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August 4, 1997

FILED

AUG 4 1997

MISSOURI
PUBLIC SERVICE COMMISSION

Cecil I. Wright
Executive Secretary
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

Re: Case No. TO-97-523

Dear Mr. Wright:

Enclosed for filing on behalf of the Small Telephone Company Group, Fidelity Telephone Company and Bourbeuse Telephone Company in the above-referenced matter, please find an original and fourteen copies of their Comments Regarding Approval of Interconnection Agreement. Please see that this is brought to the attention of the appropriate Commission personnel. If there are any questions regarding the attached, please feel free to give me a call. I thank you in advance for your cooperation in this matter.

Sincerely yours,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

Sondra B. Morgan

Sondra B. Morgan

/nh
Enc.

cc: All Parties of Record

BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

FILED

AUG 4 1997

MISSOURI
PUBLIC SERVICE COMMISSION

In the Matter of the Joint)
Application of Southwestern Bell)
Telephone Company and Ameritech)
Mobile Communications, Inc. for)
Approval of Interconnection)
Agreement under the Telecommuni-)
cations Act of 1996.)

Case No. TO-97-523

SMALL TELEPHONE COMPANY GROUP'S COMMENTS
REGARDING APPROVAL OF INTERCONNECTION AGREEMENT

Comes now the Small Telephone Company Group (STCG"), Fidelity Telephone Company and Bourbeuse Telephone Company ("Fidelity") (collectively referred to as "STCG") and for their Comments regarding the approval of the interconnection agreement between Southwestern Bell Telephone Company ("SWBT") and Ameritech Mobile Communications, Inc. ("Ameritech") state to the Missouri Public Service Commission ("Commission") as follows:

1. On June 4, 1997, SWBT and Ameritech filed a joint application with the Commission requesting approval of an Agreement for Interconnection and Reciprocal Compensation negotiated pursuant to the Federal Telecommunications Act of 1996 ("the Act"). This agreement sets out the terms of reciprocal compensation between the two companies for wireless traffic.

Section 3.1.3 of the agreement entitled "Traffic to Third Party Providers" states as follows:

Carrier and SWBT shall compensate each other for traffic that transits their respective systems to any Third Party Provider, at rates as specified in Appendix PRICING. The Parties agree to enter into their own agreements with Third Party Providers. Carrier agrees not to send traffic to SWBT for termination on a Third Party Provider's network unless or until the Carrier has a traffic interchange agreement with the Third Party Provider. In the event that Carrier does send traffic through SWBT's network to a Third Party Provider with whom Carrier does not have a traffic interchange agreement, then Carrier agree to indemnify SWBT for

any termination charges rendered by a Third Party Provider for such traffic.

2. On July 21, 1997, the Commission issued its Order Granting Participation in which it granted the request of the STCG and Fidelity/Bourbeuse to participate without intervention in this proceeding. The Commission directed that comments regarding whether this interconnection agreement meets the federal standards for approval of interconnection agreements be filed by August 4, 1997.

3. The standards for approval are as follows:

§252(e) APPROVAL BY STATE COMMISSION

- (1) APPROVAL REQUIRED. - Any interconnection agreement adopted by negotiation or arbitration shall be submitted for approval to the State Commission. A State Commission to which an agreement is submitted shall approve or reject the agreement, with written findings as to any deficiencies.
- (2) GROUNDS FOR REJECTION - The State Commission may only reject -
 - (A) an agreement (or any portion thereof) adopted by negotiation under subsection (a) if it finds that -
 - (I) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
 - (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity; . . .

4. On June 5, 1997, SWBT proposed revisions to its Wireless Carrier Interconnection Service Tariff which changed the relationships and the methods of compensation for the termination of wireless traffic to third-party providers. Section 6.9 of the proposed tariff revisions states in part:

Wireless carriers shall not send calls to SWBT that terminate in an Other Telecommunication Carrier's network unless the wireless carrier has entered into an agreement with such Other Telecommunications Carriers to directly compensate that carrier for the termination of such traffic. The wireless carrier shall indemnify SWBT against charges billed to SWBT by the Other Telecommunications Carrier.

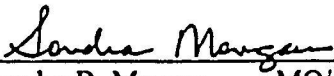
The STCG and the Mid-Missouri Group of local exchange companies filed applications to intervene in that proceeding and motions to suspend the tariff. On July 18, 1997, the Commission issued its Order Granting Requests for Intervention and Suspending Wireless Carrier Interconnection Tariff. Case No. TT-97-524. The Commission suspended the tariff because of concerns that the proposed tariff language requires wireless carriers to establish compensation agreements with third-party LECs and wireless carriers would thus be in violation of the tariff as soon as it became effective. The Commission also stated that it was unclear whether third-party LECs would bill SWBT or the wireless carriers for termination of wireless traffic and whether SWBT could use the tariff to avoid paying proper charges billed by third-party LECs. The Commission established a procedural schedule which includes the filing of testimony by the parties and a hearing before the Commission.

5. Since the language in the present interconnection agreement is similar to the language in dispute in the tariff filing which has not been approved by the Commission, the STCG has concerns regarding the approval of the interconnection agreement before the conclusion and resolution of Case No. TT-97-524. The STCG believes that the portion of the agreement set out above regarding compensation of third-party providers may discriminate against members of the group who are not parties to the agreement. The STCG also believes that the implementation of that portion of the agreement before the resolution of Case No. TT-97-524 is not consistent with the public interest, convenience and necessity in that compensation arrangements regarding

LECs not parties to the agreement are affected by the agreement in ways that may affect the companies' ability to terminate calls originating from wireless providers and, thus, interrupt service to their customers.

For these reasons the STCG and Fidelity respectfully request that the Commission carefully consider its approval of the interconnection agreement and whether it meets the standards for approval set out in Section 252(c) of the Act.

Respectfully submitted,



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Attorneys for
The Small Telephone Company Group

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered on this 4th day of August, 1997, to the following:

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