1 STATE OF MISSOURI PUBLIC SERVICE COMMISSION 2 3 NORTHEAST MISSOURI RURAL) $\ensuremath{\texttt{TELEPHONE}}$ COMPANY and $\ensuremath{\texttt{MODERN}}$) 4 TELECOMMUNICATIONS COMPANY,)) 5 Petitioners,)) 6 vs.)Case No. TC-2002-57) SOUTHWESTERN BELL TELEPHONE) 7 COMPANY, et al.,) 8) Respondents.) 9 PREHEARING CONFERENCE 10 TRANSCRIPT OF PROCEEDINGS 11 KEVIN THOMPSON, Presiding 12 DEPUTY CHIEF REGULATORY LAW JUDGE 13 Volume 8 14 15 June 16, 2003 10:00 a.m. 16 17 Public Service Commission 18 200 Madison Street 19 Jefferson City, Missouri 20 21 REPORTED BY: Monnie S. VanZant, CCR, CSR, RPR Associated Court Reporters 22 714 West High Street Jefferson City, MO 65101 23 (573) 636-7551 24 25

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1 TRANSCRIPT OF PROCEEDINGS 2 JUDGE THOMPSON: Good morning. My Name is Kevin Thompson. I'm the regulatory law 3 judge assigned to reside over this matter, which 4 is Northeast Missouri Rural Telephone Company 5 6 and Modern Telecommunications Company, 7 Petitioners, versus Southwestern Bell Telephone Company and others, Respondents, Case No. 8 TC-2002-57. We'll go ahead and take oral 9 entries of appearance at this time. Why don't 10 we begin with the complainant? 11 12 MR. CRAIG JOHNSON: Thank you, your Honor. Craig Johnson and Lisa Chase, 700 East 13 Capitol, Jefferson City, Missouri, 65102, here 14 for the petitioners. 15 JUDGE THOMPSON: Thank you. Why 16 don't we take staff? 17 Mr. ANDERSON: Good morning, your 18 19 Honor. Eric Anderson representing the staff of the Missouri Public Service Commission, 200 20 Madison Street, Jefferson City, Missouri, 65102. 21 JUDGE THOMPSON: Thank you. Do we 22 23 have public counsel here? Not seeing public 24 counsel, let's go ahead and move to the various 25 respondents. And we can take them in whatever

1 order you would like to do. And we have 2 Southwestern Bell here? MR. DORITY: Your Honor, Larry 3 Dority, Fischer & Dority, P.C, 101 Madison, 4 Suite 400, Jefferson City, Missouri, 65101. 5 6 Judge, I'm appearing this morning on behalf of 7 the two of the respondents. 8 JUDGE THOMPSON: Go ahead and enter your appearance for them as well. 9 10 MR. DORITY: Thank you. Southwestern Bell Telephone, LP, d/b/a SBC 11 Missouri; also, Southwestern Bell Wireless, LLC, 12 d/b/a Cingular Wireless. And also representing 13 14 Cingular this morning is Mr. Joseph Murphy. 15 Joe, why don't you --MR. MURPHY: On behalf -- by the 16 way, we've established that the correct 17 corporate name for our client is Cingular 18 19 Southwestern Bell Wireless, LLC, d/b/a Cingular Wireless, LLC, instead of just Cingular 20 Wireless. 21 22 JUDGE THOMPSON: I appreciate that 23 clarification. 24 MR. MURPHY: My name is Joseph 25 Murphy. I'm here at 306 West Church Street,

Champaign, Illinois, 61820.

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2 JUDGE THOMPSON: Thank you. MR. MARK JOHNSON: Your Honor, 3 appearing on behalf of Voicestream Wireless, 4 5 Western Wireless and Aerial Communications, Mark 6 P. Johnson of the law firm of Sonnenschein, Nath 7 & Rosenthal, 4520 Main Street, Suite 1100, Kansas City, Missouri, 64111 (sic). I point out 8 for the record that Voicestream has changed its 9 name officially to T-Mobile USA, Incorporated. 10 That was effective August of last year. 11 12 JUDGE THOMPSON: Thank you, sir. 13 MR. PULLIAM: Good morning, your Honor. Thomas E. Pulliam, Law Offices of 14 15 Ottsen, Mauze, Legget & Belz, LC, 112 South Hanley Road, St. Louis, Missouri, 63102, on 16 behalf of Respondents Ameritech Mobile 17 Communications, Inc., CMT Partners, Ameritech 18 19 Cellular and Verizon Wireless; also, all entities d/b/a Verizon Wireless. 20 JUDGE THOMPSON: Thank you. 21 22 MS. HENDRICKS: Good morning, your 23 Honor. Appearing on behalf of Sprint Spectrum, 24 LP, d/b/a Sprint PCS and Sprint Missouri, Inc., 25 Lisa Creighton Hendricks, 6450 Sprint Parkway,

Overland Park, Kansas, 66251.

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2 JUDGE THOMPSON: Now, you're here for both Sprints today? 3 MS. HENDRICKS: Yes, sir. 4 5 JUDGE THOMPSON: Thank you. 6 MR. BROWNLEE: Richard Brownlee from 7 the law firm of Hendren & Andrae, 221 Bolivar 8 Street, Jefferson City, appearing on behalf of U.S. Cellular. 9 10 JUDGE THOMPSON: Thank you, Mr. Brownlee. Anyone else? Very well. I think 11 the Commission's order of June 3rd speaks for 12 itself. The Commission has determined after the 13 reviewing the record and the briefs of the 14 15 parties that it is essential to determine the proportion of the traffic that is intra MTA and 16 the proportion of the traffic that is inter MTA. 17 Now, it is my understanding from the 18 19 hearing that we had, gosh, last summer, that 20 this was not recorded at the time that the traffic was passed, that, in fact, all of the 21 22 complainants know about the traffic is what they 23 read on the CTUSR reports provided by 24 Southwestern Bell, which I guess carries most of 25 the traffic. Is that correct? Perhaps all of

1	it.
2	MR. CRAIG JOHNSON: Yes. Except for
3	Sprint, which I believe some of the traffic
4	Southwestern Bell carries it all for the rest of
5	it.
6	MR. PULLIAM: Well, your Honor, I'd
7	like to make a clarification.
8	JUDGE THOMPSON: Yes.
9	MR. PULLIAM: We don't carry any
10	traffic for Verizon Wireless. All of our
11	traffic is being currently shipped by
12	interexchange carriers.
13	JUDGE THOMPSON: Very good. Thank
14	you, Mr. Pulliam. And I believe I recall seeing
15	that in the record. Now, we had a similar
16	prehearing conference and a somewhat similar
17	case about a month ago, and Mr. Johnson made a
18	very good I speak of Mark Johnson, not
19	Mr. Craig Johnson made a very useful
20	suggestion at that time. He suggested that
21	rather than doing an expensive traffic study
22	that a very reliable estimate of traffic
23	proportions could be developed based on tower
24	locations and the locations of the MTA
25	boundaries and the various switches; is that

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1
              correct?
 2
                         MR. MARK JOHNSON: Yes, your Honor.
              On behalf of --
 3
                          JUDGE THOMPSON: I'm sure I garbled
 4
              that somehow.
 5
                         MR. MARK JOHNSON: Not at all. I'll
 6
 7
              be happy to try to summarize it for all the
 8
              parties. We had a prehearing a few weeks ago in
 9
              the 1077 case, I guess.
10
                          JUDGE THOMPSON: Right.
                          MR. MARK JOHNSON: The number in
11
              which the other group of ILECs --
12
                          JUDGE THOMPSON: The Tripp England
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14
              ILECs?
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                         MR. MARK JOHNSON: The Tripp England
              ILECs --
16
17
                          JUDGE THOMPSON: As opposed to Craig
              Johnson ILECs?
18
                         MR. MARK JOHNSON: -- against
19
              T-Mobile and Western Wireless. In essence, the
20
              -- the summary of the proposal is this.
21
22
              T-Mobile and Western Wireless -- and by the way,
23
              Aerial has been acquired by T-Mobile, so Aerial
24
              technically may still be in existence, but it's
25
              really not. In any case, what we would be
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1	pleased to do is provide both by map
2	coordinates and a you know, a map itself,
3	locations of my clients' cell sites in Missouri
4	and using that overlaid with a map showing the
5	the MTA lines, I believe we could come up
6	we collectively, I should say, not just my
7	client, but collectively in discussions with
8	everyone, could come up with a good proxy or
9	default, if you will, for the percentage of
10	traffic, which is inter MTA as opposed to intra
11	MTA.
12	I I I'm pleased to report that
13	we've had some subsequent discussions with
14	Mr. England's clients. And we are making
15	progress towards reaching a number. I
16	understand that it was staff's position in the
17	1077 case was that a traffic study should be
18	conducted. Our feeling about that is that it
19	would be time consuming, expensive and may not
20	come up with the number that is substantially
21	different from the number that the parties could
22	agree on voluntarily.
23	JUDGE THOMPSON: And I assume that
24	that holds as well for this case?
25	MR. MARK JOHNSON: Oh, absolutely,

1 yes.

2	JUDGE THOMPSON: Right. The
3	proposal, in other words, is that the parties
4	would develop figures that they were reasonably
5	comfortable with that they would then stipulate
6	to and which could go into the record on the
7	basis of the agreement of all parties. In
8	formulating proportions in this way, none of the
9	parties would surrender any of the legal
10	positions or defenses that they have staked out.
11	But it would spare the parties the expense and
12	trouble going through a traffic study. Sir?
13	MR. MARK JOHNSON: Could I make one
14	more point? In the discussions with
15	Mr. England's clients, it's become apparent that
16	the numbers are going to vary.
17	JUDGE THOMPSON: Okay.
18	MR. MARK JOHNSON: Among the you
19	know, among the ILECs. So although perhaps we
20	entered into the discussions with the thought
21	that we might come up with a single number, it's
22	become clear that that's not going to be likely.
23	And so we found that the number of ILECs
24	involved is sufficiently manageable, that we're
25	probably going to be able to come up with

1	individual percentages for each company.
2	JUDGE THOMPSON: Thank you, sir.
3	So
4	MR. BROWNLEE: Let me ask a
5	question.
6	JUDGE THOMPSON: Sure. Go ahead.
7	MR. BROWNLEE: I have 289 cell sites
8	within the MTA. Got four outside of it. So
9	that means that the intra MTA traffic is like
10	98.5 if I if I compute the is that the way
11	it's supposed to work, Mark?
12	MR. MARK JOHNSON: Well, not
13	necessarily. Maybe yes. Make no. Our
14	discussions with with Tripp's clients have
15	indicated that many of their many of his
16	clients we don't have any cell sites in their
17	territories at all. On the other hand, there
18	are several in which, I think most of the
19	cell sites are concentrated. So I think you
20	you have to look at it on a company by company
21	basis rather than sort of collectively
22	state-wide basis.
23	MR. BROWNLEE: Well, that's what I
24	mean. For my company, I mean, that would be the
25	way you'd compute it. Is that the I

1	MR. MARK JOHNSON: That's that's
2	certainly that's where the discussions
3	started.
4	MS. HENDRICKS: Your Honor, if I
5	I'm sorry.
6	JUDGE THOMPSON: Go ahead.
7	MS. HENDRICKS: One thing if I can
8	add on to what Mr. Johnson is saying. Not only
9	is this figure, I think, going to be unique for
10	the ILEC, but it will be unique for each
11	wireless provider. So we are looking at various
12	different numbers.
13	JUDGE THOMPSON: I would expect them
14	to be unique for everybody. I think we're
15	looking at a matrix probably.
16	MS. HENDRICKS: Are we looking to
17	get the inter MTA factors for those companies
18	who currently have tariffs or just for the
19	companies who do not have tariffs?
20	JUDGE THOMPSON: The Commission
21	would like it for all of the companies, whether
22	they have a tariff or not.
23	MS. HENDRICKS: With respect to the
24	companies that have tariffs and we have
25	negotiated agreements, can we just take the

1 inter MTA factor from those agreements? For 2 example, Sprint PSC and MO-KAN, have an agreement. 3 JUDGE THOMPSON: But do the 4 agreements cover all the traffic at issue and 5 6 all the time at issue? MS. HENDRICKS: It just -- it covers 7 8 the traffic being sent over the same facilities from a point in time. 9 10 MR. CRAIG JOHNSON: It would be 11 respective to the date the agreement was approved, your Honor. With respect to the case 12 that was submitted to the Commission, I don't 13 14 think that the agreement contemplates it going back and applying to that. There is no retro 15 16 compensation. 17 JUDGE THOMPSON: I understand. 18 MR. CRAIG JOHNSON: Adjustments --JUDGE THOMPSON: I think -- for 19 periods not covered by such an agreement, I 20 21 think an estimate would have to be developed in 22 the same manner as estimates would be done where 23 there are no agreements at all. I mean, that's 24 my thought. 25 MS. HENDRICKS: Okay.

1	JUDGE THOMPSON: I'm trying to lead
2	you down the path of making an agreement,
3	obviously, so that we don't have to have
4	extensive new litigation in order to in order
5	to come up with these numbers, which weren't
6	recorded at the time.
7	MR. CRAIG JOHNSON: Your Honor, if I
8	might
9	JUDGE THOMPSON: You may.
10	MR. CRAIG JOHNSON: be so bold as
11	to ask a question. As I recall the evidence,
12	this is a general summary of it, we had
13	testified that because of the lack of
14	information in the CTSR reports that we had
15	received, we didn't have enough information to
16	distinguish between the originating cell towers
17	and thus we couldn't distinguish between the
18	inter and intra MTA traffic. We suggested, I
19	believe, that that information was exclusively
20	in the possession of the wireless carrier, and
21	we asked the Commission to establish
22	presumptions since they failed to provide it.
23	And their testimony was at the hearing we can't
24	do it now, that we apply some sort of
25	presumptions to the traffic. And I take it from

your comments that the Commission is not going
 to accept that invitation.

JUDGE THOMPSON: Well, I don't think 3 you should -- I don't think you should deduce 4 what the Commission is going to do from what I 5 6 do. The Commission and I are -- are separate 7 and sometimes not aligned. I am their servant. It is my job to -- to do the things that a law 8 judge does. But eventually, the case goes into 9 the agenda room where the Commissioners, as you 10 know well, argue back and forth, and they're 11 12 going to do whatever it is they're going to do. 13 MR. CRAIG JOHNSON: Right. JUDGE THOMPSON: So what I have to 14 do is provide them with the very best record 15 that I can so that what they do will be guided 16

by all of the information that is necessary, 17 18 that -- that is not only reasonably necessary 19 but perhaps even goes a little bit beyond what's 20 reasonably necessary so that they can make the 21 best decision that they can and also so that we 22 can provide the best record and the best 23 decision to the Circuit Court, which after all 24 is where this is heading. Okay? 25 MS. HENDRICKS: Your Honor, if I may

1	make a point in response?
2	JUDGE THOMPSON: You may.
3	MS. HENDRICKS: The evidence
4	Sprint PCS did put in substantial evidence about
5	how our traffic was routed and then discussed
6	how the likely percent or the likelihood that
7	inter MTA was within the LEC to LEC traffic
8	being delivered. And then I'd also like to make
9	a suggestion. It sounds as if you were
10	directing us to go out and negotiate.
11	JUDGE THOMPSON: That is exactly
12	what I'm doing.
13	MS. HENDRICKS: The question becomes
14	the time frame in which we are working.
15	JUDGE THOMPSON: I'm going to want
16	to hear back in 30 days. I think that's what we
17	did in the 1077 case.
18	MR. MARK JOHNSON: I think our
19	response to you our report to you is due this
20	Friday, the 20th.
21	JUDGE THOMPSON: Yeah. And that's
22	just so that you know, we don't want to throw
23	this out into limbo because none of the parties
24	and litigants deserve that. But at the same
25	time we want to provide an adequate interval for

1 real negotiations to occur. So in 30 days I 2 want to hear back, and I'll task staff with the primary obligation of filing something. And if 3 things come to an impassse sooner, then, of 4 course, let me know. And we'll go ahead and 5 6 ramp up a traffic study if that's what it's going to take. But it's my understanding from 7 8 Mr. Johnson is that traffic studies are extensive, require hardware changes and 9 switches, software changes and switches as well 10 11 as a period of time over which the traffic has to be measured; isn't that correct? 12 13 MR. MARK JOHNSON: Yes, sir. 14 MS. HENDRICKS: And your Honor, I 15 struggle with --JUDGE THOMPSON: Mr. Murphy was up 16 first. 17 MS. HENDRICKS: Okay. I'm sorry. 18 19 JUDGE THOMPSON: Yes, sir. MR. MURPHY: I believe Cingular's 20 perfectly willing to sit down and try to 21 22 negotiate these factors. I am concerned as to 23 whether 30 days is adequate because I'm not 24 aware that Cingular has a map -- in fact, I'm 25 reasonably confident Cingular does not currently

1	have a map which maps its tower sites to MTAs.
2	JUDGE THOMPSON: Okay.
3	MR. MURPHY: And I I don't know
4	whether that is a huge task, a small task, a
5	menial task or a gargantuan task. But assuming
6	that it is something that Cingular would be
7	willing to do as part of these negotiations, I
8	suspect creating a map is probably somewhat time
9	consuming. And I'm perfectly willing to go on a
10	30-day calendar on the understanding that if
11	these negotiations are going somewhere, part of
12	that may be requesting some sort of an extension
13	so that we can put together the necessary tools
14	to negotiate this along these lines.
15	JUDGE THOMPSON: Absolutely. I want
16	this to succeed, not fail. And so if
17	negotiations are proceeding and are progressing
18	fruitfully, then staff need merely notify me on
19	the 30th day that discussions continue and that
20	an agreement is expected soon. Okay? And you
21	don't even have to ask for an extension. Just
22	provide that response. Okay? Mr. Johnson, you
23	had something?
24	MS. HENDRICKS: Well, and I and I
25	it also went to the time on this that was

1 raised by Mr. Murphy, my comment. I guess we 2 have a lot of parties with time commitments on time on behalf Craig's client because we're all 3 going to have to sit down for each one of the 4 companies in this case, pull out our maps and 5 6 have a discussion. 7 JUDGE THOMPSON: Okay. 8 MS. HENDRICKS: Now, I am concerned 9 also that we could not do that within a 30-day 10 time frame. And, furthermore, I'm concerned 11 that the party who is really punished by the failure to do it in a 30-day time frame is the 12 wireless carries. And if we have some equal --13 14 JUDGE THOMPSON: Why are you punished? 15 MS. HENDRICKS: Because we are 16 forced into a traffic study. 17 JUDGE THOMPSON: Well, gosh, I feel 18 19 bad about that. I mean, the traffic has been delivered, hasn't it? 20 21 MS. HENDRICKS: It has been 22 delivered. 23 JUDGE THOMPSON: So I don't see why 24 I should feel very sympathetic about that. 25 Mr. Johnson?

1	MR. CRAIG JOHNSON: Your Honor, it's
2	an observation that occurs to me that it looks
3	like the Commission or you're asking us to do
4	a negotiation to come up with a factor. To me,
5	that would be part of what would be involved,
6	maybe a big part of what might be involved in a
7	regular inter-connection agreement negotiation.
8	And I think I sent a letter I'm getting
9	around to this letter I sent to you and the
10	parties.
11	JUDGE THOMPSON: I have not
12	forgotten that.
13	MR. CRAIG JOHNSON: The Commission
14	originally said in both the Bell tariff
15	proceedings as well as a certain
16	inter-connection agreements that this traffic
17	wasn't supposed to come to us without such an
18	agreement. And as I pointed out in my letter, I
19	think the final solution to all this litigation
20	we've been going through the last several years
21	is for somebody to make the inter-connection
22	agreement process be completed. Now, after four
23	or five years of that not being done because of
24	wireless carriers' failures to adhere to orders
25	and agreements, you're suggesting that my

1 clients now go out and negotiate what would be 2 part of an agreement. And I was suggesting in the letter that the way to make that the real, 3 complete inter-connection agreement process work 4 is to authorize the traffic to be blocked by 5 6 Southwestern Bell, and we would pay Bell for the 7 translations so that it will really happen. JUDGE THOMPSON: Well, let's take up 8 the several issues that you have raised because 9 I think that is appropriate to do. No. 1, with 10 11 respect to traffic blocking, if that is what your clients want, then you're going to have to 12 file a motion and you're going to ask for 13 14 traffic blocking and you're going to have to 15 provide all the factual predicates that you can possibly think of and all the legal explanation 16 you can possibly think of. And perhaps the 17 Commission will order traffic blocking and 18 19 perhaps they won't. I don't know.

Frankly, I think I -- I am not erring to say that I don't think that they are very friendly to the idea of traffic blocking. But we do have a very recent Missouri Appellate Court decision saying that, well, of course, if people don't pay, block the traffic. That's

1 what happens when State senators don't pay their 2 water bills and that's what happens when people don't pay for utilities, right? They get turned 3 off. So -- but that isn't really on the table 4 yet because there's no motion. Okay? If 5 6 there's a motion, it will be on the table. and 7 the Commissioners, as I say -- I keep saying will do what they're going to do, and I don't 8 know what that is. Okay? 9 Everyone else in the room will get a 10 chance to respond, will be told that traffic 11 blocking is unlawful under the federal law, will 12 be told it's unlawful under state law, will be 13 told it's a bad, bad thing for everyone in 14 Missouri. And the Commissioners will do what 15 they're going to do. 16 Now, with respect to burdening your 17 clients with this negotiation, you know, there 18 19 is an evidentiary pull in your case. You have, 20 after all, the affirmative. And we're looking to fill this evidentiary hole. And we're 21 22 looking to do it through a stipulation. And as 23 I said, the parties will preserve all of their 24 defenses and all of the legal positions and 25 factual positions they have staked out. But it

1 will permit the Commission to render Findings of 2 Fact and Conclusions of Law in this case. And then the case can go wherever the case is going 3 to go. And I think we know where that is 4 5 because we can't give you money. I mean, if you 6 win, we can't order anybody to pay you anything. So you're going to have to go down and get Tom 7 Brown or Rich Callahan to order somebody to pay 8 you something. Right? 9

So we would like the case to go down 10 11 there with all of the necessary facts and with adequate Conclusions of Law, right or wrong, 12 based on those facts. So that's what we're 13 trying to do. From my point of view, I'm trying 14 15 to improve the record. I'm trying to improve the record by getting this crucial information. 16 Because think about it. In the position papers 17 that the parties filed and in the hearing and in 18 19 the briefs, most of the parties, I think, have 20 agreed that inter MTA traffic is long distance traffic. Right? And that if there's any of 21 22 that, then it's probably subject to access like 23 any other long distance traffic. After all, the 24 joker in this deck is the position that the FCC 25 has taken, correct, with respect to the local

1 calling scope of a wireless carrier being as big 2 as an MTA. That's the only thing that renders the intra MTA traffic, perhaps not long distance 3 traffic, right? Otherwise, it would be just 4 long distance traffic. So in terms of the 5 6 tariffs that apply, well, for those companies 7 who have tariffs that cover part of this period, those tariffs distinguish between intra MTA 8 traffic and inner MTA traffic. Do they not? 9 MR. CRAIG JOHNSON: Yes, they do. 10 JUDGE THOMPSON: Yes, they do. 11 Which causes a difficult conundrum for the 12 Commission because it is a distinction that is 13 not present in the data. So -- and the rates 14 are different. So for this intra MTA traffic 15 delivered under these tariffs, the tariff -- the 16 tariff rate is the appropriate rate. And the 17 tariff directs us in the case of inter MTA 18 19 traffic, why it directs to that exchange access 20 tariff, a different rate, a different tariff. So under the file tariff doctrine, the 21 22 Commission has to apply the correct tariff. We 23 have to know the proportion of the traffic. 24 Right? 25 Now, with respect to the traffic

1 delivered without any tariff, the question there 2 may be not what tariff applies, but who pays? Who pays? Perhaps for inter MTA traffic that 3 everyone after all agrees is long distance 4 traffic, perhaps it is the LEC who delivered it 5 6 to the small ILEC after all. That's how long 7 distance works, isn't it? An IXC delivers traffic to an ILEC and they pay access. Well, 8 in this case, the traffic was delivered mostly 9 by Bell, partially by Sprint, and some by an 10 IXC, by an admitted IXC who paid access, right? 11

So these are questions that all turn on 12 the nature of the traffic. Right? If there is 13 no tariff and it's intra MTA traffic, as you 14 pointed out, well, the only tariff there is the 15 access tariff. So let's say the Commission 16 says, Yeah, we'll buy access to that. And I 17 don't want to suggest that that's what they're 18 19 going to do because, frankly, I don't know what 20 they're going to do. But let's say they say that. Then who is going to pay? Probably not 21 22 the ILEC, the LEC who delivered it. Probably 23 the wireless company that originated it. So, 24 you know, even where there is no wireless 25 termination tariff and even though they're both

1 going to be billed under the exchange access 2 tariff, one assumes, the pay -- the person who 3 pays may be different depending, again, on the 4 flavor of the traffic.

So it looks like we absolutely have to 5 6 have that. Otherwise, this case is going to go 7 down to the circuit judges, and the Commission's going to say, Well, there was traffic, but we 8 don't know how much of it was inter MTA and we 9 don't know how much of it was intra MTA, so we 10 can't tell you that. But we can tell you here's 11 12 who would pay and here's the tariff they would 13 pay under if we did know that. Right? Now, I 14 don't know what the circuit judges would do with 15 a case that came to them like that. But my guess is it would come back, and they would say, 16 Find out. Sir? 17

MR. MARK JOHNSON: Judge Thompson, 18 19 let me suggest something that -- that we found, 20 sort of kick-started our discussions. And Tripp 21 -- I'll give him credit for this. He prepared 22 two maps, which we have found immensely helpful. 23 They're large maps. One -- they're both, 24 obviously, State of Missouri. One has -- by 25 county has -- has all the counties of the state

1	and the MTA boundaries overlaid. The second map
2	has every exchange in the state, and it's
3	it's colored in for each of the companies
4	involved in that case. And what I'm going to
5	suggest that I I'd be happy to do and I could
6	get this to everybody probably within a couple
7	of days is I could make copies of make paper
8	copies of the Missouri map with the MTA and
9	county boundaries. And then ascitate, in other
10	words, clear copies of the exchange map that you
11	could overlay on top of that so you could see
12	where each exchange exchange not just
13	county, but where each exchanges lies would
14	in which in which MTA
15	JUDGE THOMPSON: Right.
16	MR. MARK JOHNSON: each exchange
17	lies.
18	JUDGE THOMPSON: Certainly sounds
19	useful.
20	MR. MARK JOHNSON: And that map has
21	a key that shows which inter which ILEC has
22	which exchanges. And and we we would
23	we found that that's very useful in saying
24	you know, talking about, say, Frontier or, you
25	know, all of the companies. We could talk about

1 each company individually that way. We could 2 say, okay, what about BPS? Okay. Well, they're in this part of the state. They're in this MTA. 3 Voicestream, as far as we know, it doesn't 4 generate any traffic in that MTA. I mean, I'm 5 6 just --JUDGE THOMPSON: Right. 7 8 MR. MARK JOHNSON: You know, speaking hypothetically. 9 JUDGE THOMPSON: Hypothetically. 10 MR. MARK JOHNSON: And so from that, 11 we -- we talk back and forth and we might be 12 able to come up with a number that way. So just 13 a thought. And I'd be happy to get that to 14 everybody in a couple of days. 15 JUDGE THOMPSON: I appreciate that. 16 MS. HENDRICKS: You know, I kind of 17 want to go back to my concern. Even with that 18 19 -- I think that will be helpful. If you look at 20 the number of companies here involved and the number of MTA factors you're going to have to 21 22 develop, is it realistic within the 30 days? 23 JUDGE THOMPSON: You don't have to 24 be done in 30 days. 25 MS. HENDRICKS: Just progress?

1	JUDGE THOMPSON: I just want to know
2	what's happening in 30 days. I want some kind
3	of a report. They refuse to speak to each
4	other. Bring them back in. Or we're making
5	great progress and and you know, we're now
6	doing round robin dinners at each other's homes.
7	Whatever the progress is, let's me know. Sir?
8	MR. CRAIG JOHNSON: May I ask
9	Mr. Johnson a question?
10	JUDGE THOMPSON: You may.
11	MR. CRAIG JOHNSON: I understand
12	that if we had originating cell tower location
13	information and we had this map that show where
14	my clients' exchanges were that that would give
15	us possible paths for originated and terminated
16	paths which would distinguish inter from intra
17	MTA traffic. Also, some of my clients can get
18	traffic out we need to know which tandem it's
19	coming through. Is this part of the study that
20	you're doing, looking at which part of the
21	tandem?
22	MR. MARK JOHNSON: No. But but
23	in the discussions, we you know, we say,
24	well, we think all of the traffic from this area
25	is going through the Kansas City tandem, for

1	example, or it's going through Kansas City or
2	it's going through St. Louis. In the case of
3	T-Mobile, it's it's going through either
4	Kansas City or St. Louis. Maybe we're trying
5	to determine if some of it's going through
6	Springfield. The folks out in Seattle are
7	trying to figure that out right now. But those
8	are the only as I understand it, there's only
9	three possibilities. That's what they're
10	telling me. Now, with the other wireless
11	carriers, I don't know. I mean, that's why I
12	think, as Lisa pointed out, this would be an
13	individual, I mean, wireless company by wireless
14	company discussion.
15	MR. CRAIG JOHNSON: Okay. We're
16	certainly willing to sit down and try do this
17	within 30 days, your Honor.
18	JUDGE THOMPSON: I appreciate your
19	willingness to sit down. As I say, you don't
20	have to be done in 30 days, but I'd like to hear
21	back on how it's going in 30 days. And I think
22	that I mean, if, in fact, the parties reach a
23	stipulation, it can be as easy as saying, well,
24	you know, I like 50/50. Or if you want to do it
25	in a more complicated way, in a more rigorous

1 way that you think will more likely give us the 2 same number that a traffic study would do, that's fine. But the point of stipulation is 3 that everybody agrees, says, okay, let's 4 supplement the record with these numbers. Where 5 6 you get the numbers, I don't care. Sir? 7 MR. PULLIAM: Your Honor, two 8 questions. 9 JUDGE THOMPSON: Yes, sir. 10 MR. PULLIAM: One addresses the stipulation aspect of this. If it is to proceed 11 on a carrier by carrier basis and respondent by 12 respondent basis, I -- I'm not so certain I'm 13 14 even in a position to stipulate as Verizon Wireless on any agreement between any of Craig's 15 clients and any of the other carriers here. 16 17 JUDGE THOMPSON: Why not? 18 MR. PULLIAM: Because I just -- I don't know what I don't know. 19 JUDGE THOMPSON: Okay. Well, that's 20 21 why I'm giving you 30 days. 22 MR. PULLIAM: I just bring that up 23 for one issue. And, secondly, your Honor, this 24 goes more towards globally why we are here 25 today.

1 JUDGE THOMPSON: Okay. 2 MR. PULLIAM: And some -- some language in the order. And I think you 3 referenced it in -- in statements you were 4 making about why we are here, and that is 5 6 something to the effect that there's a hole in the evidence --7 8 JUDGE THOMPSON: Right. 9 MR. PULLIAM: -- in this proceeding. 10 And one of the positions that we have taken 11 throughout this proceeding, certainly in our briefs, is that it is intendant upon the 12 complainant to carry the burden of proof and 13 14 that a failure to carry burden of proof 15 necessitates a ruling against the -- the 16 petitioners in this case. JUDGE THOMPSON: I'm well aware of 17 that position. 18 MR. PULLIAM: Well --19 JUDGE THOMPSON: You're not done 20 21 yet. Please proceed. 22 MR. PULLIAM: No, sir. I view this 23 proceeding as -- as an attempt, as you say, by 24 the Commission to fill in that hole --25 JUDGE THOMPSON: That's correct.

1 MR. PULLIAM: -- in order so that a 2 decision by the Commission in this proceeding maybe has some teeth. I think you described the 3 potentiality of a decision rendered by the 4 Commission in this proceeding at the Circuit 5 6 Court without this information as I don't know what the Judge -- Judge Brown or Judge Callahan 7 would do up there. 8 JUDGE THOMPSON: I don't know 9 either. 10 MR. PULLIAM: But from a procedural 11 point of view, if it is our position -- I'm not 12 speaking on behalf of any other carrier at this 13 point. If it's our position that this 14 15 proceeding itself is objectionable in that the record has been developed, it's been submitted 16 since -- well, evidence, last August, briefs, 17 probably since November and that the burden 18 19 being on the -- the complainants to establish by 20 substantial and competent evidences each of 21 their issues, if by our participation in this 22 case, I certainly don't want to have Verizon 23 Wireless waive our objections to that burden 24 being still intendant upon the complainants, nor 25 do I want to have our participation in this

1 proceeding be viewed as a waiver or as -- a 2 waiver of our perhaps objection to the entire proceeding as somehow deficient or uncalled for 3 in light of the strict burdens that are placed 4 5 upon the parties with respect to producing the 6 evidence necessary to support their positions. And I'm questioning -- it's much like, in 7 my mind, a special entry of appearance when 8 you're questioning jurisdiction in a civil 9 matter. You're appearing not so much to address 10 any merits of the case. You're simply 11 12 questioning the objections or the -- the ability of the court perhaps to reach your -- to reach 13 14 your client. Similarly here, I just, in 15 essence, want to preserve for the record, I guess, my objection in participating in this 16 proceeding to the extent it's viewed as the 17 complainant being allowed to supplement the 18 19 record that stands before the Commission today. 20 JUDGE THOMPSON: Okay. And -- and I 21 think that's very good point. And I will respond to that. First of all, it's the 22 23 Commission supplementing the record and not the 24 complainants. And on behalf of your clients, 25 you -- you must, of course, file whatever you

1 feel best protects their interests, be that a 2 motion, a writ, go get a writ, whatever you think you need. But I will say this, that if --3 it is my view -- and, again, I don't know what 4 5 the Commissioners are going to do, so it makes 6 it hard to sit here as though I were a judge because I can't say, I'm going to give X, Y and 7 Z because I can't -- I can only go to them and 8 ask them to do X, Y and Z and they may ignore 9 me. Okay? But I will say that what I will do 10 is if any of the parties do not cooperate, then 11 12 I will ask that a traffic study be ordered and that the cost of that be borne by the 13 14 non-cooperating party. The evidence as it 15 currently stands is sufficient to show that traffic was delivered. There was traffic. 16 We're not in a situation where we're say, Gosh, 17 18 Mr. Johnson's failed to show there was even any 19 traffic. Right? Let's all just go home. I 20 think the record shows there was traffic. And so what we need is to know the flavor of the 21 22 traffic. Okay? And it would be different if 23 there were no showing that there was traffic. 24 And I think I've said enough on that. 25 MR. CRAIG JOHNSON: Your Honor, I

1 just want to put a thought out there for 2 everybody's digestion and possible comment. It seems to me if we're going to go through this 3 exercise and try to develop a factor based on 4 Mr. Johnson's methodology or something else, if 5 6 that resultant agreement, the stipulation, whatever we're going to call it is not applied 7 8 to the traffic in this case, it's not any good. 9 JUDGE THOMPSON: Absolutely. 10 MR. CRAIG JOHNSON: So I think the 11 parties needs to understand that the use of the stipulation is going to be retrospective of 12 looking. 13 14 JUDGE THOMPSON: Well, yeah. It's 15 going to be for this case. It's essentially an evidentiary stipulation, right, stipulated facts 16 for the purpose of this case, and as far as I'm 17 concerned, no other purpose. 18 19 MR. CRAIG JOHNSON: I mean, I 20 envision stipulation saying these -- this complainant and this wireless carrier respondent 21 22 have agreed between them the traffic factor is 23 95 percent inter MTA, 5 percent intra MTA, and 24 that is a -- a fair approximation of the 25 proportions of traffic that are at issue in this

1	case as well as if it's based on current traffic
2	studies or call information that might what
3	I'm saying we can't go back and duplicate the
4	past. Part of the stipulation has to be to
5	apply this factor to the traffic in this case.
6	JUDGE THOMPSON: Right. But I also
7	know that it is not at all unusual in the
8	telephone industry to do traffic studies and use
9	the results of those studies for periods other
10	than when the traffic study was actually done.
11	So we would not, I think, be veering very far
12	from the, you know, business as usual in this
13	industry.
14	MR. BROWNLEE: I have a little
15	question.
16	JUDGE THOMPSON: Yea, sir.
17	MR. BROWNLEE: I probably don't
18	I'm not the sharpest tack in the drawer on the
19	technical side of this, but one thing that
20	concerns me about this ratio I happen to know
21	where my cell sites are. I don't know whether
22	that's a big problem. I think most of these
23	companies would know it. But the problem is
24	that on June 16th, 2003, there's a different
25	my cell sites are different today than where

1 they were six months ago and a year ago and when all this bitching started between the companies, 2 whenever that was. So the situation is we're --3 all of us looking at the facts today assume you 4 could make us all come up and show us your cell 5 6 sites or your maps is a different situation and 7 maybe a completely different ratio than it may have been six months ago or a year ago. And 8 that's a real problem because maybe my four cell 9 sites outside the MTA as it relates to my 300 or 10 whatever other ones, two years ago, I may have 11 only had a hundred within inter MTA and still 12 four outside, and that would have changed the 13 14 percentage of my traffic substantially. 15 JUDGE THOMPSON: I understand that. MR. BROWNLEE: Now that's a real 16 problem that I perceive. And I don't know how 17 -- unless we all are just saying we're going to 18 19 start looking effective July 1, 2003, that's a 20 real problem. I mean, I think -- I think that will skew -- when you look at that, the growth 21 22 of the cell sites is really likely to skew 23 something. I mean, you know, I guess if we're 24 all -- if we all have to climb the same 25 mountain, it's all going to be the same as of a

1	certain date. But that's a problem.
2	JUDGE THOMPSON: As Mr. Johnson
3	said, we're looking to develop a proxy.
4	MR. BROWNLEE: Yeah.
5	JUDGE THOMPSON: There is really no
6	replacement for the data at the time the traffic
7	was delivered. But this information, as far as
8	I know, was not recorded at the time.
9	MR. BROWNLEE: Yeah.
10	JUDGE THOMPSON: So
11	MS. HENDRICKS: Your Honor, I have a
12	point of just clarification. Are we to report
13	to staff or is staff going to be involved in the
14	negotiations? Do you have a
15	JUDGE THOMPSON: That's staff
16	I will leave that up to staff.
17	MS. HENDRICKS: Okay.
18	JUDGE THOMPSON: They may not want
19	to be involved. They don't really have a dog in
20	the fight. If they want to, if they feel they
21	can help things move along, that's fine.
22	Otherwise, just advise staff how you're doing.
23	Why don't you talk to Mr. Anderson after we go
24	off the record and
25	MS. HENDRICKS: Okay.

1	JUDGE THOMPSON: work that part
2	out?
3	MR. BROWNLEE: Another inquiry?
4	JUDGE THOMPSON: Yes, sir.
5	MR. BROWNLEE: Are you going to
6	issue an order like the one that was in
7	Mr. England's case, or is there going to be a
8	I'm not sure exactly what
9	JUDGE THOMPSON: There will be an
10	order. Yes, there will.
11	MR. BROWNLEE: And what does that
12	order look like? I was not participating in
13	that. I mean, is it going to say, tell us how
14	many cell sites have you within
15	MR. MARK JOHNSON: As I remember,
16	Richard, all it says is you know, we had a
17	prehearing conference today and the parties
18	agree that they report back to me by June 20.
19	JUDGE THOMPSON: There you are.
20	Short and sweet.
21	MR. MARK JOHNSON: There's more than
22	that than that, but not much.
23	JUDGE THOMPSON: Mr. Anderson?
24	MR. ANDERSON: Your Honor, I would
25	assume any of these agreements would have to be

entered into the record for the Commission to
 consider the information?

JUDGE THOMPSON: What the Commission 3 wants are the numbers, the proportions. And I 4 5 think to get them into the record, they have to 6 be stipulated to. That's -- you know, on the one hand, the beauty of stipulated facts is we 7 don't have to, you know, check their teeth. You 8 guys stipulate to a number, and we'll say great. 9 We'll take this number. We don't care how 10 reliable the number is or how right it is or 11 12 anything else because everybody has said, We 13 agree, use this number. Or these numbers, which is really what we're talking about. On the 14 15 other hand, if we have to come up with them in a different way, then we have all those issues of, 16 Well, how do you measure this and is this 17 measurement done now really descriptive of the 18 19 traffic delivered? You get into just -- you 20 know, you guys are great lawyers -- an endless 21 array of litigable issues about how we come up with these numbers. Right? And perhaps this 22 23 thing could go on for several years. It would 24 be like one of those famous English chancery 25 cases where the grandchildren and the great

grandchildren finally get the inheritance.

2 Now, of course, the Circuit Court can do things we can't do. They can do equity. The 3 administrative tribunal can't do equity. They 4 can say, Well, gosh, we know there was traffic 5 6 and it would be equitable then in the absence of 7 this evidence to do X. And they can do that. But we can't. And that's why we are on this 8 question for this supplement to the record. 9 Okay? Anything else? 10 11 I appreciate all of you coming in today. And I appreciate your good faith and best 12 efforts in this matter. Please let me know. I 13 14 will issue an order today. I will be leaving 15 early today, so if -- if some sort of eruption occurs, I may not be here. I'll let Judge Mills 16 know that perhaps someone will be asking some 17 questions. All right? Sir? 18 19 MR. MARK JOHNSON: One more point. 20 Everybody who wants copies of these maps, give me your card with your -- not just a post office 21 22 box, but with your street address so I can 23 overnight this thing to you. JUDGE THOMPSON: If there is nothing 24 25 further, thank you all very much. We will go

1	ahead and go off the record now, and the
2	recorded portion of this prehearing conference
3	is adjourned. Thank you.
4	(The proceedings were concluded at
5	10:35 a.m. on June 16, 2003.)
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                        REPORTER'S CERTIFICATE
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       STATE OF MISSOURI )
                          )ss.
       COUNTY OF OSAGE
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              I, Monnie S. VanZant, certified Shorthand
       Reporter, Certified Court Reporter #0538, and
 7
       Registered Professional Reporter, and Notary Public,
 8
 9
       within and for the State of Missouri, do hereby certify
10
       that I was personally present at the proceedings as set
       forth in the caption sheet hereof; that I then and
11
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       there took down in stenotype the proceedings had at
       said time and was thereafter transcribed by me, and is
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14
       fully and accurately set forth in the preceding pages.
15
              IN WITNESS WHEREOF, I have hereunto set my hand
16
       and seal on July 2, 2003.
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                          Monnie S. VanZant, CSR, CCR #0539
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                          Registered Professional Reporter
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