

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

In the Matter of the Request of       )  
CenturyTel of Missouri, LLC to       )  
Establish Maximum Allowable       )  
Prices for Exchange Access and       )  
Basic Local Telecommunications       )  
Services in Accordance with       )  
CenturyTel's Price Cap Regulation       )  
Pursuant to Section 392.245,       )  
RSMo 2000.       )

Case No. \_\_\_\_\_

**CENTURYTEL OF MISSOURI, LLC'S  
APPLICATION AND NOTICE OF NO CHANGE  
TO MAXIMUM ALLOWABLE PRICES**

COMES NOW CenturyTel of Missouri, LLC ("CenturyTel"), pursuant to 4 CSR 240-2.060, and respectfully requests the Missouri Public Service Commission ("Commission") to approve a zero change to CenturyTel's maximum allowable prices for exchange access and basic local telecommunications services in accordance with the application of Section 392.245.4(1)(b), RSMo 2000. In support of the relief requested, CenturyTel respectfully states as follows:

1. CenturyTel is a Louisiana limited liability corporation that is duly authorized to do business in the state of Missouri. Copies of CenturyTel's Certificate of Authority to transact business in Missouri from the Missouri Secretary of State were filed in Case No. TM-2002-232, *In the Matter of the Joint Application of GTE Midwest, Inc., d/b/a Verizon Midwest and CenturyTel of Missouri, LLC for 1) Authority to Transfer and Acquire Part of Verizon Midwest's Franchise, Facilities and System Located in the State of Missouri; 2) For Issuance of Certificate of Service Authority to CenturyTel of Missouri, LLC; 3) To Designate CenturyTel of Missouri, LLC as Subject to Regulation as*

*a Price Cap Company; and 4) To Designate CenturyTel of Missouri, LLC as a Telecommunications Carrier Eligible to Receive Federal Universal Service Support*, and are incorporated herein by reference pursuant to Commission Rule 4 CSR 240-2.060(1)(G). CenturyTel's principle place of business is 1151 CenturyTel Drive, Wentzville, Missouri 63385. Pursuant to its certificates of service authority, CenturyTel currently provides telecommunications service to customers located in the state of Missouri totaling approximately 347,468 access lines. Accordingly, CenturyTel is a large incumbent local exchange telecommunications company as defined in Section 386.020, RSMo 2000. Pursuant to the Commission's *Report and Order* issued on May 21, 2002, in Case No. TM-2002-232, CenturyTel is subject to price cap regulation as authorized by Section 392.245, RSMo 2000.

2. All correspondence, communications, and orders and decisions of the Commission issued in this matter should be sent to:

Larry W. Dority  
FISCHER & DORITY, P.C.  
101 Madison, Suite 400  
Jefferson City, Missouri 65101  
Telephone: (573) 636-6758  
Facsimile: (573) 636-0383

3. CenturyTel has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of the Application. No Missouri annual reports or assessment fees are overdue.

4. Section 392.245.4(1), RSMo 2000, provides in part:

. . . Except as otherwise provided in subsections 8 and 9 of this section and section 392.248, the maximum allowable prices for exchange access and

basic local telecommunications services of a large, incumbent local exchange telecommunications company regulated under this section shall not be changed prior to January 1, 2000. Thereafter, the maximum allowable prices for exchange access and basic local telecommunications services of an incumbent local exchange telecommunications company shall be annually changed by one of the following methods:

(a) By the change in the telephone service component of the Consumer Price Index (CPI-TS), as published by the United States Department of Commerce or its successor agency for the preceding twelve months; or

(b) Upon request by the company and approval by the commission, by the change in the Gross Domestic Product Price Index (GDP-PI), as published by the United States Department of Commerce or its successor agency for the preceding twelve months, minus the productivity offset established for telecommunications service by the Federal Communication Commission and adjusted for exogenous factors; . . .

5. Section 392.245.4(1)(b) provides for a change in CenturyTel's maximum allowable prices for exchange access and basic local telecommunications services equal to the change in the Gross Domestic Product Price Index (GDP-PI), as published by the United States Department of Commerce or its successor agency for the preceding twelve months, minus the productivity offset established for telecommunications service by the Federal Communications Commission and adjusted for exogenous factors. As set forth in **Exhibit A**, attached hereto and incorporated herein by reference, the change in GDP-PI for the preceding twelve months<sup>1</sup> is 1.625%. CenturyTel's productivity offset established for telecommunications service by the Federal Communications Commission is equal to that same change in GDP-PI<sup>2</sup>. CenturyTel has not identified exogenous factors that would meet the statutory definition set forth in Section 392.245.4(4), RSMo 2000. Accordingly, the resulting change to the subject maximum allowable prices is

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<sup>1</sup> As full year 2004 data are not available, CenturyTel utilized the calculation of percent change in GDP-PI for its annual 2004 FCC Price Cap Filing. The GDP-PI factor of 1.625% is based on the percentage change in the Gross Domestic Product Price Index between the quarter ending December 31, 2003 and the corresponding quarter of the 2002 GDP-PI, as reflected on Exhibit A.

<sup>2</sup> See 47 CFR 61.45 (b) (1) (ii) and footnote 12 in the FCC's Tariff Review Plan order (DA 04-1048).

zero. As a result, CenturyTel has not filed revised tariff sheets to effectuate any change in the maximum allowable prices for these services. As noted above, the factors utilized by CenturyTel in accordance with the methodology set forth in Section 392.245.4(1)(b) are consistent with its 2004 Price Cap Revisions filed with the Federal Communications Commission.

WHEREFORE, CenturyTel of Missouri, LLC respectfully requests the Commission to approve a zero annual change to its maximum allowable prices for exchange access and basic local telecommunications services pursuant to Section 392.245.4(1)(b), RSMo 2000; in the alternative, should the Commission not approve a zero annual change as specifically set forth herein, CenturyTel respectfully requests that the Commission approve the annual change pursuant to the methodology set forth in paragraph (a) of Subsection 392.245.4(1).

Respectfully submitted,

/s/ Larry W. Dority

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Jefferson City, Missouri 65101  
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Attorneys for CenturyTel of Missouri, LLC

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above and foregoing document was emailed, mailed or hand-delivered, this 16th day of July, 2004, to:

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

Office of the Public Counsel  
P.O. Box 2200  
Jefferson City, MO 65102

/s/ Larry W. Dority

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Larry W. Dority

Calculation of Percent Change in GDP-PI for June 2004 FCC Price Cap Filing

GDP-PI 4th Quarter 2002	106.3	L1	Input per Bureau of Economic Analysis website
GDP-PI 4th Quarter 2003	104.6	L2	Input per Bureau of Economic Analysis website
Percent Change in GDP-PI	1.6252%	L3	(L1 - L2) / L2

GDP-PI SOURCE: <http://www.bea.doc.gov/bea/dn/nipaweb/SelectTable.asp?Selected=Y, Table 1.1.4>

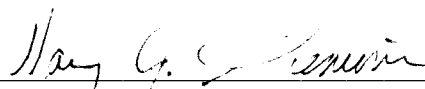
## VERIFICATION

STATE OF MISSOURI                    )  
  ) SS  
COUNTY OF COLE                    )

I, Arthur Martinez, of lawful age, being first duly sworn upon my oath, state that I am the Director Government Relations of CenturyTel of Missouri, LLC and that I am authorized to make this verification on behalf of CenturyTel of Missouri, LLC; and that the facts set forth in the foregoing Application and Notice are true and correct to the best of my knowledge, information and belief.

  
Arthur Martinez

Subscribed and sworn to before me this 16<sup>th</sup> day of July, 2004

  
Notary Public

My Commission expires:

July 8, 2008

