BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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

APPLICATION FOR COMPETITIVE CLASSIFICATION

COMES NOW Embarq Missouri, Inc. ("Embarq") and hereby requests the Commission approve Embarq's Application for Competitive Classification under Section 392.245.5 RSMo. (2005). Embarq is seeking competitive classification for all residential services, other than exchange access services, offered in its Salem exchange. In addition, Embarq is seeking competitive classification for all business services, other than exchange access services, offered in its Buckner, Odessa, Oak Grove, Pleasant Hill and Salem exchanges. In support of its Application, Embarq states as follows:

- 1. Embarq is a public utility, and a telecommunications company, as those terms are defined in Section 386.020(42) and (51), RSMo 2000. Embarq is a large incumbent local exchange telecommunications company and is subject to Price Cap Regulation under Section 392.245.
- 2. Missouri Revised Statutes §392.245.5 (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.

- 3. Embarq faces growing and intense residential competition from two or more nonaffiliated entities in its Salem exchange. Furthermore, Embarq faces growing business
 competition from two or more non-affiliated entities in its Buckner, Odessa, Oak Grove, Pleasant
 Hill and Salem exchanges. More specifically, Embarq faces competition from numerous nonaffiliated wireless providers and from wireline carriers using their own facilities, in whole or in
 part, to provide basic local telecommunications services.
- 4. Section 392.245.5(1) RSMo. (2005) recognizes 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. Embarq has numerous non-affiliated wireless providers operating in its Buckner, Odessa, Oak Grove, Pleasant Hill, and Salem exchanges providing basic local telecommunications service. The following wireless carriers are each providing basic local telecommunications service to business and residential customers in Embarq's Buckner, Odessa, Oak Grove, Pleasant Hill, and Salem exchanges: Sprint Nextel (www.sprint.com), AT&T Wireless (www.wireless.att.com), Verizon (www.verizon.com), Alltel (www.alltel.com), T-Mobile (www.t-mobile.com), and US Cellular (www.uscc.com).
- 5. Section 392.245.5(2) RSMo (2005), recognizes any entity providing local voice service in whole or in part over telecommunications facilities it owns as an entity that provides basic local telecommunications services in competition with Embarq. Fidelity Communications Services I ("Fidelity"), and Comcast Phone of Missouri, LLC ("Comcast"), each offer local phone service in direct competition with Embarq. Embarq has experienced residential and business customer loss in its Salem exchange as a direct result of competitive entry by Fidelity. Embarq has experienced business customer loss in its Buckner, Odessa, Oak Grove, and Pleasant Hill exchanges as a direct result of competitive entry by Comcast.

6. Embarq's Application for Competitive Classification does not request any price changes. In fact, Embarq acknowledges that all rates currently in effect for these exchanges will remain in effect until such time Embarq files a tariff requesting a price change. Under current law, Embarq 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, Embarq will be required to notify its customers of any future price increase.

WHEREFORE Embarq respectfully requests the Commission approve Embarq's Application for Competitive Classification pursuant to Section 392.245.5 RSMo (2005). Embarq has identified that at least two non-affiliated entities that are providing basic local telecommunications service to residential customers within its Salem exchange. Embarq has identified that at least two non-affiliated entities are providing basic local telecommunications service to business customers within its Buckner, Odessa, Oak Grove, Pleasant Hill and Salem exchanges. Embarq's Application meets the statutory requirements for competitive classification and should become effective in no more than 30 days.

Respectfully submitted,

EMBARQ MISSOURI, INC.

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Kevin Zarling

VERIFICATION

I, Craig T. Smith, an attorney and duly authorized representative of Embarq 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.

Craig T. Smith

Subscribed and sworn to before me on this 3

day of June 2008.

My Appointment Expires:

My Appt. Exp.

Notary Public in and for said County and State

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this _____ day of June 2008, 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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P.S.C. MO.-No. 22 Section 16

GENERAL EXCHANGE TARIFF

Embarq Missouri, Inc. d/b/a Embarq

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LOCAL EXCHANGE SERVICE RATE GROUPS

X. COMPETITIVE EXCHANGES

The following exchanges are classified as competitive:

A. Residence

Buckner (4) Odessa (4) Ferrelview (2) Platte City (2) Ft. Leonard Wood (7) Pleasant Hill (4) Rolla (1) Jefferson City (3) Kearney (1) St. Robert (7) Lake Lotawana (4) Salem (8) Lebanon (6) Waynesville (7) Norborne (1) Weston (2) Oak Grove (4)

(N)

B. Business

Buckner (8) Platte City (2) (N) Ferrelview (2) Pleasant Hill (8) (N) Rolla (1) Jefferson City (3) Kearney (1) St. Robert (2) Lebanon (5) Salem (8) (N) Norborne (1) Warrensburg (7) Oak Grove (8) Waynesville (2) (N) Odessa (8) (N)

All services in competitive exchanges are eligible for exchange-specific pricing, <u>except</u> for those services otherwise specified in Section 51 of this Tariff. When exchange-specific rates do apply, those competitive exchanges with rates that differ from those of non-competitive exchanges will be listed for that given service. It is therefore possible for the competitive exchange listings to vary by service.

- Competitive Service Classification pursuant to MO PSC Order of December 4, 2003, in Case No. IO-2003-0281.
- Competitive Service Classification pursuant to Case No. IO-2006-0092, effective August 28, 2005.
- (3) Competitive Service Classification pursuant to Case No. TO-2006-0375, effective May 1, 2006.
- (4) Competitive Service Classification pursuant to Case No. IO-2006-0551, effective July 31, 2006.
- Competitive Service Classification pursuant to Case No. TO-2007-0301, effective March 10, 2007.
- Competitive Service Classification pursuant to Case No. TO-2008-0028, effective August 30, 2007.
- Competitive Service Classification pursuant to Case No. TO-2008-0147, effective December 6,
- (8) Competitive Service Classification pursuant to Case No. TO-2008-XXXX, effective July 3, (N) 2008.

ISSUED: June 3, 2008

BY: Darlene N. Terry Manager - Tariffs 5454 W. 110th Street Overland Park, Kansas 66211 EFFECTIVE: July 3, 2008