

K.P.  
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STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 21st  
day of September, 1999.

In the Matter of the Petition of McDonald County )  
Telephone Company for Approval of an IntraLATA ) Case No. TO-99-515  
Dialing Parity Plan )

ORDER REGARDING PETITION FOR MODIFICATION

On September 2, 1999, McDonald County Telephone Company (McDonald County) filed a petition for modification of its IntraLATA Dialing Parity (ILDP) plan. McDonald County stated that it wanted to modify its ILDP plan because the plan it proposed and the Commission approved would assign customers who did not choose a primary interexchange carrier (PIC) for intraLATA toll service to their interLATA carrier, and because AT&T is the interLATA PIC for many of its customers. McDonald County stated that, under the plan it proposed, it is concerned that a number of customers might be defaulted to a 101XXXX dialing pattern. McDonald County requests that the Commission allow it to modify its plan so that customers who have not chosen a PIC for intraLATA toll service by October 20, 1999, will be assigned to its long distance affiliate (McDonald County Long Distance Company) rather than to their interLATA carrier. McDonald County also requested that the Commission authorize it to send a notification letter (a copy of which it attached to its petition) explaining the modification to its customers.

A number of secondary carriers (SCs) proposed ILDP plans that assigned customers who did not choose a PIC to a long distance affiliate of the SC, and the Commission approved these plans. (See, e.g., TO-99-514, In the Matter of the Petition of Mark Twain Rural Telephone Company for Approval of an IntraLATA Dialing Parity Plan.) The Commission will allow McDonald County to modify its ILDP plan as requested.

However, the Commission is concerned that McDonald County's proposed notification letter does not stress the fact that it is a change from the earlier notice. The Commission will direct McDonald County to add the following paragraph in large bold type at the beginning of its proposed notice:

THIS NOTICE WILL ALERT YOU OF CHANGES THAT HAVE OCCURRED SINCE THE NOTICE YOU RECEIVED IN LATE JUNE OR EARLY JULY. Contrary to what that notice said, if you do not affirmatively choose (by contacting McDonald County Telephone Company or the long distance company you choose) an intraLATA toll service provider by October 20, 1999, you will be assigned to McDonald County Long Distance Company, an affiliate of McDonald County Telephone Company. The earlier notice stated that you would be assigned to your interLATA long distance carrier if you did not affirmatively choose an intraLATA carrier. That is no longer correct.

The Commission will also direct McDonald County to add the following paragraph at the end of its proposed notice:

You will still be able to make toll calls by "dialing around" using a "101XXXX" access number. A list of these "101XXXX" access numbers is available from your local McDonald County Telephone Company business office.

The notice as proposed states that McDonald County will charge customers \$10.00 for a PIC change. McDonald County apparently arrives at a \$10.00 charge by adding a \$5.00 service order charge (found at Original Sheet 5-5 of its tariffs) to the \$5.00 PIC change charge. It

is inappropriate to "pancake" two service charges in this manner. The PIC change charge is itself a service charge, and McDonald County may not impose two service charges for the same service. McDonald County's tariff clearly sets forth a \$5.00 PIC change charge and it may not charge more than that. The Commission will order McDonald County to modify its notice to state that a customer will incur a \$5.00 charge to make a PIC change (after January 20, 2000).

In addition to being unauthorized by McDonald County's tariff, such a high charge may frustrate competition. Under McDonald County's ILDP plan, customers will be assigned to McDonald County's long distance affiliate if they do not affirmatively choose an intraLATA PIC. If those customers are dissatisfied with the service, they will (after January 20, 2000) be required to pay \$10.00 to choose an intraLATA PIC. Customers will be less likely to change carriers if they will incur a high charge to do so.

With the exceptions noted herein, McDonald County's proposed notice does accurately reflect the choices that McDonald County's customers have, and the charges they will incur to exercise those choices.

**IT IS THEREFORE ORDERED:**

1. That the petition to modify its IntraLATA Dialing Parity plan filed by McDonald County Telephone Company on September 2, 1999 is granted.

2. That McDonald County Telephone Company shall provide notice to its customers as discussed herein.

3. That this order shall become effective on October 1, 1999.

BY THE COMMISSION



Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge

(S E A L)

Crumpton, Murray, Schemenauer,  
and Drainer, CC., concur  
Lumpe, Ch., absent

Mills, Deputy Chief Regulatory Law Judge

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COMMISSION COUNSEL  
PUBLIC SERVICE COMMISSION