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May 15, 2003

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Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

Missouri Public Service Commission

Re:

cc:

ALLTEL Missouri, Inc.

Annual Change for maximum allowable prices under § 392.245.4(1), RSMo.

Dear Mr. Roberts:

ALLTEL Missouri, Inc. ("ALLTEL") filed its written Notice of Election To Be Price Cap Regulated Under Section 392.245, RSMo 2000 with the Commission on May 17, 2002. Thereafter, the Staff of the Commission filed its Motion to Reject ALLTEL's Price Cap Election on June 6, 2002, and the matter has been assigned Case No. IO-2002-1083. On June 21, 2002, the Commission ordered the parties to file a proposed procedural schedule by July 8, 2002. However, upon joint motions by ALLTEL, the Staff and the Office of the Public Counsel, the Commission has continued to extend the filing deadline, most recently to July 3, 2003

Pursuant to the requirements of the price cap statute, ALLTEL is required to file its annual change to the maximum allowable prices for exchange access and basic local telecommunications services on or before May 17, 2003. As stated in its Notice of Election and in subsequent pleadings filed in Case No. IO-2002-1083, ALLTEL believes that its price cap regulation under Section 392.245 commenced on the date of the filing of its written notice (May 17, 2002), and that no further action of the Commission is required to effectuate ALLTEL's price cap election. Therefore, ALLTEL is notifying the Commission that, after consideration of the slight increase in the Consumer Price Index-Telecommunications Services (CPI-TS), ALLTEL does not intend to make any change to its maximum allowable prices for "basic" services at this time. Thank you for bringing this letter to the attention of the appropriate Commission personnel.

Sincerely

Office of the Public Counsel

John Van Eschen, Telecommunications Department

William K. Haas, Deputy General Counsel