

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

In the Matter of the Application of Iowa )  
Telecommunications Services, Inc., d/b/a )  
Iowa Telecom for Temporary Waiver of )  
Compliance with the Requirement of 4 )  
CSR 240-31.065(2). )

Case No. IE-2006-0290

**STAFF RECOMMENDATION**

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

1. On January 6, 2006, Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom filed an application requesting a temporary waiver of Commission Rule 4 CSR 240-31.065(2). This rule requires the MoUSF surcharge to appear on each retail end-user customer's bill as a separate line item detailed as "Missouri Universal Service Fund." Iowa Telecom anticipates that its billing system can be updated to meet this requirement no later than March 31, 2006. Iowa Telecom requests a waiver until April 1, 2006.

2. Commission Rule 4 CSR 240-2.060(4) requires an application for a rule waiver to set out good cause.

3. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Commission approve, for good cause, the temporary waiver request.

WHEREFORE, the Staff recommends approval of Iowa Telecom's application for a temporary waiver of 4 CSR 240-31.065(2) until April 1, 2006.

Respectfully submitted,

/s/ William K. Haas

William K. Haas

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### **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 25<sup>th</sup> day of January 2006.

/s/ William K. Haas

William K. Haas

**M E M O R A N D U M**

**To:** Missouri Public Service Commission Official Case File  
Case No.: **IE-2006-0290** File No.: **N/A**  
Applicant: **Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom**

**From:** Mike Scheperle  
Telecommunications Department

Natelle Dietrich 1/23/06  
Utility Operations Division/Date

/s/ William Haas 1/23/06  
General Counsel's Office/Date

**Subject:** Staff Recommendation to Grant Request for Temporary Rule Waiver

**Date:** January 23, 2006

**Filing Deadline:** February 9, 2006

On January 6, 2006, Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom (Iowa Telecom), an incumbent local exchange company, filed an Application for Temporary Waiver of compliance with the requirement of Rule 4 CSR 240-31.065(2) until April 1, 2006. The Commission issued an Order on January 9, 2006, directing the Staff to file its recommendation or a status report no later than February 9, 2006.

Iowa Telecom requests a temporary waiver from Subsection (2) of Rule 4 CSR 240-31.065 which provides that the surcharge shall appear as a separate line item detailed as Missouri Universal Service Fund. Iowa Telecom seeks a temporary waiver from the specific line item requirement surcharge until April 1, 2006. Presently, Iowa Telecom's billing system aggregates the Federal and Missouri Universal Service surcharge assessment into a single line item "Universal Service Fund" on the end user's bill.

According to the Iowa Telecom's application, the company has reviewed the system requirements to change its billing system to accommodate the requirement for the approximately 100 access lines served in Missouri from Iowa exchanges that extend into Clark County, Nodaway County and Putnam County in northern Missouri. Iowa Telecom provides local exchange telecommunications service to approximately 240,500 access lines in 294 exchanges throughout Iowa. It is anticipated that a system update can be completed no later than March 31, 2006.

The Commission's Order of March 17, 2005 in Case No. TO-98-329 advises certificated telecommunications companies that they may begin billing the USF assessment on May 1, 2005. Iowa Telecom did not detail the Missouri Universal Fund as a separate line item on end user's bill for the approximately 100 access lines but aggregated the Federal and Missouri Universal Service surcharge assessment into a single line item titled "Universal Service Fund". Staff has been working with Iowa Telecom to process provisions on the Missouri Universal Service Fund over the past several months. Iowa Telecom is now changing their billing system to detail the

proper wording on the line item surcharge as outlined in 4 CSR 240-31.065(2). Staff verified that Iowa Telecom has submitted payments to the Missouri Universal Fund Administrator as required and has been providing applicable MoUSF discounts to eligible customers without requesting reimbursement from the fund.

Commission Rule 4 CSR 240-2.060(4) allows the Commission to waive a rule if the applicant can provide justification showing good cause for granting the variance or waiver. Staff believes that the Iowa Telecom application provides good cause to grant the temporary waiver request until April 1, 2006. Therefore, Staff recommends that the Commission issue an order approving the temporary waiver request.

☒ The Company is not delinquent in filing an annual report or paying the PSC assessment.

In the Matter of the Application of Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom for Temporary Waiver of Compliance with the Requirement of 4 CSR 240-31.065(2).

**ROSEMARY R. ROBINSON**  
Notary Public - Notary Seal  
State of Missouri  
County of Callaway  
My Commission Exp. 09/23/2008