

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 10th
day of June, 1987.

Case No. TO-84-222

In the matter of the investigation
into WATS resale by hotels/motels.

Case No. TO-84-223

In the matter of the investigation
into WATS resale applications for
certificates of public convenience
and necessity.

Case No. TC-85-126

In the matter of the investigation
into the reasonableness of permitting
competition in the intraLATA
telecommunications market in Missouri.

Case No. TO-85-130

In the matter of the Missouri
interLATA access charge and intraLATA
toll pools.

ORDER APPROVING STIPULATION AND AGREEMENT

On May 1, 1987, the following parties filed a Stipulation and Agreement resolving the issues concerning jurisdictional reporting requirements: Competitive Telecommunications Association of Missouri, Hedges Communications, Inc., LTS, Inc., Contact America, Teleconnect Company, MCI Telecommunications Corporation, AT&T Communications of the Southwest, United Telephone Company, Western Union Telegraph Company, Southwestern Bell Telephone Company, General Telephone Company of the Midwest, U.S. Sprint Communications Corporation, Missouri Independent Telephone Company, Office of Public Counsel and Staff of the Missouri Public Service Commission. The Stipulation and Agreement adequately sets forth all procedural and

factual matters and is set forth in Appendix A attached hereto and incorporated herein by reference.

The Commission is of the opinion that the matters of agreement between the signatory parties are reasonable and proper and should be accepted. The Commission is further of the opinion that all companies providing service in Missouri should immediately take the necessary steps to comply with the provisions of the Stipulation and Agreement.

It is, therefore,

ORDERED: 1. That the Stipulation and Agreement filed herein on May 1, 1987 be, and the same is, hereby approved.

ORDERED: 2. That all companies providing toll service in Missouri shall immediately take the necessary steps to comply with the provisions of the Stipulation and Agreement.

ORDERED: 3. That all local exchange companies shall, within thirty (30) days of the effective date of this order, revise their tariffs to incorporate language which reflects the intent of the Stipulation and Agreement.

ORDERED: 4. That this order shall become effective on the 22nd day of June, 1987.

BY THE COMMISSION

Harvey G. Hubbs
Harvey G. Hubbs
Secretary

(S E A L)

Musgrave, Hendren and Fischer, CC.,
Concur.
Steinmeier, Chm., and Mueller, C.,
Absent.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the investigation into WATS resale by hotels/motels.)	Case No. TO-84-222
)	
In the matter of the investigation into WATS resale applications for certificates of public convenience and necessity.)	Case No. TO-84-223
)	
In the matter of the investigation into the reasonableness of permitting competition in the intraLATA telecommunications market in Missouri.)	Case No. TC-85-126
)	
In the matter of the Missouri interLATA access charge and intraLATA coll pools.)	Case No. TO-85-130

STIPULATION AND AGREEMENT

In its Report and Order issued in Case Nos. TO-84-222, et al., and effective August 26, 1986, the Missouri Public Service Commission ("Commission") ordered its Staff, the Office of the Public Counsel, telephone industry representatives and other interested parties to develop proposed jurisdictional reporting requirements for the industry to be filed on or before October 31, 1986. Subsequently, the Commission extended this filing date to May 1, 1987.

On February 23, 1987 and April 3, 1987, the Staff, the Office of the Public Counsel and interested telephone industry representatives met to discuss this subject. As a result of those meetings, the parties attending those meetings hereby unanimously stipulate as follows:

1. The signatory parties hereby agree and recommend to the Commission that existing jurisdictional reporting requirements for Missouri intrastate access usage be modified by eliminating any requirement that interexchange carriers¹("IXCs") submit Missouri

¹For purposes of this document the term "interexchange carriers" includes resellers of interexchange telecommunications services as well as facilities-based providers of interexchange telecommunications services.

intrastate intraLATA percentage of use information to local exchange carriers ("LECs"). Unless otherwise ordered, IXCs shall continue to be obligated to submit such Missouri intrastate intraLATA percentage of use information to the Missouri Public Service Commission Staff ("Staff") in conjunction with the filing of quarterly percentage of interstate use ("PIU") reports. The Staff shall treat such intraLATA percentage of use information as proprietary in nature and maintain its confidentiality. Such information will not be considered "public records" unless otherwise ordered by the Commission.

Notwithstanding all other provisions of this section, no party shall be deemed as having waived the right to seek, based on changed circumstances, future reinstatement of the requirement that IXC's submit Missouri intrastate intraLATA percentage of use information to LECs.

2. The signatory parties agree and recommend to the Commission that any requirement obligating IXCs to create and maintain, in participation with Staff, a data base for use in determining the jurisdictional nature of IXC traffic in accordance with paragraph 3 of the Joint Recommendation filed as Exhibit 1 in Case Nos. TA-84-82 and TA-84-114 be discontinued.

3. The signatory parties agree and recommend to the Commission that the provisions of all LEC Missouri intrastate access services tariffs related to auditing of IXC records concerning jurisdictional reporting of access usage be modified to permit the option of third-party audits by independent auditing firms. However, the parties agree that the use of a third-party audit shall in no way limit the Staff's discretion to audit any telephone utility.

4. The signatory parties agree and recommend to the Commission that LECs be permitted to include in their Missouri intrastate access services tariffs provisions reflecting a right of LECs to employ monitoring equipment for the purpose of verification of IXC PIU reporting. LECs shall treat such information as proprietary in nature and shall maintain its confidentiality.

5. The signatory parties agree and recommend to the Commission that IXCs be permitted, at their option, to base Missouri PIU reports on traffic samples rather than on 100 percent actual traffic where the sampling method utilized conforms with minimum precision levels established in LEC tariffs or as otherwise agreed between the LEC and IXC involved.

6. The signatory parties hereby agree and recommend that the Commission order the LECs to revise their tariffs to incorporate language which reflects the intent of this Stipulation and Agreement substantially identical to the tariff language set out in Exhibit A, attached hereto. The parties agree that said revised tariffs shall be filed within thirty days of the effective date of the Commission order approving this Stipulation and Agreement.

7. The signatory parties agree that in the event the Commission accepts the specific terms of this Stipulation and Agreement in its entirety and without modification with respect to the issues addressed hereinabove the signatory parties waive their respective rights to judicial review of the issues addressed by this Stipulation and Agreement, pursuant to Section 386.510, RSMo. 1986.

8. The signatory parties agree that they shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation and Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; (c) in this proceeding should the Commission decide not to approve this Stipulation and Agreement or to in any way condition its approval of same.

9. The signatory parties agree that the agreements contained in this Stipulation and Agreement have resulted from extensive negotiations and are interdependent. In the event that the Commission does not approve and adopt the terms of this Stipulation and Agreement in its entirety, this Stipulation and Agreement shall be void and no party shall be bound by any of the agreements or provisions hereof.

Respectfully submitted,

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Third-Party Audits

The Telephone Company may in its discretion accept the results of a third-party audit submitted by the IXC in lieu of performing its own audit.

Monitoring Equipment

The Telephone Company retains the right to employ monitoring equipment for the purpose of verification of IXC PIU reporting. The Telephone Company shall treat such information as proprietary in nature and shall maintain its confidentiality.

Statistical Sampling

PIU reports should be based on actual total customer usage data if at all feasible. If that data is not reasonably available, the reports may be based on either statistically valid samples derived by the customer, or on samples from sampling techniques agreed to by the Telephone Company. The allowable statistical parameters associated with the percentages produced from statistical sampling are a 95% confidence level and a +/- five (5) percent precision.