

**BEFORE THE PUBLIC SERVICE COMMISSION
 STATE OF MISSOURI**

Northeast Missouri Rural Telephone Company)	
And Modern Telecommunications Company,)	
)	
Petitioners,)	
)	
v.)	Case No. TC-2002-57, et al
)	consolidated.
Southwestern Bell Telephone Company,)	
Southwestern Bell Wireless (Cingular),)	
Voicestream Wireless (Western Wireless),)	
Aerial Communications, Inc., CMT Partners)	
(Verizon Wireless), Sprint Spectrum LP,)	
United States Cellular Corp., and Ameritech)	
Mobile Communications, Inc.,)	
)	
Respondents.)	

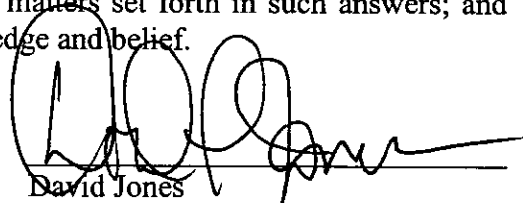
**SURREBUTTAL TESTIMONY
 OF
 DAVID JONES**

Jefferson City, Missouri
 July 2, 2002

AFFIDAVIT OF DAVID JONES

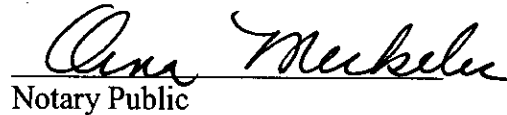
STATE OF MISSOURI)
) ss.
COUNTY OF Cole)

David Jones, of lawful age, on my oath states, that I have participated in the preparation of the foregoing testimony in question and answer form, consisting of 34 pages, to be presented in this case; that the answers in the foregoing testimony were given by me; that I have knowledge of the matters set forth in such answers; and that such matters are true to the best of my knowledge and belief.



David Jones

Subscribed and sworn to before me this 1st day of July, 2002.



Notary Public

My Commission Expires:

ORNA MICKELIS
Notary Public - Notary Seal
STATE OF MISSOURI
Callaway County
My Commission Expires: Apr. 16, 2003

1 **Q. Are you the same David Jones that prefiled direct testimony on behalf of**
2 **Mid-Missouri Telephone Company and the other Petitioners in this consolidated**
3 **complaint proceeding?**

4 A. Yes.

5 **Q. Do you have any additional testimony at this time regarding the traffic**
6 **quantities you reported due and owing in your direct testimony?**

7 A. Yes. First, none of the Respondents appear to contest the traffic quantities
8 reported in my direct testimony for Mid-Missouri. See Schedule 1 hereto. There have
9 been no further payments received by Mid-Missouri for this traffic since my direct
10 testimony. See Schedule 3 hereto. There have been no settlements or partial settlements
11 for Mid-Missouri. Mid-Missouri requests that it be awarded compensation as set forth in
12 the attachments hereto setting forth the volume of traffic terminated, payments received
13 since the filing of direct testimony, and amounts now due for the traffic period included
14 in the direct testimony. This is reflected in Schedule 2 hereto.

15 **Q. What topics will this surrebuttal testimony address?**

16 A. I am concurring in the testimony of Gary Godfrey regarding the unreported traffic
17 of Alltel. In responding to other rebuttal testimony of the Respondents, I have arranged
18 this surrebuttal to address the following topics:

19 **The default compensation mechanism after the 1996 Act.**

20 **The requirement of an interconnection agreement to obtain reciprocal**
21 **compensation for local traffic.**

22
23 **The MITG companies have not been subject to “defacto bill and keep”.**

24
25 **Direct versus indirect interconnection.**

1 **“Transiting” Interconnection Agreements between the Respondents do not bind the**
2 **MITG Companies.**

3
4 **Network Efficiencies.**

5 **SWBT and Sprint are IXCs in the MITG service areas.**

6 **inter-MTA and intra-MTA traffic**

7 The nature of these topics will require a discussion of the statutes, rules, and decisions
8 that those in the LEC and wireless industry utilize in addressing operation and
9 intercompany compensation matters.

10 **Q. Have any of the Respondent wireless carriers failed to respond to the MITG**
11 **direct testimony?**

12 A. Yes. The Commission may note that the wireless carriers with the greatest
13 amounts of uncompensated traffic are United States Cellular and Cingular. United States
14 Cellular did not file any testimony in response to the Petitioner MITGs’ direct testimony.
15 As US Cellular is the Respondent originating the largest amount of uncompensated traffic
16 of all of the Respondents (See Schedules 1 and 2), this silence came as somewhat of a
17 surprise.

18 **The default compensation mechanism since the 1996 Act.**

19 **Q. In the rebuttal testimony of the Respondent wireless carriers, the suggestion**
20 **is made that reciprocal compensation is the “default” mechanism adopted by the**
21 **Act. Do you agree?**

22 A. No. Reciprocal compensation is a new compensation mechanism set forth in
23 §251(b) (5) of the 1996 Act for the first time. That subsection created a duty “to establish
24 reciprocal compensation arrangements for the transport and termination of
25 telecommunications. § 252 (c)(1) this was a “duty to negotiate in good faith in

1 accordance with section 252 the particular terms and conditions of agreements to fulfill
2 the duties prescribed in paragraphs (1) through (5) of subsection (b)”.

3 There is language in § 252 entitled “Procedures for Negotiation, Arbitration, and
4 Approval of Agreements”. If the Act had adopted an automatic or default reciprocal
5 compensation mechanism, there would have been no need to have subsequent procedures
6 for negotiation, arbitration, and approval. Subsection (a) of § 252 calls for a request for
7 interconnection, negotiation of a voluntary agreement, and required approval by the State
8 commission. Subsection (b) of § 252 provides for mandatory arbitration to be requested
9 between 135 and 160 days after the request is made, in case voluntary agreement is not
10 reached.

11 This language of § 251 and § 252 suggests that the Act established a subsequent
12 procedure for establishing an interconnection where reciprocal compensation or bill and
13 keep is appropriate. I agree with the rebuttal testimony of SWBT witness Hughes, at
14 page 16, that the wireless interconnection arrangements pre-existing the Act became the
15 default or “safe harbor” until replaced by approved reciprocal compensation agreements
16 after the Act.

17 **Q. Is your reading supported by FCC rules?**

18 A. I believe so. FCC rule 47 CFR 51.717(a) reads as follows:

19 “Renegotiation of existing non-reciprocal arrangements.

20 (a) Any CMRS provider that operates under an arrangement that existed with an
21 incumbent LEC that was established before **August 8, 1996** and that provides for
22 non-reciprocal compensation for transport and termination of
23 telecommunications traffic is entitled to **renegotiate** these arrangements with no
24 termination liability or other contract penalties.”
25

1 This rule also supports the conclusion that the Act contemplated subsequent
2 negotiation and approval of reciprocal compensation agreements, not an automatic or
3 defacto implementation effect in February of 1996 with passage of the Act.

4 **Q. Do the past actions of the Respondents support their argument reciprocal**
5 **compensation was automatic with enactment?**

6 A. I don't think so. There is testimony from Respondents that the wireless carriers,
7 SWBT and Sprint Mo Inc. **have** pursued this process and obtained interconnection
8 agreements. If reciprocal compensation were automatic with passage of the 1996 Act,
9 there would have been no need for them to have done this.

10 **Q. Has this Commission acted consistently with your view that reciprocal**
11 **compensation is established by approved agreements effectuated after the Act?**

12 A. Yes. In its December 23, 1997 Report and Order in TT-97-524, This Commission
13 directed tariff modification language providing that:

14 "Wireless carriers shall not send calls to SWBT that terminate in an Other
15 Telecommunication Carrier's network unless the wireless carrier has entered into
16 an agreement with such Other Telecommunications Carrier..."
17

18 The Commission recognized that an agreement was required, but no such
19 agreements were then in place. The Commission would not have entered such an Order
20 if reciprocal compensation was automatic with passage of the Act.

21 **Q. What was the "safe harbor", or "default" mechanism in existence for the**
22 **MITG at the time of enactment of the 1996 Act?**

23 A. For wireless-originated traffic terminating to the MITG companies, the default
24 mechanism for all of this traffic was their switched access tariff. In its June 10, 1999
25 Report and Order in Chariton Valley and Mid-Missouri v SWBT, TC-98-251/TC-98-340,

1 which addressed such traffic terminated up until February 5, 1998, two years after
2 passage of the Act, the Commission held that SWBT owed Chariton Valley and Mid-
3 Missouri terminating access compensation pursuant to their access tariff. If reciprocal
4 compensation were automatic in February of 1996, the Commission would not have
5 entered such an Order.

6 **Q. Has that default mechanism been changed for the MITG companies?**

7 A. Yes, but only for what is apparently a very small proportion of the traffic at issue.
8 For wireless traffic terminated after February 5, 1998 pursuant to SWBT's Wireless
9 Interconnection Tariff, the Commission Order of December 27, 1997 in TT-97-524 set
10 forth a new mechanism expected to replace access. This mechanism was not in and of
11 itself a reciprocal compensation arrangement, but the Commission expected reciprocal
12 compensation agreements would thereafter be utilized to replace access. It was this
13 Order approving SWBT's tariff that instructed that the MITG companies were not to
14 receive the traffic in the absence of an approved reciprocal compensation agreement, that
15 the wireless carriers had primary payment obligation, that SWBT's obligation was
16 secondary, and that SWBT would be indemnified.

17 According to SWBT witness Hughes, over 99% of the traffic comes pursuant to
18 interconnection agreement, not SWBT's tariff. Cingular testified that none of its traffic
19 was sent to SWBT pursuant to the tariff (Brown rebuttal, p. 10). Sprint PCS testified it
20 has never taken service from SWBT's tariff (Pruitt rebuttal, p. 10). For wireless traffic
21 terminated to the MITG pursuant to Interconnection Agreements between SWBT and
22 wireless carriers, the default access mechanism has not been changed. As traffic passed
23 pursuant to interconnection agreement did not pass pursuant to tariff, switched access, the

1 default mechanism, was still in place. The MITG companies were not party to any of
2 SWBT's interconnection agreements, and did not agree to any provision of those
3 agreements. There is no basis to conclude that an agreement that the MITG companies
4 were not party to superseded the effective access tariffs..

5 **The requirement of an interconnection agreement to obtain reciprocal**
6 **compensation for local traffic.**
7

8 **Q. What is the significance of the absence of an interconnection agreement**
9 **between any MITG company and any Respondent?**

10 A. An interconnection agreement is the statutory mechanism available for wireless
11 carriers to obtain reciprocal compensation. The absence of any such agreement means
12 that there is no reciprocal compensation between the MITG companies and any wireless
13 carrier. Respondent wireless carriers did obtain reciprocal compensation arrangements
14 with SWBT and Sprint Missouri Inc. by having an agreement approved, as they testified.
15 For SWBT tariff traffic, the December 27, 1997 Commission Order in TT-97-524
16 anticipated that reciprocal compensation agreements between the small ILECs and the
17 wireless carriers would be negotiated and approved. That has not happened.

18 **Q. Has the Commission issued any Orders which reflect that small independent**
19 **ILECs such as the MITG are not subject to interconnection agreements to which**
20 **they are not a party?**

21 A. In the Commission's December 11, 1996 Arbitration Order regarding the AT&T
22 and MCI arbitration with SWB, TO-97-40/TO-97-67, the Commission stated:

23 "The independent LECs were not a party to this case and should not be affected
24 by the results of this arbitration. Until such compensation agreements can be
25 developed, the company's intrastate switched access rates should be used on an
26 interim basis. The intrastate switched access rates are currently used when toll
27 traffic is exchanged between the companies and would be appropriate to use on an

1 interim basis. This will avoid forcing the results of this arbitration on companies
2 not a party to the case.”
3

4 **Q. The wireless companies suggest that the access tariffs cannot apply because**
5 **the rates are not “forward looking incremental cost rates”. Do you agree that the**
6 **application of access rates in the absence of an agreement prejudices them?**

7 A. No. First, they are not prejudiced by our application of access because they were
8 required to obtain an interconnection agreement in order to receive reciprocal
9 compensation rates. Second, there is no evidence in this record that forward looking
10 rates would be lower than the access rates. Robert Schoonmaker prepared the forward
11 looking “HAI Model” rates in TT-2001-139, the proceeding in which the Commission
12 approved Wireless Termination Tariffs for all Missouri small ILECs except Mid-
13 Missouri, Modern, Northeast, and Chariton Valley.

14 The Commission in approving the Wireless Termination Tariff rates, noted that
15 the HAI rates for small companies were higher, in most cases, than access rates. See the
16 February 8, 2001 Report and Order in TT-2001-139 (the Mark Twain tariff case), pages
17 22-24, 32-33. There the Commission ruled that the wireless terminating tariffs were in
18 the nature of an access tariff, and that it was permissible for a state tariff to apply to
19 intraMTA traffic even though the tariff did not contain forward looking reciprocal
20 compensation rates:

21 “However, because the proposed tariff and rates herein at issue are **in the nature**
22 **of exchange access**, the Commission concludes that it does have jurisdiction over
23 the proposed tariffs and rates filed by the telephone cooperatives that are parties
24 in this proceeding.” (p. 27)
25

26 “Thus it is apparent from the Act that **reciprocal compensation arrangements**
27 **are a mandatory feature of agreements** between the CMRS carriers and the
28 small LECs...**The Act does not state that reciprocal compensation is a**

1 **necessary component of the tariffs of LECs or ILECs.** Therefore, the
2 Commission concludes that **Section 251(b)(5) of the Act simply does not apply**
3 **to the proposed tariffs** herein at issue. For the same reason, the Commission
4 concludes that the proposed tariffs are **not unlawful** under Section 251(b)(5) of
5 the Act.” (p. 29)

6
7 “Like the obligation to establish reciprocal compensation arrangements
8 considered above, the pricing standards at Section 252(d) simply do not apply to
9 the proposed Wireless Termination Tariffs. Therefore the Commission concludes
10 that the proposed tariffs are not unlawful pursuant to Section 252(d) of the Act or
11 the F.C.C.’s regulations implementing and interpreting the Act.” (page 32-33)

12
13 “The Commission has conclude that the provision of the Telecommunications Act
14 of 1996 do not invalidate the proposed tariffs under consideration here.” (page
15 33)

16
17 “If the CMRS carriers do not like these rates, they have the option of compelling
18 arbitration under the Act.” (p. 41)

19
20 The wireless carriers have not established that they would pay less under forward looking
21 rates than they would pay pursuant to tariffed access rates.

22 **Q. Given this ruling of the Missouri Commission, is there any reason that the**
23 **same conclusions should not apply to small ILEC access tariffs?**

24 A. Not that I can see. The Commission found that the Wireless Termination Tariffs
25 were in the nature of access tariffs. If reciprocal compensation is not a necessary
26 component of Wireless Termination tariffs, which are in the nature of access tariffs, it is
27 likewise not a necessary component of access tariffs. If the reciprocal compensation
28 principles of the Act do not apply to state-approved Wireless Termination Tariffs, which
29 are in the nature of access tariffs, they do not apply to state-approved access tariffs. If
30 the Wireless Termination Tariffs, which are in the nature of access tariffs, are not
31 unlawful if applied to terminating intraMTA wireless traffic, then it should likewise not
32 be unlawful to apply access tariffs to the same traffic. If the CMRS providers do not like

1 the access tariff rates, they can compel arbitration under the Act, just as the Commission
2 recognized they could do if they did not like Wireless Termination Tariff rates.

3 The **only** difference between the Wireless Termination Tariffs and Access Tariffs
4 is one of rate. The Wireless Termination Tariffs charge all access element rates, with a
5 partial CCL element. The access tariffs charge the very same elements. I see no
6 regulatory difference justifying allowing Wireless Termination Tariffs to apply, but not
7 allowing access tariffs to apply.

8 The MITG companies have not been subject to “defacto bill and keep”.

9
10 **Q. At numerous places in the rebuttal testimonies of wireless carrier witnesses**
11 **William Brown, Billy Pruitt, John Clampitt, Gregory Tedesco, and Larry Krajci,**
12 **they claim that the MITG and the wireless carriers have been using a “defacto bill**
13 **and keep” compensation between them. Do you agree?**

14 **A.** No. The MITG companies have not agreed to bill and keep. No such agreement
15 exists. There is no provision in the Act or FCC rules that I am aware of which recognize
16 “defacto” reciprocal compensation. Reciprocal compensation agreements are required to
17 be in writing and approved by the state Commission, not left to some “defacto” status.

18 The specific findings required by 47 CFR 51.711(b) to approve bill and keep are
19 that the amount of traffic from one network to the other is roughly balanced, and is
20 expected to remain so. The specific findings required by 47 CFR 51.713(b) are that the
21 two companies’ costs are symmetrical and the traffic between the two carriers is
22 reasonably balanced and is expected to remain so. Nowhere do such findings exist for
23 any MITG company.

1 The wireless carriers raised the same contention in TT-2001-139, but the
2 Commission rejected it and approved the Wireless Termination Tariffs. If a “defacto”
3 reciprocal compensation mechanism were already in place, as the wireless carriers
4 suggest, approval of the Wireless Termination Tariffs would not have been appropriate.
5 It would not have been appropriate for the Commission to approve a tariff to take
6 precedence over a reciprocal compensation agreement.

7 **Q. Based upon the Respondents’ description of the indirect or transiting**
8 **structure, do you agree that they are really using bill and keep for the traffic they**
9 **send to the MITG companies?**

10 A. No. Under bill and keep, the originating carrier keeps the end user revenue and
11 makes **no** payments for transport or termination to another carrier. Here the wireless
12 carriers are paying SWBT to transport the calls destined for the MITG companies. I fail
13 to see how this arrangement is bill and keep arrangement when the wireless carriers are
14 paying transport to SWBT. Their attempt to bootstrap a single approved arrangement
15 where they pay SWBT into one which uses bill and keep for the MITG companies is
16 illogical.

17 **Q. If the MITG companies were subject to exchanging reciprocal traffic with**
18 **the wireless carriers based upon a transiting structure, are there be any pieces of the**
19 **transiting structure that the Respondents have failed to mention?**

20 A. Yes. If we were required to pay transport to an intermediate transiting carrier
21 such as SWBT, there is a question of compensation to SWBT for its transiting function
22 for traffic from the MITG companies to the wireless carriers. I am not aware of any
23 commitment that SWBT has made to transport this traffic without charge. In the

1 interconnection negotiations, I asked the wireless carriers “whose facilities is Mid-
2 Missouri supposed to confiscate” in order to send them reciprocal traffic. They failed to
3 answer this question. I believe they knew that Mid-Missouri was not required to
4 purchase the services of another carrier as part of its interconnection obligations.

5 **Q. Are you aware of any obligation the MITG companies have to purchase the**
6 **services of third party carriers such as SWBT in order to have a reciprocal**
7 **compensation arrangement?**

8 A. No. In fact the reciprocal compensation pricing rule of section 252(d)(2)(A)(i) of
9 the Act states that the terms should provide for:

10 “the mutual and reciprocal recovery by each carrier of costs associated with the
11 transport and termination on **each carrier’s network facilities** of calls that
12 originate **on the network facilities of the other carrier**”
13

14 There is no mention of terms and conditions for the use of the network of intermediate
15 IXCs transporting the traffic. I conclude we are not obligated to purchase interexchange
16 transport services from any carrier other than the other carrier party to the reciprocal
17 compensation agreement.

18 **Direct versus indirect interconnection.**

19 **Q. In their rebuttal testimonies, the wireless carriers criticize the MITG efforts**
20 **to negotiate direct interconnection agreements, contending the MITG is not entitled**
21 **to do so. What is your response?**

22 A. The Act in section 251(a) does contain a duty to interconnect directly or
23 indirectly. The MITG companies were indirectly interconnected to Respondent wireless
24 carriers prior to the Act, and have continued to remain indirectly interconnected through
25 this date. There is no dispute that this traffic was completed prior to the Act under the

1 same indirect interconnection that existed then as well as now. We have met the
2 *interconnection* duty.

3 The distinction that the Respondents are failing to make is the distinction between
4 interconnection and *compensation*. Indirect interconnection does not equate to indirect
5 *reciprocal compensation*. While carriers may voluntarily agree to the shortcomings of
6 reciprocal compensation over an indirect interconnection, it is my understanding of the
7 Act that ILECs have the right to negotiate for a direct interconnection in order to
8 exchange reciprocal compensation traffic.

9 The MITG companies have repeatedly stated their preference for a direct
10 interconnection for reciprocal compensation. The wireless carriers have negotiated and
11 agreed to direct interconnection reciprocal compensation agreements with SWBT,
12 Verizon (GTE), and Sprint Missouri Inc. Yet the Respondents refuse to recognize the
13 right of the MITG to negotiate for direct interconnection affording them the same rights
14 and protections that the larger ILECs obtained. I am not aware of any limitation on
15 small ILEC rights to negotiate for the same terms and structures as large ILECs under the
16 Act. In fact, small rural ILEC rights may be considered superior to those of large ILECs
17 due to the rural exemption set forth in §251(f) of the Act.

18 **Q. Do you interpret the '96 Act to allow the MITG companies to negotiate for a**
19 **direct interconnection?**

20 A. Yes. It is my reading of the Act that a direct interconnection is the only
21 interconnection over which reciprocal compensation can be compelled. The Act, FCC
22 rules, and FCC Interconnection Order all suggest that interconnection be structured upon
23 a direct physical interconnection between the two carriers between whom reciprocal

1 compensation traffic will be exchanged, the Respondent wireless carriers and the MITG
2 companies.

3 47 USC 251(c)(2) imposes the duty upon ILECs to provide, for the facilities and
4 equipment of any requesting telecommunications carrier, **interconnection with the local**
5 **exchange carrier's network--(B)** at any technically feasible **point within the carrier's**
6 **network.** FCC rule 47 CFR 51.5 defines an interconnection as the "**linking of two**
7 **networks** for the mutual exchange of traffic". Under the indirect interconnection there is
8 no interconnection of the wireless carrier's facilities with the MITG companies' local
9 network. The indirect interconnection requires two or more direct linkings of three or
10 more networks, not two networks.

11 A review of the applicable FCC rule also contains clear language indicating that
12 reciprocal compensation is intended over a direct interconnection between two carriers.
13 Here is that rule, with certain language I have bolded:

14 TITLE 47--TELECOMMUNICATION

15

16 PART 51--INTERCONNECTION--Table of Contents

17

18 Subpart H--**Reciprocal Compensation for Transport and Termination of**
19 **Telecommunications Traffic**

20

21 Sec. 51.701 Scope of transport and termination pricing rules.

22

23 (a) The provisions of this subpart apply to **reciprocal compensation**
24 **for transport and termination of telecommunications traffic** between LECs
25 and other telecommunications carriers.

26 (b) Telecommunications traffic. For purposes of this subpart,
27 telecommunications traffic means:

28 (1) Telecommunications traffic exchanged between a LEC and a
29 telecommunications carrier other than a CMRS provider, except for
30 telecommunications traffic that is interstate or intrastate exchange
31 access, information access, or exchange services for such access (see
32 FCC 01-131, paragraphs 34, 36, 39, 42-43); or

33 (2) Telecommunications traffic exchanged between **a LEC and a CMRS**

1 **provider** that, at the beginning of the call, originates and terminates
2 within the same Major Trading Area, as defined in Sec. 24.202(a) of this
3 chapter.

4 (c) **Transport.** For purposes of this subpart, transport is the
5 transmission and any necessary tandem switching of telecommunications
6 traffic subject to section 251(b)(5) of the Act **from the interconnection**
7 **point between the two carriers** to the terminating carrier's end office
8 switch that directly serves the called party, or equivalent facility
9 provided by a carrier other than an incumbent LEC.

10 (d) **Termination.** For purposes of this subpart, termination is the
11 switching of telecommunications traffic at the terminating carrier's end
12 office switch, or equivalent facility, and delivery of such traffic to the called
13 party's premises.

14 (e) **Reciprocal compensation.** For purposes of this subpart, a
15 reciprocal compensation **arrangement between two carriers** is one in which
16 **each of the two carriers receives compensation from the other carrier**
17 for the transport and termination on each carrier's network facilities
18 of telecommunications traffic that originates on the network facilities
19 of the other carrier.

20
21 [61 FR 45619, Aug. 29, 1996, as amended at 66 FR 26806, May 15, 2001]
22
23

24 Both section 251 (b) (5) of the Act, and this implementing rule, state that the duty
25 to establish reciprocal compensation arrangements exists for the **transport and**
26 **termination** of telecommunications. The definition of transport requires an
27 interconnection point between **two carriers**. The rule also speaks in terms of reciprocal
28 compensation between a (single) LEC and a (single) CMRS provider. Finally, it appears
29 to me that the language of subpart (e) defining a reciprocal compensation arrangement as
30 one "**between two carriers** in which **each** of the **two** carriers receives compensation
31 **from the other**" is very straightforward.

32 **Q. What matters would the MITG seek to negotiate in a direct interconnection**
33 **agreement that the wireless carrier have refused to negotiate?**

34 **A.** By directly interconnecting their networks both the wireless carrier and the LEC
35 can implement measuring systems to record the calls, establish the intraMTA or

1 interMTA jurisdiction of the calls, measure the call volumes, apply the applicable rate,
2 prepare billing records, bill and collect utilizing their own systems, without the need to
3 rely upon a potentially unreliable transiting carrier. Also, if there were a direct
4 interconnection, rather than an indirect interconnection via a common trunk, the
5 interconnection could be disconnected for non-payment without preventing the traffic of
6 paying carriers from also terminating. There would be no need to have to involve SWBT
7 in disconnection considerations, or pay a third party for the disconnect translations.

8 Another advantage of direct interconnection is that there would be no “reciprocal
9 traffic” issue. If there were a direct trunk from the wireless carrier to our facilities, we
10 would have a separate connection from IXC trunks. This would enable us to send traffic
11 destined for wireless NXXs without violating our obligation to send 1+ traffic to the
12 customer’s selected IXC.

13 **Network Efficiencies.**

14 **Q. In their rebuttal, the Respondents state that, from a network standpoint, they**
15 **do not want to directly interconnect with the MITG companies, as it is more**
16 **efficient to get traffic terminating to the MITG companies delivered by handing it**
17 **off to SWBT. How does this decision they have made fit into your analysis?**

18 A. I don’t disagree with them that, given the amount of traffic and their ability to use
19 their existing direct interconnections with SWBT, they may prefer to continue utilizing
20 an indirect interconnection to send traffic to the MITG companies. However, if they
21 choose not to directly interconnect due to efficiencies, that means that they rely upon
22 SWBT in its IXC capacity to deliver their traffic. This should mean that, as the

1 delivering IXC, this traffic is not reciprocal compensation traffic but access traffic that
2 the delivering IXC—SWBT or Sprint—should pay terminating access for.

3 This would require SWBT or Sprint to charge the wireless carrier sufficiently to
4 cover the terminating access expense, but that is the normal business arrangement in the
5 IXC market. From the wireless carriers' standpoint, that is part of the cost of the indirect
6 interconnection, just as the cost of connecting facilities is a part of the cost of the direct
7 interconnection. The tradeoff is this: Will the savings from going from access to
8 reciprocal compensation rates be sufficient to outweigh the costs to build or lease
9 facilities to directly connect with Mid-Missouri Telephone Company? If the answer is
10 "yes", they establish reciprocal compensation over a direct interconnection. If the answer
11 is "no", they continue to pay an IXC to terminate the traffic. This is the same decision
12 they made when they decided to directly interconnect with SWBT, Sprint, and Verizon.

13 The wireless carriers' claim that they are entitled to reciprocal compensation over
14 an indirect interconnection is inappropriate because it would provide them the benefits of
15 direct interconnection **without** the costs of direct interconnection. Another benefit that
16 has accrued to them in Missouri these past 4 ½ years is that the indirect interconnection
17 has allowed their traffic to be terminated without payment of terminating compensation
18 to the MITG companies. This has been allowed for so long because the nature of the
19 "common" trunk SWBT place this traffic on, without the MITG companies' consent, has
20 prevented the MITG companies from disconnecting for non-payment.

21 **"Transiting" Interconnection Agreements between the Respondents do not**
22 **bind the MITG Companies.**

23
24 **Q. SWBT suggests that it is obligated to perform a transiting function by its**
25 **interconnection agreements, that it does not generate sufficient revenue to pay**

1 **terminating compensation to the MITG companies, and that the MITG companies**
2 **must accept reciprocal compensation over this transiting or indirect**
3 **interconnection. What is your analysis of these points?**

4 A. My analysis is that the Act says nothing about “transiting”. SWBT itself does not
5 accept transit traffic, and has received an Order in Kansas stating it is not required to
6 accept transit traffic. The MITG companies are ILECs and entitled to the same rights and
7 obligations as SWBT. The MITG companies are not required to accept transit traffic.

8 When SWBT negotiated interconnection agreements in Missouri premised upon
9 the MITG companies’ obligation to accept transit traffic, SWBT was attempting to
10 effectuate an inferior structure for the MITG companies, one which SWBT would not
11 accept for itself. When SWBT did not include the MITG companies in these
12 negotiations, it precluded us from pointing out this inconsistency, and from protecting our
13 rights. SWBT has negotiated interconnection agreements with wireless carriers which
14 address traffic it agrees to “transit” to the MITG companies. Those negotiations do not
15 control the compensation vehicle that the MITG companies apply. We were not party to
16 those agreements. We did not agree to this. The MITG companies are only bound by
17 reciprocal compensation arrangements they have negotiated or had arbitrated.

18 **Q. You mention that in Kansas SWBT opposed having to accept transit traffic.**
19 **Would you elaborate?**

20 A. Yes. In Kansas interconnection agreement proceedings, SWBT refused to accept
21 indirect or “transited” traffic. The basis of SWBT’s refusal was that it could not be
22 required to accept “transit” traffic as it preferred direct interconnections, and that being

1 forced to accept “transit” traffic would allow the transiting carrier to interject itself into
2 the efforts of SWBT to establish direct interconnection agreements with carriers.

3 The Kansas Corporation Commission agreed with SWBT. The KCC did not
4 require SWBT to accept transit traffic. The KCC did not require SWBT to negotiate an
5 agreement addressing traffic other than the traffic it and TCG would originate and
6 directly exchange with each other:

7 “The Arbitrator agrees with SWBT that local exchange carriers have a duty to
8 establish reciprocal compensation arrangements for the transport and termination
9 of traffic. 47 U.S.C. § 251(b)(5). Consistent with that obligation, no other carrier
10 should be authorized to interject itself into the interconnection arrangements of
11 the local exchange carrier, without its agreement. There is no indication in the
12 statute that transit services are considered. Clearly, parties may accept calls on a
13 transiting basis, but SWBT has indicated its unwillingness to do so and has
14 expressed a preference for negotiating its own agreement. SWBT’s last best offer
15 is adopted.”
16

17 See August 7, 2000 Arbitrator’s Order 5: Decision in the Matter of the Petition of TCG
18 Kansas City, Inc. for Compulsory Arbitration of Unresolved Issues with Southwestern
19 Bell Telephone Company Pursuant to section 252 of the Telecommunication Act of 1996,
20 Docket No. 00-TCGT-571-ARB, at pages 25-26.

21 **Q. Is the MITG position here different from SWBT’s position in Kansas?**

22 A. No. The MITG is saying here precisely what SWBT said in Kansas. We are not
23 required to accept reciprocal compensation over an indirect or “transit” structure. We
24 prefer direct interconnections which the Act permits us to pursue. Forcing us to accept
25 transit traffic from SWBT results in SWBT having successfully interjected itself into our
26 efforts to establish our own direct interconnections.

1 The result that SWBT forewarned in Kansas is exactly the position SWBT has put
2 the Missouri MITG companies in. SWBT's actions in transiting traffic to the MITG
3 companies have resulted in no interconnection agreements for the MITG companies.

4 **Q. Do you believe the MITG rights are any different from those of SWBT in this**
5 **regard?**

6 A. No, the rights and obligations of sections 251 and 252 of the Telecommunications
7 Act of 1996 apply equally to all ILECs, whether they be SWBT or a small MITG
8 company. They are not differentiated based upon the size or dominance of the ILEC.
9 The MITG companies are not relegated to an inferior status by the Act. The MITG
10 companies desire no more nor less than SWBT. They desire direct interconnections on
11 separate trunks be ordered so the appropriate business relationships can be established
12 prior to traffic flow. There is no reason the MITG companies should be precluded from
13 negotiating such matters as interconnection points, traffic recording, traffic
14 jurisdictionalization, compensation rates, billing, and termination for non-payment.

15 **Q. In its rebuttal, SWBT accuses the MITG of trying to change the business**
16 **relationship. Is that your perception of what is going on here?**

17 A. No. In my view, what is going on here is that SWBT is trying to compel an
18 inferior business relationship upon the MITG companies. SWBT won't accept this
19 inferior relationship itself. SWBT does not want to have to accept transit traffic, but it
20 wants the Commission to force the MITG companies to accept transit traffic. SWBT
21 wants to build its relationships with wireless carriers around a direct interconnection, but
22 wants the MITG companies to be forced to utilize an indirect interconnection.

1 SWBT wants this traffic to be placed on its interexchange/access trunks to the
2 MITG, but not be subject to the rules for interexchange traffic. At the end of the day,
3 SWBT wants to be in the middle, transiting, recording, providing billing records,
4 providing blocking services, and getting paid for those functions. The normal business
5 relationship for interexchange traffic is that the IXC has a separate, dedicated trunk—not
6 a common trunk, the terminating carrier records and bills, and the IXC pays for all traffic
7 delivered. This is the structure that applies when AT&T or any other IXC delivers either
8 an interMTA wireless call, an intraMTA wireless call, or an interexchange landline call.
9 There is no reason for a different structure to apply to SWBT.

10 SWBT had no authority to negotiate contracts which impact the MITG
11 companies' rights. If SWBT or the wireless carriers wanted the MITG companies to be
12 participants in this transit relationship, the interconnection requests from the wireless
13 carriers should have been directed to the MITG companies, the negotiations should have
14 included the MITG companies, the agreement should have included the MITG
15 companies, and the proceeding in which the agreement was approved or arbitrated should
16 have included the MITG companies.

17 As none of these required steps have occurred, by taking the position that the
18 MITG companies are forced to accept transit traffic, SWBT is trying to force its choice of
19 business relationships for the MITG upon the MITG, even though SWBT will not accept
20 that same business relationship. It also deprives the MITG companies of having the
21 opportunity to negotiate their own business relationships.

22 It was SWBT's own decision to negotiate to transit traffic to the MITG. It was
23 SWBT's decision not to include the MITG in these negotiations. SWBT knew that the

1 business relationship it had with the MITG companies was that of the access tariffs. It
2 was SWBT's decision to accept a transit rate that did not cover the cost of terminating
3 calls to third party LECs. SWBT took the risk that the traffic it sent to the MITG
4 companies would be subject to their access tariffs.

5 **Q. Did the MITG companies put SWBT and Sprint on notice they were not to**
6 **transit traffic to the MITG companies?**

7 A. Yes. Attached are letters counsel for MITG sent to the large ILECs in July of
8 1999 asking SWBT, Sprint, and GTE to stop the delivery of such traffic.

9 **Q. In Mr. Hughes' testimony, page 4, SWBT complains that transit traffic has**
10 **added to SWBT's network congestion and exhaust. What is your reaction?**

11 A. SWBT brought this on itself. It should have no bearing here. SWBT is not
12 acting consistently. SWBT tells Kansas regulators it is *not* required to accept transit
13 traffic. Having protected itself from transit traffic, SWBT now tells Missouri regulators
14 that SWBT is required to accept transit traffic. The need to add additional facilities to
15 accommodate the transit traffic SWBT agreed to carry is a function of SWBT's decision
16 to secure a business relationship with it being in the middle. SWBT negotiated
17 agreements premised upon this inconsistency, without including the MITG companies in
18 these negotiations, even though it was trying to foist a new business relationship on the
19 MITG companies. SWBT should not be heard to complain of arbitration decisions
20 regarding a relationship it chose to pursue. The MITG companies certainly did not create
21 this problem.

22

23

1 **SWBT and Sprint are IXC's in the MITG service areas.**

2 **Q. SWBT, Sprint Missouri Inc., and the wireless carriers at several places in**
3 **their rebuttal testimony state that, for purposes of the traffic at issue, SWBT and**
4 **Sprint are acting as an ILEC, not as an IXC. Do you agree?**

5 A. I strongly disagree. By definition, there is only one incumbent LEC in each
6 incumbent LEC exchange. In the MITG companies' exchanges, the ILEC is the MITG.
7 Neither SWBT nor Sprint is the ILEC in the MITG exchanges. SWBT and Sprint have
8 no right in their ILEC capacity to negotiate interconnection agreements applying to traffic
9 destined for MITG company service areas. When SWBT or Sprint take traffic across the
10 MITG companies' exchange boundaries, they do so as an IXC, not as an ILEC.

11 The MITG access tariffs, in effect since 1988, make this clear. These tariffs
12 define an IXC to include any interexchange carrier, including former primary toll carriers
13 during the PTC Plan. Attached is Oregon Farmers Mutual Tel Co. PSC Mo No. 6 tariff
14 sheet 44.1, which defines an interexchange customer (carrier) specifically to include
15 former PTCs such as SWBT and Sprint.

16 This Commission has previously interpreted these tariffs to mean that, in relation
17 to the MITG companies' service areas, SWBT and Sprint are IXCs, not ILECs. In its
18 September 26, 2000 Report and Order in TC-2000-325, et al., pages 10-11, the
19 Commission held:

20 "SWBT also asserts that it should be allowed to continue to use FGC because it is
21 a LEC, not an IXC, and FGC was created as a pathway for traffic from one LEC
22 to another. SWBT is, of course, a LEC. However, when the PTC plan was
23 eliminated, SWBT's relationship to the Respondents was changed. For the
24 purpose of originating intraLATA interexchange traffic, SWBT is now essentially
25 just another intraLATA IXC, which may, if its chooses to comply with the
26 Respondents' respective tariffs, originate traffic in the Respondents' exchanges."
27

1 This decision is just as applicable to terminating traffic as to originating. An
2 interexchange carrier is a carrier transporting traffic across exchange boundaries. The
3 tariff definition of an IXC is the same whether the traffic in question originates from
4 MITG company exchanges, as it did in the case quoted above, or whether the traffic in
5 question terminates to MITG company exchanges, as is the case here. It betrays logic
6 and common sense for SWBT to suggest that, for purposes of interexchange traffic it
7 terminates to MITG exchanges, it does so as an ILEC when the Commission has already
8 held that, for purposes of traffic SWBT originates from MITG exchanges it does so as an
9 IXC.

10 **Q. Why is the distinction that SWBT is an IXC in the MITG exchanges, and an**
11 **ILEC in its own exchanges, important?**

12 A. This is a point that appears to have confused many. By calling itself the ILEC for
13 traffic transported to MITG exchanges, SWBT suggests it has “no choice” but to
14 transport this traffic, and the MITG companies have “no choice” but to accept it. This
15 fiction that SWBT is the ILEC even when it comes to traffic terminating to the MITG
16 exchanges is necessary to SWBT’s position because, under the Act, only ILECs have the
17 duty to interconnect and establish reciprocal compensation. IXCs have no such duty. In
18 fact, FCC decisions indicate that when traffic is handed to an IXC, reciprocal
19 compensation does not apply. The access regime was preserved for traffic carried by an
20 IXC. Thus it is necessary to SWBT’s transiting scheme to position itself as the ILEC for
21 traffic going to MITG exchanges.

22 **Q. Does your analysis find support in the FCC Interconnection Order?**

1 A. Yes. The FCC, in its Interconnection Order, issued the following paragraphs
2 specifying that access would continue to apply to traffic carried by an IXC, and
3 reciprocal compensation as set forth in agreements would apply to two directly
4 interconnected carriers:

5 ¶ 1034. Access charges were developed to address a situation in
6 which **three** carriers—typically, the originating LEC, the IXC, and the
7 terminating LEC—collaborate to complete a long-distance call. By
8 contrast, reciprocal compensation for transport and termination of calls is
9 intended for a situation in which *two carriers* collaborate to complete a
10 local call. We find that the reciprocal compensation provisions of section
11 251(b)(5) for transport and termination of traffic do not apply to the
12 transport or termination of interstate or intrastate interexchange traffic.
13

14 ¶ 1043. Under our existing practice, most traffic between LECs and
15 CMRS providers is not subject to interstate access charges, *unless it is*
16 *carried by an IXC*. We conclude that the new transport and termination
17 rules should be applied to LECs and CMRS providers so that CMRS
18 providers continue not to pay interstate access charges for traffic that
19 currently is not subject to such charges, and are assessed such charges for
20 traffic that is currently subject to interstate access charges.
21

22 At the time the FCC failed to specifically address the situation in which three
23 carriers are involved in completing what would be a local call under the rules established
24 for negotiating reciprocal compensation agreements. This Commission, in its December
25 23, 1997 Report and Order in TT-97-524, pages 15 and 16, recognized that the FCC's
26 failure left the Commission without guidance:

27 “The FCC’s order does not appear to consider a situation in which three carriers
28 are needed to complete a local call, as may be the case where interconnection is
29 indirect rather than direct.... Whether the FCC also intends for reciprocal
30 compensation arrangements to apply in situations where there is an indirect
31 interconnection between a wireless carrier and a third-party LEC, and
32 consequently three carriers are needed to terminate the traffic, is an open
33 question.”
34

1 Since that time, the FCC has provided the guidance missing in December of 1997.
2 In 2000, the FCC decided a complaint case involving paging carriers and local exchange
3 carriers (LECs). Paging carriers have the same status as CMRS providers in this regard.
4 In *TSR Wireless, LLC, et al. v. US West Communications, Inc., et al.*, File Nos. E-98-13
5 et al., *Memorandum Opinion and Order*, FCC 00-194 (2000 FCC LEXIS 3219) rel. June
6 21, 2000, p. 19, para. 3. In that case, the FCC observed:

7 Pursuant to Section 51.703(b), a LEC may not charge CMRS providers for
8 facilities used to deliver LEC-originated traffic that originates and
9 terminates within the same MTA, as this constitutes local traffic under our
10 rules. **Such traffic falls under our reciprocal compensation rules if**
11 **carried by the incumbent LEC, and under our access charge rules if**
12 **carried by an interexchange carrier.**
13

14 **Q. How do you reconcile the Commission's decision in TT-97-524 with its**
15 **decision in the Alma tariff case, TT-99-428?**

16 A. I cannot. In TT-97-524 the Commission stated that the issue of whether
17 reciprocal compensation applied when three carriers were involved was an open question
18 the FCC had not made clear. In the Alma tariff case, TT-97-524, the Commission
19 reviewed the very same Act and FCC Interconnection Order and concluded access tariffs
20 simply could not be applied to intra-MTA traffic at all. To my knowledge the
21 Commission has never explained what transpired to change an open question to a closed
22 question. As I have set forth above, I believe the Act allows access to apply until
23 reciprocal compensation agreements are approved.

24 This unexplained change of decision has left all small companies in the state with
25 a serious problem. After February 5, 1998, SWBT and the wireless carriers sent traffic to
26 the small companies even in the absence of an interconnection agreement. It was three

1 years before any small company Wireless Termination Tariffs were approved effective in
2 February of 2001. A significant issue presented by this case is what compensation does
3 apply in the absence of a reciprocal compensation agreement.

4 **Q. In the appeal of the Alma tariff case decision, did the Court's uphold the**
5 **Commission's conclusion that access tariffs could never be applied to intra-MTA**
6 **traffic?**

7 A. No. The November 1, 2000 Judgment of the Cole County Circuit Court in Case
8 No. 00CV323379 made the following conclusions of law:

9 27. The Commission's January 27, 2000 Report and Order is unlawful and
10 unreasonable in the following respects:

11
12 28. This Court's prior ruling and the Commission's prior decisions establish
13 an obligation upon wireless carriers and CLECs to establish interconnection agreements
14 containing reciprocal compensation arrangements with Relators prior to sending traffic
15 terminating to Relators.

16
17 29. This obligation is consistent with the Telecommunications Act of 1996,
18 which requires carriers desiring interconnection under a reciprocal compensation
19 arrangement instead of access charges to obtain an approved agreement. 47 USC
20 251(b)(5).

21 30. The Telecommunications Act of 1996 does not preclude Relators from
22 collecting switched access compensation until an interconnection agreement containing
23 reciprocal compensation replaces switched access. Switched access rates may lawfully
24 be applied prior to approval of an interconnection agreement.

25
26 33. The Commission's actions in approving interconnection agreements
27 between SWBT and CMRS providers, and between SWBT and CLECs, which
28 agreements encompassed traffic destined to terminate in Relators' exchanges, did not
29 effect the applicability of Relators' access tariffs to such traffic. If the approval of
30 interconnection agreements to which Relators were not parties were to have such an
31 effect, the result would be the termination of traffic to Relators for which Relators receive
32 no compensation, and for which Relators have no mechanism to preclude the termination
33 of such traffic. This would, and indeed has, resulted in prejudice to Relators in that
34 Relators have suffered the use of their facilities without compensation, and has resulted in
35 discrimination in that Relators are effectively precluded from obtaining direct
36 interconnection agreements allowing for the identification of the responsible carrier,
37 jurisdiction of the traffic, appropriate compensation rates, and the ability to preclude the

1 delivery of such traffic until a business relationship was established, as SWBT has been
2 able to obtain, in violation of 47 USC 252(e)(2)(A)(i).

3
4 34. This Court further concludes that Relators cannot be compelled to enter
5 into interconnection agreements constructed over an "indirect" interconnection. Under
6 an indirect interconnection there is no direct physical connection between Relators and
7 the CLECs or CMRS providers transiting terminating traffic to Relators over SWBT's
8 intermediate facilities, and as such there is not "transport" as required under the law for
9 reciprocal compensation. 47 USC 251(c)(2); *Comptel v FCC*, 117 F.ed 1068 (Ith CCA
10 1997); 47 USC 251(c)(1); 47 CFR 51.701(c); 47 CFR 51.701(b); *In the Matter of*
11 *Implemenation of Local Competition Provision in the Telecommunications Act of 1996*,
12 CC Docket No. 96-325, First Report and Order, rel. Aug. 1, 1996, paragraphs 1033-1044.
13 The Commission's conclusion of law number 2 is an erroneous interpretation of law.
14

15 **Q. What is the status of this decision?**

16 A. It has not been reversed, although subsequent remand and review proceedings are
17 still pending.

18 **Q. Did the Commission Order approving the Wireless Termination Tariffs**
19 **clarify this matter?**

20 A. In my view the Commission's subsequent decision in TT-2001-139 (the Mark
21 Twain tariff case) further confuses as to the Commission's interpretation. In that case the
22 Commission held that although wireless terminating tariffs were in the nature of an
23 access tariff, it was permissible for a state access-like tariff to apply to intraMTA traffic
24 even though the tariff did not contain forward looking reciprocal compensation rates.

25 **Q. Did the Commission's findings in the Mark Twain Tariff case explain the**
26 **failure of agreements to be reached?**

27 A. Yes. The Commission recited its original expectation that agreements
28 would be approved prior to termination. The Commission found that SWBT had done
29 nothing to enforce the prohibition against wireless carriers sending traffic without an
30 agreement. Therefore the traffic terminated to the MITG companies without an

1 agreement authorizing this. The Commission found that neither the wireless carriers nor
2 the small ILECs had been willing to make the compromises necessary for reaching an
3 agreement. The Commission recognized that due to the inability of the MITG companies
4 to block uncompensated traffic on the common trunks, the wireless traffic continued to be
5 terminated to subscribers of the small LECs at no extra cost to the wireless carriers, and
6 therefore the wireless carriers had no incentive to enter into agreements.

7 **Q. What course of action have the MITG companies taken to comply with**
8 **Commission orders?**

9 A. The Commission decision in SWBT's Wireless Interconnection Tariff indicated
10 that the traffic was not to be delivered to the MITG companies in the absence of an
11 interconnection agreement. SWBT's tariff approved in that same decision contained a
12 mandatory obligation:

13 "Wireless carriers **shall** not send calls to SWBT that terminate in an Other
14 Telecommunication Carrier's network unless the wireless carriers has entered into
15 an agreement with such Other Telecommunications Carriers to directly
16 compensate that carrier for the termination of such traffic." (SWBT PSC Mo N.
17 40, 5th Rev Sheet 16.02
18

19 SWBT witness Hughes, at page 18 of his rebuttal testimony suggests that SWBT's
20 interconnection agreements contain a similar obligation for wireless carriers to first enter
21 into an agreement with the terminating carrier before sending traffic to them.

22 When the traffic was reported as terminating, and the MITG companies had no
23 such agreements, the only billing mechanism any of the small companies in Missouri
24 then had was their access tariff. We billed under that tariff without success. We asked
25 SWBT, Sprint, and GTE to stop delivering the traffic. They did not comply. We filed a
26 tariff clarification stating that access did apply until there was an agreement. The

1 Commission rejected it, the Circuit Court reversed the Commission, and the case is still
2 pending final resolution, without any higher court indicating the Circuit Court was
3 wrong.

4 Then many small companies filed their wireless terminating tariffs which were
5 not approved until February of 2001. This left small companies with a three year period
6 between February of 1998 and February of 2001 in which the only approved vehicle for
7 terminating the traffic was their access tariff. I believe the small companies have
8 attempted to collect compensation in good faith.

9 **Q. If the Commission now decides that access cannot be applied to this traffic,**
10 **what will the practical effect on the MITG companies be?**

11 A. The practical effect will be that the Commission will have allowed the use of our
12 terminating facilities without compensation. An essential issue the MITG companies are
13 asking the Commission to address in this proceeding is what compensation mechanism
14 applied to traffic sent in the absence of either an approved agreement or wireless
15 terminating tariff. This issue is common to all MITG companies. The only mechanism in
16 place was our access tariff. There was no other agreement or tariff setting forth any rate
17 that could have been applied.

18 **inter-MTA vs. intra-MTA**

19 **Q. Several of the wireless carrier witnesses in their rebuttal have indicated that,**
20 **since the MITG companies cannot distinguish between interMTA and intraMTA**
21 **traffic, that it must be assumed that all is intraMTA. Do you agree?**

22 A. No. This traffic has been sent without the opportunity for the MITG companies to
23 have any input into traffic delivery, recording, measurement, or billing. If there had been

1 an interconnection agreement to which we were party, we would have had the
2 opportunity to have had such input. Instead we receive a CTUSR which fails to
3 distinguish between interMTA or intraMTA traffic, and fails to distinguish between
4 SWBT Tariff traffic and SWBT interconnection agreement traffic. The fact that the
5 records do not specify the jurisdiction of the call has nothing to do with any action of the
6 MITG companies. I believe fairness dictates that the Respondents should have
7 established the jurisdiction of the traffic.

8 If the traffic was interMTA, access applies and SWBT or Sprint Missouri Inc. is
9 obligated to pay terminating access. Continuing to allow SWBT to deliver interMTA or
10 intraMTA traffic without reporting the jurisdiction, and without paying terminating
11 compensation, could be the basis for other IXCs demanding the same. As Mr. Scheperle
12 testified, IXCs delivering either interMTA or intraMTA traffic to the MITG companies
13 are required to pay terminating access compensation.

14 The MTA boundary line and the LATAs that SWBT delivers traffic to do not
15 coincide. The MTA follows county lines, and divides Missouri into the Kansas City and
16 St. Louis MTAs. LATA boundaries follow exchange boundaries, and Missouri includes
17 the Kansas City LATA, the St. Louis LATA, and the Springfield LATA. The following
18 chart will reflect that there are two Mid-Missouri exchanges in the St. Louis MTA but the
19 transiting traffic SWBT delivers to them comes from the Kansas City LATA:

20	Company	Exchange	County	MTA	LATA
21	Mid-Missouri	Arrow Rock	Saline	Kansas City	Kansas City
22		Blackwater	Cooper	Kansas City	Kansas City
23		Bunceton	Cooper	Kansas City	Kansas City
24		Fortuna	Morgan	Kansas City	Kansas City
25		Gilliam	Saline	Kansas City	Kansas City
26		High Point	Moniteau	St. Louis	Kansas City

1	Latham	Moniteau	St. Louis	Kansas City
2	Marshall Jct.	Saline	Kansas City	Kansas City
3	Miami	Saline	Kansas City	Kansas City
4	Nelson	Saline	Kansas City	Kansas City
5	Pilot Grove	Cooper	Kansas City	Kansas City
6	Speed	Cooper	Kansas City	Kansas City
7				

8 SWBT trunks delivering this traffic are intraLATA trunks, as SWBT is prohibited from
9 transporting interLATA traffic. Therefore, all wireless traffic originated in the Kansas
10 City MTA and in the Kansas City LATA terminating to the above St. Louis MTA
11 exchanges would be interMTA access traffic.

12 In Mid-Missouri's negotiations with Verizon Wireless and US Cellular, it is my
13 recollection that these negotiations broke off when Verizon Wireless and US Cellular
14 concluded that most of their traffic to Mid-Missouri was inter-MTA traffic. That is why I
15 believe Verizon Wireless started sending its traffic to another IXC besides SWBT.
16 However US Cellular has apparently kept sending its inter-MTA traffic destined for Mid-
17 Missouri to SWBT.

18 **Q. What relief is Mid-Missouri requesting from the Commission in this**
19 **proceeding?**

20 A. Mid-Missouri would like the commission to decide the following:

- 21 1. Award Mid-Missouri \$48,564.98 for Cingular traffic;
- 22 2. Award Mid-Missouri \$38,623.92 for Ameritech Mobile (Verizon
23 Wireless) traffic;
- 24 3. Award Mid-Missouri \$1,878.71 for CMT Partners (Verizon Wireless)
25 traffic;
- 26 4. Award Mid-Missouri \$5,244.49 for Sprint Spectrum LP (Sprint PCS)

1 traffic;

2 5. Determine who is responsible to compensate Mid-Missouri for the above
3 amounts;

4 6. For subsequent traffic, determine compensation responsibilities;

5 7. Order that if Respondents fail to provide Mid-Missouri with sufficient call
6 detail to determine the jurisdiction of the traffic in the future, all traffic will be
7 determined to be inter-MTA access traffic; and

8 8. Enter an Order permitting Mid-Missouri to disconnect the trunks using
9 lawful procedures filed in its General Exchange and Access tariffs when compensation is
10 not received in the future.

11 **Q. Does this conclude your surrebuttal testimony?**

12 A. Yes.

Exh. No. _____
David Jones Surrebuttal Testimony
Mid-Missouri Telephone Co.
Surrebuttal Schedules
TC-2002-57

SURREBUTTAL SCHEDULES
OF
DAVID JONES

Jefferson City, Missouri
July 2, 2002

SCHEDULE 1

MOUs Terminated to:	Alma		Choctaw		MoKan		Chariton Valley	Mid-Missouri	Modern	Northeast	Total MOUs to
Wireless Companies -	2/98-2/01	3/01-12/01	2/98-2/01	3/01-12/01	2/98-2/01	3/01-12/01					MITG Companies
SWBW	21,777	20,325	7,411	30,302	384,609	135,259	671,670	652,358	1,177,459	1,205,196	4,306,366
Alltel			237,637	161,880			9,878				409,395
Ameritech Mobile	17,667				1,550	0	86,030	327,675	11,802	9,818	454,542
Verizon Wirelss (CMT)*					214,282	76,624					
CMT Partners (VW)	1,757	0					33,159	16,180	8,316	7,638	67,050
Cybertel							6,495				6,495
Sprint PCS			2,054	16,104	194,609	151,569	1,486				365,822
Sprint Spectrum, L.P.	9,131	6,800					22,480	44,654	2,445	3,312	88,822
US Cellular	5,141	2,344	21,286	7,131	7,576	3,398	2,509,024		1,739,402	1,689,394	5,984,696
N. Illinois Cellular							274,942				274,942
AT&TW			189,298	112,989	64	572					302,923
Aerial	44,677	0					97,520		13,547	19,704	175,448
VoiceStream (WW)	0	38,249			199,570	113,071			39,136	40,981	431,007
Western Wireless	21,885	4,633					158,815				185,333
TOTAL as of 6/24/02	122,035	72,351	457,686	328,406	1,002,260	480,493	3,871,499	1,040,867	2,992,107	2,976,043	13,343,747

SCHEDULE 2

Total Amounts owed to:	Alma	Chariton Valley	Choctaw	Mid-Missouri	Modern	MoKan	Northeast	Total Balance Due
Wireless Companies -								MITG Companies
SWBW	\$2,772.11	\$62,069.13	\$563.99	\$48,564.98	\$135,675.79	\$31,267.56	\$154,126.80	\$435,040.36
Alltel		\$0.00	\$11,278.80					\$11,278.80
Ameritech Mobile	\$1,601.65	\$7,940.58		\$38,623.92	\$130.78	\$126.01	\$108.43	\$48,531.37
Verizon Wirelss (CMT)						\$17,420.48		\$17,420.48
CMT Partners (VW)	\$156.54	\$3,060.55		\$1,878.71	\$967.03		\$941.81	\$7,004.64
Cybertel		\$599.49						\$599.49
Sprint PCS		\$137.15	\$0.00			\$15,347.93		\$15,485.08
Sprint Spectrum, L.P.	\$874.69	\$2,049.76		\$5,244.49	\$286.08		\$417.86	\$8,872.88
US Cellular	\$556.47	\$231,880.96	\$1,509.10		\$205,801.73	\$814.01	\$240,709.27	\$681,271.54
N. Illinois Cellular		\$25,377.16						\$25,377.16
AT&TW						\$0.00		\$0.00
Aerial	\$2,609.92	\$9,019.39			\$0.00		\$0.00	\$11,629.31
VoiceStream (WW)	\$2,109.28				\$1,723.02	\$22,816.48	\$2,468.76	\$29,117.54
Western Wireless	\$2,455.49	\$6,197.78						\$8,653.27
								\$0.00
TOTAL	\$13,136.15	\$348,331.95	\$13,351.89	\$94,312.10	\$344,584.43	\$87,792.47	\$398,772.93	\$1,300,281.92

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SCHEDULE 3

Payments since Direct	Alma	Chariton Valley	Choctaw	Mid-Missouri	Modern	MoKan	Northeast	Total Balance Due
Wireless Companies -				NONE	NONE		NONE	MITG Companies
SWBW			\$188.60			\$859.98		\$1,048.58
Alltel		\$911.70	\$741.88					\$1,653.58
Ameritech Mobile								\$0.00
Verizon Wirelss (CMT)*						\$4,467.18		\$4,467.18
CMT Partners (VW)								\$0.00
Cybertel								\$0.00
Sprint PCS			\$288.09			\$982.84		\$1,270.93
Sprint Spectrum, L.P.	\$86.88							\$86.88
US Cellular	\$51.22							\$51.22
N. Illinois Cellular								\$0.00
AT&TW								\$0.00
Aerial								\$0.00
VoiceStream (WW)								\$0.00
Western Wireless								\$0.00
								\$0.00
TOTAL	\$138.10	\$911.70	\$1,218.57	\$0.00	\$0.00	\$6,310.00	\$0.00	\$8,578.37

F:\Docs\Tel\TO362\To362_schedules

Exh. No. _____
David Jones Surrebuttal Testimony
Mid-Missouri Telephone Co.
Surrebuttal Exhibit-July 1999 Letters
TC-2002-57

JULY 1999 LETTERS

EXHIBIT

OF

DAVID JONES

Jefferson City, Missouri
July 2, 2002

ANDERECK, EVANS, MILNE, PEACE & BAUMHOER
ATTORNEYS AT LAW

305 EAST McCARTY STREET
P.O. BOX 1438

JEFFERSON CITY, MISSOURI 65102-1438
TELEPHONE 573-634-3422
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RODRICA A. WIDGER
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LANETTE R. GOOCH
MATTHEW D. TURNER
LORI A. KOWALSKI
MARVIN L. SHARP
OF COUNSEL
GREGORY C. STOCKARD (1904-1993)
PHIL HAUCK (1924-1991)

July 26, 1999

Joyce L. Dunlap
Area Manager
Southwestern Bell Telephone Company
One Bell Center, 36th Floor
St. Louis, MO 63101

RE: CLEC and Wireless Traffic Terminating to Mid Missouri Group Exchanges

Dear Ms. Dunlap:

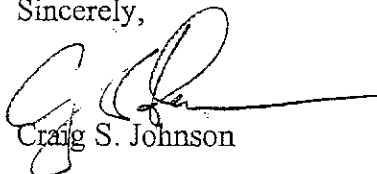
I am making this request of Southwestern Bell on behalf of my clients, Alma Telephone Company, Chariton Valley Telephone Corporation, Choctaw Telephone Company, Mid-Missouri Telephone Company, Modern Telecommunications Company, MoKan Dial, Inc., Northeast Missouri Rural Telephone Company, and Peace Valley Telephone Company, Inc.

Despite our efforts, despite the Commission's Orders, and despite the language in Commission approved interconnection agreements, my clients continue to receive traffic originated from wireless carriers, and we believe originated from CLEC's. Despite these entities' obligation not to send such traffic to us without approved interconnection agreement or mutually acceptable intercompany compensation arrangement, we continue to receive this traffic.

On behalf of my company, I would respectfully request that Southwestern Bell configure its switches to discontinue the transport and termination of such traffic to MMG exchanges. We would ask that Southwestern Bell so configure its switches effective October 1, 1999, and to so notify these CLEC's and wireless carriers of the upcoming October 1 date that such cause will no longer be completed. Please provide me with copies of all such notifications.

Thank you for your cooperation. If there are any difficulties or questions raised by this request, I would appreciate being notified immediately.

Sincerely,



Craig S. Johnson

CSJ/krm

cc: Mid Missouri Managers

TRENTON OFFICE
9th AND WASHINGTON
P.O. BOX 547
TRENTON, MISSOURI 64683-0547
660-359-2244
FAX 660-359-2116

SPRINGFIELD OFFICE
1111 S. GLENSTONE
P.O. BOX 4929
SPRINGFIELD, MISSOURI 65808-4929
417-864-6401
FAX 417-864-4967

PRINCETON OFFICE
207 NORTH WASHINGTON
PRINCETON, MISSOURI 64673
660-748-2244
FAX 660-748-4405

SMITHVILLE OFFICE
119 E. MAIN STREET
P.O. BOX 654
SMITHVILLE, MISSOURI 64089
816-532-3895
FAX 816-532-3895

Proprietary

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MARVIN L. SHARP
OF COUNSEL
GREGORY C. STOCKARD (1904-1993)
PHIL HAUCK (1924-1991)

July 26, 1999

Mr. Bob Cowdry
Director of Regulatory Affairs
Sprint Missouri, Inc.
5454 West 110th Street
Overland Park, KS 66211

RE: CLEC and Wireless Traffic Terminating to Mid Missouri Group Exchanges

Dear Mr. Cowdry:

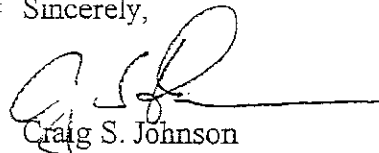
I am making this request of Sprint Missouri, Inc. on behalf of my clients, Alma Telephone Company, Chariton Valley Telephone Corporation, Choctaw Telephone Company, Mid-Missouri Telephone Company, Modern Telecommunications Company, MoKan Dial, Inc., Northeast Missouri Rural Telephone Company, and Peace Valley Telephone Company, Inc.

Despite our efforts, despite the Commission's Orders, and despite the language in Commission approved interconnection agreements, my clients continue to receive traffic originated from wireless carriers, and we believe originated from CLEC's. Despite these entities' obligation not to send such traffic to us without approved interconnection agreement or mutually acceptable intercompany compensation arrangement, we continue to receive this traffic.

On behalf of my company, I would respectfully request that Sprint Missouri, Inc. configure its switches to discontinue the transport and termination of such traffic to MMG exchanges. We would ask that Sprint Missouri, Inc. so configure its switches effective October 1, 1999, and to so notify these CLEC's and wireless carriers of the upcoming October 1 date that such cause will no longer be completed. Please provide me with copies of all such notifications.

Thank you for your cooperation. If there are any difficulties or questions raised by this request, I would appreciate being notified immediately.

Sincerely,



Craig S. Johnson

CSJ/krm

cc: Mid Missouri Managers

TRENTON OFFICE
9th AND WASHINGTON
P.O. BOX 347
TRENTON, MISSOURI 64683-0547
660-359-2244
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Proprietary

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MARVIN L. SHARP

OF COUNSEL

GREGORY C. STOCKARD (1904-1993)

PHIL HAUCK (1924-1991)

July 26, 1999

Mr. Tom Korte
Staff Manager
Industry Management
1000 GTE Drive
P.O. Box 307
Wentzville, MO 63385

RE: CLEC and Wireless Traffic Terminating to Mid Missouri Group Exchanges

Dear Mr. Korte:

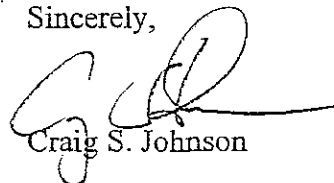
I am making this request of GTE on behalf of my clients, Alma Telephone Company, Chariton Valley Telephone Corporation, Choctaw Telephone Company, Mid-Missouri Telephone Company, Modern Telecommunications Company, MoKan Dial, Inc., Northeast Missouri Rural Telephone Company, and Peace Valley Telephone Company, Inc.

Despite our efforts, despite the Commission's Orders, and despite the language in Commission approved interconnection agreements, my clients continue to receive traffic originated from wireless carriers, and we believe originated from CLEC's. Despite these entities' obligation not to send such traffic to us without approved interconnection agreement or mutually acceptable intercompany compensation arrangement, we continue to receive this traffic.

On behalf of my company, I would respectfully request that GTE configure its switches to discontinue the transport and termination of such traffic to MMG exchanges. We would ask that GTE so configure its switches effective October 1, 1999, and to so notify these CLEC's and wireless carriers of the upcoming October 1 date that such cause will no longer be completed. Please provide me with copies of all such notifications.

Thank you for your cooperation. If there are any difficulties or questions raised by this request, I would appreciate being notified immediately.

Sincerely,



Craig S. Johnson

CSJ/krm

cc: Mid Missouri Managers

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FAX 816-532-2899

Proprietary

Exh. No. _____
David Jones Surrebuttal Testimony
Mid-Missouri Telephone Co.
Surrebuttal Exhibit-Oregon Farmers Mutual Tel. Co. PSC Mo No. 6 tariff sheet 44.1
TC-2002-57

OREGON FARMERS MUTUAL TEL. CO.

PSC MO NO. 6 TARIFF SHEET 44.1

EXHIBIT

OF

DAVID JONES

Jefferson City, Missouri
July 2, 2002

Oregon Farmers Mutual Tel. Co.

ACCESS SERVICE

2. General Regulations (Cont'd)

2.5 Definitions (Cont'd)

Interconnection Point

The V and H coordinate as determined in EXCHANGE CARRIERS ASSOCIATION TARIFF - WIRE CENTER & INTERCONNECTION INFORMATION of a point where facilities of the Telephone Company meets facilities of a connecting exchange telephone company.

Interexchange Customer(s) (IC)

Denotes any interexchange carrier (facility based or reseller) engaged for hire, which subscribes to the services offered under this Tariff to provide intrastate telecommunications services for its own use or for the use of its End Users. For purposes of this tariff, Primary Toll Carriers are also included in this definition.

(M)

(M)

(M) Material previously appearing on 3rd Revised Sheet 44 now appears on this sheet.

Issued: 4/1/93

Robert Williams, Manager
P. O. Box 227
Oregon, Missouri 64473

Effective:

MAY 01 1993

C.L. 0.6.7