

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 27th day
of August, 2002.

In the Matter of the Tariff Filing of McDonald County)	
Telephone Company to Increase the Rate for a Temporary)	<u>Case No. IT-2003-0073</u>
Surcharge To Recover the Cost of Implementation of)	Tariff No. 200300089
IntraLATA Equal Access.)	

**ORDER APPROVING TARIFF
AND DIRECTING FILING**

Syllabus:

This order approves the proposed tariff filed by McDonald County Telephone Company, directs the company to file substitute tariff sheets once they recover the cost of implementation of IntraLATA equal access, and instructs the Staff of the Commission to monitor the company to ensure that it promptly files the substitute sheets.

Procedural History:

On August 1, 2002, McDonald County Telephone Company, an Incumbent Local Exchange Carrier, filed a proposed tariff revision, tariff file number 200300089. The proposed tariff was designed to increase the rate for a temporary surcharge to recover the cost of implementation of IntraLATA equal access. McDonald County Telephone is recovering its cost of implementation of IntraLATA presubscription by applying a surcharge to its Carrier Common Line access charge, to continue for up to three years. The amount of the surcharge was originally set at \$0.00205, and is being applied monthly to all intrastate originating access minutes.

The Staff of the Commission reviewed the proposed tariff sheet and indicated that it has no objection to the new rate becoming effective. Staff notes that McDonald County Telephone submitted financial data to the Commission indicating that its recovery of the costs will not be complete within the expected three-year period with the current surcharge. Therefore, McDonald County Telephone proposes to increase its surcharge to \$0.00297 for the remaining portion of its original three-year period, which will terminate on July 12, 2003.

Discussion:

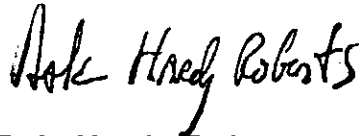
The Commission has reviewed the proposed tariff and Staff's memorandum and finds that the increase in the surcharge is reasonable and the tariff should be approved. However, the Commission will remind McDonald County Telephone that the purpose of the surcharge increase is to allow the company to recover the cost of implementation of IntraLATA equal access. Once the company has recovered this cost, but no later than June 12, 2003, the company must file substitute tariff sheets discontinuing the surcharge. Staff will be directed to monitor the company to ensure that the company promptly does so.

IT IS THEREFORE ORDERED:

1. That the proposed tariff, tariff file number 200300089, is approved to become effective on September 1, 2002.
2. That McDonald County Telephone Company shall promptly file substitute tariff sheets discontinuing the temporary surcharge once the company has recovered the cost of implementation of IntraLATA equal access.

3. That this order shall become effective on September 1, 2002.

BY THE COMMISSION

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Simmons, Ch., Murray, Lumpe,
and Forbis, CC., concur.
Gaw, C., dissents.

Ruth, Senior Regulatory Law Judge

