# ANDERECK, EVANS, MILNE, PEACE & BAUMHOER, L.L.C.

#### ATTORNEYS AT LAW

EUGENE E. ANDERECK TERRY M. EVANS ERWIN L. MILNE JACK PEACE PATRICK A. BAUMHOER

JACK PEACE
PATRICK A. BAUMHOER
CRAIG S. JOHNSON
RODRIC A. WIDGER
GEORGE M. JOHNSON
BEVERLY J. FIGG
PEGGY D. RICHARDSON
CARL E. LIPPELMAN
WILLIAM S. LEWIS
VICTOR S. SCOTT
LESLEY A. RENFRO
DANA L. KOLLAR
L. W. TRIMMER

DANA L. KOLLAR
J. W. TRIMMER
COREY K. HERRON
JOSEPH B MYERS, JR.

MARVIN L. SHARP OF COUNSEL

GREGORY C. STOCKARD (1904-1993)

PHIL HAUCK (1924-1991)

305 EAST MCCARTY STREET

P.O. BOX 1438

JEFFERSON CITY, MISSOURI 65102-1438

TELEPHONE 573-634-3422

FAX 573-634-7822

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TRENTON OFFICE 91H AND WASHINGTON STREET P.O. BOX 547 TRENTON, MISSOURI 64683-0547 816-359-2244

FAX 816-359-2116

SPRINGFIELD OFFICE 1111 S. GLENSTONE P.O. BOX 4929 SPRINGFIELD, MISSOURI 65808-4929 417-864-6401 FAX 417-864-4967

PRINCETON OFFICE 807 NORTH WASHINGTON PRINCETON, MISSOURI 64673 816-748-2244

SMITHVILLE OFFICE 119 E. MAIN STREET P.O. BOX 654 SMITHVILLE, MISSOURI 64089 816-532-3895 FAX 816-532-3899

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MISSOURI
PUBLIC SERVICE COMMISSION

Mr. Cecil Wright Executive Secretary MO PSC, P. O. Box 360 Jefferson City, MO 65102

Re: TW-97-333

Dear Mr. Wright:

Enclosed please find an original and 14 copies of the Mid-Missouri Group's Response to Staff's Motion to Modify/Delay the Procedural Schedule in this case. A copy of this letter and a copy of the enclosed response has been served upon all attorneys of record.

Thank you for seeing these filed.

Sincerely

Cyaig S. Johnson

CSJ:skl Enclosures

cc: Office of Public Counsel

MO PSC Staff
Paul DeFord
Stephen Morris
Mark W. Comley
Leland B. Curtis
Julie E. Grimaldi
W. R. England, III
William Biere
Sandy Bosserman
Oral Glasco

Paul G. Lane
Diana J. Harter
Leo J. Bub
Linda K. Gardner
Carl J. Lumley
James C. Stroo
Michael Dandino
David Jones
Gary Godfrey
Ray Ford
Donald D. Stowell

Michael Staudt

## BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

In the Matter of an Investigation :	into )
The Provision of Community Optional	l ) Case No. TW-97-333
Calling Service in Missouri.	)

# MID-MISSOURI GROUP'S RESPONSE TO STAFF'S MOTION TO DELAY PROCEDURAL SCHEDULE

COMES NOW the Mid-Missouri Group by and through its attorney of record and for its responses to Staff's motion to delay the procedural schedule and respectfully submits as follows:

- This case was initiated by Order date March 7, 1997. The 1. primary issue to be addressed was the Commission's straw proposal for retaining two-way COS service. This issue had been raised and addressed by the parties before the Commission in the GTE and United IntrLATA presubscription hearings as far back as February 11, 1997.
- 2. Recently Staff and Southwestern Bell have sought delays in the hearing schedule in order to pursue data requests directed toward the use of COS in conjunction with internet access services. It is suggested that there is some new information in the schedules to Mr. Schoonmaker's testimony justifying their request. material contained in Schoonmaker's direct testimony in this docket is very similar to his testimony in the GTE and United intraLATA presubscription dockets. Mr. Schoonmaker's testimony should come as no "surprise".
  - Contrary to the suggestions of Staff and Southwestern 3. RILLEID

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Bell, there is no reason that their data requests could not have been directed to the parties at the outset of this case. Instead, Staff and Southwestern Bell for some reason have chosen to submit these data requests and motions to delay the procedural schedule until after the parties' direct testimony was filed, over a month after this docket was initiated.

The use of COS, OCA and other calling plans such as SWB's "Designated Number" for the provisioning of internet access services has been common for some time. If there were any question concerning the propriety of provisioning of internet access in conjunction with COS, Southwestern Bell and/or Staff could have raised this matter informally, or in an appropriate proceeding focused on this issue. Instead, they have chosen to wait until the eleventh hour to raise the issue in a docket not primarily concerned with internet access. If this issue is to be joined in this case, the entire procedural schedule needs to be modified. Southwestern Bell and Staff make any accusations in the rebuttal round of testimony, the small telephone companies, including the Mid-Missouri Group, should be afforded the opportunity to respond in a subsequent round of testimony. Currently no such surrebuttal Such a procedural posture would clearly be is scheduled. inappropriate.

Should the Commission choose to join this issue in the case, Staff's proposed modification to the procedural schedule is inadequate, as it would not give the small companies an opportunity to respond to any testimony by Staff or Southwestern Bell in their

respective rebuttal testimonies.

5. The small companies have been engaged in the provisioning of internet access since approximately November of 1995. There has been a significant demand for this service made on behalf of city officials, county officials, school districts, judicial offices, as well as private individuals. We decided to meet this public service by making internet access available.

Upon making it available in our exchanges, we have been requested to make the service available even in Southwestern Bell exchanges, where Southwestern Bell either refused to make it available, or made it available on terms incenting persons to request us to provide the service. We have even been contacted by Southwestern Bell employees living in Southwestern Bell exchanges who wanted us to provide the service.

Other internet access providers subscribe to COS in order to make internet access rates as reasonable as possible, and sometimes in order to provision on a flat rate. It is our understanding that internet access users are a significant source of use for Southwestern Bell's "designated number" calling plan.

Company purchase of COS in order to provision a separate internet access service is not "reselling" COS. If that analysis were applicable, every internet access provider such as America Online, Microsoft, Compuserve, Prodigy, etc. would be guilty of reselling local service. If that analysis were applicable COCOT providers would be guilty of reselling long distance service.

Tariff provisions prohibiting the reselling of services are of

questionable validity after enactment of the Telecommunications Act of 1996. would override any tariff provision prohibiting reselling of COS service. It is ironic that when it comes to MCA service, Southwestern Bell has taken the position that its tariff prohibition against reselling of MCA has been overridden by the Telecommunications Act, and has negotiated several interconnection agreements on precisely this basis. Yet now the analysis is somehow different when it comes to COS service.

With respect to the supposed tariff prohibition against "sharing" COS service, that tariff term is vague, incapable of specific meaning, and not applicable to the present situation where companies purchase COS for the provisioning of internet access.

In short, if the small companies are guilty of anything, they are guilty of trying to meet a demand for a valuable service SWB failed to meet. There is a significant public interest in internet access, promoted and fostered by the educational community, the information services community, the Missouri legislature, and this Commission. This service should be available in rural exchanges, even if the large companies have little interest in providing it there.

WHEREFORE, on the basis of the foregoing, the Mid-Missouri Group respectfully requests that Staff's motion to modify the procedural schedule be denied, and this case proceed to hearing under the existing schedule on the issues it was originally intended for, or, if the Commission intends to join the internet access issue in this docket, that the procedural schedule be

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modified to include a round of surrebuttal/cross-surrebuttal by the small telephone companies to respond to any rebuttal testimony of Staff and Southwestern Bell which is directed to this issue, that three weeks be allowed from the date of filing this rebuttal testimony and the date the surrebuttal/cross-surrebuttal is due, and that the hearing date be moved back accordingly.

ANDERECK, EVANS, MILNE PEACE & BAUMHOER

BY

Craig \$. Johnson MO Bar #28179

305 East McCarty Street

Third Floor - Hawthorn Center

Post Office Box 1438

Jefferson City, Missouri 65102

Telephone: (573) 634-3422 Facsimile: (573) 634-7822

ATTORNEYS FOR THE MID-MISSOURI GROUP

### CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing was mailed first class, postage prepaid this 29% day of 1997, to all attorneys of record.

Craig/S. Johnson