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October 27, 2000

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, Missouri 65102

Ozark Telephone Company
- Case No. TT-2001-117

OCT 2 7 2000

SaMesouri Public Commission

Dear Mr. Roberts:

DAVID V.G. BRYDON

GARY W. DUFFY

PAUL A. BOUDREAU

SONDRA B. MORGAN

JAMES C. SWEARENGEN

WILLIAM R. ENGLAND, III

JOHNNY K. RICHARDSON

Enclosed for filing on behalf of Ozark Telephone Company, please find eight (8) copies of the Recommendation Concerning True-Up Audit and Hearing.

Please see that this filing is brought to the attention of the appropriate Commission personnel. Copies of this filing are being provided to parties. I thank you in advance for your cooperation in this matter.

Sincerely,

W.R. England, If

WRE/da Enclosure

cc: Parties of Record

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

FILED<sup>2</sup>

OCT 2 7 2000

Missouri Public Commission

| In the Matter of the Access Tariff Filing of | ) |
|--|---|
| Ozark Telephone Company                      | ) |

Case No. TT-2001-117

## RECOMMENDATION CONCERNING TRUE-UP AUDIT AND HEARING

Comes now Ozark Telephone Company (Company) and for its recommendation concerning true-up audit and hearing in the above-referenced matter, states to the Missouri Public Service Commission (Commission) as follows:

- 1. On September 21, 2000, the Commission issued its Order Granting Reconsideration, Suspending Tariff, Directing Notice, Directing Filing, Scheduling Prehearing Conference, and Establishing Protective Order in the above-referenced matter which, among other things, directed the Company to submit a pleading setting out its recommendation concerning a true-up audit and hearing no later than October 27, 2000.
- 2. Although a prehearing conference was not held in this case, Counsel for the Company, along with representatives of Staff, Office of Public Counsel and Intervenor Southwestern Bell Telephone Company participated in a prehearing conference in related cases. As a result of that prehearing conference, it appears that the parties have agreed that the appropriate test period should be the twelve month period ended June 30, 2000. If that is the case, then the Company would recommend that the following post-test year item be considered as a known and measurable change:

Rate case expense (through completion of the case)

3. Rate case expense, in all likelihood, will be a material cost factor and the Commission has traditionally recognized such in the determination of utility's cost of service.



Although all rate case expenses will not be fully known prior to completion of the case, actual costs through December, 2000 will be available for verification and a reasonable estimate of the remaining costs to complete the case should be easily developed. Therefore, the Company does not believe a separate true-up hearing will be necessary other than the evidentiary hearing already set. If there are issues with respect to the above listed item that need to be resolved by the Commission, the Company would suggest that those issues be heard at the same time other issues are heard during the evidentiary hearing in this matter.

WHEREFORE, the Company requests the Commission to issue its order finding that 1) the appropriate test year in the above-referenced is the twelve months ending June 30, 2000; 2) that said test year be updated for the known and measurable item enumerated in paragraph 2 above; and 3) that a separate true-up hearing (other than the evidentiary hearing to be held in this matter) is unnecessary for purposes of determining the appropriateness of including the above enumerated known and measurable item in the Company's test year cost of service.

Respectfully submitted,

W. R. England, M

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Attorneys for Ozark Telephone Company

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above and foregoing document was mailed or hand-delivered, this 24 day of October, 2000 to:

General Counsel Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

Michael Dandino Office of Public Counsel P.O. Box 7800 Jefferson City, MO 65102

Leo Bub Southwestern Bell Telephone Company One Bell Center, Room 3520 St. Louis, MO 63101

W. R. England, M