

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

In the Matter of an Investigation in)	
Which to Gather Information about the)	<u>Case No. TO-2016-0184</u>
Facility Extension Practices of ETCs)	
Eligible to Receive High Cost USF Support)	

STAFF REPORT

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

1. On January 15, 2016, the Staff moved to open this investigatory docket.
Attached is the Staff's Initial Report.

WHEREFORE, the Staff submits its Initial 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 May, 2016.

A handwritten signature in black ink, appearing to be "All Day".

INITIAL REPORT OF THE STAFF
Case No. TO-2016-0184

On January 15, 2016, the Staff of the Missouri Public Service Commission (Staff) filed a motion asking the Commission to open an investigatory docket intended to investigate the facility extension practices of Eligible Telecommunications Carriers (ETCs). On January 27, 2016, the Commission issued its Order Opening an Investigation into the Facility Extension Policies of Eligible Telecommunications Carriers Eligible to Receive High-Cost USF Support, and directing certain companies to answer questions listed in Staff's January 15 motion.

Specifically, the investigation is focused on ETC policies related to service requests where the company lacks facilities. ETCs receive funding to provide service in high-cost areas; however, no rules or requirements exist regarding an ETC's response to service requests involving a lack of facilities. ETCs differ on their willingness to extend facilities at no charge as well as how construction charges are applied. Therefore, this case is intended to gather information related to ETC facility extension practices.

Missouri ETCs were asked to answer 14 questions attached to Staff's Motion to Open an Investigatory Docket. Responses were obtained from all 49 ETCs in Missouri that receive high-cost USF support. This report summarizes the responses and recommends the Commission direct those ETCs to provide additional feedback. Listed below are some of the Staff's main observations of ETC responses:

- 40 ETCs have not attempted to apply any construction charges during the past 12 months.
- Approximately two-thirds of Missouri's ETCs have vague or no written policies for charging consumers for extending facilities to provide service.

- According to 17 Missouri ETCs universal service funding has helped but reforms may impact their future facility extension practices.
- ETCs have different interpretations about reporting “unfulfilled service requests” in the ETC annual report filed with the FCC, USAC and state commissions.
- A few ETCs strongly oppose providing in this docket or the ETC annual reports any information relating to how often the company applies construction charges.

These observations along with other information are provided in the remainder of this report. In addition, Staff draws some conclusions and recommendations whereby parties are encouraged to provide additional feedback.

I. FACILITY EXPANSION AND CONSTRUCTION CHARGE POLICIES

Survey Item Nos. 2 through 8 asked ETCs various questions about an ETC’s policies on extending facilities and the application of construction charges. Survey Item No. 2 specifically asked if a company extends facilities a certain distance at no charge. The responses are summarized in **Attachment A** and are organized based on how the response directly responds to the question. A specific distance, area or signal strength was contained in 22 ETC responses while 10 ETC responses appear non-responsive. The remaining ETC responses do not provide any specific information; however, the response indicates the company does not currently apply construction charges. It should be noted the responses of 17 ETCs essentially provided an identical response that reads:

“Federal USF High Cost Support mechanisms have provided [Company name] with funding for capital expenditures on plant expansion and plant improvement projects, as well as funding for operating expenses to maintain plant facilities. This additional, major revenue source, allows [Company name] to implement more liberal line extension practices than the rules expressed in its Tariffs. However, the FCC’s currently pending (and future) USF reform actions may eliminate and/or significantly reduce certain High Cost Support funding. Reductions in, or loss of, federal support revenues may impact the [Company name’s] future facilities extension policies.”¹

¹ This language is summarized in Attachment No. 2 as simply “(USF has helped)”.

Besides reviewing ETC responses, Staff also reviewed the tariffs and websites cited in Survey Item No. 1 to see what, if any, information could be gathered about an ETC's policies for applying construction charges.² As shown in **Attachment B** the tariffs or websites of ETCs are split on providing specific information about facility expansion and construction charge application. Approximately two thirds of Missouri's ETCs lack a written policy or have a vague policy. Staff has been unable to locate any policy-related information for 13 ETCs while the tariffs or websites of 16 ETCs contain only general or vague concepts of when construction charges apply. Some examples of vague concepts include:

- if revenue does not reasonably compensate the company.
- if plant will not be of value upon discontinuance.
- if costs are greater than the average amount of the company's outside plant investment.

A specific distance or area is identified in the tariffs or websites of 20 ETCs. Such information indicates a distance or area where facilities will be extended without charge or alternatively when construction charges apply.

One observation in reviewing ETC responses and website or tariff material is an ETC's response to Survey Item No. 2 can differ with the policy provided in an ETC's tariff or website. For example some ETCs responses indicate the company extends facilities a certain distance at no charge, but the company's website or tariff might reflect a different distance or perhaps not reflect the distance at all. Another group of ETCs acknowledge they do not charge even though their tariff or website suggests they can.

² The cited information applies to Missouri consumers. Tariffs are Missouri tariffs and websites apply to Missouri even if an ETC operates in multiple states.

ETCs differ on how construction charges are calculated as reflected in **Attachment C** summarizing responses to Survey Question No. 4. A formula is used by 7 ETCs. For instance, construction charges are determined by two ETCs as \$.20 per foot while two other ETCs use \$100 per 1/10 of a mile. The responses of 14 ETCs indicate construction charges are calculated on an individual case basis while a significant number of ETCs responded “not applicable” on the basis the company does not currently apply construction charges.

A review of ETC tariffs and websites suggests some differences with ETC responses to Survey Question No. 4. Staff’s review of tariffs and websites for how construction charges are calculated is shown in **Attachment D**. This attachment indicates 8 ETCs use a formula while 17 ETCs use individual case-basis (ICB) pricing in calculating construction charges. The tariffs of 4 companies suggest construction charges might be calculated by a formula and/or on an ICB basis. In turn, Staff was unable to find any information on how construction charges might be calculated for 20 ETCs.

In general, most ETCs do not attempt to apply any special terms or conditions to customers requesting service in an area lacking facilities. For example, Survey Question Nos. 6 and 7 asked if customers might be asked to subscribe to service for a minimum length of time and whether termination charges might apply. Wireless ETCs point out a common wireless industry practice is to require customers to subscribe for a certain amount of time; however, such terms apply to all of their wireless customers, not just customers in areas lacking facilities. Overall, all other ETCs responded “no” or “n/a” to such questions; although one ETC indicated a deposit might be applied.

Despite company responses to Question Nos. 6 and 7, Staff's review of Missouri tariffs/websites observes how a significant number of ETCs use the term "advance payment" in applying construction charges. The term is usually used in the context of when the consumer pays construction charges prior to establishing service, which amount is slowly refunded back to the consumer through a monthly credit.³ This arrangement appears to protect the company if the consumer prematurely discontinues service, yet provides some financial relief to the consumer. **Attachment E** reflects Staff's review of company responses to Survey Question Nos. 6 and 7 as well as a review of tariffs/websites suggesting construction charges, if applied, are treated as an advanced payment.

Other information about an ETC's facility expansion and construction charge policies is provided in Attachments F, G and H. **Attachment F** summarizes and organizes ETC responses to Survey Question No. 5. This question essentially asked if facilities are extended whether additional facilities are installed to serve neighbors. Attachment E shows 5 ETCs responding "yes"; 1 ETC "depends". Perhaps most noteworthy about these responses is 11 ETCs state this situation seldom occurs because the customer requesting service is usually very isolated with few, if any, neighbors.

Attachment G reflects the year an ETC's facility expansion policy was established. This attachment reveals current policies were established as early as 1960 with the median year of 2001.

Attachment H reflects company responses to Survey Question No. 9 which asked whether the company's policy is applied in other states. Only one company specifically

³ It remains unclear if all tariffs use the term in this manner. Some tariffs use the "advance payment" term and lack any information on how it might work, if applied.

responded “No”; however, four other companies indicate their policy is different in Arkansas because Arkansas has the Arkansas Extension of Facilities Fund. Staff’s understanding is the Arkansas Fund provides financial assistance to companies involving service requests whereby the company lacks facilities. Companies must agree to extend facilities ¼ mile at no charge. In turn, consumers are billed up to \$250 for construction beyond this distance, while the Arkansas Fund will cover remaining construction costs.⁴

II. REPORTING QUANTIFIABLE INFORMATION

The percentage of initial service requests lacking facilities varies among companies. **Attachment I** reflects company responses to Survey Question No. 11 which asked ETCs to quantify the number of service requests for the most recent 12 month time period. In addition, companies were asked to break this number down further based on requests where the company lacked facilities. Overall 19 companies reflected a percentage ranging from 100% (indicating all service requests lacked facilities) to 4%. The responses of 14 ETCs suggest the percentage is 0 while 16 ETCs were unable or refused to provide any information.

Attachment J reflects company responses to Survey Question No. 13 which asked how many times the company attempted to apply construction charges within the past 12 months. Only one ETC provided a number above zero. A total of 40 companies responded with “0” while 4 companies responded “N/A” or had unclear or no response. Four companies objected to providing such information claiming the request is burdensome and will require a subpoena to obtain such information.

⁴ http://www.apscservices.info/Rules/telecommunications_provider_rules.pdf (Section 9 of AR PSC rules).

Attachment K reflects summarized company responses to Survey Question No. 12. This survey question asked if the company considers an unfulfilled service request as reported in FCC Form 481 to include a customer who requests service but ultimately declines to pay construction or similar charges. Responses suggest Missouri ETCs have different interpretations for classifying this situation. Responses of 5 ETCs consider such requests to be unfulfilled. In contrast only 1 company considers the request to be fulfilled. A total of 12 ETCs responded “no” or “not an unfulfilled request”, and therefore would not report the request.

III. OTHER RESPONSIVE INFORMATION

Attachments L, M and N provide additional information from ETC responses. **Attachment L** provides ETC responses to Survey Question No. 1 regarding providing links or cites to tariffs or website sites concerning a company’s facility extension policy. Five ETCs referred to websites while 40 ETCs referred to Missouri tariffs. It should be pointed out the four wireless ETCs did not refer to any written documentation. Attachment L also contains ETC responses to Survey Question No. 14. This question was directed to companies that have detariffed and asked if the website link regarding the company’s line extension policies is the same website identifying the company’s retail charges. The link provided by the five detariffing ETCs appears to have their line extension policies in a separate document or portion of the website.

Attachment M has ETC responses to Survey Question No. 3. Essentially this question asks if the company absorbs a certain dollar amount in construction costs. Only four ETCs responded with a dollar amount.

Attachment N reflects Survey Question No. 10 by indicating if an ETC provided a script or description of what information is provided to the consumer if the company

lacks facilities to respond to the service request. The case file contains script-related information from 16 ETCs.

IV. CONCLUSIONS AND RECOMMENDATIONS

ETCs receive financial support from the federal USF in order to ensure service is available in high cost areas. Facility expansion practices can play an important role in this arrangement. A reasonable expectation is USF funding will enable an ETC to readily have facilities to fulfill most service requests. This report reveals how ETCs differ in extending facilities without charge as well as the application and calculation of construction charges.

Most Missouri ETCs do not currently attempt to apply construction charges. Some of these ETCs extend facilities without charge regardless of the policy identified in their tariff or website. Many ETCs express concerns over USF reform and suggest it may impact the company's future facility extension practices. During the course of this investigation the FCC announced reforms to the USF high-cost support provided to small incumbent local telephone companies.⁵ Absent further feedback from ETCs, Staff assumes these reforms will not significantly impact the future facility extension policies. In addition, unless the industry suggests a need, Staff does not recommend consideration should be given to modify the Missouri USF to provide some form of limited financial support to ETCs in extending facilities, similar to the previously described Arkansas Facilities Expansion Fund.

⁵See *Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking*; WC Docket No. 10-90 et al In the Matter of Connect America Fund; FCC 16-33; adopted March 23, 2016 and released March 30, 2016.

This report indicates some Missouri ETCs apply construction charges to extend facilities. Staff is not opposed to the concept of requiring the consumer to help pay for significant construction costs but if an ETC intends to apply construction charges then a reasonable expectation is the ETC's tariff or website will accurately reflect the company's policy and also be easily ascertainable by the consumer. Vague or unclear written policies should not be permitted if construction charges are applied.⁶ This expectation should also apply to wireless ETCs who failed to cite any written documentation about their policies.

ETCs should not be able to apply and simply retain all construction charge revenue. Instead, Staff recommends any construction charge revenue be treated as an advanced payment. In other words the amount paid by the consumer in construction charges ultimately flows back to the consumer as a monthly credit for a designated period of time. If the consumer fails to maintain service for the designated period of time then the ETC retains any remaining construction charge revenue. This arrangement seems to be fairer to the consumer and also balances the company's interest in avoiding stranded investment.

Annual reporting needs to be improved. This report indicates ETCs have different interpretations of whether a service request should be considered unfulfilled if a consumer declines to pay construction charges. In Staff's opinion, such an interpretation is likely to enable an ETC to never have any unfulfilled service requests. One way to gain a better picture regarding service requests is to require ETCs to annually certify or report

⁶ Examples of unacceptable wording for policies include "Facilities extended at company's discretion and if the extension represents a prudent investment for the company." "Construction charges apply if revenue does not reasonably compensate the company."

certain information on whether the company attempted to apply construction charges during the reporting period. Staff recommends if an ETC did not apply construction charges then the ETC should simply make a certification statement to that effect in their annual filing.⁷ If an ETC did apply construction charges then the ETC should be required to report the following information:⁸

- Total number of service requests.
- Service requests not involving construction charges:
 - Service installed.
 - Service not installed.
- Service requests where construction charges were applied:
 - Consumer paid and service was installed.
 - Consumer declined to pay and service was not installed.

Such information will be useful in evaluating the reasonableness of the company's application of construction charges as well as whether the company has sufficient facilities in place to respond to most service requests.

V. ADDITIONAL FEEDBACK SOUGHT

Staff recommends the Commission provide an opportunity for interested ETCs to provide feedback, on any of the information, conclusions or recommendations contained in this report, including but not limited to:

- Do you agree or disagree with any of the Staff recommendations contained in this report? Why or why not? These recommendations include:
 - If an ETC applies construction charges then an ETC be required to:
 - Establish and maintain a written policy for extending facilities without charge and how constructions charges will be calculated and applied. The policy should be easily ascertainable by the consumer.

⁷ For instance this certification could be worded as follows: "I hereby certify construction charges were not applied for any service requests during the reporting period."

⁸ Based on information submitted in this case, Staff estimates approximately five Missouri ETCs may have to provide such information in their annual filing.

- Construction charge revenue should be treated as an advance payment whereby the amount paid in construction charges ultimately flows back to the customer as a monthly credit.
 - Annually report to the FCC, USAC and state commissions service request quantities as previously described in this report.
 - If an ETC does not apply construction charges then the ETC should make a certification statement in the ETC's annual filing to the FCC, USAC and state commissions.
- Does the Missouri Commission have authority to impose these requirements on ETCs? Explain why or why not.
 - Do you anticipate companies will be more likely to apply construction charges more often in the future? Why or why not?
 - Will recent FCC reforms have a significant impact on facility expansion and the application of construction charges? If so, explain.
 - Should Missouri consider providing some form of limited financial assistance similar to the Arkansas Extension of Facilities Fund to help respond to service requests where the company lacks facilities? Why or why not?

Additional feedback from ETCs or any interested parties is encouraged. Parties should be given a reasonable amount of time to respond. Staff suggests July 1, 2016 or as otherwise determined by the Commission.

Attachments

- A:** Distance Facilities are Extended at No Charge
- B:** Construction Charge Policy per Tariffs/Websites
- C:** How Construction Charges are Calculated (per Company Responses)
- D:** How Construction Charges are Calculated (per Tariffs/Websites)
- E:** Advanced Payments
- F:** Are Facilities Installed to Serve Neighbors?
- G:** Year Current Facility Extension Policy Established
- H:** Is Same Policy Applied in Other States?
- I:** Percent of Total Initial Service Requests Lacking Facilities
- J:** Number of Times Construction Charges Applied in Last 12 Months
- K:** Report as "Unfulfilled" on Form 481 if Customer Declines to Pay for Construction?
- L:** Provided a Link or Cite to Facility Extension Policy
- M:** Absorb a Certain Dollar Amount in Construction Costs?
- N:** Script Provided?

Distance Facilities are Extended at No Charge

General Observation	Response*	Company
Response provides a specific distance, area, or signal strength	If signal < 92dbm then booster or external antenna.	Chariton Valley Wireless
	Base rate area	Chariton Valley Telecom (CLEC)
	Base Rate Area and if normal expense.	FairPoint
	300' or 7 times annual local revenue. USF has helped.	New London
		Orchard Farm
		Stoutland
	550'	CenturyLink (CenturyTel)
		CenturyLink (Embarq)
		CenturyLink (NW Arkansas)
		CenturyLink (Spectra)
	1,000'	Kingdom
	1,000'. USF has helped.	RockPort
	1,320'	Chariton Valley Telephone (ILEC)
		Iamo
	1,750'	Mark Twain Communications (CLEC)
		Mark Twain Rural
	1,760' (1,000' for drops)	Citizens
	1,760' for main lines. 1,000' for drops. Have not applied line	GRM Networks
		LTC Networks
Response does not provide specific distance but does reflect company does not currently apply construction charges	2,640'	Miller
		Windstream MO
	5,280' or 1 mile subject to ICB considerations in Exhibit A	Ellington
	No, do not apply charges	Choctaw Telephone
	No but have not charged for at least 15 years.	Otelco Mid-MO
	No charges apply	Craw-Kan
	Have not applied line extension charges	Alma
		Farber
		MoKan Dial
	Have not applied line extension charges. USF has helped.	BPS
		Goodman
		Grandby
		Green Hills Telecom (CLEC)
		Green Hills Telephone
		Le-Ru
		NE MO Rural
		Ozark
		Peace Valley
		Seneca
		Steelville
Non-responsive. Response lacks any specific or general policy	N/A	US Cellular
	?	New Florence
	N/A	NW MO Cellular
	New ETC. No policy yet.	American Wireless
	USF has helped	American Broadband (Holway)
		American Broadband (KLM)
		Oregon Farmers
		McDonald County
		Fidelity
		Fidelity I

* Responses have been summarized by MoPSC Staff for Survey Question No. 2. See case file for complete responses.

Construction Charge Policy per Tariffs/Websites

General Observations	Specific Observations	Company
Identifies a specific distance or area for extending facilities without charge	1,000'	RockPort
	1,320'	Le-Ru
	1,320' and "...if revenue does not reasonably compensate company."	Chariton Valley Telephone (ILEC)
	1,320' for new pole lines. 2,640' for existing pole lines.	Ellington
	1,320' for new pole lines. 2,640' for existing pole lines. 175' for drops or if costs are excessive.	Farber
	1,320' main lines & 1,000' drops	McDonald County
	1,760' for main lines. 1,000' for drops.	Citizens Kingdom
	1,760' for new pole lines. 5,280' for existing pole lines.	Fidelity
	2,640'	Miller
	300' or 7 times annual local revenue	New London
		Orchard Farm
		Stoutland
	528' (300' for drops) and if costs are within 7 times estimated annual LEC revenue	Alma
	Applicant is required to pay if costs are over and above those applicable for a normal installation.	LTC Networks
	Base Rate Area	Otelco Mid-MO
	Base rate area	Green Hills Telecom (CLEC)
	Base rate area?	Chariton Valley Telecom (CLEC)
	Base rate area (will charge if outside BRA and revenue is insufficient for company to assume costs)	Fidelity I
Provides only a general concept of when construction charges may apply	Charges applied if service does not reduce overall density of system or cost exceeds 7 times annual exchange revenue.	Mark Twain Rural
	Charges apply "...if revenue does not reasonably compensate company."	Steelville
	300' drops. Charges apply if "...costs are greater than the average amount of Outside Plant investment of this Company."	BPS
	Charges apply if unusual construction or installation or plant will not be of value upon discontinuance.	Iamo
	Facilities extended at company's discretion and if extension represents a prudent investment for the company.	Choctaw Telephone
		CenturyLink (CenturyTel)
		CenturyLink (Embarq)
		CenturyLink (NW Arkansas)
	May require advance revenue deposit not to exceed 3 years exchange revenue on all new extensions.	CenturyLink (Spectra)
	None. (Tariff indicates company may require an advance deposit not to exceed one year's LEC revenue on all new extensions of service.)	Seneca
	Shall pay all charges if required to extend demarcation point, undertake special construction or non-routine installation.	Oregon Farmers
	1,760' main lines & 1,000' for drops. Subscriber may be required to pay if revenue is insufficient to cover costs.	Windstream MO
	Special charges apply if outside BRA whereby unusual expenses are incurred & revenue does not reasonably compensate company.	GRM Networks
	Subscriber may be required to pay a reasonable proportion of unusual construction costs.	FairPoint
	Subscriber may be required to pay a reasonable proportion of unusual construction costs. Advanced payments required based on 1/4 mile increments. \$15/pole cost on private property.	Ozark
	Suggests charges can apply for <u>any</u> length of extension.	Grandby
Except as otherwise indicated, can not locate a policy	Tariff lacks policy; however, advance payment required for subdivisions where service will not be connected for at least 2 years.	Craw-Kan
		MoKan Dial
		NE MO Rural
		New Florence
	Tariff appears to lack policy	Peace Valley
		American Broadband (Holway)
		American Broadband (KLM)
		Green Hills Telephone
		Mark Twain Communications (CLEC)
		Goodman
		NW MO Cellular
	No tariff or website cited.	Chariton Valley Wireless
	No tariff or website cited.	American Wireless
	No tariff or website cited.	US Cellular

Observations are based on the MoPSC Staff's review of company tariffs and websites.

Attachment B

Are construction charges calculated by formula or on an individual case basis (ICB)?

MoPSC Staff Observation	Summarized Response	Company
Formula	\$.20/foot	Mark Twain Communications (CLEC)
		Mark Twain Rural
	\$100 per 1/10 mile up to one mile which acts as advanced payment. Beyond 1 mile is charged 80% of costs (non-refundable).	Chariton Valley Telephone (ILEC)
	\$100 per 1/10 mile with \$1,000 cap	Miller
	Formula	New London
		Orchard Farm
		Stoutland
ICB	ICB	CenturyLink (CenturyTel)
		CenturyLink (Embarq)
		CenturyLink (NW Arkansas)
		CenturyLink (Spectra)
		Citizens
		Ellington
		GRM Networks
		Iamo
		Kingdom
		LTC Networks
		McDonald County
		Windstream MO
	ICB if requests fiber	American Broadband (Holway)
		American Broadband (KLM)
	N/A	BPS
		Chariton Valley Telecom (CLEC)
		FairPoint
		Farber
		Fidelity
		Fidelity I
		Goodman
		Green Hills Telecom (CLEC)
		Green Hills Telephone
		Le-Ru
		NE MO Rural
		New Florence
		NW MO Cellular
		Oregon Farmers
		Ozark
		Peace Valley
		RockPort
		Seneca
		Steelville
		US Cellular
	No	Chariton Valley Wireless
		Grandby
		Otelco Mid-MO
	No. N/A.	Choctaw Telephone
		MoKan Dial
	New ETC. No policy yet.	American Wireless
	Failed to respond	Craw-Kan
	Have not applied line extension charges	Alma

* Responses have been summarized by MoPSC Staff for Survey Question No. 4. See case file for complete responses.

Attachment C

According to company's tariff or website construction charges are calculated...

MoPSC Staff Observations of Tariffs/Websites	Company
\$100 per 1/10 mile up to one mile which acts as advanced payment. Beyond 1 mile is charged 80% of costs (non-refundable).	Chariton Valley Telephone (ILEC)
\$100 per 1/10 mile with \$1,000 cap	Miller
Formula based on net value of company's financial report	Iamo
Formula based on distance and local exchange revenue whereby up to 1/4 mile extension requires 3 months revenue, 1/4 to 1/2 mile requires 6 months revenue, and so on.	Craw-Kan
	Grandby
	New London
	Orchard Farm
	Stoutland
ICB	BPS
	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
	Citizens
	Fidelity
	Fidelity I
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	GRM Networks
	Kingdom
	Le-Ru
	Mark Twain Communications (CLEC)
	Mark Twain Rural
	New Florence
	RockPort
Both ICB & Formula. (Formula based on distance and local exchange revenue whereby up to 1/4 mile extension requires 3 months revenue, 1/4 to 1/2 mile requires 6 months revenue, and so on.)	Alma
	LTC Networks
Both ICB and a deposit. (advance deposit not to exceed 3 years exchange revenue may apply)	Ellington
	Farber
Unclear, if addressed at all.	American Broadband (Holway)
	American Broadband (KLM)
	American Wireless
	Chariton Valley Telecom (CLEC)
	Chariton Valley Wireless
	Choctaw Telephone
	FairPoint
	Goodman
	McDonald County
	MoKan Dial
	NE MO Rural
	NW MO Cellular
	Oregon Farmers
	Otelco Mid-MO
	Ozark
	Peace Valley
	Seneca
	Steeltown
	US Cellular
	Windstream MO

Observations are based on the MoPSC Staff's review of company tariffs and websites.

Attachment D

Any special terms, conditions, terminations charges apply?
(Also, MoPSC Staff observations of company tariffs and websites.)

Staff Observations	Company
Construction charges applied as an advanced payment	Alma
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Craw-Kan
	Grandby
	Green Hills Telecom (CLEC)
	GRM Networks
	Kingdom
	Mark Twain Rural
	McDonald County
	Miller
	New London
	Orchard Farm
	RockPort
Advanced payment required for subdivisions whereby service won't be installed for at least 2 years	Seneca
	Stoutland
	MoKan Dial
	NE MO Rural
	New Florence
Advanced payment required for non-permanant buildings	Oregon Farmers
	Peace Valley
	Citizens
	Le-Ru
Deposit may apply	LTC Networks
N/A, No, Not occur, No response, or no information in tariff or website	Ellington
	American Broadband (Holway)
	American Broadband (KLM)
	American Wireless
	BPS
	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
	Chariton Valley Wireless
	Choctaw Telephone
	FairPoint
	Farber
	Fidelity
	Fidelity I
	Goodman
	Green Hills Telephone
	Iamo
	Mark Twain Communications (CLEC)
	NW MO Cellular
	Otelco Mid-MO
	Ozark
	Steelville
	US Cellular
	Windstream MO

** ETC responses to Survey Question Nos. 6 & 7 were "N/A" or "No". This table modifies an ETC's response if the MoPSC Staff observed the company's tariff or website uses the term "advanced payment" in applying construction charges. See case file for complete responses.*

If facilities are extended are facilities installed to serve neighbors?

Summarized Response	Company
Yes	Ellington
	FairPoint
	Kingdom
	Mark Twain Communications (CLEC)
	Mark Twain Rural
Depends. Each situation reviewed separately.	Miller
Additional capacity costs will be absorbed by the company.	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
Subsequent customers not charged.	Windstream MO
Does not occur or seldom occurs	Alma
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Chariton Valley Wireless
	Choctaw Telephone
	Citizens
	GRM Networks
	Iamo
	LTC Networks
	MoKan Dial
	Otelco Mid-MO
N/A	American Broadband (Holway)
	American Broadband (KLM)
	BPS
	Craw-Kan
	Farber
	Fidelity
	Fidelity I
	Goodman
	Grandby
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	Le-Ru
	McDonald County
	NE MO Rural
	New Florence
	New London
	NW MO Cellular
	Orchard Farm
	Oregon Farmers
	Ozark
	Peace Valley
	RockPort
	Seneca
	Steelville
	Stoutland
	US Cellular
New ETC. No policy yet.	American Wireless

* Responses have been summarized by MoPSC Staff for Survey Question No. 5. See case file for complete responses.

When was current facility extension policy established?

Year	Company
1960	Oregon Farmers
1965	Mark Twain Rural
1971	Grandby
1973	Peace Valley
1975	Steelville
1977	Iamo
1983	Goodman
1984	Seneca
1985	Chariton Valley Telephone (ILEC)
1993	Citizens
1993	Chariton Valley Wireless
1996	BPS
1996	Ozark
1996	Ellington
1997	Le-Ru
1997	Kingdom
1998	RockPort
1998	Mark Twain Communications (CLEC)
1999	McDonald County
2000	Craw-Kan
2001	Otelco Mid-MO
2001	NE MO Rural
2001	New Florence
2001*	Choctaw Telephone
2001	Alma
2001	MoKan Dial
2003	Chariton Valley Telecom (CLEC)
2006	FairPoint
2006	Windstream MO
2008	American Broadband (Holway)
2008	American Broadband (KLM)
2009	Green Hills Telecom (CLEC)
2009	Green Hills Telephone
2009	Miller
2011	Fidelity
2011	Fidelity I
2013	New London
2013	Orchard Farm
2013	Stoutland
2014	CenturyLink (CenturyTel)
2014	CenturyLink (Embarq)
2014	CenturyLink (NW Arkansas)
2014	CenturyLink (Spectra)
2016	LTC Networks
2016	GRM Networks
N/A	Farber
N/A	NW MO Cellular
N/A	American Wireless
N/A	US Cellular

* median year

Responses to Survey Question No. 8.

Attachment G

Is same policy applied in other states?

Summarized Response	Company
No	Windstream MO
Yes	Craw-Kan
	FairPoint
	GRM Networks
	Iamo
	MoKan Dial
	Ozark
	Seneca
Yes but different for Arkansas. Arkansas has the Arkansas Extension of Facilities Fund.	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
N/A	Alma
	American Broadband (Holway)
	American Broadband (KLM)
	American Wireless
	BPS
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Chariton Valley Wireless
	Choctaw Telephone
	Citizens
	Ellington
	Farber
	Fidelity
	Fidelity I
	Goodman
	Grandby
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	Kingdom
	Le-Ru
	LTC Networks
	Mark Twain Communications (CLEC)
	Mark Twain Rural
	McDonald County
	Miller
	NE MO Rural
	New Florence
	New London
	NW MO Cellular
	Orchard Farm
	Oregon Farmers
	Otelco Mid-MO
	Peace Valley
	RockPort
	Steelville
	Stoutland
	US Cellular

* Responses have been summarized by MoPSC Staff for Survey Question No. 9. See case file for complete responses.

Percentage of total initial service requests lacking facilities

Response	Company
100%	Craw-Kan
	Fidelity
	Fidelity I
	NE MO Rural
	Oregon Farmers
	RockPort
53%	GRM Networks
29%	Green Hills Telephone
26%	Kingdom
19%	Iamo
	Le-Ru
13%	Steelville
11%	Green Hills Telecom (CLEC)
10%	Mark Twain Rural
9%	Ellington
7%	LTC Networks
	Mark Twain Communications (CLEC)
6%	FairPoint
4%	Peace Valley
0%	American Broadband (Holway)
	American Broadband (KLM)
	BPS
	Citizens
	Farber
	Grandby
	McDonald County
	Windstream MO
0% ?	Alma
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Chariton Valley Wireless
	Choctaw Telephone
	MoKan Dial
No formal tracking process exists. Objects. Burdensome.	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
N/A	NW MO Cellular
	US Cellular
Info not readily available.	Goodman
	Ozark
	Seneca
?	Miller
	New Florence
	New London
	Orchard Farm
	Otelco Mid-MO
	Stoutland
New ETC. No policy yet.	American Wireless

** Responses have been summarized by MoPSC Staff for Survey Question No. 11. See case file for complete responses.*

Number of times construction charges applied in last 12 months.

Summarized Response	Company
Objects. Burdensome. Will need subpoena to get this information.	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
4	Kingdom
0	Alma
	American Broadband (Holway)
	American Broadband (KLM)
	BPS
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Chariton Valley Wireless
	Choctaw Telephone
	Citizens
	Craw-Kan
	Ellington
	FairPoint
	Farber
	Fidelity
	Fidelity I
	Grandby
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	GRM Networks
	Iamo
	Le-Ru
	LTC Networks
	Mark Twain Communications (CLEC)
	Mark Twain Rural
	McDonald County
	MoKan Dial
	NE MO Rural
	New Florence
	New London
	NW MO Cellular
	Orchard Farm
	Oregon Farmers
	Otelco Mid-MO
	Ozark
	Peace Valley
	RockPort
	Seneca
	Steelville
	Stoutland
	Windstream MO
0?	Goodman
N/A	Miller
	US Cellular
New ETC. No policy yet.	American Wireless

** Responses have been summarized by MoPSC Staff for Survey Question No. 13. See case file for complete responses.*

If customer declines to pay construction charges is it reported as "unfulfilled" request on Form 481?

Summarized Response	Company
Unfulfilled	Alma
	Chariton Valley Telephone (ILEC)
	Choctaw Telephone
	MoKan Dial
	Windstream MO
Not an unfulfilled request.	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
	Ellington
	GRM Networks
	Kingdom
	LTC Networks
	Mark Twain Communications (CLEC)
	Mark Twain Rural
	Miller
No.	Iamo
Fulfilled	Otelco Mid-MO
New ETC. No policy yet.	American Wireless
N/A	American Broadband (Holway)
	American Broadband (KLM)
	BPS
	Citizens
	Craw-Kan
	FairPoint
	Farber
	Fidelity
	Fidelity I
	Goodman
	Grandby
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	Le-Ru
	McDonald County
	NE MO Rural
	New Florence
	New London
	NW MO Cellular
	Orchard Farm
	Oregon Farmers
	Ozark
	Peace Valley
	RockPort
	Seneca
	Steelville
	Stoutland
	US Cellular
Do not file Form 481	Chariton Valley Telecom (CLEC)
	Chariton Valley Wireless

** Responses have been summarized by MoPSC Staff for Survey Question No. 12. See case file for complete responses.*

Provides a link or cite to company's facility extension policy in tariff or website

Link/Cite	Companies	If detariff, is policy w/retail services?
Web	CenturyLink (CenturyTel)	No. Policy is in documents for detariffed services.
	CenturyLink (Embarq)	
	CenturyLink (NW Arkansas)	
	CenturyLink (Spectra)	
	Windstream MO	The link provided is the company's general Terms & Conditions.
Tariff	Alma	
	American Broadband (Holway)	
	American Broadband (KLM)	
	BPS	
	Chariton Valley Telecom (CLEC)	
	Chariton Valley Telephone (ILEC)	
	Choctaw Telephone	
	Citizens	
	Craw-Kan	
	Ellington	
	FairPoint	
	Farber	
	Fidelity	
	Fidelity I	
	Goodman	
	Grandby	
	Green Hills Telecom (CLEC)	
	Green Hills Telephone	
	GRM Networks	
	Iamo	
	Kingdom	
	Le-Ru	
	LTC Networks	
	Mark Twain Communications (CLEC)	
	Mark Twain Rural	
	McDonald County	
	Miller	
	MoKan Dial	
	NE MO Rural	
	New Florence	
	New London	
	Orchard Farm	
	Oregon Farmers	
	Otelco Mid-MO	
	Ozark	
	Peace Valley	
	RockPort	
	Seneca	
	Steelville	
	Stoutland	
None	NW MO Cellular	
None	American Wireless	
Neither	Chariton Valley Wireless	
None	US Cellular	

* Link/Cite reflects response to Survey Question No. 1. For ETCs that have detariffed the response reflects Survey Question No. 14. See case file for complete responses.

Company absorbs a certain dollar amount in construction costs?

Response	Company
\$675	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
2,640'	Windstream MO
N/A	American Broadband (Holway)
	American Broadband (KLM)
	BPS
	Citizens
	Craw-Kan
	Farber
	Fidelity
	Fidelity I
	Goodman
	GRM Networks
	Le-Ru
	LTC Networks
	McDonald County
	NE MO Rural
	New Florence
	New London
	NW MO Cellular
	Orchard Farm
	Oregon Farmers
	Ozark
	Seneca
	Steelville
	Stoutland
	US Cellular
New ETC. No policy yet.	American Wireless
No	Alma
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Chariton Valley Wireless
	Choctaw Telephone
	Ellington
	FairPoint
	Grandby
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	Iamo
	Kingdom
	Mark Twain Communications (CLEC)
	Mark Twain Rural
	Miller
	MoKan Dial
	Otelco Mid-MO
	Peace Valley
Not charging for line extensions.	RockPort

10. Script Provided?

Response	Company
Yes	CenturyLink (CenturyTel)
	CenturyLink (Embarq)
	CenturyLink (NW Arkansas)
	CenturyLink (Spectra)
	FairPoint
	GRM Networks
	Kingdom
	LTC Networks
	Mark Twain Communications (CLEC)
	Mark Twain Rural
	Miller
	New Florence
	New London
	Orchard Farm
	Stoutland
	Windstream MO
No, N/A, No Response, or New ETC no policy yet.	Alma
	American Broadband (Holway)
	American Broadband (KLM)
	American Wireless
	BPS
	Chariton Valley Telecom (CLEC)
	Chariton Valley Telephone (ILEC)
	Chariton Valley Wireless
	Choctaw Telephone
	Citizens
	Craw-Kan
	Ellington
	Farber
	Fidelity
	Fidelity I
	Goodman
	Grandby
	Green Hills Telecom (CLEC)
	Green Hills Telephone
	Iamo
	Le-Ru
	McDonald County
	MoKan Dial
	NE MO Rural
	NW MO Cellular
	Oregon Farmers
	Otelco Mid-MO
	Ozark
	Peace Valley
	RockPort
	Seneca
	Steelville
	US Cellular