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COVER PAGE

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3 Deposition of: PUBLIC SERVICE COMMISSION HEARING

4

5 Taken on: APRIL 10, 2000

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7 TRANSCRIPT OF PROCEEDINGS

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9 Case No. T0-99-483

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1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION

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4 BE IT REMEMBERED, that the above-entitled
5 matter came on for public hearing at the Offices of
6 the Missouri Public Service Commission, 815 Charter
7 Commons Drive, Suite 100B, in the City of
8 Chesterfield, State of Missouri, on the 10th day of
9 April, A.D., 2000, commencing at 6:30 in the evening
10 of that day, said hearing having been called by the
11 Public Service Commission pursuant to the issuance of
12 due notice to all parties in interest, and the
13 following is the transcript of all proceedings had
14 during the course of said hearing.

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17 A P P E A R A N C E S

18 NANCY DIPPELL, Senior Regulatory Law Judge

19 SHEILA LUMPE - Chair

 M. DIANNE DRAINER - Vice-Chair

20 HAROLD CRUMPTON - Commissioner

21 MICHAEL F. DANDINO - Senior Public Counsel

 MARC D. POSTON - General Counsel

22 JULIE A. KARDIS - General Counsel

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1 (Thereupon, the hearing was called to order.)

2 JUDGE DIPPELL: Thank you all for coming
3 this evening. The Missouri Public Service Commission
4 has set this time for public hearing in Case Number
5 TO-99-483.

6 This hearing was ordered by the
7 Commission, and notice of the hearing was sent to the
8 Commission -- by the Commission's information officers
9 to the local newspapers and to the County Commissions
10 in the area so that this hearing could be publicized.

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12 We hope that that got published. Again,
13 we send the notices out but not all the newspapers
14 choose to pick up and print the information.

15 My name is Nancy Dippell, and I'm a
16 Regulatory Law Judge with the Public Service
17 Commission.

18 Prior to commencing the hearing, I wanted
19 to give just a brief explanation of the agency and the
20 procedures that we're going to follow.

21 Mr. Dandino kind of explained a little
22 bit about the fact that if you would like to speak
23 here at the hearing this evening we have a sign up
24 sheet.

25 If you didn't get an opportunity to sign

1 that sheet, then I will ask at the end of those people
2 who have signed here if there's anybody else that
3 wants to come forward.

4 I will swear you in as a witness. And
5 the testimony is being taken down by a court reporter
6 so that the commissioners that couldn't be here this
7 evening will have an opportunity to review that and so
8 that your comments will become a part of the permanent
9 record in this case.

10 The Missouri Public Service Commission is
11 a state agency which regulates the rates charged by
12 investor owned utility companies in Missouri to ensure
13 that those rates are just and reasonable.

14 The quality of service and the degree of
15 safety employed in their operations are also regulated
16 by the Commission.

17 The Public Service Commission is made up
18 of five commissioners who are appointed by the
19 governor to hear and to decide cases such as these.

20 Three of those commissioners are here
21 today, and I'd like to introduce them. The Chairman
22 of our Commission is Sheila Lumpe to my left. Our
23 Vice-Chair is Dianne Drainer to my right. And
24 Commissioner Crumpton, Harold Crumpton, is also here
25 with us this evening.

1 And again, the testimony that you give
2 this evening is being taken down. And the other
3 commissioners who couldn't be here this evening will
4 have an opportunity to review that and consider your
5 comments.

6 The Commission employs a staff of
7 engineers, accountants, attorneys, financial analysts
8 and other specialists in the field of utility
9 regulation and relies upon their expertise.

10 Some of those individuals are here this
11 evening, and you may have had an opportunity already
12 to meet them.

13 Marc Poston and Julie Kardis are in the
14 front row. They are attorneys with our staff. Amonia
15 Moore is also here in the purple. Our director, Brian
16 Kinkade. I don't believe I introduced you earlier,
17 Brian.

18 Also, there are members from the Office
19 of the Public Counsel here this evening. And it's the
20 job of the Public Counsel to represent you, the
21 public, in hearings before the Commission.

22 And they're definitely open to answering
23 your questions and so forth. If you have other
24 questions after the hearing, they will be happy to
25 speak with you.

1 And Mr. Dandino, who you may have already
2 met, and also Ms. Barbara Meisenheimer.

3 And there's also many representatives
4 from various telecommunications companies in the
5 audience. If you have a specific company question,
6 I'm sure that they would be happy, after the hearing,
7 to also address those questions.

8 In this case, the Commission has been
9 asked to investigate certain aspects surrounding the
10 provisioning of the metropolitan calling area service
11 after the passage and implementation of the
12 Telecommunications Act of 1996.

13 The Commission will be conducting formal
14 evidentiary hearings on this matter beginning on May
15 15th in the Office of the Public Service Commission in
16 Jefferson City. Those hearings will be very much like
17 a trial that you might see in a courthouse.

18 The parties, including the staff of the
19 Public Service Commission and the Office of Public
20 Counsel and the various telecommunications companies,
21 will be presenting expert witnesses trying to justify
22 the positions that they're taking in the case and
23 presenting formal evidence.

24 But tonight the companies are not on
25 trial, and they're not really here to answer

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1 questions.

2 And the fact -- the purpose of this
3 evening is a fact finding mission for the
4 commissioners. And that's why it's important that we
5 hear public comments.

6 And they're very interested in the
7 comments that you have to give them this evening.
8 So we do want your input, and we hope to take your
9 comments and follow-up.

10 And the other -- again, the other
11 commissioners will be reading your comments. And they
12 become a part of the permanent record.

13 Let's see. Basically the procedure this
14 evening is that I will call your name. I will start
15 with the first name on my list. And you will come up
16 to -- if you'd come up to the front table here, then I
17 will have an opportunity to swear you in.

18 And then I'll ask you some preliminary
19 questions, your name, your address and perhaps the
20 telephone company that you subscribe to. And then you
21 will be given an opportunity to give your statement.

22 After you've given your statement, the
23 commissioners may have some questions for you. I'll
24 ask Mr. Dandino if he has some clarifying questions to
25 ask and the staff attorneys also if they have any

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1 clarifying questions. So I would ask that you remain
2 seated until those questions -- until we've had an
3 opportunity to ask any follow-up questions that we
4 might have.

5 Would any of the commissioners like to
6 make opening remarks before we begin?

7 CHAIR LUMPE: Just to welcome the people
8 that are here. And I hope there's some public here
9 and that they found it. That's it.

10 VICE-CHAIR DRAINER: Yes. We always take
11 the public's statements very seriously. And they do
12 impact us in the hearing. And we look forward to any
13 comments that we receive this evening.

14 JUDGE DIPPELL: Okay. Why don't we go
15 ahead then and get started. I have Jack Canavera.

16 MR. CANAVERA: Canavera.

17 (Thereupon, Mr. Canavera was sworn.)

18 JUDGE DIPPELL: Thank you. Would you
19 please spell your name for the court reporter?

20 MR. CANAVERA: The last name is Canavera,
21 C-a-n-a-v-e-r-a.

22 JUDGE DIPPELL: And could you give us
23 your address?

24 MR. CANAVERA: 1709 Purity Court,
25 P-u-r-i-t-y.

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1 JUDGE DIPPELL: And what telephone
2 company are you currently --

3 MR. CANAVERA: Southwestern Bell.

4 JUDGE DIPPELL: Thank you. You can go
5 ahead and give us your remarks.

6 MR. CANAVERA: Okay. Bear with me. This
7 is the first time doing this. Thanks for the
8 opportunity to.

9 I'm a telecommunications professional.
10 And just for, I guess, laying out the facts, I'm
11 manager of telecommunications for St. Louis Community
12 College. And we have multiple locations here in the
13 St. Louis area. I have probably about 3200 users of
14 telephone users at our various locations.

15 So I'm going to speak to you a little
16 with my, with my professional hat on and a little with
17 my residential hat on too.

18 Again, I live in the Fenton area, which
19 is in Southwest St. Louis County. And according to
20 the map, I think I'm in the MCA-3 area.

21 And I really welcome a simplification of
22 the MCA plans hopefully with little or no increase in
23 the cost of my home phone service.

24 I used to subscribe to a COS plan prior
25 to the MCA coming around. And obviously, I subscribe

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1 to COS and MCA because the majority of my calling is
2 to the metropolitan Downtown St. Louis area. That's
3 where I work out of. My son works down there. And
4 that's where our calling scope is.

5 Unfortunately, when MCA became available,
6 I found that it did increase my cost. There was a
7 cost increase.

8 And while my toll free calling scope
9 became larger than what I used to have, it was in
10 areas that truly were in areas I didn't make calls.

11 So MCA, when it came about, from my
12 standpoint really wasn't an advantage to me. And its
13 impact to me really was a higher cost.

14 Obviously, it was confusing at the time
15 it was rolled out. And while there were maps and
16 other things that were sent out, it continues to be
17 confusing to the general public.

18 I think a lot of the reason you don't see
19 anyone here is because they really don't understand
20 what MCA is and really what it means for them.

21 I was one in the early days where I was
22 burned by MCA because I didn't understand the plan and
23 understand about what my MCA plan gave me versus what
24 the person at the other end had to be subscribed to.

25 Early, I do a lot of dialing with my

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1 computer and to bulletin boards and to the internet.

2 At the time -- internet wasn't around at that time.

3 But I got a very large surprise when the first bills

4 came, and I found that I was dialing into the St.

5 Charles area and that the number wasn't a MCA number.

6 And a kind Southwestern Bell person did

7 waive that fee the first time around, so I was able to

8 move on and I learned.

9 What's discouraging today with MCA is

10 there's really nothing that Southwestern Bell provides

11 to the common customer.

12 And I talk from my college hat now in

13 regard to tables and maps to let them understand where

14 they are calling, what is a free call, what is not,

15 who subscribes to MCA and who doesn't. You really

16 can't tell.

17 And the area code split has only added to

18 the confusion that I find from my college associates

19 calling me saying what do I do to make this call.

20 And I've really got a standard answer for

21 them today. I say try to dial it with seven digits

22 and see if it goes through. If that doesn't work, put

23 a 636 in front of it and see if that goes through. If

24 that doesn't work, put a one in front of it and then a

25 636. And eventually, you'll work your way through.

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1 So obviously, it has been a difficult
2 situation. And the question always comes back to me
3 how can I tell. And my answer to them is I really
4 don't know. I don't have anything myself that will
5 help you be aware of where you're calling and what the
6 impact is, if any, in regard to what's long distance
7 and what's not.

8 So obviously, it's interesting that
9 telephone service has continued to be distance
10 sensitive as the major metropolitan areas grow.

11 Now, this is an issue, I guess, from the
12 beginning of the time of telephones that we've always
13 been looking at that as being, as you moved out, there
14 was an increased expense. And that's continued, you
15 know, based on how far you live from downtown today.

16 And I've always in my own mind justified
17 this differential as the cost of building that
18 infrastructure. But, as you know, that differential
19 in cost never does end.

20 And this is a farfetched idea. And I
21 know this is a major upheaval. And in some cases this
22 could take years and years to come. But there are
23 other utilities that serve our metropolitan area,
24 AmerenUE, Laclede Gas and St. Louis County Water
25 Company. And they seem to be able to conduct their

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1 business with a rate structure that doesn't penalize
2 me in regard to the distance I am from Downtown
3 St. Louis.

4 In many cases they have the same
5 infrastructure requirements. They need to get out to
6 new subdivisions. They need to build. And yet in
7 many cases I don't pay forever that penalty or that
8 extra cost in living where I live.

9 Now, again, it's food for thought. And
10 it's worth looking at in a long-range plan.
11 Obviously, anything we can do to make the process
12 simpler in regard to rate setting and actually for the
13 customer is going to be a benefit. So
14 it's something -- I think, while this is not something
15 we can immediately look for, it's something long-term
16 that if the other utilities can do this I don't
17 understand why we can't see something similar.

18 I'm going to change to another topic that
19 this new MCA plan supports. And this is number
20 conservation.

21 I'm keenly aware of the differences or
22 the -- keenly aware of the difficulties that the
23 recent area code split has thrust upon us. And I'm
24 highly concerned regarding the issue that 314 is
25 rapidly running out of numbers.

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1 As you are also aware, the new MCA plan
2 will allow all numbers within the central office to
3 become available for MCA usage. And I find that's a
4 very, very good step in the right direction for
5 conserving numbers.

6 Obviously, living in the Fenton area
7 where I live -- and I'm actually living in the Valley
8 Park exchange -- I had my set of choices. There was
9 one set of numbers if you wanted to go local. If you
10 wanted something else, you had to have another set of
11 numbers.

12 So this step in seeing that number pool
13 become available to everyone, whether they want MCA or
14 they don't, is a step that will make many new numbers
15 available to the pool.

16 Albeit, most of this good is going to
17 come in the 636 area, which right now I don't think
18 the 636 area is in the stress point that 314 is in.
19 But this is good for the future, and it speaks well,
20 at least in my feeling, as to how long 636 will
21 survive.

22 And while this session is not for area
23 code relief, I'm requesting that this body look
24 closely at all measures including the MCA that will
25 return unused numbers for future assignments.

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1 Some numbers that I gathered -- and these
2 are a couple of years old. But a little over a couple
3 of years ago, the existing area code numbering scheme
4 allowed for 1.7 billion combinations. At that same
5 point two years ago only about 250 million numbers
6 were actually being used.

7 Now, it's two years hence, and I'm sure
8 that the 250 million has swelled. But you have to
9 admit that something is terribly wrong when we
10 continue to have to add additional area codes to meet
11 the number crunch only to find the actual possible
12 numbers available against what is used is staggering.

13 The FCC has rolled out regulations that
14 deal with number conservation, but this will take in
15 excess of three years to become fully engaged.

16 And I encourage you as a Commission to
17 look at this MCA plan as one small step toward getting
18 us back the numbers that are unused and eliminate the
19 expense and the time necessary in dealing with the
20 area code overlays and splits.

21 JUDGE DIPPELL: Thank you.

22 Mr. Dandino, did you have any questions
23 for Mr. Canavera?

24 MR. DANDINO: I did have one in terms of
25 you were talking about how the MCA affected you more

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1 as a residential customer. How does it -- how does
2 the MCA have any effect on your employer, the
3 St. Louis Junior College District?

4 MR. CANAVERA: Well, the biggest effect
5 it has upon us is, as I stated, the confusion in
6 regard to the people from the college calling the
7 general public.

8 We have a lot of students who live all
9 over the St. Louis County area and in some cases
10 outside the St. Louis County area.

11 And in many cases it's not clear from
12 their records as to really where they live. Is this
13 long distance? Is it not long distance? Is this, is
14 this a free call, or is it a toll call? So there's a
15 lot of time spent -- extra time calling.

16 Obviously, there's my resources. My
17 lines are busy longer because people are attempting to
18 make these calls.

19 You know, and because -- hard to believe,
20 as big as we are, in some cases we're a very small
21 telecommunications department. I have myself and I
22 have a service person. And we take care of the entire
23 district.

24 So those calls come in to me, and I have
25 to fend those calls. So there's an impact there to

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1 the college of my time.

2 MR. DANDINO: Did you see the staff's
3 proposal? Have you read about what the staff's
4 proposed, MCA-2?

5 MR. CANAVERA: Yes.

6 MR. DANDINO: And do you think that will
7 help simplify it?

8 MR. CANAVERA: Yes. I think there's a
9 benefit. Again, it goes along with the need to be
10 able to document or for references to be available for
11 people to understand, though, what is in many cases a
12 MCA subscriber and what is not a MCA subscriber.

13 Obviously, if we take away the levels of
14 splitting the central offices by these exchanges are
15 free and these are not, you know, then it's a matter
16 of identifying in many cases who the MCA person is.

17 MR. DANDINO: So the MCA-2 helped save
18 the -- works for number conservation?

19 MR. CANAVERA: Yes. It definitely would
20 help there because that other pool of numbers becomes
21 available rather than being held aside for local
22 exchange type of calling.

23 MR. DANDINO: Okay. And the difficulty
24 of calling is right now in the MCA if you're calling
25 -- I guess when you're in a third tier, like you are,

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1 if you're calling within that same tier, it has to be
2 a customer? It has to be a subscriber to MCA in order
3 for you to have a toll free call?

4 MR. CANAVERA: If I'm calling my home, I
5 had to take MCA-3 to become a toll free call, okay?
6 So without that, it would have been a toll call. It
7 would have been a long distance call.

8 MR. DANDINO: Okay. That's all I have,
9 Your Honor. Thank you.

10 JUDGE DIPPELL: Thank you. Are there any
11 questions from staff?

12 MR. POSTON: No questions. Thank you.

13 JUDGE DIPPELL: Chair Lumpe, did you have
14 questions?

15 CHAIR LUMPE: Yes. I think I heard this
16 this afternoon, and you sort of said it again that
17 there's no way of knowing what the MCA NXX is. Did I
18 hear you correctly? In other words --

19 MR. CANAVERA: Yeah.

20 CHAIR LUMPE: -- what I'm asking you is
21 somewhere in the phone book it would say these are MCA
22 numbers?

23 MR. CANAVERA: At one point in time we
24 had that ability in the phone directory to look at an
25 exchange, and there was actually a grid or a table.

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1 And you said this is your exchange you're calling
2 from. This is the exchange you're calling to. And
3 you knew that was a toll at that point.

4 Now, obviously, if all numbers become
5 available for MCA, then in this case, in the new plan
6 you won't have that distinction because it's whether
7 the customer subscribes to that service or not.

8 And so while, if things stayed the way
9 they were today, obviously, that grid would help. In
10 the future that grid may not be able to help. And
11 there has to be some other way maybe to help that
12 because it will prevent, at least, failed calls.

13 CHAIR LUMPE: What I was wondering is, if
14 -- I don't remember what the number was. It was like
15 946 or something in St. Charles. And if you use it,
16 that was a fee?

17 MR. CANAVERA: Uh-huh.

18 CHAIR LUMPE: Was that identified
19 somewhere in the phone book in the past?

20 MR. CANAVERA: Yes.

21 CHAIR LUMPE: And now it is not?

22 MR. CANAVERA: Now it is not.

23 CHAIR LUMPE: Okay.

24 MR. CANAVERA: No. There is no
25 identification today to know that.

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1 CHAIR LUMPE: So there's no list that
2 says any one of these are MCA and toll free --

3 MR. CANAVERA: Right.

4 CHAIR LUMPE: -- in the phone book that
5 you're aware of?

6 MR. CANAVERA: It's not there.

7 CHAIR LUMPE: All right. Thank you.

8 JUDGE DIPPELL: Vice-Chair Drainer?

9 VICE-CHAIR DRAINER: Good afternoon.

10 MR. CANAVERA: Hi.

11 VICE-CHAIR DRAINER: I'm curious to --
12 you have a lot of information, which is wonderful.
13 How did you hear about the MCA case before us?

14 MR. CANAVERA: Essentially, I am program
15 chairman of a telecommunications users group here in
16 St. Louis of Nortel Telephone users.

17 And since I'm program chair, I'm always
18 looking for topics. And one of the things that I did
19 some time ago was invite regulatory people -- I made a
20 request to your office to possibly have somebody come
21 and speak to us, somebody from the FCC and also from
22 the Office of the Public Counsel.

23 And we've tried to keep a tap open to the
24 users in regard to what is going on and what's coming
25 about in regard to the regulatory world and a chance

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1 for us to step up hopefully and give our opinions.

2 VICE-CHAIR DRAINER: I see. And so
3 through that group, somebody from Public Counsel or
4 our staff --

5 MR. CANAVERA: Yes. So we were aware
6 that Public Counsel was going to be presenting a case
7 here. And there was also information in regard to the
8 paper in regard to these meetings.

9 We have a local internet list serve
10 e-mail where we e-mail all the chapter members of
11 events coming up. This was sent out to them in regard
12 to this meeting coming up.

13 VICE-CHAIR DRAINER: So you had been
14 given information on all of the plans that are being
15 presented to the commissioners or to just --

16 MR. CANAVERA: We did have a MCA-2
17 presentation from the Office of Public Counsel.

18 VICE-CHAIR DRAINER: I see. So that was
19 the one presentation that you had?

20 MR. CANAVERA: Yes.

21 VICE-CHAIR DRAINER: And have you had any
22 other presentations from any of the other telephone
23 industry interveners in this case?

24 MR. CANAVERA: No.

25 VICE-CHAIR DRAINER: Okay. Thank you

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1 very much.

2 MR. CANAVERA: We do have open forums
3 with Southwestern Bell. They've been invited to
4 present programs. We have had in the past Bill Adair,
5 who took care of area code issues who spoke to our
6 group about the pending area code split. So we try to
7 invite those industry people in to talk to us to keep
8 us aware of what's going on.

9 VICE-CHAIR DRAINER: Well, that's great.
10 Thank you very much. I appreciate your comments this
11 evening.

12 JUDGE DIPPELL: Commissioner Crumpton?

13 COMMISSIONER CRUMPTON: No questions.

14 JUDGE DIPPELL: Thank you very much, sir.
15 Mike LaVelle.

16 MR. LAVELLE: Before you swear me in I'd
17 like to state that I am an employee of AT & T. But
18 I'm here as a consumer trial participant and a
19 consumer, if that's okay?

20 JUDGE DIPPELL: That's perfectly fine.

21 (Thereupon, Mr. LaVelle was sworn.)

22 JUDGE DIPPELL: Could you please spell
23 your name for the court reporter?

24 MR. LAVELLE: L-a-v-e-l-l-e, first name,
25 Mike.

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1 JUDGE DIPPELL: And would you give us
2 your address?

3 MR. LAVELLE: 3282 Mango, St. Charles,
4 Missouri 63301.

5 JUDGE DIPPELL: And what telephone
6 company is your --

7 MR. LAVELLE: AT & T Global Telephone.

8 JUDGE DIPPELL: And that's your employer?

9 MR. LAVELLE: It's my employer and it's
10 also my telephone company.

11 JUDGE DIPPELL: Okay. It's also your
12 telephone. I'm sorry. Please go ahead with your
13 comments.

14 MR. LAVELLE: I'm currently a trial
15 participant in AT & T local telephone service and live
16 in St. Charles right across the bridge. I have two
17 telephone lines, one a ported number and one a
18 nonported number. It was a number given to us by
19 AT & T.

20 My mother lives in calling zone 2, and I
21 live in calling zone 3. Previously, as a Southwestern
22 Bell customer, I had the MCA plan. And she could make
23 a call to me that was not a toll charge.

24 Currently, for her to call my house on
25 the new telephone line, it is a toll charge of 10

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1 cents a minute for the first minute and 8 cents a
2 minute thereafter.

3 And if the ported number is busy and she
4 is trying to get ahold of us, she has to use that
5 line. And I wanted to find out, you know, why that is
6 and was not given much of an explanation. And that's
7 really all I'm here to say about that.

8 JUDGE DIPPELL: Okay. So you basically
9 have a question about your service then? Is that --
10 am I understanding you right, or are you --

11 MR. LAVELLE: I'd like to know how come
12 it went from a nontoll to a toll charge.

13 JUDGE DIPPELL: Okay. I'm going to --
14 I'm not going to be able to answer your questions, and
15 the commissioners aren't going to be able to answer
16 your questions because we are here to talk
17 specifically about the MCA service.

18 And we want to know about your comments
19 on how that service is working, so that is important
20 to us.

21 There are both members of our staff here
22 today that might be able to help answer some of your
23 questions on how the service works.

24 And there's some representatives from AT
25 & T here. And so I hope that they would be able to

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1 direct you to someone who could help answer your
2 questions.

3 I just want to state that this isn't
4 exactly where we can answer your questions because we
5 are trying to gather information at this point rather
6 than answer service questions.

7 But if you can -- if you have any other
8 comments about how the MCA service has worked for you
9 in the past or you think it should work, we certainly
10 would be happy to hear those comments.

11 MR. LAVELLE: Well, I don't have any
12 comments about that. I just wanted to make the
13 comment that now from calling zone 2 to calling zone 3
14 is a toll charge to the person placing the call, the
15 person in calling zone 2. It's not a toll charge to
16 me. It's a toll charge to my mother.

17 JUDGE DIPPELL: Right.

18 MR. LAVELLE: Which keeps her from
19 calling.

20 JUDGE DIPPELL: Okay. And tell me,
21 again, your mother lives in which --

22 MR. LAVELLE: Maryland Heights, which is
23 in calling zone 2.

24 JUDGE DIPPELL: Mr. Dandino, did you have
25 any questions?

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1 MR. DANDINO: I have no questions.

2 JUDGE DIPPELL: Chair Lumpe, did you have
3 any?

4 CHAIR LUMPE: Yes. When MCA was created,
5 again, in 1992, it was prior to the Telephone
6 Competition Act -- the Telecommunication Act.

7 And of the reasons we're looking at this
8 is to see how having competition affects programs that
9 existed prior to competition.

10 Would it be your opinion that all
11 companies that are providing service in this area
12 should be mandated to provide MCA, whether they be --

13 MR. LAVELLE: I don't --

14 CHAIR LUMPE: -- incumbent or whether
15 they're a competitor, that they should all be mandated
16 to provide this service?

17 MR. LAVELLE: I want to be careful how I
18 answer, ma'am, so I don't answer as a nonconsumer.
19 Does that make sense?

20 CHAIR LUMPE: Yes.

21 MR. LAVELLE: I just stated what the
22 problem was as a consumer, and I'm not -- I don't want
23 to get into the company. My personal philosophy, I
24 think that it should be equal access.

25 CHAIR LUMPE: Okay.

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1 MR. LAVELLE: If that makes sense. I
2 don't think that my mother should incur a toll charge
3 to call me. I should have an option of having a MCA
4 type of service.

5 CHAIR LUMPE: Well, that's sort of what
6 I'm suggesting that --

7 MR. LAVELLE: Yes, ma'am.

8 CHAIR LUMPE: -- every company would
9 provide a MCA type service.

10 MR. LAVELLE: Yes.

11 CHAIR LUMPE: And every customer could be
12 a MCA customer?

13 MR. LAVELLE: Correct.

14 CHAIR LUMPE: All right. Thank you.

15 JUDGE DIPPELL: Vice-Chair Drainer?

16 VICE-CHAIR DRAINER: Yes. I believe that
17 you've answered my question. Because basically -- let
18 me be clear. If in the third tier you now pay \$12.35
19 if you were under Southwestern Bell, you believe that
20 you should be able to tell AT & T, if they're your
21 local carrier, that you're willing to pay \$12.35 and
22 have that same service or something very similar;
23 correct?

24 MR. LAVELLE: Yes, ma'am.

25 VICE-CHAIR DRAINER: You want it

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1 transparent to your mother that she can call you if
2 she's paying, as a second tier in a mandatory, that
3 she can call anybody that has this optional service no
4 matter who their local carrier is?

5 MR. LAVELLE: Correct.

6 VICE-CHAIR DRAINER: Okay. Now, the
7 other thing is you stated that you haven't received a
8 clear answer on this confusion with you being in this
9 pilot project for local. Have you asked -- or who
10 have you asked for an explanation up to now?

11 MR. LAVELLE: Initially, when I found out
12 it was a toll call, I went over there and tried it --
13 all right -- to see. And it was a toll call.

14 So I talked to the operator, the
15 Southwestern Bell operator, and was told that it was a
16 result of the 636/314 area code split.

17 From my professional standpoint I knew
18 better than that. And that's why I was leaving that
19 out. But that's what I was told. So that's who I've
20 talked to, the operator.

21 VICE-CHAIR DRAINER: Did you talk to
22 anybody at AT & T about it since you're in a pilot
23 project to ask why there was this confusion?

24 MR. LAVELLE: Yes. I'm aware of why
25 there is the confusion.

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1 VICE-CHAIR DRAINER: Okay. Who did you
2 talk to at AT & T to ask for an explanation?

3 MR. LAVELLE: Matt Coley who is here
4 behind me, would be one. And the people who run the
5 AT & T program, also.

6 VICE-CHAIR DRAINER: And what did they
7 tell you?

8 MR. LAVELLE: It's the MCA issue. It's a
9 metropolitan calling area issue and that since it's a
10 -- since we're not part of the metropolitan area
11 calling plan of Southwestern Bell's, it's now a toll
12 call from the dialing party.

13 VICE-CHAIR DRAINER: I see. Did you ask
14 if AT & T was going to provide a MCA calling plan and
15 if they were trying to have that as part of their
16 local?

17 MR. LAVELLE: Yes. I have asked that.

18 VICE-CHAIR DRAINER: What did they tell
19 you?

20 MR. LAVELLE: They said that they are
21 trying to work that out at this time but that there
22 was -- Southwestern Bell wanted to charge AT & T.

23 VICE-CHAIR DRAINER: Uh-huh.

24 MR. LAVELLE: Now, I don't know how much
25 that charge is or anything like that. But they were

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1 in the process of trying to negotiate a settlement or
2 a deal and that one of the things -- and I do not know
3 the details of those.

4 VICE-CHAIR DRAINER: Okay. And how were
5 you made aware of the MCA case that's before the
6 Commission?

7 MR. LAVELLE: From legal counsel from
8 AT & T, Matt.

9 VICE-CHAIR DRAINER: Matt told you that
10 there was this case going on?

11 MR. LAVELLE: Yes. Absolutely.

12 VICE-CHAIR DRAINER: Were you asked to
13 testify?

14 MR. LAVELLE: Was I asked to testify?
15 Yes, I was.

16 VICE-CHAIR DRAINER: Okay. By AT & T?

17 MR. LAVELLE: Yes. Because I have this
18 problem.

19 VICE-CHAIR DRAINER: Okay.

20 MR. LAVELLE: And I had brought that to
21 their attention.

22 VICE-CHAIR DRAINER: Okay. Thank you.
23 Well, and we appreciate hearing from somebody who is a
24 local user from a competitive company and that this
25 issue is there. Thank you very much.

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1 MR. LAVELLE: Thank you.

2 JUDGE DIPPELL: Commissioner Crumpton?

3 COMMISSIONER CRUMPTON: Yes. And what is
4 your job at AT & T?

5 MR. LAVELLE: I'm the general manager of
6 local services.

7 COMMISSIONER CRUMPTON: You're a general
8 manager?

9 MR. LAVELLE: Yes.

10 COMMISSIONER CRUMPTON: That's a
11 high-level position, is it not?

12 MR. LAVELLE: Well, I would like to think
13 so, but it's a medium-level position, yes.

14 COMMISSIONER CRUMPTON: And what do you
15 do there?

16 MR. LAVELLE: I built this telephone
17 network.

18 COMMISSIONER CRUMPTON: Oh, you built the
19 network?

20 MR. LAVELLE: Yes.

21 COMMISSIONER CRUMPTON: Does that mean
22 your people built the LIRK (phonetic) files and things
23 of that nature and the switches.

24 MR. LAVELLE: No, sir. That's from ALS.

25 COMMISSIONER CRUMPTON: Okay.

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1 MR. LAVELLE: We actually are the
2 fulfillment side. We do the installations, cost
3 center.

4 COMMISSIONER CRUMPTON: So you work
5 directly on the site? Your people handle the
6 stations, not necessarily the switches and stuff like
7 that?

8 MR. LAVELLE: Right. We don't have
9 anything to do with the switches or anything to do
10 with legal and regulatory things like that. We're
11 local fulfillment.

12 COMMISSIONER CRUMPTON: And the reason
13 you came to testify is what? Why did you come?

14 MR. LAVELLE: Because it's a --

15 COMMISSIONER CRUMPTON: To ask a
16 question, is that what?

17 MR. LAVELLE: Yes.

18 COMMISSIONER CRUMPTON: You came to ask a
19 question?

20 MR. LAVELLE: No. I came to testify that
21 there is local toll charge to go from MCA-2 to
22 MCA-3 --

23 COMMISSIONER CRUMPTON: Okay.

24 MR. LAVELLE: -- on behalf of my mother
25 who is trying to call me or anyone else in MCA-2. I

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1 cannot subscribe to the MCA service at this time.

2 COMMISSIONER CRUMPTON: How is the new
3 service, the local service?

4 MR. LAVELLE: It's excellent.

5 COMMISSIONER CRUMPTON: The AT & T local
6 service?

7 MR. LAVELLE: It's excellent.

8 COMMISSIONER CRUMPTON: Where is the
9 switch located?

10 MR. LAVELLE: Borman Drive, Maryland
11 Heights.

12 COMMISSIONER CRUMPTON: It's in Maryland
13 Heights?

14 MR. LAVELLE: Yes.

15 COMMISSIONER CRUMPTON: What does it
16 serve? Does it serve all of your customers in MCA-2,
17 3 and 4?

18 MR. LAVELLE: We don't have customers
19 currently in MCA-2. We're trialing this in the
20 St. Charles area.

21 COMMISSIONER CRUMPTON: So you just have
22 -- that switch is serving only St. Charles? Is that
23 what you --

24 MR. LAVELLE: That switch is the ALS, the
25 TCG, the local services' switch. So it serves

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1 commercial customers throughout the St. Louis
2 metropolitan area.

3 COMMISSIONER CRUMPTON: That's what I was
4 trying to get to. So that one switch serves the whole
5 metropolitan area?

6 MR. LAVELLE: I couldn't tell you if it
7 was one switch, sir. I know the switch or the
8 switching serves the metropolitan area.

9 COMMISSIONER CRUMPTON: But your
10 installers install the stations; right?

11 MR. LAVELLE: By stations do you mean --

12 COMMISSIONER CRUMPTON: In other words,
13 they make sure -- they go to the house --

14 MR. LAVELLE: Yes, sir.

15 COMMISSIONER CRUMPTON: -- and leave a
16 set and make sure the set is working, that type of
17 thing?

18 MR. LAVELLE: They would install the
19 device that makes the telephones operate, yes, not
20 necessarily telephone handsets --

21 COMMISSIONER CRUMPTON: Okay.

22 MR. LAVELLE: -- or things like that.

23 But -- yes.

24 COMMISSIONER CRUMPTON: All right. But
25 if a customer wanted a handset, would you all provide

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1 it?

2 MR. LAVELLE: Actually, I don't think we
3 do sell telephones.

4 COMMISSIONER CRUMPTON: You don't do that
5 anymore?

6 MR. LAVELLE: No.

7 COMMISSIONER CRUMPTON: Okay. And you
8 think that the switch covers the metropolitan area for
9 the commercial accounts?

10 MR. LAVELLE: Yes, sir. I would believe
11 it does.

12 COMMISSIONER CRUMPTON: Okay. Does that
13 imply that that switch -- that those calls are
14 distance insensitive?

15 MR. LAVELLE: Yes, sir.

16 COMMISSIONER CRUMPTON: Okay. Which
17 addresses one of the issues brought up by the previous
18 witness. He spoke of the distance sensitivity.

19 MR. LAVELLE: Correct. The MCA plan, I
20 believe, is distance sensitive. The ALS commercial
21 toll phone switching and residential switching in
22 St. Charles is distance insensitive, I believe.

23 Now, I do not work for that -- directly
24 for that organization, but it is my knowledge that
25 that is correct.

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1 COMMISSIONER CRUMPTON: Okay. That's all
2 the questions I have.

3 JUDGE DIPPELL: Thank you. I didn't ask
4 if there were any questions from the staff attorneys.

5 MR. POSTON: No questions.

6 JUDGE DIPPELL: Thank you. Anything
7 further?

8 VICE-CHAIR DRAINER: I just had one other
9 comment. You said your legal counsel that worked with
10 you is Matt Coley. Don't use him as your legal
11 counsel. He's an economist.

12 MR. LAVELLE: I'm sorry.

13 VICE-CHAIR DRAINER: No. I'm sorry.
14 It's just a joke.

15 MR. LAVELLE: Right.

16 COMMISSIONER CRUMPTON: That explains
17 your concern about the questions.

18 VICE-CHAIR DRAINER: I do want to ask you
19 -- I guess I was vaguely aware of the pilot project.
20 So this is a pilot project that is just using AT & T
21 employees at this time -- right -- or am I wrong for
22 the local?

23 MR. LAVELLE: AT & T employees and
24 friends and their families, friends and families, that
25 is correct.

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1 VICE-CHAIR DRAINER: And you're just
2 doing it in the St. Charles area?

3 MR. LAVELLE: Just in St. Charles, mainly
4 St. Charles City, right in that area.

5 VICE-CHAIR DRAINER: Okay.

6 MR. LAVELLE: The service works very
7 well.

8 VICE-CHAIR DRAINER: You're the manager;
9 right?

10 MR. LAVELLE: Yes.

11 VICE-CHAIR DRAINER: Well, I hope you say
12 that.

13 MR. LAVELLE: Local fulfillment manager.

14 VICE-CHAIR DRAINER: Okay. Thank you
15 very much. And we do appreciate your comments
16 tonight.

17 MR. LAVELLE: Thank you.

18 JUDGE DIPPELL: Was there anyone else
19 from the general public that wanted to testify that
20 did not sign up on the list?

21 Seeing none, then I will conclude this
22 hearing. Thank you.

23 (Thereupon, this hearing was adjourned.)

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1 NOTARIAL CERTIFICATE

2 STATE OF MISSOURI)
) SS

3 COUNTY OF ST. LOUIS)

4 I, ANGELA KOZUSZEK, a Notary Public
5 within and for the State of Missouri, do certify that
6 I acted as Shorthand Reporter at the time these
7 proceedings transpired, that these proceedings were
8 reduced to shorthand by me on the day and at the place
9 and time first aforesaid and later transcribed into
10 typewriting, and that this and the foregoing 37 pages
11 are a true and accurate transcript of the public
12 hearing held at the Offices of the Missouri Public
13 Service Commission on the 10th day of April, A. D.,
14 2000.

15 IN WITNESS WHEREOF, I have hereunto set
16 my hand and Seal this 17th day of April, A. D., 2000.

17

18

19

ANGELA KOZUSZEK

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Notary Public, within and
for the State of Missouri

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