

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

In the Matter of the Request from)
Customers in the Rockaway Beach)
Exchange for an Expanded Calling Scope)
to Make Toll-Free Calls to Branson.)

Case No. TO-2003-0257

FOURTH STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Fourth Status Report states:

1. In the Commission’s March 23, 2005 *Order Directing Filing*, the Commission determined that an additional report from the Staff was warranted. The Commission directed the Staff to file an additional Status Report clarifying the procedure Staff recommends the Commission follow in this case. The Staff recommends that the Commission follow the procedure originally agreed to by the parties, which requires CenturyTel of Missouri, LLC (“CenturyTel”) to submit illustrative tariffs by May 24, 2005 as the next step. That procedure was determined as explained below.

2. The Office of the Public Counsel (“OPC”) filed the original application on January 29, 2003. In the two years that have passed since that filing, the case was delayed to give CenturyTel and the Applicant an opportunity to agree on a solution and to give CenturyTel time to develop tariff sheets. The case was delayed again to allow the MCA/Calling Scope Task Force to file its Report.¹

¹ Final Report and Recommendation of the Industry Task Force in Case No. TW-2004-0471, *In the Matter of a Commission Inquiry into the Metropolitan Calling Area Plan and Calling Scopes in Missouri*.

3. The Staff filed the Task Force's Final Report on September 29, 2004, and submitted a Status Report on October 18, 2004 in this case. In the Status Report, the Staff reported that the parties agreed that the Rockaway Beach petition should be "grandfathered" several steps in the Task Force's proposed procedure for handling expanded calling petitions. The parties agreed that the Rockaway Beach petition should begin at step III(G)(6) of the Task Force's proposed procedure. Furthermore, the parties agreed it would be appropriate to hold the step III(G)(6) conference no later than 60 days from the filing of the Status Report. These 60 days corresponds with the III(G)(6) procedures which require the conference to be held 60 days from the filing of the application. In other words, the parties treated the October 18, 2004 Status Report as the filing date of the application. On the 59th day following the Status Report filing, the parties met in a conference. The Staff, the OPC, CenturyTel and members of the Rockaway Beach community attended this December 16, 2004 conference.

4. In the Third Status Report, the Staff explained that step III(G)(6) includes a conference of the parties followed by an opportunity for the Applicant to modify the application. With the conference concluded, the Staff recommended that the Commission direct the Applicant to file a final application

5. The Staff's Third Status Report also explained the next step in the Task Force's recommended procedure following the Applicant filing the final application. Step III(G)(7) states that the Commission is to direct impacted carriers to file statements of revenue and expense impacts as well as revenue neutrality requirements related to the application. The Staff's Third Status Report recommended that the Commission direct CenturyTel to file illustrative tariff sheets and any supporting documentation if CenturyTel proposes to increase or establish new rates designed to maintain revenue neutrality, including the recovery of any new

costs associated with implementing the new proposal. The Staff made this additional recommendation because an illustrative tariff sheet will provide the Commission with the changes CenturyTel intends to make in the event CenturyTel wishes to remain revenue neutral. The Task Force's recommended procedure does not contain a date by which affected carriers shall submit illustrative tariff sheets. Therefore, the Staff recommended ninety (90) days from the filing of the final application based on the time-frame contained in the proposed expanded calling rules as submitted to the Secretary of State on March 4, 2005.²

6. On February 14, 2005, the Commission's *Order Directing Filing* concluded that the Staff's suggestions are reasonable and directed the OPC to file a statement advising the Commission and the parties whether the application remains unchanged or advising the Commission of the specific modifications to the application. The Commission also directed CenturyTel of Missouri, LLC to "file illustrative tariff sheets and any supporting documentation if the company proposes to increase or establish new rates designed to maintain revenue neutrality, including the recovery of any new costs associated with implementing the new proposal."

7. On February 24, 2005, the OPC submitted modifications to the original application. The OPC's *Request for Expanded Calling Plan* asks the Commission "to convene a conference of the parties...within sixty days from the submission of this request to meet and discuss the proposal and any possible modifications in accordance with the Task Force's recommended procedures." The Staff believes this step in the Task Force's recommended procedures was satisfied on December 22, 2004 when the parties met to discuss the petition and

² *In the Matter of Proposed Rule 4 CSR 240-2.061, Applications for Expanded Calling Area Plans Within a Community of Interest*, Case No. TX-2005-0194. The proposed expanded calling scope rule, as filed with the Missouri Secretary of State on March 4, 2005.

any modifications. An additional conference held after the applicant submits the modified application but before the impacted carriers submit revenue impact data is not a procedural step recommended by the Task Force. The Staff considers the February 24, 2005 *Request for Expanded Calling Plan* to be the III(G)(6) filing where the applicant submits the final application with any modifications. Under either the Task Force's recommended procedure or the proposed rulemaking procedure, the next step after the Applicant submits the final application is to gather data from any carriers directly impacted by the proposal.

8. It appears that the OPC and CenturyTel wish to treat the Application as if it were originally filed on February 24, 2005. This would reverse the parties' recommendation to grandfather the Rockaway Beach application several steps into the procedure. Reverting back to the beginning procedures may cause the unnecessary delay the parties attempted to avoid.

9. It may be possible to avoid this delay while also accommodating the Applicant's request to hold an additional conference. If the Commission continues CenturyTel's requirement to file illustrative tariff sheets no later than May 24, 2005, the parties will still have the option of promptly scheduling an additional meeting to determine whether the Applicant wishes to make a second revision to the application. If the Applicant determines that an additional modification is necessary, the Staff believes it would then be appropriate to suspend CenturyTel's filing of illustrative tariff sheets until ninety (90) days from the date of the Applicant's additional modification. If the Applicant determines no additional modifications are necessary, the current procedure will not be needlessly delayed and the May 24, 2005 submissions by CenturyTel will bring the parties one step closer to a resolution.

10. In the Task Force's Final Report, the Task Force recommended that the previously filed petitions be "taken up and considered as filed petitions" under steps III(G)(3)

and III(G)(4) of the proposed process. Steps III(G)(3) and III(G)(4) outline the process for filing a petition. Under the Task Force's proposed Step III(G)(5), the Commission is to notify all carriers potentially affected by the petition. In the initial status report, the Staff stated that the III(G)(5) notice step could be skipped because the parties did not believe any carrier other than CenturyTel would be directly impacted by the petition. The Staff concurs with OPC's recommendation that the Commission now issue a notice to give carriers an opportunity to intervene. However, the Staff does not believe a notice and intervention period should further delay this proceeding without an indication that another carrier would be directly impacted by the proposed calling plan. The Commission could give carriers ten (10) days from the Commission's order to file an application to intervene. Any intervening carriers could either meet the May 24, 2005 deadline for filing illustrative tariff sheets or request an additional extension of time. Delaying the current procedure at this time to allow additional interventions could be unnecessary since there is no indication that any carrier other than CenturyTel would be directly affected by the expanded calling application.

11. Lastly, the Commission's *Order Directing Filing* directed the Staff to clarify whether the carriers' statements of revenue and expense impacts, and the revenue neutrality requirements related to the proposal, are to be submitted to Staff or filed in the case papers. The Task Force's recommended procedure and the proposed rule are both silent on the details of the carrier's submission. The Staff recommends that the carrier's submissions should be filed into the case. If any supporting documentation contains proprietary or confidential data, it should be designated accordingly and submitted to the parties pursuant to a protective order. The illustrative tariffs should not contain proprietary or confidential data and should be filed without

a confidential or proprietary designation. This procedure is consistent with the procedure of the proposed rule.

WHEREFORE, the Staff respectfully submits this Fourth Status Report.

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 31st day of March 2005.

/s/ Marc Poston
