

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

In the Matter of the Tariff Filing of Sprint Missouri , Inc. d/b/a/ Sprint to Modify rates in accordance with Sprint's price cap Regulations, pursuant to Section 392.245, RSMo	) ) ) )	Case No. IT-2004-0225 Tariff No. JI-2004-0611
In the Matter of the Tariff Filing of Sprint Missouri , Inc. d/b/a/ Sprint to Modify rates in accordance with Sprint's price cap Regulations, pursuant to Section 392.245, RSMo	) ) ) )	Case No. IT-2004-0226 Tariff No. JI-2004-0612
In the Matter of the Tariff Filing of Sprint Missouri , Inc. d/b/a/ Sprint to Modify rates in accordance with Sprint's price cap Regulations, pursuant to Section 392.245, RSMo	) ) ) )	Case No. IT-2004-0227 Tariff No. JI-2004-0613
In the Matter of the Tariff Filing of Sprint Missouri , Inc. d/b/a/ Sprint to Modify rates in accordance with Sprint's price cap Regulations, pursuant to Section 392.245, RSMo	) ) ) )	Case No. IT-2004-0228 Tariff No. JI-2004-0614
In the Matter of the Tariff Filing of Sprint Missouri , Inc. d/b/a/ Sprint to Modify rates in accordance with Sprint's price cap Regulations, pursuant to Section 392.245, RSMo	) ) ) )	Case No. IT-2004-0229 Tariff No. JI-2004-0615

**SPRINT'S RESPONSE TO  
OFFICE OF PUBLIC COUNSEL'S  
MOTION TO SUSPEND TARIFF AND  
HOLD EVIDENTIARY HEARINGS**

COMES NOW Sprint Missouri, Inc, and hereby files its Response to the Office of Public Counsel's ("OPC") Motion to Suspend Tariffs and Hold Evidentiary Hearings in the above mentioned cases. Sprint denies OPC's allegations and shows, herein, that it is in full compliance with all Commission rules. Therefore, OPC's Motion should be denied. In support of its Response, Sprint states as follows:

1. On October 31, 2003, Sprint filed its proposed tariff sheets to modify its rates in accordance with the Price Cap regulations pursuant to Section 292.245 RSMo 2000. Within the filing, Sprint is (a) adjusting its basic rates by the change in CPI-TS as required by 392.245.4(a); (b) updating its maximum allowable prices for non-basic services ; and (c) adjusting certain switched access rates as allowed by 392.245.9.

2. On November 19, 2003, OPC filed to suspend Sprint's tariff sheets and to hold evidentiary hearings. In support of its Motion, OPC makes three arguments. First, OPC erroneously argues that Sprint did not make its filing in accordance with Commission rules and therefore public evidentiary hearings are necessary. Second, OPC argues that Sprint did not respond to its data request in a manner suitable to OPC and therefore public hearings are necessary. Finally, OPC argues that since it does not agree with the Commission's Orders last year in Sprint's 2002 CPI-YS adjustments for basic services, evidentiary hearings are necessary. Sprint submits that the OPC's arguments are without merit and should be rejected by this Commission. Sprint will address each of the claims below.

3. OPC's first claim is that Sprint violated Commission rules by not providing a summary of the proposed tariff changes. OPC is wrong. Sprint submitted its filing in full compliance with all applicable Commission rules. The Commission rule in question [4 CSR 240-3.545(25)] states in part:

The proposed changes shall be accompanied by a brief summary, approximately one hundred words or less, of the effect of the change on the company's customers. A copy of any proposed change and summary also shall be served on the public counsel and available for public inspection ...

Sprint provided a brief summary of 100 words or less in its cover letter. Specifically, Sprint's cover letter clearly stated the following:

The purpose of this filing is to modify rates in accordance with Sprint's Price Cap regulation, pursuant to Section 292.245 RSMo 2000. Within the filing, Sprint is adjusting its basic rates by the change in CPI-TS as required by 392.245.4(a), updating its maximum allowable prices for non-basic services and adjusting certain switched access rates as allowed by 392.245.9.

In addition to the above summary of changes, Sprint's tariff filing included an additional summary of every single tariff sheet impacted by the filing. Furthermore, the exact proposed change is clearly marked on the impacted tariff sheets themselves. In addition to being available at the Commission or via EFIS, Sprint makes its proposed tariff revisions available to anyone via its website and Sprint's cover letter clearly provides instructions for accessing that site. Finally, Sprint's 2003 filing followed the exact same procedures it has made for every other tariff filing.

4. Despite Sprint's compliance with any applicable rules, OPC argues that Sprint should have provided a detailed analysis including extensive mathematical calculations in its summary. To support this argument, OPC points to a *proposed* rulemaking as its justification for this argument. However, OPC fails to explain how a proposed rule places any obligation on Sprint to perform any additional analysis for OPC. Indeed, in this case, OPC ignores the fact that the proposed rules that OPC point to have *not even been published* in the official State Register, nor has any company had an opportunity to provide input.

5. Sprint is in full compliance with all current Commission rules as it pertains to filing requirements. OPC's citation to a non final, non published rule does not alter Sprint's compliance with the rules, and OPC's Motion for evidentiary hearings should be denied.

6. OPC's second argument is that Sprint has not yet responded to OPC's Data Requests. OPC readily admits that Sprint has until November 25 to provide its response. OPC also readily admits that it did not even ask Sprint to expedite its responses. While Sprint did object to a number of OPC's data requests, protecting Sprint's legal rights is not grounds for an evidentiary hearing as submitted by OPC. If OPC disagrees with Sprint's objections, OPC has a number of remedies. The proper protocol for discovery disputes is for OPC to first contact Sprint's legal counsel for possible resolution. OPC has not taken this step. The second step in a discovery dispute is for the parties to hold a conference with the administrative law judge. OPC has not initiated this step either. The final step would be for OPC to file a Motion to Compel which it has not yet done. Of course, as Sprint has already noted in its preliminary responses to OPC's data requests, Sprint will provide the OPC with a substantial additional data in its response and Sprint has no reason to believe that there will be any discovery dispute. Nonetheless, OPC claims that Sprint's adherence to proper discovery procedures should somehow constitute reasons for holding evidentiary hearings.

7. While statute and Commission rules require 30 days advance filing for non-basic service rate increases, Sprint's filing was 45 days in advance of the proposed effective date. OPC could have issued discovery on October 31, had it so chosen. Sprint's annual filing should not have been a surprise to OPC. Sprint makes it every year. In fact, Sprint met with OPC in its offices in Jefferson City on August 26, 2003 to provide an overview of Sprint's 2003 plan. Sprint's Director of State Regulatory Affairs (Mr. Mark Harper) and Sprint's Senior Manager of Regulatory Affairs for Missouri (Mr. John Idoux) presented OPC with advance notice of its intentions. (See Schedule 1 to this

filing for an Agenda and notes of the meeting). Sprint absolutely is in full compliance with all Commission rules as it pertains to discovery and OPC's Motion for evidentiary hearings should be denied

8. OPC's third argument for suspension and evidentiary hearings relates to OPC's disagreement with this Commission pertaining to Sprint's 2002 CPI-TS adjustment. Irrespective of whether or not OPC agrees or disagrees with the 2002 CPI-TS adjustment, the Price Cap statute requires an annual adjustment. Specifically, Section 392.245.4 states as follows:

Thereafter, the maximum allowable prices for exchange access and basic local telecommunications services of an incumbent local exchange telecommunications company shall be annually changed by one of the following methods:

(a) By the change in the telephone service component of the Consumer Price Index (CPI-TS), as published by the United States Department of Commerce or its successor agency for the preceding twelve months; or

The tariff revisions in this case also reflect the statutorily required adjusted rates due to application of the CPI-TS adjustment. This acts to slightly reduce basic rates for Sprint in this filing. Sprint is at a loss to understand any basis to suspend a separate and distinct annual adjustment that yields a rate reduction for basic services based on an appeal of last year's adjustment that has not yet even been briefed or heard by the Circuit Court. Last year's adjustments were approved and implemented and are in no way dependent on adjustment made this year. Further, it is impossible to identify when OPC's appeal of last year's adjustment will reach a conclusion. Therefore, OPC's last argument does not provide a basis to suspend Sprint's tariff and hold an evidentiary hearing.

WHEREFORE Sprint respectfully requests the Commission consider the above and approve Sprint's proposed tariff revisions while denying the OPC's Motion.

Respectfully submitted,

**SPRINT**

/s/ Lisa Creighton Hendricks

Lisa Creighton Hendricks - MO Bar #42194

6450 Sprint Parkway

MS: KSOPHN0212-2A253

Overland Park, Kansas 66251

Voice: 913-315-9363

Fax: 913-523-9829

[Lisa.c.creightonhendricks@mail.sprint.com](mailto:Lisa.c.creightonhendricks@mail.sprint.com)

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the above and foregoing was served on each of the following parties by first-class/electronic/facsimile mail, this 25th day of November, 2003.

Michael Dandino  
Office of Public Counsel  
P. O. Box 7800  
Jefferson City, Missouri 65102  
[mdandino@ded.state.mo.us](mailto:mdandino@ded.state.mo.us)

William K. Haas  
Deputy General Counsel  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, Missouri 65102  
[whaas01@mail.state.mo.us](mailto:whaas01@mail.state.mo.us)

/s/ Lisa Creighton Hendricks

Lisa Creighton Hendricks



Sprint Missouri, Inc.  
 Overview of 2003 Rate Rebalance and Annual Filing Plan  
 August 26, 2003

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Three Components to Rate Rebalance and Annual Filing

1. Rate rebalance – 4<sup>th</sup> and final;
2. Annual CPI-TS adjustment; and
3. Annual non-basic services increase

2000, 2001 and 2002 Simultaneous Approach

- Filed all three components simultaneously;
- Combined customer notification;
- Same effective date; and
- Rate rebalance/CPI adjustment had built-in “stacking”.

2003 Bifurcated Approach

- Rate Rebalance portion to be filed around August 29.
  - Operation of law date – October 13 (45 days)
  - Reductions in both originating & terminating CCL
  - IntraLATA in parity with InterLATA CCL
- Annual CPI-TS adjustment & non-basic services increases to be filed around November 3.
  - Slight decrease anticipated; however, actual results still pending
- Same effective date – December 18;
- Combined customer notification; and
- Rate rebalance/CPI adjustment will have a procedural “stacking”.

Sprint  
 J Idoux  
 M Harper

Staff      OPC  
 J. Van Eschen      Barb M  
 N. Dietrich  
 C. Thomas  
 W. C. Cereol