BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Lifeline and Link Up	)	
Tariff Revisions Required by the Federal	)	**File No. IT-2012-0305**
Communications Commission	)	Tariff No. JI-2012-0471

STAFF RESPONSE IN OPPOSITION TO EXPEDITED TREATMENT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), through the undersigned counsel, and respectfully states as follows:

1. On March 16, 2012, Chariton Valley Telephone Corporation ("the Company") filed a Motion for Expedited Treatment and For Approval of Tariff Sheets on Less Than Thirty Days' Notice with the Missouri Public Service Commission ("Commission") in the above-referenced case file. With its motion, the Company also filed amended tariffs with thirty-day effective dates. The expedited treatment was requested so as to timely comply with a Report and Order recently issued by the Federal Communications Commission ("FCC").

2. The Staff agrees that the FCC has made changes to the Lifeline and Linkup programs that will take effect on April 1 and 2, which will end any federal Universal Service Fund support for Link Up service and alter the subsidy configuration and amounts for Lifeline service to low-income customers. The Staff also agrees that the changes to those programs will necessitate changes in tariffs filed with the Commission for the Company to avoid a loss of those subsides. However, the Staff opposes granting expedited treatment.

3. If a Company fails to amend its tariffs effective April 1, it may lose part or all of its Lifeline and Link Up support for that month. As Link Up is being eliminated, but

is still in Company tariffs, the Company could lose that support, if a new qualifying customer were to request the service after April 1 but before the service is removed from the tariff. Likewise, if a Company will now receive less support for Lifeline service than it states in its tariff, it will likely lose the difference in amount between the old rate and the new, lower rate between April 1 and the effective date of the properly revised tariff. It is possible that, since their lifeline support no longer complies with the federal requirements for those programs, the Company may lose the entirety of its Lifeline subsidy for that billing period. While the Staff understands that the Companies are presently overwhelmed by the changes mandated by the FCC, in this case the losses faced by the Company are minimal. In addition, for a Company to charge a different rate, it would need to have the billing systems updated with the new rates at the beginning of the billing cycle. As it will be impossible for all the pending "expedited" tariff filings to be processed and approved on or before April 1, the next important date for the Company will be May 1. As this filing was made before April 1, if filed as a regular thirty-day filing, it will take effect by operation of law before May 1, in time to make the next billing cycle and limiting any losses to the single month of April, 2012.

4. The Staff is making available to companies proposed Lifeline tariff language that will not only help the Staff review the tariffs, but is worded in such a way that it will not require a change if the FCC agrees with the Companies and NARUC that this change should be implemented at a later time (for example, on October 1 instead of April 1). The Staff is concerned that if tariffs containing specific subsidy amounts are approved but then the deadlines are extended, the rate charged, based on an incorrect subsidy amount, would be inconsistent with the tariff. The Staff does not request that

the Commission require that the Company use the Staff form; the Staff simply advises the Commission that it has such tariff language prepared and available.

5. In light of the inherent limitations on loss to the Company and the fact that it did not file its request until March 16, 2012, weighed against the inability of Staff to effectively review the tariff filing, draft and timely submit its Staff Recommendation and for the Commission to issue an Order approving the tariff revisions prior to April 1, the Staff believes that the Company has failed to establish the "good cause" necessary to receive expedited treatment from the Commission, especially in light of the expected volume of filings prior to March 30. The Staff notes that several small companies filed Lifeline and Link Up tariff revisions yesterday with 30-days effective dates.

6. The Staff will conduct its review as quickly as possible and will file its recommendations as quickly as possible to lend what certainty it can to the process, so that the Company can make any billing adjustments in advance. Unless opposed, any 30-day tariff revision filed by March 31 will take effect by operation of law prior to the beginning of the May 1 billing cycle, therefore, unless the Commission can so expedite this and the other similar matters as to make them effective by April 1, effectiveness later in April will not cause the Company additional harm.

WHEREFORE, for all the reasons stated above, the Staff opposes the requested expedited treatment and request that the Commission, failing some objection to the tariff filing from the Staff, OPC or an intervenor, allow the tariffs to take effect by operation of law.

Respectfully submitted,

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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 21st day of March, 2012.