

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

In the Matter of CenturyTel of Missouri, LLC's)	
Request for Competitive Classification Pursuant to)	<u>Case No. IO-2006-0109</u>
Section 392.245.5, RSMo (2005))	

Concurring Opinion of Commissioner Steve Gaw

Through its Report and Order issued in the above-captioned docket, the Commission has granted competitive classification for residential services provided by CenturyTel in the Dardenne, O'Fallon, St. Peters and Wentzville exchanges as well as business services in the Bourbon, Columbia, Cuba, O'Fallon, St. James, St. Peters, and Wentzville exchanges. By this concurring opinion, I express my agreement with the majority decision for all exchanges except for business services in the Bourbon exchange.

The evidence indicates, and the majority reports, that wireline service to business customers in the Bourbon exchange is provided by Fidelity Communications. However, the evidence also reveals that Fidelity does not hold itself out as a competitor for all business customers. Instead, Fidelity is providing service to only two business customers capable of being served through a fiber loop leased from an unaffiliated broadband provider. As Fidelity notes, in order for it to provide service to additional customers, it would have to build out or lease additional facilities from a different third party. Furthermore, Fidelity does not advertise for new business customers in Bourbon. As such, no competitive pressure exists from Fidelity for business customers in the Bourbon exchange that would constrain CenturyTel's exercise of monopoly power. One of the goals of deregulation is to control prices with competitive pressures and I believe that Fidelity does not satisfy

this objective. Furthermore, I question whether the legislature intended for a telecommunications company to be deemed a competitor when it is not offering services to additional customers in the exchange.

In addition to the question regarding the nature of the wireline competition in the Bourbon exchange, there is also an issue regarding the nature and extent to which wireless competition exists in the Bourbon exchange. As expressed in my dissent in the Sprint competitive classification case (Case No. IO-2006-0092), I believe that Section 392.245.5 requires a definitive showing that the named wireless carrier actually provide basic local telecommunications service within the exchange. Pursuant to the definition found in Section 386.020(4), this requires that the named competitor offer two-way switched voice service within a local calling scope without the customer incurring a toll charge. In the case at hand, while Verizon Wireless indicates that it has both coverage and facilities in the Bourbon exchange, Staff was unable to confirm and Verizon did not verify whether Verizon Wireless or any other wireless provider actually provided local service in the exchange versus merely providing coverage to customers traveling through the exchange.

Based upon the absence of a clear wireless or wireline competitor, I would not have granted competitive classification for business services in the Bourbon exchange. As such, I submit this concurrence.

Respectfully submitted,



Steve Gaw
Commissioner

Dated at Jefferson City, Missouri,
on this 19th day of October, 2005.