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December 8, 2004

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Secretary Public Service Commission P.O. Box 360 Jefferson City, Missouri 65102

Missouri Public Vice Commission

DEC 0 8 2004

Re: In the Matter of the Community Plus Plan and Premium Calling Plan of Spectra Communications Group, LLC d/b/a CenturyTel

Dear Secretary:

Enclosed for filing please find an original and eight copies of the MITG's Lack of Notice of Tariff Filing, Objection to Expedited Consideration of Tariff, Objection to Order Closing of Case, Objections to Tariff Itself, and Application for Intervention to Oppose Tariff, and Motion for Hearing in the above referenced case.

If you have any questions, please contact me at the number listed above.

Johnson

CSJ:lw

Encl.

CC: William Haas Michael Dandino James Fischer W.R. England MITG Managers

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

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FILED<sup>2</sup> DEC 0 8 2004

In the Matter of the Community Plus Plan And Premium Calling Plan of Spectra Communications Group, LLC d/b/a CenturyTel Service Commission Case No. IT-2005-0134 Tariff File No. JI-2005-0363

## <u>MITG'S</u> <u>OBJECTION TO LACK OF NOTICE OF TARIFF FILING,</u> <u>OBJECTION TO EXPEDITED CONSIDERATION OF TARIFF,</u> <u>OBJECTION TO ORDER CLOSING OF CASE,</u> <u>OBJECTIONS TO TARIFF ITSELF,</u> <u>APPLICATION FOR INTERVENTION TO OPPOSE TARIFF,</u> <u>AND MOTION FOR HEARING</u>

**COMES NOW** the Missouri Independent Telephone Company Group ("MITG"), Alma Communications Company d/b/a Alma Telephone Company, Chariton Valley Telephone Corporation, Choctaw Telephone Company, Mid-Missouri Telephone Company, MoKan Dial Inc., and Northeast Missouri Rural Telephone Company, and hereby object to the Lack of Notice of the instant tariff filing, object to the expedited consideration of the instant tariff filing, object to the tariff itself, apply to intervene to oppose the instant tariff, and request a hearing pursuant to Section 392.230.3 RSMo. In support of these Objections, Application, and Motion, the MITG states as follows:

1. On November 9, 2004 Spectra Communications Group, LLC d/b/a CenturyTel ("CenturyTel") sought to revise its PSC Mo. No. 1, Section 5, by filing tariff sheets Original 6.1 and 6.2, File No. JI-2005-0363. This filing proposed two new services offering expanded calling areas solely to CenturyTel customers residing in the Macon exchange, named the Community Plus Plan and Premium Calling Plan. CenturyTel claimed in its filing that this was a promotional tariff, and requested and expedited tariff effective date of November 22, 2004.

2. On November 16, 2004 the Staff of the Public Service Commission filed its Motion to Reject or Suspend Tariff Filing in this case. The Commission denied the Staff's motion and allowed the tariff to become effective. The Commission entered an order closing this case on November 30, 2004.

3. The MITG has several objections, set out in detail below, as to the manner in which this filing was made and the process by which it became effective. In addition, the MITG has substantive legal objections to the tariff as set forth herein, and as set forth by Staff in its Motion to Reject or Suspend Tariff Filing.

4. This tariff was improperly described and processed as a "promotional" tariff. Commission rule 4 CSR 240-3.545(19) states, "Promotions are those service offerings that provide a reduction or waiver of a tariffed rate for a limited period of time." CenturyTel's tariff was a brand new service offering, not a reduction or waiver of an existing tariffed rate or service.

5. Section 392.200.2 RSMo states that, "Promotional programs for telecommunications services may be offered by telecommunications companies <u>for periods of time</u> so long as the offer is otherwise consistent with the provision of this chapter and approved by the commission." CentruyTel's tariff is not consistent with the statute or Commission rule. The instant tariff is inconsistent with § 392.200.2 in that the "periods of time" modifies the service's duration, not the customer's opportunity to enroll in the program. Here CenturyTel has offered the new service plan for a "limited period of time". No where does the tariff explain when, or if, the optional expanded calling service will end. Ostensibly, once a customer enrolls, between November 2004 and May 2005, they will be able to continue the service forever. The tariff never explains any increase of the rate once the "promotion" expires. This is not the concept of a promotion that the statue or Commission rule contemplates.

6. CenturyTel has also failed to file with the Commission any justification as required by § 392.220.4 RSMo, as this is a proposal for new rate or charge for a service not previously offered by CenturyTel to its Missouri customers, and because CenturyTel has not indicated whether this service would be classified non-competitive, transitionally competitive or competitive.

7. Adequate notice of the tariff offering these new services was not given to parties who might object to this tariff. The tariff filing was accompanied by a request that it receive expedited treatment and an expedited effective date less than 30 days. Because this tariff was improperly characterized as a "promotional" offering the Commission mistakenly handled this filing under the 10 expedited schedule allowed under 4 CSR 240-3.45(19). This filing should have, at a minimum, been handled in the usual manner under the rules and given the 30 days before going into effect, pursuant to 4 CSR 240-3.345(16). Beyond this timing issue, the nature of this filing, and Staff's objection, should have caused the Commission to follow the process under 4 CSR 240-2.065(2) and opened a case, with notice to interested parties, and a reasonable amount of time to respond with requests for suspension or rejection.

8. The Commission Order refusing to reject or suspend the instant tariffs was dated November 18, and not effective until November 28. The Commission's yellow listing of tariff filings for the week ending November 10 was not distributed and received by the industry, including counsel for the MITG, for review until November 18. As a result of the lack of timely notice under 4 CSR 240-2.065(2) and the improper expedited treatment, interested entities were provided no reasonable opportunity to intervene and oppose the tariff before its ostensible approval.

9. Implementation of this tariff will improperly visit the burden of competition in the Macon exchange on CenturyTel toll customers in other CenturyTel exchanges.

10. The tariffs are unlawful, and in violation of federal and state statutes and policy, for the following reasons:

a. they violate CenturyTel's obligation under 47 USC 254(g) to price interexchange service rates to rural and high cost areas to be no higher than rates charged in urban areas;

b. they violate the requirement of Section 392.200.3 RSMo prohibiting preference based upon locality, the Macon exchange:

c. they violate the requirement of Section 392.200.4 RSMo prohibiting the differentiation of service based upon geographic area (Macon) where the service is offered, without first. At hearing a showing by clear and convincing evidence, that such differentiation promotes the public interest;

d. they violate the requirement of Section 392.230.1 RSMo that the prices of interexchange or long distance service be set to charge no greater compensation in the aggregate for the transmission of service for a shorter than for a longer distance.

11. In addition, the tariffs raise operational, administrative, and financial concerns that should be resolved prior to any such new services becoming effective. First, the tariff fails to specify which exchanges in the 524 LATA can be called by subscribers of these plans, which failure contradicts other tariff language indicating only certain exchanges can be called. Second, the tariff fails to specify whether it offers a "local" or "interexchange" service. Calls to the entire LATA has never been considered a "local" calling area. In the past not even SBC's Local Plus service was classified as local. The tariff gives not indication how the outgoing calls from

Macon subscribers will be dialed. If the calls will be dialed without a "1+", as is usual with "local" calls, this will interfere with, and disrupt, call recordings, billing record creation and exchange, and the payment of appropriate terminating compensation is being paid. The tariff fails to indicate what intercarrier compensation will be paid for the new service traffic terminating to other carriers. Presumably it will be terminating access compensation as was the case for SBC's Local Plus. These matters should be clear before any such tariff is allowed to become effective.

12. As set forth above, the MITG have an interest different than the general public in this case. As local exchange carriers the MITG companies will be impacted by the traffic generated under this plan. As rural carriers serving rural consumers, the MITG companies have an interest in enforcing the prohibitions against charging deaveraged toll rates that raise the costs of toll service in rural areas in comparison to urban areas. It would be in the public interest to grant their intervention in this case.

WHEREFORE, the MITG enter their opposition to this tariff filing, object to the notice closing case, to the lack of notice of tariff filing, and to the expedited consideration thereof, and request that the case be reopened, that their application for intervention granted, and that a hearing on the record be scheduled to address the issues raised by Staff and the MITG in opposing the tariffs.

#### Respectfully submitted,

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# ANDERECK, EVANS, MILNE, PEACE & JOHNSON, L.L.C.

By: Craig S. Johnson, MO Bar #28179 Bryan D. Lade, MO Bar #55232 Col. Darwin Marmaduke House 700 East Capitol P.O. Box 1438 Jefferson City, MO 65102 Telephone: 573/634-3422 Facsimile: 573/634-7822 email: CJohnson@aempb.com email: BLade@aempb.com

## **ATTORNEYS FOR MITG**

# **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing was hand delivered or mailed, U. S. Mail, postage pre-paid, this 8th day of December, 2004, to Staff, Office of Public Counsel, and to CenturyTel.

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