BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Time Warner)	
Cable Information Services (Missouri), LLC for a)	
Certificate of Service Authority to Provide Local and)	Case No. LA-2004-0133
Interexchange Voice Service in Portions of the State)	
of Missouri and to Classify Said Services and the)	
Company as Competitive.)	

ALLTEL MISSOURI, INC.'S BRIEF SUPPORTING THE COMMISSION'S JURISDICTIONAL AUTHORITY WITH REGARD TO VOICE OVER INTERNET PROTOCOL (VOIP)

ALLTEL Missouri, Inc. ("ALLTEL"), pursuant to the Missouri Public Service Commission's November 10, 2003 *Order Directing Filing of Briefs*, respectfully submits its Brief supporting the Commission's jurisdictional authority with regard to Voice Over Internet Protocol (VOIP) issues presented in this proceeding.

SUMMARY OF POSITION

ALLTEL appreciates this Commission taking a proactive step to begin developing clear regulatory policy regarding VOIP services and the providers of these services. As broadband and Internet services continue to reach more and more households and businesses across the United States, it is becoming increasingly popular and feasible to utilize VOIP to transmit voice calls. While VOIP lacks industry standards in terms of nomenclature and even technical uniformity, it is important to remember that, regardless of the protocol, the call remains a voice call, the provider of this technology is providing a telecommunications service, and to the extent these calls utilize any portion of the local exchange network, the VOIP carrier must pay the applicable charge for the use of that network and must contribute to universal service funding. Whether the customer

originates the call via DSL, dial up Internet, cable modem or a traditional telephone does not change the fact that the call is a voice call. The use of different transport technologies is transparent to the customer and this Commission must assure that the VOIP carriers pay the appropriate charges for use of the local exchange carriers' network.

VOIP carriers contend that, because the calls they transmit utilize an internet facility at some point in a call, it is an Internet call. Furthermore, VOIP carriers contend such calls should not be subject to appropriate applicable charges, and the carrier itself should not be subject to regulation by either the state commission or the Federal Communications Commission.

Utilization of an internet facility does not mean that VOIP service is an Internet call or that VOIP service providers are the equivalent of Internet Service Providers (ISPs). This Commission has jurisdiction over any entity providing telecommunications services within Missouri. As discussed below, telecommunications service is broadly defined, but the definition does contain a few exceptions such as wireless and paging services. However, VOIP service is not included in those statutory exceptions and, therefore, must be considered subject to this Commission's jurisdiction.

STATUTORY AUTHORITY FOR COMMISSION JURISDICTION TO REGULATE VOIP SERVICE

The following statutes establish the Commission's jurisdiction over telecommunications services and clearly establish the Commission's authority over the type of telecommunications service at issue in this proceeding:

- § 386.020 (42) defines a Public Utility as including "every telecommunications company... as (defined) in this section, and each thereof is hereby declared to be a public utility and to be subject to the jurisdiction, control and regulation of the commission and to the provisions of this chapter."
- § 386.020(51) defines a Telecommunications Company as "...every corporation, company, association, joint stock company or association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, owning operating, controlling or managing any facilities used to provide telecommunications service for hire, sale or resale within this state."
- § 386.020(53) defines Telecommunications Service as "the transmission of information by wire, radio, optical cable, electronic impulses, or other similar means. As used in this definition, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. . . ."
- § 386.250(2) states that "the jurisdiction, supervision, powers and duties of the public service commission herein created and established shall extend under this chapter: . . . (2) To all telecommunications facilities, telecommunications services and to all telecommunications companies so far as such telecommunications facilities are operated or utilized by a telecommunications company to offer or provide telecommunications service between one point and another within this state or so far as such telecommunications services are offered or provided by a telecommunications company between one point and another within this state..."

VOIP is a telecommunications service. The method by which VOIP service providers transmit information meets the criteria of the statutory definition of "Telecommunications Service" per § 386.020(53). The primary distinction between a VOIP call and a traditional telephone call is the manner the carrier chooses to route or transmit the call. The product provided to the consumer is the same – local and/or long-distance voice telephone service. With VOIP, as well as traditional telephone service, the customer dials a number that informs the telephone network where to route the call. VOIP service easily fits the definition of a telecommunications service because it is the transmission of information between the dialing party and the dialed party.

The Missouri definition of "Public Utility" is not concerned with the technology used to provide telecommunications service. Over the years, various technologies have developed, subsequently become obsolete, and replaced by other technologies. By remaining focused on the ultimate service, and not on the electronic protocols that provide that service, the Commission can ensure that the citizens of Missouri continue to have adequate telecommunications service well into the future.

CONCLUSION

ALLTEL Missouri, Inc. respectfully recommends that the Commission should assert jurisdiction over and regulate Voice Over Internet Protocol (VOIP) services.

Respectfully submitted,

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 21st day of November, 2003.