

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

In the Matter of Spectra Communications)	
Group, LLC, d/b/a CenturyTel's Request for)	Case No. IO-2008-0244
Competitive Classification Pursuant to section)	Tariff No. YI-2008-0443
392.245.5, RSMo.)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation states:

1. On January 25, 2008, Spectra Communications Group, LLC, d/b/a CenturyTel, filed its Application for Competitive Classification pursuant to section 392.245.5, RSMo. In its application, Spectra requests that the Commission classify all of its residential services, other than exchange access service, as competitive for the Aurora exchange. Also, on January 25, Spectra submitted a revised tariff sheet.

2. The Commission directed the Staff to investigate this matter and to file any objections and a verified recommendation no later than February 8, 2008.

3. In the attached Memorandum labeled Appendix A (HC and NP versions), the Staff states that the competing wireless and facilities-based carriers have at least two residential customers whose addresses are located within the Aurora exchange. In addition, the competing carriers have local numbers available for use by residential customers in the Aurora exchange.

WHEREFORE, the Staff has no objection to and recommends the Commission (1) grant competitive classification for Spectra's residential services, other than exchange access service, in the Aurora exchange, and (2) approve the tariff filing to be effective February 24, 2008.

Respectfully submitted,

William K. Haas

William K. Haas

Deputy General Counsel

Missouri Bar No. 28701

Attorney for the Staff of the
Missouri Public Service Commission

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Jefferson City, MO 65102

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william.haas@psc.mo.gov

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 8th day of February 2008.

/ William K. Haas

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. IO-2008-0244 Tariff Filing: YI-2008-0443

From: Mike Scheperle
Telecommunications Department

/s/Natelle Dietrich 2-8-08
Utility Operations Division/Date

/s/ William K Haas 2-8-08
General Counsel's Office/Date

Subject: Recommendation on Application of Spectra Communications Group, LLC d/b/a CenturyTel (Spectra) 30-day competitive classification filing and corresponding tariff filing.

Date: 2-8-08

Summary:

Staff recommends granting the Application of Spectra Communications Group, LLC d/b/a CenturyTel (Spectra) requesting competitive classification of its residential services (other than exchange access service) in the Aurora exchange. At this time, Staff concludes Spectra meets the requirements of Section 392.245.5 RSMo (2005): there exists at least one nonaffiliated wireless carrier providing service with customers within the Aurora exchange with telephone numbers assigned to the exchange, and one nonaffiliated wireline carrier providing facilities-based basic local telecommunications service with customers within the Aurora exchange with telephone numbers assigned to the exchange.

Background:

On January 25, 2008, Spectra, an incumbent local exchange carrier (ILEC), filed an application requesting competitive classification for residential services, other than exchange access service, in the Aurora exchange.

Along with the application, Spectra submitted a tariff filing (YI-2008-0443) to classify residential services, other than exchange access service, in the Aurora exchange as competitive effective February 24, 2008.

Spectra requested that competitive classification be granted pursuant to the thirty day section of Section 392.245.5, RSMo (Supp. 2005). The relevant portion of the statute reads as follows:

5. Each telecommunications service offered to business customers, other than exchange access service, of an incumbent local exchange telecommunications company regulated under this section shall be classified as competitive in any exchange in which at least two nonaffiliated entities in addition to the incumbent

local exchange company are providing basic local telecommunications service to business customers within the exchange. Each telecommunications service offered to residential customers, other than exchange access service, of an incumbent local exchange telecommunications company regulated under this section shall be classified as competitive in an exchange in which at least two nonaffiliated entities in addition to the incumbent local exchange company are providing basic local telecommunications service to residential customers within the exchange. For purposes of this subsection:

(1) Commercial mobile service providers as identified in 47 U.S.C. Section 332(d)(1) and 47 C.F.R. Parts 22 or 24 shall be considered as entities providing basic local telecommunications service, provided that only one such nonaffiliated provider shall be considered as providing basic local telecommunications service within an exchange;

(2) Any entity providing local voice service in whole or in part over telecommunications facilities or other facilities in which it or one of its affiliates have an ownership interest shall be considered as a basic local telecommunications service provider regardless of whether such entity is subject to regulation by the commission. A provider of local voice service that requires the use of a third party, unaffiliated broadband network or dial-up Internet network for the origination of local voice service shall not be considered a basic local telecommunications service provider. For purposes of this subsection only, a "broadband network" is defined as a connection that delivers services at speeds exceeding two hundred kilobits per second in at least one direction;

(6) Upon request of an incumbent local exchange telecommunications company seeking competitive classification of business service or residential service, or both, the commission shall, within thirty days of the request, determine whether the requisite number of entities are providing basic local telecommunications service to business or residential customers, or both, in an exchange and if so shall approve tariffs designating all such business or residential services other than exchange access service, as competitive within such exchange.

...

The commission shall maintain records of regulated providers of local voice service, including those regulated providers who provide local voice service over their own facilities, or through the use of facilities of another provider of local voice service. In reviewing an incumbent local exchange telephone company's request for competitive status in an exchange, the commission shall consider their own records concerning ownership of facilities and shall make all inquiries as are necessary and appropriate from regulated providers of local voice service to determine the extent and presence of regulated local voice providers in an exchange.

Spectra's Application

In its application for competitive status on the thirty-day track, Spectra named Cebridge Communications, LLC d/b/a Suddenlink Communications (Suddenlink) as an entity providing residential phone service in whole or in part to residential customers in direct competition with Spectra in Spectra's Aurora exchange. In support of this claim, Spectra states that "migrations of residential customers from Spectra to Suddenlink are reflected in Spectra's internal business records showing the disconnection of customer's loops from Spectra's switch. Spectra numbers in the Aurora NPA/NXX have been ported to Suddenlink to assist in the provision of residential services."

In further support of its application, Spectra stated that it "has numerous non-affiliated wireless providers operating in its exchanges providing local service". In Spectra's application, Spectra listed the following wireless carriers providing local service to customers in Spectra's Aurora exchange: Verizon, Alltel, US Cellular and Sprint/Nextel. Exhibit A (Section 1) of Spectra's application includes coverage maps of the wireless carriers' websites as evidence of the wireless carriers providing service in the Aurora exchange. Exhibit A (Section 2) of Spectra's application includes a local number porting report.

Exhibit B of the application contains Spectra's illustrative tariff pages reflecting the residential competitive classification for the Aurora exchange. Spectra's application for residential competitive classification notes that it is not requesting any price changes for the Aurora exchange. However, in reviewing Tariff Filing YI-2008-0443, Spectra is proposing a rate decrease for residential one-party service in the Aurora exchange from \$8.72 to \$7.61.

Staff Investigation

In its *Order Directing Notice, Establishing Procedural Schedule, and Reserving Hearing Date*, the Commission wrote:

Accordingly, the Commission will direct its Staff to investigate this matter and to file a verified pleading stating, for each exchange under consideration in this proceeding, whether the wireless and the facilities-based carriers have at least two residential and two business customers whose addresses are located within that exchange. In addition, Staff shall state whether Spectra has local numbers available to those customers in the various exchanges.

The Telecommunications Department Staff (Staff) contacted carriers cited by Spectra as qualifying the Aurora exchange for competitive status for residential services other than exchange access service. Carriers were asked to provide an affidavit stating whether the carrier has at least two residential customers with addresses located within the Aurora exchange. Spectra only requested competitive status for residential services in the Aurora exchange; hence Staff did not seek business customer information.

Suddenlink (a cable provider) has not responded to Staff's information request at this time. (Attachment A is email letter and correspondence to Suddenlink requesting information.) However,

Staff is recommending approval of Spectra's Application based on porting information supplied by Spectra in its Application as detailed in Exhibit A (Section 2). Exhibit A (Section 2) details numerous residential customers porting numbers to Suddenlink from Spectra and Spectra affirmed such ports through its verified affidavit attached to the Application.

Staff also contacted wireless carriers cited by Spectra in its application. Staff asked each wireless carrier to provide an affidavit stating whether the carrier has at least two residential customers with addresses located within the Aurora exchange. In Attachment B are the affidavit responses from wireless carriers. Staff received these affidavit responses from Alltel, Sprint PCS/Nextel and US Cellular. These affidavits verify that the wireless carriers have at least two residential customers whose addresses are located in the Aurora exchange.

Staff also requested information from the Local Exchange Routing Guide, or LERG, from Spectra for the Aurora exchange, which Spectra provided. The LERG provides a variety of information; however most notably it identifies telephone numbers assigned to specific carriers within an exchange. The LERG page is attached as Attachment C. Attachment C shows numerous wireless carriers having telephone numbers that are rated as local to the Aurora exchange.

Conclusion:

As a result of Staff's investigation, Staff concludes (see Attachment D) there is a wireline carrier (Suddenlink - see Attachment E) other than the ILEC providing facilities-based service serving at least two residential customers whose addresses are located in the Aurora exchange with telephone numbers rated as local to the Aurora exchange. Staff also concludes there are wireless carriers (Alltel, Sprint PCS/Nextel, US Cellular) with at least two customers whose addresses are located in the Aurora exchange with telephone numbers rated as local to the Aurora exchange.

Staff has no objection to the application and tariff filing. Staff recommends the Commission approve the application. Staff further recommends the Commission approve the tariff filing (YI-2008-0443 to be effective February 24, 2008.

- ☒ The Company is not delinquent in filing an annual report and paying the PSC assessment.
☐ The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.
(☐ No annual report ☐ Unpaid PSC assessment. Amount owed:)

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

In the Matter of Spectra Communications)
Group LLC, d/b/a CenturyTel's Request)
for Competitive Classification Pursuant to)
Section 392.245.5, RSMo. (2005)

Case No. **IO-2008-0244**
Tariff File **YI-2008-0443**

AFFIDAVIT OF Michael S. Scheperle

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

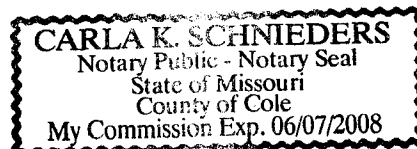
Michael S. Scheperle, employee of the Staff of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in the preparation of the accompanying document, and that the facts therein are true and correct to the best of his knowledge and belief.

Michael S. Scheperle
Michael S. Scheperle

Subscribed and affirmed before me this 8th day of February 2008

I am commissioned as a notary public within the County of Cole, State of Missouri
and my commission expires on June 7, 2008

Carla K. Schnieders
NOTARY PUBLIC



Scheperle, Mike

From: Zarrilli, Mike [Michael.Zarrilli@suddenlink.com]
Sent: Wednesday, January 30, 2008 3:07 PM
To: Scheperle, Mike
Cc: Moffit, Dennis
Subject: FW: Information request by Mike Scheperle from the Missouri Public Service Commission
Attachments: Suddenlink Communications Affidavit.doc; Suddenlink Customer and Line Request.xls

Mike,

We will take care of this and respond appropriately. Thank you.

Mike

From: Scheperle, Mike [mailto:mike.scheperle@psc.mo.gov]
Sent: Wednesday, January 30, 2008 2:27 PM
To: Zarrilli, Mike
Subject: Information request by Mike Scheperle from the Missouri Public Service Commission

Michael Zarrilli,

CenturyTel and Spectra have filed Case Nos. IO-2008-0243 and IO-2008-0244 before the Missouri Public Service Commission. In these cases, CenturyTel and Spectra are requesting competitive status for residential services and business services in certain telephone exchanges. CenturyTel and Spectra are claiming Suddenlink Communications provides service in the listed exchanges:

Residential exchanges: **Aurora, Branson and Rockaway Beach.**

I would like to have a written response, along with a signed affidavit, for the following information:

1. For each exchange that CenturyTel and Spectra are requesting competitive status, state whether Suddenlink Communications is currently providing service to at least two residential customers within that exchange.
2. Please provide customer and line counts per exchange.

Attached is a draft affidavit and excel file for your use so that the Commission's staff can have written support for its conclusions in these cases. Please, if possible, complete this affidavit and excel file, editing as necessary, as soon as you can and return it to us. A fax or scanned copy is fine as long as it is followed up with an original.

<<Suddenlink Communications Affidavit.doc>> <<Suddenlink Customer and Line Request.xls>>

In order to meet the Commission's deadline I need the information by Tuesday, February 6th. If you have any

2/7/2008

Attachment A
Page 1

questions, let me know. Thank you in advance for your assistance.

Mike Scheperle
Economist, Telecommunications Department
Missouri Public Service Commission
(573) 751-5054
Mike.scheperle@psc.mo.gov

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AFFIDAVIT OF <INSERT SUDDENLINK EMPLOYEE NAME>

Attachment A
Page 3

Company	Exchange	Residential Customers	Residential Lines
Spectra	Aurora		
CenturyTel	Branson		
CenturyTel	Rockaway Beach		

as of January 25, 2008

AFFIDAVIT

STATE OF ARKANSAS)

) SS

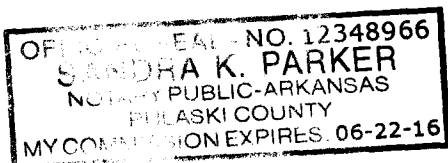
COUNTY OF PULASKI)

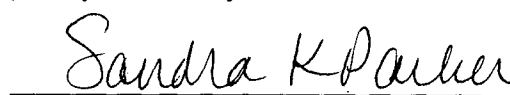
I, Lawrence J. Krajci, of lawful age, being first duly sworn upon my oath, state that I am the Staff Manager of State Affairs of Alltel Communications, LLC ("Alltel"); and that the facts set forth below are true to the best of my knowledge, information and belief.

Alltel has two or more customers who have addresses within each of the following Missouri telephone exchanges: Branson, Exeter, Rockaway Beach, and Aurora. Alltel does not generally categorize its customers in its customer record system as "residential" or "business" customers and therefore cannot affirm whether the customers are "residential" or "business" customers.


Lawrence J. Krajci

Subscribed and sworn to before me this 14 day of February, 2008.




Notary Public

My Commission expires: 06-22-16

RECEIVED

FEB 04 2008

UTILITY OPERATIONS

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

AFFIDAVIT OF JEFFREY D. SORENSEN

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

Jeffrey D. Sorensen, of lawful age, on his/her oath states: that (1) US Cellular has two or more residential customers who have addresses within the following Missouri telephone exchanges to the best of his/her knowledge and belief: Aurora and Branson.

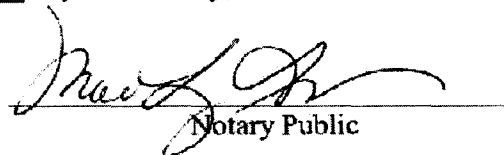
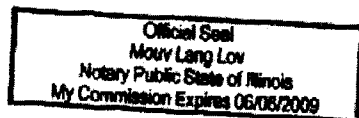
Jeffrey D. Sorensen, of lawful age, on his/her oath states: that (1) US Cellular has two or more business customers who have addresses within the following Missouri telephone exchanges to the best of his/her knowledge and belief: Hallsville and Winfield.

For each of the listed exchanges above, wireline customers can place local calls to US Cellular subscribers residing within that exchange.



Jeffrey D. Sorensen
Regulatory Accounting Supervisor

Subscribed and sworn to before me this 14th day of February, 2008.



Notary Public

My commission expires June 6, 2009

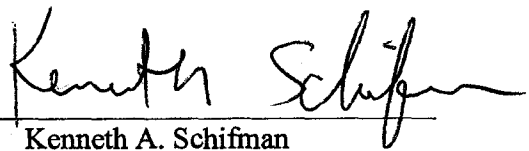
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

AFFIDAVIT OF KENNETH A. SCHIFMAN

STATE OF KANSAS)
) ss
COUNTY OF JOHNSON)

Kenneth A. Schiffman, of lawful age, on his oath states: that (1) Sprint PCS/Nextel has two or more residential customers who have addresses within the following Missouri telephone exchanges to the best of his knowledge and belief: Aurora, Branson, Rockaway Beach and Wright City.

Kenneth A. Schiffman, of lawful age, on his oath states: that (1) Sprint PCS/Nextel has two or more business customers who have addresses within the following Missouri telephone exchanges to the best of his knowledge and belief: Cabool, Dardenne, Warrenton and Wright City.



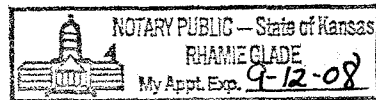
Kenneth A. Schiffman

Director, Government Affairs

Subscribed and sworn to before me this 20th day of February, 2008.

Rhame Glade
Notary Public

My commission expires 9-12-08



Attachment C
is Deemed Highly
Confidential in its
Entirety

Missouri Public Service Commission
Case No. IO-2008-0244
Spectra

Exchange	Verification (1)
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Aurora - Residential

CLEC	Suddenlink
Wireless	Alltel, Sprint PCS/Nextel, US Cellular

(1) Verification supplied by wireless carrier and wireline carrier through 2006 Annual Reports, porting information or affidavits.

Attachment E

is Deemed Highly

Confidential in its

Entirety