

Exhibit No.: _____
Issue: Alternative Operator Services
Witness: B. Wayne Clark
Type of Exhibit: Direct Testimony
Sponsoring Party: Missouri Telephone Company
and Eastern Missouri
Telephone Company
Case No.: TA-88-218 et al.

AFFIDAVIT

STATE OF MISSOURI)
) ss.
COUNTY OF POLK)

Comes now B. Wayne Clark being of lawful age and duly sworn and affirms as follows:

1. My name is B. Wayne Clark and I hold the position of President for Missouri Telephone Company and Eastern Missouri Telephone Company.

2. I have prepared the attached testimony, page 1 through 6, and swear and affirm that the answers therein are true and correct to the best of my information, knowledge and belief.

B. Wayne Clark
B. Wayne Clark

Subscribed and sworn to before me, a notary public, this 17th day of August, 1988.

M. J. L. Lowry
Notary Public

My commission expires:
4-8-89

Exhibit No. 16
Date 9-20-88 Case No. TA-88-218 et al
Reporter Tweedy

DIRECT TESTIMONY OF B. WAYNE CLARK
ON BEHALF OF
MISSOURI TELEPHONE COMPANY AND
EASTERN MISSOURI TELEPHONE COMPANY

Q. Please state your name and business address.

A. My name is B. Wayne Clark. My business address is 1705 South Lillian, Box 180, Bolivar, Missouri 65613.

Q. By whom are you employed and in what capacity?

A. I am President and Chief Executive Officer for Missouri Telephone Company and Eastern Missouri Telephone Company (hereinafter collectively referred to as the "Company").

Q. Please state your educational background and business experience.

A. I have a Bachelor of Science degree in Business Administration from the University of Missouri at Columbia, with an accounting major. I am a certified public accountant in Missouri.

Q. What are your responsibilities with Missouri Telephone Company?

A. I am responsible for overall management of the Company's operations.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to explain the Company's concerns about Alternative Operator Services (AOS).

- Q. What is the nature of the Company's operations?
- A. The Company provides telecommunications services to customers within those areas certificated to it by the Missouri Public Service Commission (Commission).
- Q. Does the Company provide operator services?
- A. No. The Company does not currently provide operator services.
- Q. What interest does the Company have in AOS?
- A. The Company has an interest in any telecommunications service which affects its customers either directly or indirectly.
- Q. Has the introduction of AOS in Missouri had any impact on the Company's customers?
- A. Yes. The Company has begun receiving inquiries and complaints from its customers about AOS. Principally, customers are disputing their bills because they are being charged for calls originated from incorrect locations. With the advent of AOS, operator assisted calls are being "splashed" by AOS providers.
- Q. What do you mean by the term "splashed?"
- A. Splashing occurs when an AOS operator dumps an end user's call onto the switched network in the community where the operator is located, not where the end user is located.
- Q. Why is this a concern for the Company?

- A. Because the call appears on the local exchange carrier's (LEC's) call records with an incorrect point of origin. Splashing is difficult to diagnose because the Company relies heavily on its call records. The problem is compounded by a customer that has no idea why the Company's records show that he originated a call in Town A when he was 250 miles away in Town B on that day. The customer has no reason to suspect the cause of the incorrectly billed call any more than the Company's representative. The Company is concerned that billing problems associated with the splashing of calls by AOS providers will reflect badly on the Company.
- Q. Why would it reflect poorly on the Company?
- A. For several reasons. Customers may begin to doubt the reliability of the Company's records because of incorrectly recorded calls. In addition, they may become upset and frustrated at the Company's inability to resolve such problems or the amount of time it takes to identify and resolve the problem. Even though it is a situation out of the Company's control, the customer may find it expedient to blame the telephone company.
- Q. Is it likely that an end user will look to the LEC to resolve its AOS related complaints?

A. It is all too likely. There is a great deal of confusion concerning AOS. Many customers are simply not aware that alternative providers of operator services exist. It comes as a surprise to many of them to find that their operator assisted calls have, in some cases, been handled by one of these new companies. Thus, when a customer has a complaint or question which is related to AOS, he has been contacting the Company expecting it to resolve the problem. Unfortunately, little can be done but explain the situation. The Company has been directing many customers to the AOS provider (if we happen to know who it is), the Commission's Staff and the Federal Communications Commission.

Q. What position does your Company take on this issue?

A. Splashing of operator assisted calls should not be allowed. If an AOS provider undertakes to give operator assistance, it should be required to handle all calls in such a way that the correct point of origin (i.e. the end user's location) appears on the customer's bill. This requirement should apply with equal force when the AOS provider hands a call over to another provider of operator services (such as AT&T) at the caller's request. It must be done in such a way that the AT&T operator's location does not appear on the LEC's bill as the point from which the call originated. The AOS provider should provide the facilities, software and network

configuration necessary to avoid the billing problems caused by the splashing of calls such as I have described.

Q. Does the Company have any other concerns?

A. Yes. We are concerned about AOS because in some situations, such arrangements frustrate the end user's intended use of the telephone system. For example, our customers may use an AT&T calling card for purposes of having calls billed to their home or office number. It is not unreasonable to conclude that customers using calling cards assume that those calls will be handled by the traditional provider of operator services. However, an AOS arrangement at a subscriber's location will automatically divert such calls to an AOS operator often without the customer's knowledge or consent. The Company doubts whether the public interest is being served by allowing an AOS arrangement to, in effect, veto the customer's choice of operator services. Calls placed using a telecommunications common carrier's calling card should be handled by that carrier's operators even if the call originates from an AOS subscriber's location.

Q. Do you have any other concerns about AOS?

A. Yes. I am disturbed by the fact that the competitive choice being made between providers of operator services is not generally being made by the person who has the greatest stake in the matter, the person making the call and paying

the tab. AOS has been a source of confusion for our customers. End users need to be made aware that by using a telephone at a particular location they are, in effect, making a choice between providers of operator services. Otherwise, AOS will continue to be a source of irritation to the public.

- Q. Does this conclude your direct testimony?
- A. It does.