
Stewart & Keevil, L.L.C.  
1001 Cherry Street, Suite 302  
Columbia, MO 65201

Thomas R. Parker  
Verizon  
601 Monroe Street, Suite 304  
Jefferson City, MO 65101

Bradley Kruse  
McLeodUSA Telecommunications  
Services, Inc.  
PO Box 3177  
Cedar Rapids, IA 52406-3177

Stephen F. Morris  
WorldCom Communications  
701 Brazos, Suite 600  
Austin, TX 78701

W.R. England, III  
Brydon, Swearengen & England  
PO Box 456  
Jefferson City, MO 65102

Craig S. Johnson  
Andereck, Evans, Milne, Peace &  
Baumhoer  
PO Box 1438  
Jefferson City, MO 65102

James M. Fischer/Larry Dority  
Fischer & Dority, P.C.  
101 Madison, Ste. 400  
Jefferson City, MO 65101

Charles W. McKee  
Sprint PCS KSOPHIO414  
6160 Spring Parkway, #9  
Overland Park, KS 66251

Carol Pomponio  
Nextlink Missouri, Inc.  
2020 Waterport Center Dr.  
Maryland Heights, MO 63146

Scott Sapperstein, Esq.  
Intermedia Communications  
One Intermedia Way  
Tampa, FL 33647-1752