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

In The Matter of Sprint Missouri, Inc.	)	
Application for Competitive Classification	)	Case No
Under Section 392.245.5 RSMo. (2005)	)	

## **APPLICATION FOR COMPETITIVE CLASSIFICATION**

COMES NOW Sprint Missouri, Inc. ("Sprint") and hereby requests the Commission approve Sprint's Application for Competitive Classification and attached tariff pursuant to Section 392.245.5 RSMo. (2005) for all its residential services, other than exchange access service, for the following exchanges: (a) Ferrelview, (b) Platte City, and (c) Weston; and for all of its business services, other than exchange access services, in the following exchanges: (a) St. Robert, (b) Waynesville, (c) Fort Leonard Wood, (d) Platte City and (e) Ferrelview. In support of its Application, Sprint states as follows:

- 1. Sprint is a public utility, and a telecommunications company, as those terms are defined in Section 386.020(42) and (51), RSMo. 2000. Sprint is a large incumbent local exchange telecommunications company and is subject to Price Cap Regulation under Section 392.245
- 2. Missouri statute Section 392.245.5 RSMo. (2005) allows carriers subject to Price Cap Regulation to seek competitive classification for each telecommunications service offered to business and residential customers, other than exchange access service, in any exchange in which at least two non-affiliated entities are providing basic local telecommunications service to customers within the exchange. Sprint faces growing and intense competition from at least two non-affiliated entities in all the exchanges listed above. Specifically, at least one non-affiliated wireless carrier is providing service in all

the exchanges. Furthermore, Sprint's primary wireline competitors in these exchanges are cable operators that are providing local phone service via their own facilities over the same cable which provides cable-TV/cable-broadband service or facilities-based CLECs. Section 392.245.5 RSMo. (2005) states 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 non-affiliated 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 non-affiliated 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 non-affiliated 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;
  - (3) Regardless of the technology utilized, local voice service shall mean two-way voice service capable of receiving calls from a provider of basic local telecommunications services as defined by subdivision (4) of section 386.020, RSMo;

- (4) Telecommunications companies only offering prepaid telecommunications service or only reselling telecommunications service as defined in subdivision (46) of section 386.020, RSMo, in the exchange being considered for competitive classification shall not be considered entities providing basic telecommunications service; and
- (5) Prepaid telecommunications service shall mean a local service for which payment is made in advance that excludes access to operator assistance and long distance service;
- (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.
- 3. Section 392.245.5(1) RSMo. (2005) states that commercial mobile service providers shall be considered as entities providing basic local telecommunications service, provided that only one such non-affiliated provider shall be considered as providing basic local telecommunications service within an exchange. Sprint has numerous non-affiliated wireless providers operating in its exchanges providing local service. Exhibit A identifies wireless carriers, including (a) Cingular, (b) Verizon, (c) T-Mobile, (d) Alltel, and (e) US Cellular providing local service in the above Sprint exchanges. (See Exhibit A for Wireless Carriers Operating in Sprint Exchanges)
- 4. Section 392.245.5(2) RSMo. (2005) allows any wireline carrier providing local phone service in whole or in part over telecommunications facilities it owns to be considered as entities providing basic local telecommunications service, including cable operators that are also providing local phone service. Specific to this Application, Time Warner Cable is providing residential phone service, using facilities it owns in part or

whole, in the following Sprint exchanges: (a) Ferrelview, (b) Platte City, and (c) Weston. Furthermore, Fidelity Communications is providing business phone service, using facilities it owns in part or whole, in the following Sprint exchange: (a) St. Robert, (b) Waynesville, and (c) Fort Leonard Wood. Finally, ExOp Communication is providing residential and business phone service, using facilities it owns in part, or whole in the following Sprint exchanges: (a) Platte City, and (b) Ferrelview. Each of these carriers are discussed in detail below:

- in direct competition with Sprint in the following Sprint exchanges: a)

  Ferrelview, (b) Platte City, and (c) Weston:
  - i. Time Warner Cable Information Services (Missouri) LLC ("Time Warner Cable") obtained a Certificate to Provide Basic Local, Local Exchange, and Interexchange Telecommunications Services within Missouri, including the exchanges of Sprint, on March 2, 2004 (Case No. LA-2004-0133).
  - ii. Time Warner Cable is not a reseller of Sprint's services but uses a combination of its own facilities and facilities of other providers.

    Time Warner Cable has its own facilities extensively deployed throughout the above mentioned exchanges. Time Warner Cable is not relying upon unbundled network elements from Sprint but rather is using Voice over Internet Protocol (VoIP) technology.
  - iii. The Commission has previously found that Time Warner Cable is, in fact, providing local service in Sprint's exchanges when the

- Commission granted Sprint's request for geographic price flexibility in Case No. TO-2005-0290.
- iv. Based upon a combination of Time Warner Cable's website and Time Warner Cable's 2004 Annual Report, it is providing service in the following Sprint exchanges: a) Ferrelview, (b) Platte City, and (c) Weston. (See Exhibit B)
- b. Fidelity provides local phone service to business customers in direct competition with Sprint in the following Sprint exchanges: (a) St. Robert,(b) Waynesville, and (c) Fort Leonard Wood:
  - Fidelity Communications Services I obtained a Certificate to Provide Basic Local, Local Exchange, and Interexchange Telecommunications Services within Missouri, including the exchanges of Sprint, on November 30, 1999 (Case No. TA-2000-191):
  - ii. Fidelity's 2004 Annual Report identifies local business customers in the following Sprint exchanges: (a) St. Robert, (b) Waynesville, and (c) Fort Leonard Wood. (See Exhibit C for Fidelity's 2004 Annual Report). The Annual Report indicates that Fidelity has its own facilities and is not relying upon unbundled network elements from Sprint.
- c. ExOp of Missouri dba Unite provides local phone service to business and residential customers in direct competition with Sprint in Sprint's Platte City and Ferrelview exchanges:

- ExOp of Missouri was certificated by the Commission in Case No.
   Case No. TA-97-193 to provide basic local telecommunications services in Missouri, including Sprint's exchanges, and the Commission approved an interconnection agreement between Sprint and ExOp in Case No. TO-98-382.
- ii. ExOp of Missouri's 2004 Annual Report identifies local residential and business customers in the Sprint exchanges of Platte City and Ferrelview. The Annul Report indicates that ExOp is providing service in both these exchanges with its own facilities and is not relying upon unbundled network elements from Sprint. (See Exhibit D for ExOp's 2004 Annual Report).
- 5. Sprint's Application for Competitive Classification is not a request for any price changes and the accompanying tariff (Exhibit E) reflects administrative changes only indicating the new competitive classification. In fact, Sprint acknowledges that all rates currently in effect for these exchanges will remain in effect until such time Sprint files a tariff requesting a price change. Sprint will be required to file tariffs for any future price changes, either increases or decreases, associated with these exchanges which will continue to require Commission approval. Furthermore, Sprint will be required to notify its customers of any future price increase.

WHEREFORE Sprint respectfully requests the Commission approve Sprint's Application for Competitive Classification and related tariff pursuant to Section 392.245.5 RSMo. (2005). Sprint has demonstrated that at least two non-affiliated entities are providing basic local telecommunications service to customers within each of the

exchanges. Sprint's Application and tariff meets the statutory requirements for competitive classification and should become effective in no more than 30 days.

Respectfully submitted,

**SPRINT** 

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## **VERIFICATION**

I, Brett D. Leopold, an attorney and duly authorized representative of Sprint Missouri, Inc. hereby verify and affirm that I have read the foregoing Application for Competitive Classification and that the statements contained therein are true and correct to the best of my information and belief.

Brett D. Leopold

Subscribed and sworn to before me on this 30<sup>th</sup> day of August, 2005.

Notary Publi

My Appointment Expires: March 5, 2009

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 30th day of August, 2005, a copy of the above and foregoing document was served via electronic mail, facsimile or U.S. Mail, postage prepaid to each of the following:

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