

**Exhibit No.:**

**Issues:** Characterization of Local Plus®  
Responsibility for Payment of Access

**FILED<sup>2</sup>**

DEC 11 2000

Missouri Public  
Service Commission

**Witness:** Solt

**Sponsoring Party:** Mo. PSC Staff

**Type of Exhibit:** Surrebuttal Testimony

**Case No.:** TO-2000-667

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY OPERATIONS DIVISION**

**SURREBUTTAL TESTIMONY**

**OF**

**THOMAS A. SOLT**

**CASE NO. TO-2000-667**

Jefferson City, Missouri  
December 11, 2000

1  
2  
3  
4  
5  
6  
7  
8  
9  
10

**TABLE OF CONTENTS**

MITG WITNESS, MR. JONES', CHARACTERIZATION OF PROVISION OF LOCAL PLUS®..... 2  
RESPONSIBILITY FOR PAYMENT FOR TERMINATION OF UNE-BASED LOCAL PLUS® CALLS ..... 2  
SUMMARY ..... 4

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

A. My name is Thomas A. Solt, and my business address is P.O. Box 360, Jefferson  
Missouri 65102.

A. Yes, I am.

A. Yes, I have.

A. The purpose of my Rebuttal Testimony in this case is to address two issues. The first is MITG witness, Mr. Jones' characterization of Local Plus®. The second is the issue brought by STCG witness, Mr. Schoonmaker and ACI witness, Mr. Redfern, of who should pay terminating access charges to the incumbent local exchange carriers (ILECs) in the local access transport area (LATA) to which Local Plus® calls are terminated.

**MITG WITNESS, MR. JONES', CHARACTERIZATION OF PROVISION OF LOCAL PLUS®**

Q. Do you have any concerns regarding MITG witness, Mr. Jones' characterization of Local Plus®?

A. Yes, I do. MITG witness, Mr. Jones, states on page 5 of his Rebuttal Testimony, lines 4-6, that Southwestern Bell Telephone Company (SWBT) will only allow the resale of Local Plus® on a "facilities-based basis." This characterization, however, is exactly opposite from my understanding. It appears to me from SWBT witness, Mr. Hughes', Direct Testimony, as well as the testimony of others in the instant case and the prior case (Case No. TT-2000-258), that SWBT is making Local Plus® available on a "pure" resale basis. What it is not doing is making Local Plus available through the use of unbundled network elements (UNEs), and based on SWBT witness, Mr. Hughes', Direct Testimony, SWBT does not appear to wish to make anything other than a "similar" service available.

**RESPONSIBILITY FOR PAYMENT FOR TERMINATION OF UNE-BASED LOCAL PLUS® CALLS**

Q. If SWBT allows facilities-based competitive local exchange carriers (CLECs) or interexchange carriers (IXCs) to begin providing Local Plus through the use of UNEs, who should be responsible to pay the third-party LECs to which calls terminate?

A. I see three possible scenarios for the way Local Plus® should be provided that require the payment of access charges to the LECs in the LATA when Local Plus® calls terminate to those LECs. The first is the currently existing "pure" resale of Local Plus®. In this scenario, the reseller CLEC or IXC pays SWBT a flat monthly rate (\$30.00 residential or \$60.00 business, less the applicable 19.2% discount), and SWBT is responsible for the payment of any

1 and all applicable access charges to the ILECs. If SWBT begins providing Local Plus® on a  
2 UNE basis, as ordered by the Commission in Case No. TT-98-351, a second possible scenario  
3 would be where a CLEC chooses to provide local service through a UNE platform (UNE-P), but  
4 chooses to "resell" Local Plus® as in the previous scenario. In this case, once again, SWBT  
5 would be responsible for any and all terminating access owed to the ILECs. The third scenario  
6 would be where a CLEC chooses to provide both Local Plus® and local service through the use  
7 of UNEs or an IXC wishes to provide Local Plus® through the use of UNEs. Until two basic  
8 issues are resolved, SWBT should be responsible for the payment of all terminating access  
9 involving Local Plus traffic. One issue concerns how such traffic would be accurately tracked and  
10 recorded should other carriers be responsible for the payment of terminating switched access of  
11 Local Plus traffic. A second issue concerns SWBT's pricing of Local Plus on a UNE basis.

12 Q. Please explain your concern regarding the accurate recording and reporting of  
13 Local Plus traffic.

14 A. As previously discussed in this case, significant problems were experienced  
15 regarding SWBT's recording and reporting of Local Plus traffic. I share Mr. Schoonmaker's  
16 concern over how such traffic would be accurately reported if another carrier uses SWBT's  
17 connections to terminate traffic to a small independent company network. The specifics of how  
18 such arrangements would be handled need clarification to ensure independent telephone  
19 companies are properly compensated for the termination of such traffic.

20 Q. Please explain your second concern regarding SWBT's pricing of Local Plus  
21 service on a UNE basis.  
22

1           A.     In my opinion it appears premature to clearly shift any responsibility in the  
2 payment of terminating switched access charges to carriers beyond SWBT until it is clear what  
3 rates SWBT would apply on a UNE basis. Ensuring other carriers will have the opportunity to  
4 compete should remain a paramount goal of the Commission. A carrier may not have this  
5 opportunity to compete if the applicable UNE rates used in the provisioning of Local Plus are  
6 significantly high and the carrier is also responsible for the payment of all terminating switched  
7 access charges.

8           Q.     Are there any other issues that should be addressed on whether other carriers  
9 should be responsible for the payment of terminating access charges for Local Plus traffic?

10          A.     Perhaps. Should the Commission consider having other facility-based carriers pay  
11 terminating switched access charges, a separate issue is the appropriateness of requiring these  
12 carriers to pay terminating access charges to SWBT. In my opinion, it would be inappropriate for  
13 a carrier providing Local Plus to pay terminating access to SWBT, given that SWBT was not  
14 required to pass an imputation test.

15           **SUMMARY**

16          Q.     Would you please summarize your Surrebuttal Testimony?

17          A.     Yes. My understanding of SWBT's provision of Local Plus® is that SWBT  
18 currently has CLEC customers reselling Local Plus® in the "pure" sense. It does not, however,  
19 currently have CLECs providing Local Plus® through the use of UNEs, nor does SWBT appear  
20 willing to provide Local Plus® on a UNE basis. If SWBT begins providing Local Plus® in the  
21 manner directed by the Commission, and Local Plus® is provided by a CLEC that is providing  
22 local service through the use of UNE-Ps, SWBT should be responsible for terminating access if

• Surrebuttal Testimony of  
Thomas A. Solt

1 the CLEC provides Local Plus® through resale. It is premature to determine who is responsible  
2 for paying terminating access to terminating LECs when Local Plus® is provided on a UNE basis  
3 until issues of tracking of calls and UNE pricing of Local Plus® are resolved.

4 Q. Does this conclude your Surrebuttal Testimony?

5 A. Yes, it does.

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

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

)  
)  
)  
)  
)  
)

Case No. TO-2000-667

**AFFIDAVIT OF THOMAS A. SOLT**

STATE OF MISSOURI )

)

ss.

COUNTY OF COLE )


Thomas A. Solt, is, of lawful age, and on his oath states: that he has participated in the preparation of the foregoing Surrebuttal Testimony in question and answer form, consisting of four pages to be presented in the above case; that the answers in the foregoing Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.



Thomas A. Solt

Subscribed and sworn to before me this 8th day of December 2000.

Joyce C. Neuner  
Notary Public, State of Missouri  
County of Osage  
My Commission Exp. 06/18/2001



Notary Public, State of Missouri