BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In The Matter of Spectra Communications Group, LLC d/b/a CenturyTel's Request for Competitive Classification Pursuant to Section 392.245.5, RSMo. (2005).

) Case No.

SPECTRA COMMUNICATIONS GROUP, LLC D/B/A CENTURYTEL'S <u>APPLICATION FOR COMPETITIVE CLASSIFICATION</u>

COMES NOW Spectra Communications Group, LLC d/b/a CenturyTel ("Spectra"), pursuant to Section 392.245.5 RSMo. (2005),¹ and hereby requests that the Commission conduct a 30-day competitive classification review pursuant to Section 392.245.5(6) RSMo. and approve Spectra's Application for Competitive Classification for all its residential services, other than exchange access service, for the following exchanges: (a) Everton and (b) Mt. Vernon. Concurrent with the filing of this Application, Spectra is filing proposed tariffs, with thirty day effective dates, reflecting grants of the requested competitive classification. In support of its Application, Spectra states as follows:

1. Spectra is a Delaware Limited Liability Company authorized to do business in Missouri, as evidenced by the certificate of authority issued by the Missouri Secretary of State which was filed in Case No. TM-2000-182 and incorporated herein by reference pursuant to Commission Rule 4 CSR 240-2.060(1)(G). Spectra is a "local exchange telecommunications company" and a "public utility," and is duly authorized to provide "telecommunications service" within the State of Missouri as each of those terms are defined in Section 386.020, RSMo. 2000. Pursuant to the Commission's *Order*

¹ On July 14, 2005, Governor Blunt signed into law Senate Bill No. 237 ("SB 237"), which became effective August 28, 2005.

Approving Price Cap Regulation issued in Case No. IO-2003-0132, Spectra is a large incumbent local exchange carrier subject to Price Cap Regulation under Section 392.245 RSMo.

2. All correspondence, communications, and orders and decisions of the Commission issued in this matter should be sent to:

Larry W. Dority FISCHER & DORITY, P.C. 101 Madison, Suite 400 Jefferson City, Missouri 65101 Telephone: (573) 636-6758 Facsimile: (573) 636-0383

Arthur P. Martinez CenturyTel 220 Madison Street Jefferson City, Missouri 65101 Telephone: (573) 634-8424 Facsimile: (573) 636-6826

3. Spectra has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of the Application. No Missouri annual reports or assessment fees are overdue.

4. 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. Spectra respectfully submits that the two exchanges listed above meet the requisite criteria set out in Section 392.245.5 RSMo. Specifically, at least one non-affiliated wireless carrier is providing service in these exchanges. In addition, Spectra's primary wireline competitors in these exchanges are facilities-based CLECs or cable operators that are providing local phone service via their own facilities over the same cable which provides cable-TV/cable-broadband service. 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 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 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.

5. 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. Spectra has numerous non-affiliated wireless providers operating in its exchanges providing local service. Exhibit A identifies wireless carriers, including (a) Cingular, (b) T-Mobile, (c) Alltel and (d) Sprint-Nextel providing local service in the above Spectra exchanges. (See **Exhibit A** for Wireless Carriers Operating in Spectra Exchanges.)

6. 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, MCC Telephony of Missouri, Inc. (a/k/a Mediacom) is providing residential phone service,

using facilities it owns in part or whole, in the following Spectra exchanges: (a) Everton and (b) Mt. Vernon. The carrier is discussed in detail below:

- a. MCC Telephony of Missouri, Inc. (a/k/a Mediacom) provides local phone service to residential customers in direct competition with Spectra in Spectra's Everton and Mt. Vernon exchanges:
 - i. As reflected in the attached advertisement for "Mediacom Phone Service" (see Exhibit B), Mediacom began providing its "Phone Service" in the "Spring of 2005." Further, Mediacom's phone service requires "[n]o special phones" and the customer may use their "existing phone equipment, jacks, outlets and in-home wiring."
 - ii. Upon information and belief, Spectra understands that Mediacom utilizes, in addition to its own facilities, a portion of other CLEC's facilities and, in fact, Spectra numbers in the Everton and Mt. Vernon NPA-NXXs have been ported to such CLEC to assist in the provisioning of such services. (See attached HIGHLY CONFIDENTIAL Exhibit C). Accordingly, pursuant to Section 392.245.5(6), Spectra respectfully requests that the Commission consider its own records concerning ownership of facilities, and Spectra will cooperate with the Commission's Staff to facilitate the Commission in "making all inquiries as are necessary and appropriate from regulated providers of local voice service to

determine the extent and presence of regulated local voice providers in an exchange."

7. Spectra's Application for Competitive Classification is not a request for any price changes and the above-referenced tariffs being filed concurrently herewith (attached copies for illustrative purposes only as **Exhibit D**) reflect administrative changes only indicating the new competitive classification. In fact, Spectra acknowledges that all rates currently in effect for these exchanges will remain in effect until such time Spectra files a tariff requesting a price change. Spectra 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, Spectra will be required to notify its customers of any future price increase. WHEREFORE Spectra Communications Group, LLC d/b/a CenturyTel respectfully requests the Commission to approve Spectra's Application for Competitive Classification and its tariffs filed concurrently herewith, pursuant to Section 392.245.5 RSMo. (2005). Spectra has demonstrated that at least two non-affiliated entities are providing basic local telecommunications service to customers within each of the listed exchanges. Spectra's Application and tariffs meet the statutory requirements for competitive classification and should become effective in no more than 30 days.

Respectfully submitted,

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Attorneys for Spectra Communications Group, LLC d/b/a CenturyTel

VERIFICATION

I, Arthur P. Martinez, Director Government Relations for Spectra Communications Group, LLC d/b/a CenturyTel, 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.

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Arthur P. Martinez

Subscribed and sworn to before me on this 1^{57} day of FEBRUARY, 2006.

Mag. Liemmi Notary Public

My Appointment Expires: July 8,2008



CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 1st day of February, 2006, 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:

Kevin A. Thompson General Counsel Missouri Public Service Commission P.O. Box360 Jefferson City, MO 65101 gencounsel@psc.mo.gov

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