BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Petition of Charter Fiberlink-Missouri, LLC for Arbitration of an Interconnection Agreement Between CenturyTel of Missouri, LLC And Charter Fiberlink-Missouri, LLC.

) <u>Case No. TO-2009-0037</u>

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RESPONSE OF CENTURYTEL OF MISSOURI, LLC TO PETITION OF CHARTER FIBERLINK-MISSOURI, LLC FOR ARBITRATION OF AN INTERCONNECTION AGREEMENT PURSUANT TO SECTION 252 OF THE FEDERAL TELECOMMUNICATIONS ACT

TABLE OF CONTENTS

I.	INTRODUCTION
II.	RESPONSES TO ALLEGATIONS IN THE ARBITRATION PETITION6
III.	RESPONSES TO UNRESOLVED ISSUES RAISED BY CHARTER7
IV.	ISSUES NOT IDENTIFIED IN CHARTER'S ARBITRATION PETITION
V.	NOTICE REGARDING DISCOVERY9
VI.	RELIEF REQUESTED10

Addenda:

Exhibit 1: CenturyTel's Responsive Disputed Points List (DPL) ("CenturyTel DPL")
Exhibit 2: CenturyTel's proposed Interconnection Agreement ("CenturyTel Agreement") containing agreed upon contract terms and both parties' proposed contract terms regarding disputed issues.

Date Filed: August 25, 2008

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On July 31, 2008, Charter Fiberlink-Missouri, LLC ("Charter") filed its petition in the above-captioned proceeding (the "Petition") requesting that the Missouri Public Service Commission ("Commission") arbitrate numerous unresolved issues arising out of the parties' negotiations for an interconnection agreement. Pursuant to Section 252(b)(3)of the Communications Act of 1934, as amended (the "Act"), Commission Rule 4 CSR 240-36.040 and the Commission's Order Granting CenturyTel of Missouri, LLC's Motion for Expedited Treatment, and Granting In Part, and Denying In Part, CenturyTel of Missouri, LLC's Motion for Reconsideration, CenturyTel of Missouri, LLC ("CenturyTel") timely files this Response (the "Response") to the Petition.

I. **INTRODUCTION**

1. CenturyTel is a non-rural telephone company and is an incumbent local exchange carrier ("ILEC") authorized by the Commission to provide local exchange service in the State of Missouri.

2. Without admitting or denying Charter's allegations contained in paragraph 1 of the Petition, and upon information and belief, Charter is a competitive local exchange carrier ("CLEC") that is authorized by the Commission to provide local exchange service in Missouri.

3. CenturyTel and Charter participated in the negotiation of an interconnection agreement based upon an initial request for negotiations by Charter provided to CenturyTel on or about August 14, 2007. By agreement of the parties, the date on which Charter requested negotiations was re-set to February 22, 2008, such that the last day for the filing of the Petition by Charter was July 31, 2008. The parties have participated in negotiations that have resulted in the agreement by the parties regarding portions of an interconnection agreement. However, the parties have not agreed on all issues regarding the interconnection agreement.

4. On July 31, 2008, Charter filed the Petition with the Commission requesting arbitration of issues that Charter contends remain unresolved after the negotiations between the parties. Charter provided its version of a "Disputed Points List" (the "Charter DPL"), attached to the Petition as Exhibit C, as well as an addition Exhibit C-1 setting forth Charter's proposed tariff incorporation language. As noted below, CenturyTel does not agree with certain aspects of the Charter DPL, including certain of Charter's characterizations of the issues that remain in dispute and additional issues that were not listed by Charter.

5. CenturyTel has provided its updated and accurate Disputed Points List (the "CenturyTel DPL") which is attached hereto as **Exhibit 1** and is expressly incorporated herein by reference. CenturyTel also has provided its updated and accurate Interconnection Agreement reflecting contract language agreed upon by the parties as well as each party's proposed language specific to the contract terms that remain disputed

- 3 -

or otherwise unresolved (the "CenturyTel Agreement"). A true and correct copy of the CenturyTel Agreement is attached hereto as **Exhibit 2** and is expressly incorporated herein by reference. Both Exhibits 1 and 2 reflect updated language that was agreed upon by the parties either immediately prior to or since the date that Charter filed its Petition, as well as proposals regarding specific language provided by CenturyTel to Charter since the filing of Charter's Petition. Therefore, the CenturyTel DPL and the CenturyTel Agreement are more up-to-date and accurate than the Charter DPL and the draft interconnection agreement filed by Charter in conjunction with its Petition, respectively. All language in the CenturyTel Agreement appearing in normalized text and font has been resolved or agreed upon by the parties. With respect to contract terms and issues that remain in dispute between the parties, CenturyTel's proposed contract language is set forth in "**bold**" font. A "Text Key" to this effect is included on the cover page of the CenturyTel Agreement.

6. CenturyTel will set forth in its direct case testimony, testimony at the hearing and post-hearing briefs all applicable and relevant facts, policy considerations, legal arguments and other documentation that support CenturyTel's positions set forth in the CenturyTel DPL and embodied in its proposed language set forth in the CenturyTel Agreement. CenturyTel respectfully submits that the facts, policy considerations and legal arguments will fully support the resolution of the issues as presented by CenturyTel. CenturyTel respectfully requests that the Commission resolve all disputed issues in a manner consistent with CenturyTel's position. CenturyTel also respectfully requests that the Commission order the parties to execute a final Interconnection Agreement that

incorporates the resolved contract language and CenturyTel's proposed language on disputed issues as set forth in the CenturyTel Agreement attached hereto as Exhibit 2.

7. CenturyTel designates the following counsel as its "lead counsel" in this proceeding:

Thomas J. Moorman, DC Bar No. 384790 WOODS & AITKEN LLP 2154 Wisconsin Avenue, N.W., Suite 200 Washington, D.C. 20007 Tel: (202) 944-9502 Fax: (202) 944-9501 Email: tmoorman@woodsaitken.com

CenturyTel's other counsel and/or representatives in this proceeding are:

Becky Owenson Kilpatrick Manager Government Relations CenturyTel - Missouri 220 Madison Street Jefferson City, MO 65101 Tel. 573.636.4261 Fax: 573.636.6826 Email: <u>becky.kilpatrick@centurytel.com</u>

Paul M. Schudel, NE Bar No. 13723 James A. Overcash, NE Bar No. 18627 WOODS & AITKEN LLP 301 South 13th Street, Suite 500 Lincoln, Nebraska 68508 Tel. (402) 437-8500 Fax: (402) 437-8558 Email: pschudel@woodsaitken.com Email: jovercash@woodsaitken.com

Larry W. Dority, MO Bar No. 25617 Fischer & Dority, P.C. 101 Madison, Suite 400 Jefferson City, MO 65101 Tel: 573-636-6758 Ext. 2 Fax: 573-636-0383 Email: <u>lwdority@sprintmail.com</u> CenturyTel respectfully requests that all filings in this proceeding be served upon its counsel and designated representatives as noted above.

8. In this Response, including Exhibits 1 and 2, CenturyTel sets forth its positions relating to the issues raised in Charter's Petition. CenturyTel reserves all rights regarding (and without waiver of its rights with respect to) any matters raised in this Response (and the Exhibits thereto) that may be appropriately subject to exclusion from this arbitration proceeding. As such, nothing in this Response (or the Exhibits hereto) can or should be construed as an admission against interest or in conflict with the foregoing reservation of rights.

9. The Commission has jurisdiction over this arbitration of Section 251 requirements pursuant to 47 U.S.C. § 252.

II. <u>RESPONSES TO ALLEGATIONS IN THE ARBITRATION</u> <u>PETITION</u>

10. CenturyTel has reviewed the factual information and allegations set forth in paragraphs 1-6 and 14-19 of Charter's Petition, which include, among other things, Charter's characterization of the parties' negotiation history and the status of certain resolved and disputed issues generally. These paragraphs of the Petition do not directly address the issues set forth in the Charter DPL. Except as stated in this Response and subject to the statements in paragraphs 11 through 15 below, CenturyTel has no material disagreement with such factual characterizations by Charter. However, CenturyTel reserves the right to establish, through testimony and briefing, its own characterization of such party negotiations should such facts become relevant in this proceeding.

III. <u>RESPONSES TO UNRESOLVED ISSUES RAISED BY</u> <u>CHARTER</u>

11. CenturyTel does not agree with a number of Charter's characterizations of the disputed issues as set forth in the Charter DPL. Many of Charter's characterizations are incomplete, stated in a biased manner or otherwise inaccurate. In other instances, CenturyTel believes that a particular dispute is more accurately characterized as multiple issues. If and to the extent that Charter's Exhibit C does not identify a dispute with respect to specific interconnection agreement language, CenturyTel assumes that Charter has accepted CenturyTel's proposed language. CenturyTel's more accurate statements of the disputed issues in this arbitration are set forth in the CenturyTel DPL attached as CenturyTel also does not agree that Charter has accurately set forth Exhibit 1. CenturyTel's positions in the Charter DPL with respect to numerous disputes. CenturyTel's actual position statements on all disputed issues also are set forth in Exhibit 1. For ease of reference, CenturyTel will respond to each issue identified by Charter by means of the CenturyTel DPL, preserving Charter's numbering of the issues. CenturyTel expressly reserves the right to update its positions on the issues as set forth in Exhibit 1 in accordance with the outcome of any settlement negotiations that may take place between the parties. CenturyTel anticipates expounding on and amplifying its positions taken in the CenturyTel DPL in its testimony and in briefs in the course of this arbitration.

12. Since the Petition was filed, CenturyTel has engaged Charter in settlement negotiations in an attempt to resolve and clarify the remaining disputed issues where appropriate, particularly in instances where disputed issues appear to reflect language differences rather than a disagreement on the underlying objective of the provision. CenturyTel is willing to continue such negotiations throughout the proceeding.

IV. <u>ISSUES NOT IDENTIFIED IN CHARTER'S ARBITRATION</u> <u>PETITION</u>

13. As set forth above, Charter has asserted in the Charter DPL that certain disputes encompass a single issue when, in fact, a more accurate statement of the dispute is presented in multiple issues. With respect to any such circumstance, CenturyTel has identified such additional issues in the CenturyTel DPL as sub-issues under Charter's initial issue number.

14. In addition to the thirty-nine (39) numbered issues identified in the Charter Petition and DPL, CenturyTel has identified two (2) additional issues in dispute and has incorporated them into the CenturyTel DPL. CenturyTel notes that one (1) of these additional issues was not included by Charter in its Petition. The second additional issue pertains to the tariff-related language contained in the separate Exhibit C-1 attached to the Charter DPL. With respect to the two issues not previously included in the Charter DPL, CenturyTel has incorporated them and their corresponding contract terms into the CenturyTel DPL as Issues 40 and 41, respectively. CenturyTel has stated these new issues as follows:

Issue 40:
Order"Should the Pricing Article include ServiceOrderratesandterms?"(This issue relates to Issue 27 and pertains to proposed
contract terms in Article II, § 2.70 and Article XI, § III(B).)

With respect to the proposed tariff-related language contained in Charter's Exhibit C-1, CenturyTel asserts that the specific issue related to such language and the proposed contract language itself should be incorporated into the CenturyTel DPL and treated no differently than other proposed contract language in dispute between the parties.

CenturyTel has so incorporated such proposed contract language in a new Issue 41, and has stated the new issue as follows:

<u>Issue 41:</u> "How should specific Tariffs be incorporated into the Agreement? (<u>This issue relates to Issue 3</u> and pertains to various contract terms.)

15. In a manner fully consistent with Section 252(b)(3) of the Act (*see* 47 U.S.C. § 252(b)(3)), CenturyTel submits that these issues are properly included in this arbitration. CenturyTel's positions on these issues are set forth in the CenturyTel DPL, as well as its good faith understanding of Charter's positions with respect thereto.

V. NOTICE REGARDING DISCOVERY

16. CenturyTel believes that the proper determination of several issues in this arbitration may require limited discovery so as to appropriately and properly develop the record. Therefore, as reflected in the Proposed Procedural Schedule submitted by the parties herein on August 21, 2008, CenturyTel expressly reserves its right to serve discovery requests on Charter, by data request or otherwise, and requests that the Commission authorize such requests. In negotiations, CenturyTel already has provided to Charter certain confidential and/or proprietary information pertaining to issues in dispute in this proceeding. Such information was provided to Charter pursuant to a Confidentiality Agreement executed by the parties. As CenturyTel's confidential and/or proprietary information that Charter considers to be confidential and/or proprietary. CenturyTel understands that such designated information is deemed protected in accordance with Commission Rule 4 CSR 240-2.135(2)(A).

However, should an order from the Commission be necessary, CenturyTel concurs with and joins Charter's request that an appropriate Protective Order be entered to protect such information.

VI. <u>RELIEF REQUESTED</u>

CenturyTel respectfully requests that the Commission take the following actions

with regard to this matter:

A. Arbitrate the unresolved issues between Charter and CenturyTel, as described herein and in Exhibits 1 and 2 hereto, within the timetable specified in the Act or agreed to by the parties and approved by the Commission;

B. Issue a procedural order adopting the proposed schedule previously submitted by the parties herein, establishing a schedule for discovery, the filing of prefiled testimony, hearings, and post-hearing briefs of the parties;

C. Issue an order requiring Charter to comply with all terms and conditions advocated by CenturyTel as set forth herein and directing the parties to submit interconnection agreements reflecting the agreed upon language and the resolution in this arbitration proceeding of the unresolved issues described above and in the Exhibits hereto;

D. Retain jurisdiction of this arbitration until the parties have submitted agreements for approval in accordance with Section 252(e) of the Act;

E. Retain jurisdiction of this arbitration and the parties hereto as necessary to enforce the agreements; and

F. Grant CenturyTel such other and further relief as may be equitable and proper.

DATED: August 25, 2008.

Respectfully submitted,

/s/ Larry W. Dority

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Motion was served by facsimile, hand-delivery, or electronic mail, on the 25th day of August, 2008, on the following:

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/s/ Larry W. Dority

Larry W. Dority

EXHIBIT 1

See "CenturyTel DPL" attached.

EXHIBIT 2

See "CenturyTel Interconnection Agreement" attached.