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January 4, 2000

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FILED³

JAN 04 2000

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: TT-99-428, et al. - In the Matter of Alma Telephone Company's filing to Revise its Access Service Tariff, PSC Mo. No. 2, et al.

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **REPLY BRIEF OF THE STAFF**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Marc Poston
Senior Counsel
(573) 751-8701
(573) 751-9285 (Fax)

MP/jb
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³

JAN 04 2000

Missouri Public
Service Commission

In the Matter of Alma Telephone)
Company's filing to Revise its Access)
Service Tariff, PSC Mo. No. 2, et al.)

Case No. TT-99-428, et al.

REPLY BRIEF OF THE STAFF

The Staff of the Missouri Public Service Commission (Staff) anticipated the arguments presented in the initial briefs filed by the parties and addressed those arguments in the Initial Brief of Staff. However, the Staff offers these few comments in response to the initial brief of the Mid-Missouri Group. The Mid-Missouri Group's new name, the Missouri Independent Telephone Group (MITG), will be used throughout this brief.

The purpose of MITG's tariff filing is evident from the Introduction section of its Initial Post Hearing Brief. MITG is not being compensated for the termination of traffic that it believes deserves compensation under the Telecommunications Act of 1996. As the Staff indicated in its testimony to this proceeding and in its Initial Brief, the Staff does not contest that all local exchange companies are obligated to establish reciprocal compensation agreements under Section 251(b)(5) of the Act. The Staff contests the use of this section as argument in support of the tariff filed on March 9, 1999. The MITG states in its Initial Brief that "[t]his case concerns whether small ILECs too can continue to have compensation based upon direct interconnection." While the MITG's arguments may concern this issue, the *case* concerns the lawfulness of MITG's tariffs.

The MITG presents a good argument in support of its position that the ILECs are not receiving just compensation. However, its idea that the Commission should approve these tariffs as an incentive for CLEC or wireless carriers to interconnect with the small ILECs overlooks the fact that an incentive exists in Section 251 of the Act.

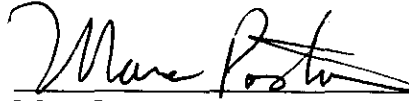
Regardless of whether small ILECs are being compensated for termination of traffic or whether federal law requires CLECs and wireless providers to interconnect with small ILECs, the Commission is being asked to review the specific tariff filed by MITG on March 9, 1999. The Staff is not here to suggest to MITG the most appropriate process for small ILECs to correct their compensation problem, although the Staff's testimony offers several proposed remedies. The Staff's position in this case advises the Commission that the tariff filed by MITG is unlawful for the reasons stated in Staff's testimony and in Staff's Initial Brief. The application of these tariffs to local intra-MTA traffic would be an unlawful violation of the Federal Communications Commission's Interconnection Order.¹ This position is supported in the Initial Briefs filed by AT&T Wireless Services, Inc.; Sprint Spectrum LP d/b/a/ Sprint PCS; Southwestern Bell Telephone Company; Southwestern Bell Wireless, Inc.; and AT&T Wireless Services, Inc.

The Staff hopes the compensation obstacle is eventually addressed and any problems in the process are corrected. However, the Staff will not recommend approval of a tariff that will violate federal law if the tariff is approved and MITG is allowed to charge access rates to all types of traffic.

¹ FCC 96-325, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98; and Interconnection Between Local Exchange Carriers and Commercial Radion Service Providers, CC Docket No. 95-185.

Respectfully submitted,

DANA K. JOYCE
General Counsel

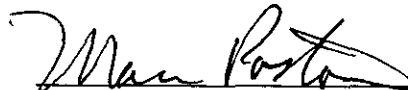


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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 4th day of January 2000.



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Case No. TT-99-428
January 4, 2000

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