

Exhibit No.:
Issues : GTE Intralata Equal Access Docket
Witness : David Jones
Type of Ex.: Rebuttal Testimony
Sponsor : The Mid-Missouri Group
Case No. : TT-96-398

GTE MIDWEST INCORPORATED
TARIFF REVISION DESIGNED TO PROVIDE
INTRALATA EQUAL ACCESS CONVERSION
IN GTE END OFFICES

CASE NO. TT-96-398

REBUTTAL TESTIMONY

OF

DAVID JONES

ON BEHALF OF

THE MID-MISSOURI GROUP

Jefferson City, Missouri
December 20, 1996

EXHIBIT NO. 3
Date 6/23/97 Case No. FD-97-333
Reporter Kem

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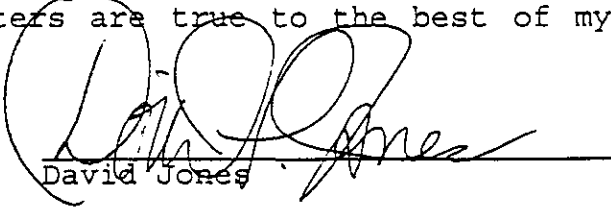
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of GTE Midwest)
Incorporated tariff revision) Case No. TT-96-398
designed to provide intraLATA)
equal access conversion in GTE)
end offices.)

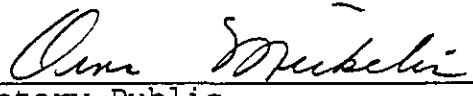
AFFIDAVIT OF DAVID JONES

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 14 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 19th day of
December, 1996.


Notary Public

My Commission Expires:

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2
ORNA MICKELIS
Notary Public - Notary Seal
STATE OF MISSOURI
Callaway County
My Commission Exp. Apr. 16, 1999

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1 Q. Please state your name and address.

2 A. David L. Jones, P.O.Box 38, 215 Roe, Pilot Grove,
3 Missouri, 65276.

4 Q. On whose behalf do you present this rebuttal testimony ?

5 A. The Mid Missouri Group of local exchange companies, as
6 individually identified in their application to
7 intervene.

8 Q. What is your current position ?

9 A. I am currently Executive Vice President of the Mid-
10 Missouri Telephone Company.

11 Q. What topics will this rebuttal testimony address ?

12 A. My rebuttal testimony will address GTE's request that
13 issues concerning expanded calling plans, and the PTC
14 Plan, not be addressed in this docket.

15 Q. What background and experience do you have with respect
16 to these matters ?

17 A. I have been Executive Vice President of Mid-Missouri
18 Telephone since 1985. During this time I was involved in
19 the proceedings and negotiations underlying the creation

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1 of the PTC Plan, as well as the expanded calling plans
2 adopted by this Commission. I participated in the task
3 forces, working groups, workshops, and dockets which
4 preceded these plans. Before and after the
5 Telecommunications Act of 1996, I have been involved in
6 all Commission dockets created in anticipation of local
7 competition, and have previously expressed positions and
8 concerns to the Commission with respect to the retention
9 of the PTC Plan and expanded calling plans in a
10 presubscribed intraLATA setting.

11 Q. At page 13 of the Direct Testimony of GTE's William E.
12 Munsell, he recommends that the Commission not address
13 these issues in this docket, but instead recommends a
14 separate statewide docket for this purpose. Do you agree
15 that the Commission should proceed in this manner ?

16 A. Yes, I agree it should be done in a separate proceeding.
17 I disagree that GTE's tariffs should be approved prior to
18 the Commission's decisions in that separate proceeding.

19 Q. Why ?

20 A. Generally, I would say that the PTC Plan was adopted by

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1 this Commission for all incumbent LECs in Missouri. It
2 currently is the mechanism under which the majority of
3 intraLATA interexchange traffic is delivered. After
4 adoption of the PTC Plan, expanded calling plans were
5 ordered by this Commission to be implemented by incumbent
6 LECs on the basis of the existing PTC Plan relationships.
7 In summary the PTC Plan constitutes the regulatory
8 framework under which all ILECs participate in ensuring
9 that all intrastate intraLATA toll traffic is completed,
10 that all Missouri residents have access to intraLATA toll
11 calling, and the intraLATA interexchange carrier of last
12 resort responsibility is defined. I believe the
13 Commission would be ill advised to allow any ILEC, PTC or
14 SC, to provide intraLATA presubscription before the
15 generic issues associated with departure from the PTC
16 Plan, or expanded calling plans, are decided.

17 Q. Do you believe that the generic issues associated with
18 presubscription and the PTC Plan are immediately
19 addressed in this docket ?

20 A. As I interpret GTE's filing, it is requesting authority

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1 to implement presubscription only in the exchanges for
2 which GTE is the ILEC. The implementation of
3 presubscription by GTE will not cause SCs to breach their
4 contractual obligation to deliver all "1+" traffic to
5 PTCs. This concern will arise when SC exchanges
6 presubscribe. In that event, breach of this contractual
7 obligation may possibly destroy the current PTC carrier
8 of last resort obligation for these SC exchanges. I
9 believe the effect of presubscription on all exchanges
10 should be addressed, as Staff recently requested in its
11 motion to establish such a docket.

12 Q. Are there any differences between interLATA
13 presubscription and intraLATA presubscription as GTE
14 proposes ?

15 A. Yes. With interLATA presubscription the FCC rules
16 assured that AT&T would maintain its carrier of last
17 resort obligation. If no other carriers participated in
18 the balloting process, customers were assigned AT&T for
19 their interLATA calling.

20 Q. Is this true for intraLATA presubscription ?

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1 A. No one knows. Although this Commission has been
2 considering intraLATA presubscription the past two years,
3 it has yet to establish any rules for presubscription.
4 Without the establishment of rules, we have no way of
5 knowing what the results of GTE's application will be.
6 There is as of yet no assurance that GTE will act as the
7 carrier of last resort for all exchanges it serves as PTC
8 after presubscription.

9 Q. Will intraLATA presubscription by GTE affect customers
10 where GTE acts as PTC in SC exchanges ?

11 A. Not unless presubscription changes GTE's role under the
12 PTC plan for non-GTE exchanges, such as Peace Valley
13 Telephone's Peace Valley exchange. If presubscription
14 were to relieve GTE of its current carrier of last resort
15 obligation for Peace Valley customers, this could have
16 serious adverse ramifications.

17 Q. If GTE no longer is the responsible carrier of last
18 resort, what adverse consequences do you foresee ?

19 A. It is impractical to expect companies of the size of
20 Peace Valley to be able to provision toll service at

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1 current rate levels. The end result is either no service
2 or service at unacceptably high rates.

3 Q. Will intraLATA presubscription impact subscribers to
4 expanded calling plans such as COS in SC exchanges ?

5 A. Yes. COS subscribers are likely to lose the two-way
6 calling function of the service. Currently COS is a two-
7 way service. Customers subscribing to COS in the Peace
8 Valley exchange purchase the ability to originate calls
9 to and receive calls from West Plains customers on a
10 toll-free basis. The return calling-from West Plains-is
11 provided by GTE in its role as PTC for Peace Valley. It
12 is my experience that petitioning exchange subscribers
13 view this return call portion of COS service as the most
14 valuable portion of the service.

15 Q. Why does presubscription threaten the return call portion
16 of COS ?

17 A. With intraLATA presubscription there is no assurance that
18 the presubscribed carrier would be willing or able to
19 provision return calling. The noncompetitive
20 relationship between PTCs and SCs that existed at the

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1 time the service was created, and upon which the service
2 is provisioned, will not exist in a competitive
3 environment. If the new entrant cannot or will not
4 duplicate the PTC/SC relationship, the two way or return
5 calling portion of COS will be lost upon presubscription
6 in the target COS exchange. Thus presubscription,
7 without advance consideration of this issue, will by
8 default mean the elimination of the return portion of COS
9 for certain customers. In other words, presubscription
10 choices by GTE West Plains subscribers will modify the
11 COS service received by Peace Valley subscribers. This
12 will have the effect of modifying an expanded calling
13 plan created by This Commission.

14 Q. Is this the proper method to establish public policy ?

15 A. I do not believe that expanded calling plans, crafted
16 upon careful consideration of perceived community of
17 interest needs, should be eliminated without careful
18 thought. Expanded calling plans were mandated after task
19 force proceedings, public hearings, and Commission
20 dockets. As I recall this process, COS was determined to

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1 be an important or essential service for COS subscribers.

2 To date no entity has been allowed to deviate from the
3 terms of expanded calling plan Orders.

4 Q. How do you believe the Commission should proceed to
5 consider these issues ?

6 A. COS was created by the Commission. I believe the
7 Commission should, prior to approving GTE's
8 presubscription request, order an investigatory docket
9 with the participation of all LECs to determine if two-
10 way COS can be retained in a presubscribed environment.
11 In order to attempt to preserve this essential service,
12 I believe the Commission should affirmatively determine
13 whether or not expanded calling services can be retained,
14 rather than risk the elimination of such services as a
15 result of intraLATA presubscription. If there is to be
16 consideration of modification or elimination of these
17 services, these considerations should be of equal dignity
18 to those afforded in creating these services.

19 Q. What solutions do you believe the Commission should
20 consider in any such proceedings ?

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1 A. This situation can be addressed in one of three ways: 1)
2 requiring the new entrants to provision the return call
3 portion of COS; 2) eliminating the return calling portion
4 of COS service itself; 3) ordering a technical solution
5 that will allow retention of two-way COS service in a
6 presubscribed environment. The first option may be
7 viewed as a barrier to entry by new market entrants. The
8 second option may be unsatisfactory to subscribers, as it
9 remains to be seen whether new services offered in a
10 competitive environment will meet the community of
11 interest needs currently fulfilled by COS. The third
12 option is the only one that contemplates retaining COS
13 and allowing for presubscription at the same time.
14 Whichever method is chosen to address this problem, it
15 should be a conscious choice of this Commission--it
16 should not be allowed to occur as an unstudied
17 consequence of a single company tariff filing.

18 Q. Under option three are there any technical solutions you
19 are aware of which may allow retention of COS and
20 presubscription ?

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1 A. I believe so. As I presented at the Workshop the
2 Commission conducted this past summer, the first
3 potential solution would be to except COS calls between
4 a petitioning and target exchange from the
5 presubscription process. As Don Borgman's "white paper"
6 (attached as schedule 1 hereto) indicated, it is believed
7 it would be feasible to continue to deliver COS traffic
8 to the PTC, through the use of translation tables, for
9 subscribers who select carriers other than their PTC for
10 non COS intraLATA calls.

11 A second possible solution is the assignment of a new NPA
12 code for Missouri COS subscribers. Let's assume for
13 illustrative purposes the NPA code "267" (COS) is
14 assigned to be used in conjunction with COS calling in
15 Missouri. This NPA code is not currently being used.
16 Due to the fact that COS calls are intraLATA and
17 generally within a given area code, I believe this code
18 could be used repetitively in all Missouri LATAs. When
19 a customer desires to place a COS call, they would use
20 the "COS" area code in lieu of the normal NPA, thereby

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1 allowing this COS traffic to be routed on the facilities
2 of the responsible PTC.

3 Q. Would this second potential solution require
4 modifications to the existing ILEC billing systems ?

5 A. No. Part of this solution would be that once the call is
6 identified and routed to the respective PTC, the routing
7 switch would reattach the normal NPA code in lieu of the
8 COS NPA code, thereby allowing the billing systems to
9 continue to function as they do today.

10 Q. What is the third potential solution ?

11 A. A third potential solution would be to utilize SS7
12 technology coupled with a COS database. In this solution
13 all calls between a target and petitioning exchange would
14 require a database query to determine if the call is a
15 qualified COS call. This solution would require full
16 deployment of SS7 and the creation of a COS database.

17 Q. Are there any other possible solutions ?

18 A. None that immediately come to mind. However the PTCs may
19 be in a position to present other possible solutions for
20 the Commission's consideration.

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1 Q. Are there any problems or objections you expect to
2 encounter with respect to these potential solutions ?

3 A. Yes. The chief objection to the first potential solution
4 is that all calls along COS routes would be excluded from
5 presubscription. The chief obstacle presented to the
6 second potential solution is obtaining an NPA assignment
7 in a timely manner. The problem with the third solution
8 is that SS7 may not be fully deployed in all end offices.
9 Additionally a database would have to be developed and
10 maintained, creating additional expense.

11 Q. Would you summarize your position ?

12 A. I believe the Commission should reject GTE's tariff
13 filing until these issues are resolved. Alternatively,
14 the Commission could allow presubscription in GTE
15 exchanges where expanded calling services are not present
16 or pending.

17 Q. Does this conclude your testimony at this time ?

18 A. Yes.

MEMO

FROM: DON BORGMAN

TO: DAVID JONES

In regards to the issue of continuing to deliver COS traffic to the Primary Toll Carrier after the implementation of Intra-lata Presubscription, it is the conclusion of Terry Schupp and myself that this is possible in the DMS-10 switch. Although there may be several ways to accomplish the same end result, a call to Mr. Jay Richardson of Nortel confirmed that the easiest and most effective solution involves assigning a unique Toll Region to the NNX where COS is offered.

In the DMS-10 translations, the Toll Region is a sub-screen of the Destination screen. The Dest (destination) prompting sequence is used to query and define the characteristics of a call destination out of the switch. Destinations store information during address translations before the call progresses to the screening functions. The toll region testing sequence is used to query toll region types for imposing intraoffice, intra-Lata and inter-Lata restrictions. Thus in the call process discussed above, the Toll Region query has the ability to over-ride any intra-LATA PIC class marks that may be imposed on the call and allow the call to proceed to the appropriate screen.

Although this procedure was only tested on the Pilot Grove switch which is at the 408.10 Generic level, there should not be any problem with older generic levels since to my knowledge, the Destination and Toll Region prompting sequences have always been a part of DMS-10 translations.

Schedule 1