# STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY

August 28, 1997

CASE NO: TO-97-523

Office of the Public Counsel, P.O. Box 7800, Jefferson City, MO 65102

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Enclosed find certified copy of ORDER in the above-numbered case(s).

Bail July

Cecil I. Wright
Executive Secretary

**Uncertified Copy:** 

## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 27th day of August, 1997.

In the Matter of the Joint	)		
	:		
Application of Southwestern Bell	}		
Telephone Company and Ameritech	)		
Mobile Communications, Inc. for	)	CASE NO.	TO-97-523
Approval of Interconnection	)	1	
Agreement under the Telecommuni-	)		
cations Act of 1996.	)		

#### ORDER APPROVING INTERCONNECTION AGREEMENT

Southwestern Bell Telephone Company (SWBT) and Ameritech Mobile Communications, Inc. (Ameritech), hereinafter jointly referred to as Applicants, filed a joint application on June 4, 1997, requesting that the Missouri Public Service Commission approve an interconnection agreement (Agreement) between SWBT and Ameritech. The application was filed pursuant to Section 252(e)(1) of the Federal Telecommunications Act of 1996 (the Act). See 47 U.S.C. § 251, et seq.

One joint application to participate was filed and, by order issued July 21, 1997, the Commission granted participation without intervention to the Small Telephone Company Group, Fidelity Telephone

The following companies comprise the Small Telephone Company Group:
BPS Telephone Company, Cass County Telephone Company, Citizens Telephone
Company of Higginsville, Missouri, Inc., Craw-Kan Telephone Cooperative, Inc.,
Ellington Telephone Company, Grand River Mutual Telephone Corporation,
Green Hills Telephone Corporation, Holway Telephone Company, Iamo Telephone
Company, KLM Telephone Company, Kingdom Telephone Company, Lathrop Telephone
Company, Mark Twain Rural Telephone Company, McDonald County Telephone
Company, Miller Telephone Company, New Florence Telephone Company, New London
Telephone Company, Orchard Farm Telephone Company, Oregon Farmers Mutual
Telephone Company, Steelville Telephone Exchange, Inc., and Stoutland



Company and Bourbeuse Telephone Company, hereinafter referred to jointly as STCG.

Participants filed comments regarding the Agreement and the Commission Staff (Staff) filed its initial memorandum on August 14. The Commission conducted an on-the-record proceeding on August 22 where SWBT, Ameritech, Staff, and Office of the Public Counsel (Public Counsel) made presentations to the Commission regarding the Interconnection Agreement and answered Commission questions. Applicants filed an amendment by interlineation of the Agreement on August 22. Staff filed its subsequent memorandum on August 22 recommending approval of the agreement.

#### **Findings of Fact**

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact.

The Commission, under the provisions of Section 252(e) of the federal Telecommunications Act of 1996, has authority to approve an interconnection agreement negotiated between an incumbent local exchange company (LEC) and a new provider of basic local exchange service. The Commission may reject an interconnection agreement only if the agreement discriminates against a telecommunciations carrier not a party to the agreement or is inconsistent with the public interest, convenience and necessity:

Telephone Company.

#### \$252(e) APPROVAL BY STATE COMMISSION

- REQUIRED . -- Any (1)APPROVAL interconnection agreement adopted by negotiation or shall arbitration be submitted for approval to the State commission. State commission to which an agreement is submitted shall approve or reject the with written agreement, 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 not portion is the consistent with interest, public convenience, and necessity; . . . .

Applicants stated in their verified application that the Agreement complies with Section 252(e) of the Federal Act because the Agreement is consistent with the public interest, convenience and necessity and does not discriminate against any telecommunications carrier. The interconnection Agreement between SWBT and Ameritech is to become effective upon final approval by the Commission. The term of the contract is one year from the effective date; thereafter the Agreement remains in effect until one of the parties gives 60-day notice of termination.

The Agreement provides for interconnection of the two companies' networks at technically feasible points listed in Appendix DCO attached to the Agreement. Each company may provide its own facilities and transport for the delivery of traffic from its network to the other company's network. Alternatively, each company may purchase an entrance facility and transport from the other company or from a third party. Ameritech and SWBT may request virtual collocation from each other at the rates, terms and conditions specified in SWBT's tariff on file with the Federal Communications Commission, FCC No. 73, Section 25, and physical collocation as specified in applicable tariffs or as agreed to on an Alternatively, Ameritech may collocate at a SWBT individual basis. facility with a third party with whom SWBT has already contracted for SWBT may also collocate at an AWS facility in the same collocation. The Agreement provides that Ameritech may request SONET-based interconnection pursuant to SWBT's tariff as contained in FCC No. 73, Section 30. SWBT may request SONET-based interconnection under terms and conditions mutually agreed upon by the parties.

The Agreement states Ameritech and SWBT shall continue to handle E911/911 as they have previously and shall work together to meet any and all applicable legal requirements, including SWBT tariffs, and rules and regulations of the FCC. Ameritech and SWBT acknowledge and agree that as applicable requirements are implemented, additional charges for E911/911 traffic may apply and shall in no way delay implementation.

The Agreement provides that Ameritech and SWBT shall compensate each other for traffic to any third party provider at the rates specified in the appendix to the Agreement. The Agreement further states that Ameritech agrees not to send traffic to SWBT for termination on a third party provider's network unless or until Ameritech has a traffic exchange

agreement with the third party. In the event that traffic is sent through SWBT's network to a third party provider with whom Ameritech does not have a traffic interchange agreement, then Ameritech has agreed to indemnify SWBT for any termination charges rendered by a third party provider.

STCG filed comments and requested that the Commission carefully consider the Agreement. STCG and Fidelity stated their concern was that the portion of the Agreement regarding compensation of third-party providers may discriminate against their members. The parties stated the compensation of third-party providers should not be implemented until the Commission resolves Case No. TT-97-524, the pending case concerning SWL?'s proposed revisions to its Wireless Carrier Interconnection Service Tariff.

SWBT filed a reply to STCG and pointed out that STCG does not ask the Commission to reject the interconnection agreement. SWBT stated in its reply that STCG did not specifically state how the agreement is discriminatory to any carrier not a party to the agreement.

Staff filed a memorandum on August 14 and recommended that the Commission order Applicants to amend their Agreement. Staff recommended that the Agreement specify that calls will not be blocked which terminate with third party providers not having interconnection agreements with Ameritech. Staff reported that the interconnection agreement approved in Case No. TO-97-474, SWBT and AT&T Wireless Services, Inc. specifically stated that wireless traffic will not be blocked to a third party provider with whom AT&T Wireless Services does not have an interconnection agreement.

SWBT made it clear that it had no intention of blocking traffic at the on-the-record proceeding held on August 22 in this proceeding. Applicants agreed that they would immediately amend the Agreement as recommended by Staff. Applicants filed their Amendment by Interlineation

of Agreement on August 22. Staff filed a memorandum on August 22 recommending that the Commission approve the Interconnection Agreement as amended. Staff stated that the Agreement as amended does not discriminate against third parties and is not against the public interest, convenience and necessity.

The Commission has considered the comments of the parties, the recommendations of Staff, the Interconnection Agreement, the Amendment by Interlineation of Agreement, and the responses to questions at the hearing. Based upon that review the Commission has reached the conclusion that the interconnection Agreement meets the requirements of the Act in that it loes not unduly discriminate against a non-party carrier, and implementation of the Agreement is not inconsistent with the public interest, convenience and necessity. The Commission finds that STCG's concerns for compensation of calls originating with wireless carriers and terminating with third party providers will be addressed in Case No. TT-97-524.

The Commission finds that it should set out the procedures for maintaining the Interconnection Agreement and for approving any changes to the Agreement. First, all agreements, with any changes or modifications, should be accessible to the public at the Commission's offices. Second, the Act mandates that the Commission approve any changes or modifications to the Interconnection Agreement. To fulfill these objectives, the companies must have a complete and current interconnection agreement in the Commission's offices at all times, and all changes and modifications must be timely filed with the Commission for approval. This includes any changes or modifications which are arrived at through the arbitration procedures provided for in the agreement.

To enable the Commission to maintain a complete record of any changes and modifications, the Commission will request SWBT and Ameritech

to provide Staff with a copy of the interconnection Agreement with the pages numbered consecutively in the lower right-hand corner. The Commission will then keep this case open for the filing by SWBT and Ameritech of any modifications or changes to the Agreement. These changes or modifications will be substituted in the Agreement, which should contain in the lower right, the number of the page being replaced. Commission Staff will then date-stamp the pages when they are inserted into the Agreement. The official record of what changes or modifications have occurred will be the Commission's case file.

The Commission does not intend that a full proceeding will occur every time a change or modification is agreed to by the parties. Where the change or modification has been previously approved by the Commission in another agreement, Staff need only verify that the changes are contained in another agreement and file a memorandum to that effect. Such changes will then be approved. Where the changes or modifications are not contained in another agreement, Staff will file a memorandum concerning the change or modification and present its recommendation. The Commission, if necessary, will permit responses and then rule on the pleadings unless it determines a hearing is necessary.

The Commission finds that the negotiated Agreement, as proposed by the parties herein, does not discriminate against any telecommunications carrier not a party to the Agreement. The Commission also finds no provisions of the Agreement which are inconsistent with the public interest, convenience and necessity.

#### Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

The Commission, under the provisions of Section 252 of the Telecommunications Act of 1996, is required to review negotiated interconnection agreements, and may only reject an agreement upon a finding that its implementation would be discriminatory to a non-party or inconsistent with the public interest, convenience and necessity. Based upon its review of the interconnection Agreement between SWBT and Ameritech and its findings of fact, the Commission concludes that the Agreement is neither discriminatory nor inconsistent with the public interest and should be approved.

#### IT IS THEREFORE ORDERED:

- 1. That the interconnection agreement between Southwestern Bell Telephone Company and Ameritech Mobile Communications, Inc. filed on June 4, 1997, and amended on August 22, 1997, is approved.
- 2. That Southwestern Bell Telephone Company and Ameritech Mobile Communications, Inc. file a copy of this agreement with the Staff of the Missouri Public Service Commission, with the pages numbered seriatim in the lower right-hand corner.
- 3. That any changes or modifications to this agreement shall be filed with the Commission for approval.
- 4. That the Commission, by approving this agreement, makes no finding as to whether Southwestern Bell Telephone Company has fulfilled the requirements of Section 271 of the Telecommunications Act of 1996, including the competitive checklist of any of the fourteen items listed in Section § 271(c) 92)(B).

5. That this Report And Order shall become effective on August 27, 1997.

BY THE COMMISSION

Cecil I. Wright
Executive Secretary

(SEAL)

Lumpe, Ch., Crumpton, Murray, and Drainer, CC., concur.

ALJ: George

	ALJ/Sec'y:	reorg	e/Boxe  TO-97-523  CASE NO
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OFFICE OF THE PUBLIC SERVICE COM	Must Vote No	ot Later Than	
I have compared the preceding copy with th	ne original on	file in this	office and
I do hereby certify the same to be a true copy there	efrom and the	whole the	eof.
WITNESS my hand and seal of the Public	Service Comn	nission, at	Jefferson City,
Missouri, this 28th day of August, 199	97.		
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**Executive Secretary** 

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ALJ/Sec'y: Forge Bore  8-25 Date Circulated CASE NO.	-
Crumpton, Commissioner  Crumpton, Commissioner  Murray, Commissioner  Lumpe, Commissioner  Drainer, Vice-Chair  8.27  Agenda Date	

Must Vote Not Later Than \_\_\_\_\_

### STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 28th day of August , 1997.

Cecil I. Wright'
Executive Secretary