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Ms. Colleen M. Dale Secretary and Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 100 P. O. Box 360 Jefferson City, MO 65102-0360

RE: Windstream Missouri, Inc. -- Notification of Intent to Forego 2006 CPI-TS

Increase

Case No. IO-2006-0112

Dear Ms. Dale:

In accordance with the Commission's Order Acknowledging Election To Be Price Cap Regulated and Closing Case (issued in the above-referenced case and effective October 14, 2005) and Section 392.245.4, RSMo. 2006, Windstream Missouri, Inc. ("Windstream") has not changed the maximum allowable prices for exchange access and basic local telecommunications services during the twelve month period from the date the company became subject to regulation under that section. Addressing the annual change in the telephone service component of the Consumer Price Index (CPI-TS) for the preceding twelve months, Section 392.245.4(2) requires that the Commission approve a change to the maximum allowable price filed pursuant to such subsection within forty-five days of filing of notice by the local exchange telecommunications company. In preparation for its first annual price cap filing and as a result of discussions with the Commission's Staff and the Office of the Public Counsel, Windstream anticipated filing such notice and resulting tariffs on September 15, 2006, with tariff effective dates of November 1, 2006.

In calculating the change in the CPI-TS for the applicable twelve month period, however, Windstream determined that the annual change is a positive 0.2284 percent (computation attached hereto as **Exhibit 1**). As a result, Windstream hereby notifies the Commission that, for its 2006 annual price cap filing based upon the change in the CPI-TS, it does not intend to propose any change to the maximum allowable prices for exchange access and basic local telecommunications services. Windstream takes this action with the understanding that the November 1 date also will be the effective date for

¹ Pursuant to the Commission's <u>Order Approving Stipulation and Agreement</u> issued April 25, 2006 in Case No. TM-2006-0272 and <u>Order Recognizing Name Change</u> issued July 12, 2006 in Case No. IN-2006-0481, the Commission recognized the name change of Alltel Missouri, Inc. to Windstream Missouri, Inc. and approved the resulting tariff sheets effective July 17, 2006.

future annual CPI-TS filings, and that Windstream will not carry forward, *i.e.*, will not "bank," the foregone increase. Windstream is authorized to state that it has consulted with the Commission Staff and the Office of the Public Counsel regarding its decision, and neither party objects to the action stated herein.

If you have any questions regarding this matter, please let me know. Thank you.

Sincerely,

Larry W. Dority

Att:

cc: William Haas, Deputy General Counsel

Michael Dandino, Deputy Public Counsel

John Van Eschen, Mgr., Telecommunications Department



2006 Intrastate Annual Price Cap Filing . Windstream Missouri, Inc.

	<u>2005</u>	<u>2004</u>
August	94.1	95.0
September	95.1	95.3
October	94.6	94.6
November	95.2	94.9
December	<u>95.2</u>	<u>94.8</u>
Sum	474.2	474.6
	<u>2006</u>	<u>2005</u>
January	95.2	94.8
February	95.2	95.1
March	95.0	95.0
April	95.4	95.3
May	95.2	94.8
June	95.4	94.6
July	95.6	94.4
Sum	<u>667.0</u>	<u>664.0</u>
Total	1141.2	1138.6
Average	95.10	94.88

Percent Change 0.2284%