

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 15th day
of January, 2008.

In the Matter of the Review of the Competitive)
Classification of the Exchanges of Spectra)
Communications Group, LLC, d/b/a CenturyTel.)

Case No. IO-2008-0097

**ORDER APPROVING STIPULATION AND AGREEMENT AND FINDING
CONTINUED COMPETITION IN CERTAIN EXCHANGES OF
SPECTRA COMMUNICATIONS GROUP, LLC, D/B/A CENTURYTEL**

Issue Date: January 15, 2008

Effective Date: January 25, 2008

On October 4, 2007, the Staff of the Missouri Public Service Commission filed a report pursuant to Section 392.245.5, RSMo Supp. 2006, regarding continued competitive classification for Spectra Communications Group, LLC, d/b/a CenturyTel's competitively classified exchanges. Staff concluded that competition continues to exist in Spectra's competitively classified exchanges and recommended that the Commission make a finding of that fact. The Commission issued notice of the Staff's report and established October 30, 2007, as the deadline for the filing of applications to intervene. No such applications were filed.

Acting on a request for hearing made by the Office of the Public Counsel, the Commission scheduled a procedural conference for November 27, 2007. At that conference, the presiding officer ordered the parties to file a proposed procedural schedule. On November 28, 2007, Staff filed a motion to establish December 13 as the deadline for

filings by the parties and December 20 as the hearing date. The Commission adopted the suggested schedule.

On December 13, 2007, Spectra, Staff, and Public Counsel filed a unanimous stipulation and agreement. In that stipulation, all parties agree that the Commission may consider the previously filed verified Staff report in this case as evidence to determine whether competitive conditions continue to exist in the Spectra exchanges previously granted competitive classification. Staff and Spectra further stipulate that Staff's report demonstrates the continued existence of competitive conditions in those exchanges and that such exchanges should remain classified as competitive. Public Counsel did not join that part of the stipulation, but stipulated that it does not object to Staff and Spectra's stipulation and will not offer any evidence in opposition to that stipulation. On December 14, 2007, Public Counsel filed a pleading stating that it waived its right to a hearing in this case. The Commission therefore canceled the scheduled hearing.

On January 10, 2008, Staff filed a motion requesting to amend its staff report. Staff stated that it had inadvertently listed Charter Fiberlink–Missouri, LLC, as the competitive local exchange carrier (CLEC) providing local service to residential customers in Spectra's Savannah exchange. Staff requested that its report be corrected to show that NPG Digital Phone, Inc., is providing facilities-based residential voice service to more than two customers in the Savannah exchange. Staff supported its information with the Affidavit of Linda McNeiley, Assistant Controller for NPG Digital Phone, Inc. The Commission shall grant Staff's motion.

Section 392.245.5(6), RSMo Supp. 2006, requires the Commission to review the status of competition in exchanges previously designated as competitive. That review is to

be conducted at least every two years. The statutorily established standard for determining whether competition continues to exist in those Spectra exchanges previously designated as competitive is very straightforward. Competition is defined to exist in those exchanges if at least two nonaffiliated entities in addition to the incumbent local exchange company are providing basic local telecommunications service to customers. Staff's verified report, which the parties stipulate may be considered as evidence, indicates the statutory standard continues to be met in Spectra's competitively classified exchanges.

On the basis of Staff's verified report and the stipulation and agreement of Staff and Spectra, to which no party objects, the Commission finds that competition as defined by Section 392.245.5, RSMo Supp. 2006, continues to exist in those exchanges of Spectra that the Commission previously classified as competitive.

IT IS ORDERED THAT:

1. The Motion to Amend Staff Report filed on January 10, 2008, is granted.
2. The Stipulation and Agreement filed by Spectra Communications Group, LLC, d/b/a CenturyTel, the Staff of the Commission, and the Office of the Public Counsel is approved.
3. The Commission finds that competition, as defined by Section 392.245.5, RSMo Supp. 2006, continues to exist in those exchanges of Spectra Communications Group, LLC, d/b/a CenturyTel, that the Commission previously classified as competitive.

4. This order shall become effective on January 25, 2008.
5. This case may be closed on January 26, 2008.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', is positioned above the printed name.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Appling, and
Jarrett, CC., concur.
Clayton, C., concurs; a separate
concurring opinion may follow.

Dippell, Deputy Chief Regulatory Law Judge