

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

In the Matter of CenturyTel of Missouri, LLC's)	Case No. IO-2008-0243
Request for Competitive Classification Pursuant to)	Tariff File No. YI-2008-0442
Section 392.245.5 RSMo)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation states:

1. On January 25, 2008, CenturyTel of Missouri, LLC, filed its Application for Competitive Classification pursuant to Section 392.245.5, RSMo. In its application, CenturyTel requests that the Commission classify all of its residential services, other than exchange access service, as competitive for the following exchanges: (a) Branson, (b) Exeter, (c) Rockaway Beach, and (d) Wright City. In addition, CenturyTel requested that the Commission classify all of its business services, other than exchange access service, as competitive for the following exchanges: (a) Cabool, (b) Dardenne, (c) Hallsville, (d) Warrenton, (e) Winfield, and (f) Wright City. Also, on January 25, CenturyTel filed revised tariff sheets. On February 8, CenturyTel withdrew its request for competitive classification of its residential services in the Wright City exchange and of its business services in the Cabool exchange.

2. The Commission directed the Staff to investigate this matter and to file any objections to and a verified recommendation regarding this matter no later than February 8, 2008.

3. In the attached Memorandum labeled Appendix A, (HC and NP versions) the Staff states the competing wireless and facilities-based carriers have at least two residential customers who are located within the Branson, Exeter and Rockaway Beach exchanges, and at least two business customers in the Dardenne, Hallsville, Warrenton, Winfield and Wright City

exchanges. In addition, the competing carriers have local numbers available to those customers in those exchanges.

WHEREFORE, the Staff has no objection to and recommends the Commission (1) grant competitive classification for CenturyTel's residential services, other than exchange access service, in the Branson, Exeter, and Rockaway Beach exchanges, and for CenturyTel's business services, other than exchange access service, in the Dardenne, Hallsville, Warrenton, Winfield and Wright City exchanges, and (2) order CenturyTel to file amended tariff sheets removing all rate increases and removing competitive classification for residential services in the Wright City exchange and for business services in the Cabool exchange.

Respectfully submitted,

William K. Haas

William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

Attorney for the Staff of the
Missouri Public Service Commission
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Jefferson City, MO 65102
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 8th day of February 2007.

William K. Haas

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. IO-2008-0243 Tariff Filing: YI-2008-0442

From: Mike Scheperle
Telecommunications Department

/s/ Natelle Dietrich 2-8-08
Utility Operations Division/Date

/s/ William K Haas 2-8-08
General Counsel's Office/Date

Subject: Recommendation on Application of CenturyTel of Missouri, LLC (CenturyTel) 30-day competitive classification filing and corresponding tariff filing.

Date: 2-8-08

Summary:

Staff recommends granting the amended Application of CenturyTel of Missouri, LLC (CenturyTel) requesting competitive classification of its residential services (other than exchange access service) in the Branson, Exeter and Rockaway Beach exchanges. Staff recommends granting the Application of CenturyTel requesting competitive classification of its business services (other than exchange access service) in the Dardenne, Hallsville, Warrenton, Winfield and Wright City exchanges. At this time, Staff concludes CenturyTel meets the requirements of Section 392.245.5 RSMo (2007). In response to the Commission's *Order Directing Notice, Establishing Procedural Schedule, and Reserving Hearing Date*: there exists at least one nonaffiliated wireless carrier providing service with customers within each exchange with telephone numbers assigned to that exchange, and one nonaffiliated wireline carrier providing facilities-based basic local telecommunications service with customers within the exchanges with telephone numbers assigned to the exchange.

On February 8, 2008, CenturyTel amended its Application to delete its request for competitive classification for residential services in the Wright City exchange and to delete its request for competitive classification for business services in the Cabool exchange.

Background:

On January 25, 2008, CenturyTel, an incumbent local exchange carrier (ILEC), filed an application requesting competitive classification for residential services, other than exchange access service, in the Branson, Exeter, Rockaway Beach and Wright City exchanges. Also, CenturyTel requested competitive classification for business services, other than exchange access, in the Cabool, Dardenne, Hallsville, Warrenton, Winfield and Wright City exchanges.

On February 8, 2008, CenturyTel amended its Application to delete its request for competitive business services in the Cabool exchange and for residential services in the Wright City exchange.

Listed below are requests by CenturyTel for competitive status:

**Application Request for Competitive Status
Case No. IO-2008-0243**

CenturyTel Exchanges

Residential Exchanges	Business Exchanges
Branson	Cabool (withdrawn)
Exeter	Dardenne
Rockaway Beach	Hallsville
Wright City (withdrawn)	Warrenton
	Winfield
	Wright City

Along with the application, CenturyTel submitted a tariff filing (YI-2008-0442) to classify the exchanges, other than exchange access service, as competitive effective February 24, 2008.

CenturyTel requested that competitive classification be granted pursuant to the thirty day section of Section 392.245.5, RSMo (Supp. 2007). The relevant portion of the statute reads as follows:

5. Each telecommunications service offered to business customers, other than exchange access service, of an incumbent local exchange telecommunications company regulated under this section shall be classified as competitive in any exchange in which at least two nonaffiliated entities in addition to the incumbent local exchange company are providing basic local telecommunications service to business customers within the exchange. Each telecommunications service offered to residential customers, other than exchange access service, of an incumbent local exchange telecommunications company regulated under this section shall be classified as competitive in an exchange in which at least two nonaffiliated entities in addition to the incumbent local exchange company are providing basic local telecommunications service to residential customers within the exchange. For purposes of this subsection:

(1) Commercial mobile service providers as identified in 47 U.S.C. Section 332(d)(1) and 47 C.F.R. Parts 22 or 24 shall be considered as entities providing basic local telecommunications service, provided that only one such nonaffiliated provider shall be considered as providing basic local telecommunications service within an exchange;

(2) Any entity providing local voice service in whole or in part over telecommunications facilities or other facilities in which it or one of its affiliates have an ownership interest shall be considered as a basic local telecommunications service provider regardless of whether such entity is subject to regulation by the commission. A provider of local voice service that requires the use of a third party, unaffiliated broadband network or dial-up Internet network for the origination of local voice service shall not be considered a basic local telecommunications service provider. For purposes of this subsection only, a "broadband network" is defined as a connection that delivers services at speeds exceeding two hundred kilobits per second in at least one direction;

(6) Upon request of an incumbent local exchange telecommunications company seeking competitive classification of business service or residential service, or both, the commission shall, within thirty days of the request, determine whether the requisite number of entities are providing basic local telecommunications service to business or residential customers, or both, in an exchange and if so shall approve tariffs designating all such business or residential services other than exchange access service, as competitive within such exchange.

...

The commission shall maintain records of regulated providers of local voice service, including those regulated providers who provide local voice service over their own facilities, or through the use of facilities of another provider of local voice service. In reviewing an incumbent local exchange telephone company's request for competitive status in an exchange, the commission shall consider their own records concerning ownership of facilities and shall make all inquiries as are necessary and appropriate from regulated providers of local voice service to determine the extent and presence of regulated local voice providers in an exchange.

CenturyTel's Application

In its application for competitive status on the thirty-day track, CenturyTel named MCC Telephony of Missouri, Inc. (Mediacom); Cebridge Communications, LLC d/b/a Suddenlink Communications (Suddenlink); Charter Fiberlink-Missouri, LLC (Charter); and Socket Telecom, LLC (Socket) as providing local phone service using facilities it owns in part or whole, in the CenturyTel exchanges in direct competition with CenturyTel. Specifically for residential services, CenturyTel identifies Mediacom as providing residential phone service, using facilities it owns in part or whole, in the CenturyTel exchange of Exeter; CenturyTel identifies Suddenlink as providing residential phone service, using facilities it owns in part or whole, in the CenturyTel exchanges of Branson and Rockaway Beach; and CenturyTel identifies Socket as providing residential phone service, using facilities it owns in part or whole, in the CenturyTel exchange of Wright City. Specifically for business services, CenturyTel identifies Charter as providing business phone service, using facilities it owns in part or whole, in the CenturyTel exchange of Dardenne; and CenturyTel identifies Socket

as providing business phone service, using facilities it owns in part or whole, in the CenturyTel exchanges of Cabool, Dardenne, Hallsville, Warrenton, Winfield, and Wright City.

In further support of its application, CenturyTel stated that it “has numerous non-affiliated wireless providers operating in its exchanges providing local service”. In CenturyTel’s application, CenturyTel listed the following wireless carriers providing local service to customers in CenturyTel’s exchanges: AT&T Wireless (f/k/a Cingular), Verizon, T-Mobile, Alltel, US Cellular and Sprint/Nextel. Exhibits B through J of CenturyTel’s application identify wireless carriers providing local service in CenturyTel’s competitive request.

Exhibit K of the application contains CenturyTel’s illustrative tariff pages for competitive classification. CenturyTel’s application for competitive classification states that the application is not a request for any price change; however, Tariff Filing (YI-2008-0442) proposes numerous rate changes as detailed below:

CenturyTel Competitive Classification Case
Case No. IO-2008-0243
Proposed Rate changes

Residential Classification

Exchanges	Current Residential One-Party Rate	Proposed Residential One-Party Rate	Increase (Decrease)
Branson	\$10.98	\$10.80	(\$0.18)
Exeter	\$9.07	\$8.93	(\$0.14)
Rockaway Beach	\$9.55	\$9.85	\$0.30
Wright City	\$10.03	\$9.87	(\$0.16)

Business Classification

Exchanges	Current Business One-Party Rate	Proposed Business One-Party Rate	Increase (Decrease)
Cabool	\$16.24	\$15.97	(\$0.27)
Dardenne	\$22.19	\$21.82	(\$0.37)
Hallsville	\$16.24	\$15.97	(\$0.27)
Warrenton	\$18.16	\$17.86	(\$0.30)
Winfield	\$16.24	\$15.19	(\$1.05)
Wright City	\$17.20	\$16.92	(\$0.28)

Exchanges	Current Business PBX Trunk Rate	Proposed Business PBX Trunk Rate	Increase (Decrease)
Cabool	\$27.19	\$24.99	(\$2.20)
Dardenne	\$45.20	\$43.07	(\$2.13)
Hallsville	\$27.19	\$24.99	(\$2.20)
Warrenton	\$29.50	\$27.19	(\$2.31)
Winfield	\$27.19	\$24.99	(\$2.20)
Wright City	\$29.08	\$26.76	(\$2.32)

Exchanges	Current Business Key Line Rate (1)	Proposed Business Key Line Rate (1)	Increase (Decrease)
Cabool	\$27.19	\$24.99	(\$2.20)
Dardenne	\$45.20	\$43.07	(\$2.13)
Hallsville	\$27.19	\$24.99	(\$2.20)
Warrenton	\$29.50	\$27.19	(\$2.31)
Winfield	\$27.19	\$24.99	(\$2.20)
Wright City	\$29.08	\$26.76	(\$2.32)

(1) Same rates for Key Line Hunt

Staff Investigation

In its *Order Directing Notice, Establishing Procedural Schedule, and Reserving Hearing Date*, the Commission wrote:

Accordingly, the Commission will direct its Staff to investigate this matter and to file a verified pleading stating, for each exchange under consideration in this proceeding, whether the wireless and the facilities-based carriers have at least two residential and two business customers whose addresses are located within that exchange. In addition, Staff shall state whether CenturyTel has local numbers available to those customers in the various exchanges.

The Telecommunications Department Staff (Staff) contacted carriers cited by CenturyTel as qualifying the exchanges for competitive status for residential and business services, other than exchange access service. Carriers were asked to provide an affidavit stating whether the carrier has at least two residential and/or business customers with addresses located within the exchanges.

Attachment A are the non-affiliated wireline provider affidavit responses as providing service using facilities it owns in part or whole in the CenturyTel identified exchanges. Suddenlink (a cable provider) has not responded to Staff's information request at this time. However, Staff is recommending approval of CenturyTel's Application for competitive classification for residential

services in the Branson and Rockaway Beach exchanges based on porting information supplied by CenturyTel in its Application as detailed in Exhibit B (Section 2) for the Branson exchange and as detailed in Exhibit G (Section 2) for the Rockaway Beach exchange. Exhibits B and G details numerous residential customers porting numbers to Suddenlink from CenturyTel and CenturyTel affirmed such ports through its verified affidavit attached to the Application. This porting information along with Staff's knowledge that Suddenlink is a cable TV provider offering local voice service using its own or an affiliate's facilities in various Missouri locations indicates CenturyTel meets the 30-day criteria for competitive classification of residential services in the Branson and Rockaway Beach exchanges.

Attachment B includes the numerous wireless provider affidavit responses which affirm those providers as providing service to at least two residential and/or business customers with addresses located in the exchanges. Attachment D and Attachment E are a summary of the wireline and wireless information through 2006 Annual Reports, porting information in CenturyTel's Application and affidavits supplied for each exchange.

Staff also requested information from the Local Exchange Routing Guide, or LERG, from CenturyTel for the proposed exchanges, which CenturyTel provided. The LERG provides a variety of information; however most notably it identifies telephone numbers assigned to specific carriers within an exchange. The LERG pages are attached as Attachment C. Attachment C shows the numerous telephone numbers assigned to each carrier in each exchange for both wireline and wireless carriers. It should be noted that only certificated local exchange carriers can directly obtain numbering resources. Since Suddenlink is not a certificated local exchange carrier, it must obtain numbers from a certificated carrier; thus, the LERG will not show numbers assigned to Suddenlink.

Conclusion:

As a result of Staff's investigation, Staff recommends granting the Application request for competitive classification of its residential services, other than exchange access service, in the Branson, Exeter and Rockaway Beach exchanges. Staff recommends granting the Application request for competitive classification of its business services, other than exchange access service, in the Dardenne, Hallsville, Warrenton, Winfield and Wright City exchanges. Staff concludes (See Attachment D) there is an unaffiliated wireline carrier other than the ILEC providing facilities-based service serving at least two residential and/or two business customers whose addresses are located in the exchanges with telephone numbers rated as local to the exchanges. Staff also concludes there are wireless carriers with at least two customers whose addresses are located in the exchanges with telephone numbers rated as local to the exchanges. As noted earlier, CenturyTel amended its Application on February 8, 2008, to delete its request for competitive classification for residential services in the Wright City exchange and to delete its request for competitive classification for business services in the Cabool exchange.

Staff further recommends the Commission order CenturyTel to file amended tariff sheets removing all rate increases and removing competitive classification for Wright City residential and Cabool business (Tariff Filing YI-2008-0442 to be effective February 24, 2008).

- ☒ The Company is not delinquent in filing an annual report and paying the PSC assessment.
- ☐ The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.
- (☐ No annual report ☐ Unpaid PSC assessment. Amount owed:)

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

In the Matter of CenturyTel of Missouri,)
LLC's Request for Competitive)
Classification Pursuant to Section)
392.245.5, RSMo.)

Case No. **IO-2008-0243**
Tariff File **YI-2008-0442**

AFFIDAVIT OF Michael S. Scheperle

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

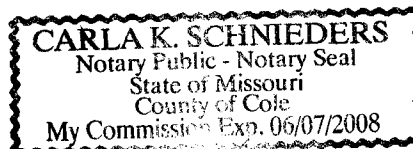
Michael S. Scheperle, employee of the Staff of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in the preparation of the accompanying document, and that the facts therein are true and correct to the best of his knowledge and belief.

Michael S. Scheperle
Michael S. Scheperle

Subscribed and affirmed before me this 8th day of February 2008

I am commissioned as a notary public within the County of Cole, State of Missouri
and my commission expires on *June 7, 2008*

Carla K. Schnieders
NOTARY PUBLIC



Attachment A
Has Been Deemed
Highly Confidential
In Its Entirety

AFFIDAVIT

STATE OF ARKANSAS)

) SS

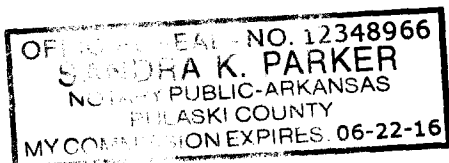
COUNTY OF PULASKI)

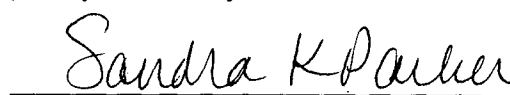
I, Lawrence J. Krajci, of lawful age, being first duly sworn upon my oath, state that I am the Staff Manager of State Affairs of Alltel Communications, LLC ("Alltel"); and that the facts set forth below are true to the best of my knowledge, information and belief.

Alltel has two or more customers who have addresses within each of the following Missouri telephone exchanges: Branson, Exeter, Rockaway Beach, and Aurora. Alltel does not generally categorize its customers in its customer record system as "residential" or "business" customers and therefore cannot affirm whether the customers are "residential" or "business" customers.


Lawrence J. Krajci

Subscribed and sworn to before me this 14 day of February, 2008.




Sandra K. Parker
Notary Public

My Commission expires: 06-22-16

RECEIVED
FEB 04 2008
UTILITY OPERATIONS

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

AFFIDAVIT OF JEFFREY D. SORENSEN

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

Jeffrey D. Sorensen, of lawful age, on his/her oath states: that (1) US Cellular has two or more residential customers who have addresses within the following Missouri telephone exchanges to the best of his/her knowledge and belief: Aurora and Branson.

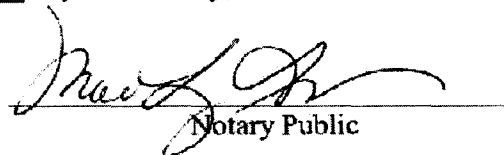
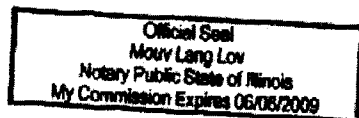
Jeffrey D. Sorensen, of lawful age, on his/her oath states: that (1) US Cellular has two or more business customers who have addresses within the following Missouri telephone exchanges to the best of his/her knowledge and belief: Hallsville and Winfield.

For each of the listed exchanges above, wireline customers can place local calls to US Cellular subscribers residing within that exchange.



Jeffrey D. Sorensen
Regulatory Accounting Supervisor

Subscribed and sworn to before me this 14th day of February, 2008.


Notary Public

My commission expires June 6, 2009

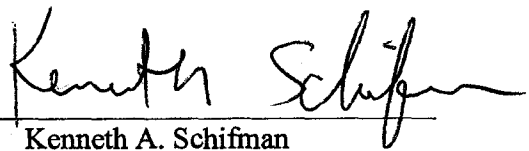
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

AFFIDAVIT OF KENNETH A. SCHIFMAN

STATE OF KANSAS)
) ss
COUNTY OF JOHNSON)

Kenneth A. Schiffman, of lawful age, on his oath states: that (1) Sprint PCS/Nextel has two or more residential customers who have addresses within the following Missouri telephone exchanges to the best of his knowledge and belief: Aurora, Branson, Rockaway Beach and Wright City.

Kenneth A. Schiffman, of lawful age, on his oath states: that (1) Sprint PCS/Nextel has two or more business customers who have addresses within the following Missouri telephone exchanges to the best of his knowledge and belief: Cabool, Dardenne, Warrenton and Wright City.



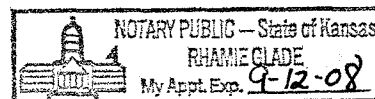
Kenneth A. Schiffman

Director, Government Affairs

Subscribed and sworn to before me this 20th day of February, 2008.

Rhame Glade
Notary Public

My commission expires 9-12-08



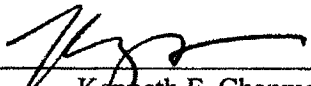
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

AFFIDAVIT OF KENNETH F. CHAPMAN

STATE OF GEORGIA)
) ss
COUNTY OF FULTON)

Kenneth F. Chapman, of lawful age, on his/her oath states: that (1) AT&T Mobility has two or more non-business customers who have addresses within the following Missouri telephone exchanges to the best of his/her knowledge and belief: Branson, Exeter, Rockaway Beach and Wright City.

Kenneth F. Chapman, of lawful age, on his/her oath states: that (1) AT&T Mobility has two or more business customers who have addresses within the following Missouri telephone exchanges to the best of his/her knowledge and belief: Cabool, Dardenne, Hallsville, Warrenton, Winfield and Wright City.



Kenneth F. Chapman



Tax Manager

Subscribed and sworn to before me this 7th day of February, 2008.



Notary Public

BRIAN L. KUNTZ
Notary Public, DeKalb County Georgia
My Commission Expires April 9, 2011



My commission expires _____

Attachment C
Has Been Deemed
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Missouri Public Service Commission
Case No. IO-2008-0243
CenturyTel

Exchange	Verification (1)
Branson - Residential	
Wireline Carrier	Suddenlink
Wireless	Alltel, Sprint PCS/Nextel, US Cellular, AT&T Mobility

Exeter - Residential

CLEC	Mediacom
Wireless	Alltel, AT&T Mobility

Rockaway Beach - Residential

Wireline Carrier	Suddenlink
Wireless	Alltel, Sprint PCS/Nextel, AT&T Mobility

Wright City - Residential

CLEC	Staff cannot confirm verification
Wireless	Sprint PCS/Nextel, AT&T Mobility

Cabool - Business

CLEC	Staff cannot confirm verification
Wireless	Sprint PCS/Nextel, AT&T Mobility

Dardenne - Business

CLEC	Socket Telecom, Charter Fiberlink, AT&T Communications of the Southwest, Nuvox Communications of Missouri
Wireless	Sprint PCS/Nextel, AT&T Mobility

Hallsville - Business

CLEC	Socket Telecom
Wireless	US Cellular, AT&T Mobility

Warrenton - Business

CLEC	Socket Telecom
Wireless	Sprint PCS/Nextel, AT&T Mobility

Winfield - Business

CLEC	Socket Telecom
Wireless	US Cellular, AT&T Mobility

Wright City - Business

CLEC	Socket Telecom
Wireless	Sprint PCS/Nextel, AT&T Mobility

(1) Verification supplied by wireless carrier and wireline carrier through 2006 Annual Reports, porting information or affidavits.

Attachment E

Has Been Deemed

Highly Confidential

In Its Entirety