BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Staff's Review of the) File No. TW-2017-0078 Commission's Chapter 31 Rules)

REPLY COMMENTS OF THE MISSOURI CABLE TELECOMMUNICATIONS ASSOCIATION

On October 25, 2016 the Commission Staff invited stakeholders to file reply comments to previous comments submitted in this file. The Missouri Cable Telecommunications Association ("MCTA") submits the following reply comments on the Staff's review of the Public Service Commission's ("Commission") Chapter 31 rules regarding the Missouri Universal Service Fund ("MoUSF").

MCTA disagrees with the position taken by the Small Telephone Company Group ("STCG") that the Commission has the statutory authority to revise its rules to allow the expansion of the MoUSF Lifeline program to include standalone broadband service ("BIAS"). STCG's argument is premised on the claim that its proposed definition of BIAS "fits" within the Missouri statutory definition of "telecommunications service" but that the Commission is prohibited by state law from regulating BIAS service. However, as proposed in Attachment "D" of Staff's Request for Comment, changing the definition of "essential local telecommunications service" in 4 CSR 240-31.010(6) would require "reasonably comparable" broadband service "throughout the state, including high cost areas, at just, reasonable, and affordable rates" in 4 CSR 240-31.010(14)(A). Moreover, 4 CSR 240-31.040 would provide for the Commission to "determine the just, reasonable, and affordable rates for [broadband service] for each local calling scope in the state." These actions are the very definition of regulation. The one thing that virtually every party that has commented in this case agrees upon is that § 392.611.2, RSMo.

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prohibits the Commission from regulating broadband. But STCG cites no other specific authority for the argument that the Commission has the power to include BIAS in the MoUSF. Accordingly, broadband cannot be included in the definition of "telecommunications services" in § 386.020(54), RSMo. because it would run afoul of § 392.611.2, RSMo. and proper statutory construction. In summary, the Commission is precluded from including broadband service in the MoUSF. We appreciation the opportunity to provide these reply comments.

Respectfully submitted this 15th day of November, 2016.

MISSOURI CABLE TELECOMMUNICATIONS ASSOCIATION

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