

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF MOUNTAIN RURAL)	
TELEPHONE COOPERATIVE CORPORATION,)	CASE NO.
INC., FOR ARBITRATION OF CERTAIN TERMS)	2006-00296
AND CONDITIONS OF PROPOSED)	
INTERCONNECTION AGREEMENT WITH)	
CELLCO PARTNERSHIP D/B/A VERIZON)	
WIRELESS, GTE WIRELESS OF THE MIDWEST)	
INCORPORATED D/B/A VERIZON WIRELESS,)	
AND KENTUCKY RSA NO 1 PARTNERSHIP)	
D/B/A VERIZON WIRELESS, PURSUANT TO)	
THE COMMUNICATIONS ACT OF 1934, AS)	
AMENDED BY THE TELECOMMUNICATIONS)	
ACT OF 1996)	

O R D E R

Mountain Rural Telephone Cooperative Corporation, Inc. (“Mountain Rural”) filed a motion for clarification of Issue 15 of the Commission’s December 22, 2006 Order. The Commission found that the appropriate compensation for Inter-MTA traffic should be determined by applying a 3 percent inter-MTA factor and dividing the traffic evenly between intrastate and interstate jurisdictions. Mountain Rural, in its motion, contends that the Commission’s basis for making its decision does not apply to Mountain Rural. Mountain Rural’s service territory crosses an MTA boundary that’s increasing the amount of inter-MTA traffic over those carriers whose service territory is within a single MTA. In support of its motion, Mountain Rural points to its interconnection agreement with Cingular in which the parties negotiated a 20 percent inter-MTA traffic factor. Thus, Mountain Rural asserts that it will be harmed by the foregoing access revenues in

exchange for this reciprocal compensation rate. Mountain Rural asks the Commission to require its arbitrated interconnection agreements to contain inter-MTA factors predicated on specific factual circumstances of its network in order for it to avoid losing legitimate access charge revenues each month.

T-Mobile USA, Inc. ("T-Mobile") and Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless"), the two CMRS providers for which Mountain Rural has sought arbitration, submitted their opposition to Mountain Rural's motion. These Commercial Mobile Radio Service ("CMRS") providers assert that even in Mountain Rural's territory the majority of traffic terminates within a single MTA. T-Mobile and Verizon Wireless point to testimony which supports the 3 percent factor adopted by the Commission. They also argue that there is no evidence in the record to support Mountain Rural's proposed clarification. Mountain Rural, according to the CMRS providers, failed to place any evidence in the record that would cause the Commission to adopt a 20 percent factor. Moreover, T-Mobile and Verizon Wireless assert that their monthly traffic does not produce thousands of dollars of revenue for Mountain Rural.

The Commission, having considered the motion for clarification and the response thereto, finds that clarification of the December 22, 2006 Order is inappropriate based only on the written motion and response. However, the Commission also finds that Mountain Rural has raised enough concern about the appropriateness of the Commission's factor that rehearing should be granted. Mountain Rural did not present any evidence of factors in the 20 percent range in this proceeding. However, the Commission does not wish to leave a traffic factor of 3 percent in place for Mountain Rural and T-Mobile and Verizon Wireless if that factor does not approximate the inter-

MTA traffic exchanged. The Commission does not contemplate an evidentiary hearing in this matter, but contemplates that the issue will be reheard only on a written record.

IT IS THEREFORE ORDERED that:

1. Mountain Rural's motion to clarify the Commission's Order on its face is denied.
2. The Commission grants rehearing of Issue 15 as it applies to Mountain Rural, T-Mobile and Verizon Wireless.
3. Within 30 days of the date of this Order, Mountain Rural shall present its evidence of an appropriate inter-MTA traffic factor.
4. Within 60 days of the date of this Order, T-Mobile and Verizon Wireless shall respond to Mountain Rural's inter-MTA evidence.
5. The Commission's decision regarding Issue 15 contained in the December 22, 2006 Order remains in full force and effect until and unless the Commission alters it as a result of this rehearing.

Done at Frankfort, Kentucky, this 1st day of February, 2007.

By the Commission

ATTEST:



Executive Director