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**January 3, 2001**

**SENT BY FACSIMILE**

The Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
200 Madison Street, Suite 100  
Jefferson City, MO 65101

Re: TO-2000-667

**FILED<sup>3</sup>**

**JAN 03 2001**

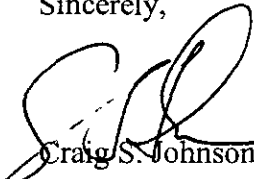
Missouri Public  
Service Commission

Dear Mr. Roberts:

Enclosed please find an original and 8 copies of the Position Statement of the Missouri Independent Telephone Group. A copy of this letter and a copy of the enclosed Position Statement has been faxed this day to all attorneys of record.

Thank you for seeing this filed.

Sincerely,



Craig S. Johnson

CSJ/dl

Encl.

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BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>3</sup>  
JAN 03 2001

Missouri Public  
Service Commission

In the Matter of the Investigation into the )  
Effective Availability for Resale of )  
Southwestern Bell Telephone Company's )  
Local Plus Service by Interexchange )  
Companies and Facilities-Based )  
Competitive Local Exchange Companies. )

Case No. TO-2000-667

POSITION STATEMENT OF THE MITG

COMES NOW the MITG and submits the following statement of position with respect to the issues:

1. Is SWBT properly making Local Plus service available for resale to IXC's and CLECs?

**MITG Position**

No. CLECs and IXC's may utilize SWB switching or dialing pattern functionality in order to resell Local Plus. SWB is improperly attempting to require these CLECs and IXC's to utilize local reciprocal compensation arrangements in order to resell Local Plus. SWB is doing this in order to divest itself of the responsibility to pay terminating access.

In its prior Order, the Commission directed that SWB was to make dialing pattern functionality available on an unbundled network element basis. This direction did not require the use of reciprocal compensation arrangements in order for CLECs or IXC's to resell Local Plus. Reciprocal compensation arrangements are only available for local traffic. The Commission ruled that Local Plus traffic was not local. Reciprocal compensation arrangements

contained in interconnection agreements do not apply to resold Local Plus. Reciprocal compensation arrangements do not apply at all to IXC's who are eligible to resell Local Plus

2. Who should be responsible for paying terminating access charges to third-party LECs when:

a. Local Plus is being offered through pure resale of SWBT's retail Local Plus offering?

**MITG Position**

SWB remains responsible to pay terminating access charges to third-party LECs when LP is offered through pure resale, without the use of its own facilities, or without the use of UNE facilities provided by SWB.

b. Local Plus is being offered through a facility-based carrier's purchase of unbundled switching from SWBT?

c. Local Plus is being offered through a facility-based carrier's own switch?

**MITG Position**

SWB should remain responsible for paying terminating access charges for all resold Local Plus, regardless of whose facilities are used in provisioning the call. It is SWB's tariffed Local Plus service which is being resold. SWB's service by its own tariff terms includes termination to all third-party LECs in the LATAs. SWB was ordered to pay terminating access to third party LECs to whom Local Plus calls terminated.

SWB was ordered to provide resold Local Plus at a uniform discount to both CLECs and IXCs. This was the sole justification for not requiring an imputation test to determine if Local Plus revenues covered its costs. Local Plus is anti-competitive to CLECs and IXCs if it does not cover its costs. CLECs and IXCs should not be required to incur the additional costs of

terminating access, as this would destroy the competitive neutrality to IXC's and CLEC's of being allowed to resell at a uniform discount.

SWB should not be allowed to divest itself of the responsibility to pay terminating access for resold Local Plus traffic. SWB is attempting to require CLEC's and IXC's reselling Local Plus to utilize local reciprocal compensation arrangements to do so, despite the fact that Local Plus is not local. SWB in its reciprocal compensation arrangements then attempts to require CLEC's and IXC's to be responsible for terminating access to third party LEC's. Requiring CLEC's and IXC's to incur terminating access costs destroys competitive neutrality. The original justification for approving Local Plus will continue to exist only if SWB remains responsible to pay terminating access for all Local Plus traffic.

Respectfully submitted,

ANDERECK, EVANS, MILNE,  
PEACE & JOHNSON, L.L.C.

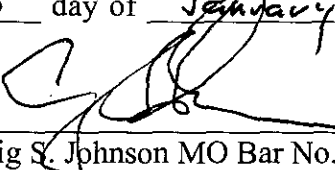
By 

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ATTORNEYS FOR MITG

**CERTIFICATE OF SERVICE**

The undersigned does hereby certify that a true and accurate copy of the foregoing was mailed, via U.S. Mail, postage prepaid, this 3 day of January, 2001, to all attorneys of record in this proceeding.

  
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Craig S. Johnson MO Bar No. 28179