

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

In The Matter of Spectra Communications     )  
Group, LLC d/b/a CenturyTel's Request     ) Case No. \_\_\_\_\_  
for Competitive Classification Pursuant to     )  
Section 392.245.5, RSMo. (2005).             )

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

COMES NOW Spectra Communications Group, LLC d/b/a CenturyTel ("Spectra"), pursuant to Section 392.245.5 RSMo. (2005),<sup>1</sup> 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) Ewing (b) LaBelle, (c) Lewistown, (d) Macon and (e) Savannah; and for all of its business services, other than exchange access services, in the following exchanges: (a) Ewing (b) LaBelle, (c) Lewistown and (d) Macon. 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

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

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 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, MO 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 all the 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 all the exchanges. In addition, Spectra's primary wireline competitors in these exchanges are CLECs or cable operators that are providing local phone service in whole or in part over facilities they own. 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 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) Verizon, (c) T-Mobile, (d) Alltel, (e) US Cellular, (f) Nextel and (g) Sprint 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, Mark

Twain Communications Company is providing both residential and business phone service, using facilities it owns in part or whole, in the following Spectra exchanges: (a) Ewing (b) LaBelle and (c) Lewistown. Furthermore, Chariton Valley Telecom Corporation is providing both residential and business phone service, using facilities it owns in part or whole, in the Spectra exchange of Macon. Finally, News-Press and Gazette Company d/b/a St. Joseph Cablevision (a/k/a Savannah Cablevision) is providing residential phone service, using facilities it owns in part or whole, in the Spectra exchange of Savannah. Each of these carriers are discussed in detail below:

- a. Mark Twain Communications Company (“Mark Twain”) provides local phone service to both residential and business customers in direct competition with Spectra in the following Spectra exchanges: a) Ewing, (b) LaBelle and (c) Lewistown:
  - i. Mark Twain is a competitive local exchange carrier certified by the Commission to provide basic local telecommunications services in the State of Missouri in Case No. TA-98-305. Included in its certificated area are the Spectra exchanges of Ewing, LaBelle and Lewistown.
  - ii. As stated in its verified Application filed August 31, 2005 in Case No. TO-2006-0100, “Mark Twain is a competitive local exchange carrier that has been providing local services in the Northeast Missouri exchanges of Ewing, LaBelle, and Lewistown since 1997. Mark Twain is also a competitive eligible telecommunications carrier (ETC) providing services supported by

the federal universal service fund. Mark Twain has received federal universal service support for such services provided in 2000 and thereafter.”

- iii. The Commission previously found that Mark Twain is, in fact, providing local service in Spectra’s above-referenced exchanges when the Commission issued its *Order Approving Price Cap Regulation* for Spectra in Case No. IO-2003-0132. Indeed, as reflected at the time of the Order, December 17, 2002, “[a]ccording to Staff, Mark Twain serves 784 full facility-based residential voice grade equivalent lines and 250 full facility-based business voice grade equivalent lines in the Spectra service area.” Mark Twain continues to have its own facilities extensively deployed throughout the above mentioned exchanges.
- iv. Upon information and belief, Spectra would expect that Mark Twain’s 2004 Annual Report identifies local residential and business customers in the Spectra exchanges of Ewing, LaBelle and Lewistown, and that the Annual Report would further reflect that Mark Twain continues to provide service in these exchanges with its own facilities. However, Mark Twain’s 2004 Annual Report is filed on a Highly Confidential basis. Accordingly, pursuant to Section 392.245.5(6), Spectra respectfully requests that the Commission consider its own records concerning ownership of facilities, including the 2004 Annual Report of Mark Twain Communications Company.

- b. Chariton Valley Telecom Corporation (“Chariton Valley”) provides local phone service to both residential and business customers in direct competition with Spectra in the Spectra exchange of Macon:
- i. Chariton Valley obtained a Certificate of Service Authority to provide basic local telecommunications services within portions of the state of Missouri, including the exchanges of Spectra, on June 4, 2002 (Case No. TA-2002-238):
  - ii. Chariton Valley’s 2004 Annual Report identifies both local residential and business customers in the Spectra Macon exchange. (See Exhibit C for Chariton Valley’s 2004 Annual Report). The Annual Report indicates that Chariton Valley has its own facilities. Indeed, whereas Chariton Valley is seeking ETC designation for the Spectra exchange of Macon in Case No. TO-2005-0423, the Direct Testimony of Chariton Valley General Manager James Simon just filed on September 2, 2005, states: “CVT constructed an underground fiber-to-the-premise network using passive optical network (PON) technology. The network consists of four (4) fiber nodes within the city limits of Macon with fiber buried to most business and residential locations.” When asked -- “Do you believe that CVT’s customer base consists of lines actually captured from Spectra, or new lines that Spectra would have served absent CVT’s presence in Macon?” – Mr. Simon answered “Yes.” (Direct Testimony, page 11).

c. News-Press and Gazette Company d/b/a St. Joseph Cablevision (a/k/a Savannah Cablevision) provides local phone service to residential customers in direct competition with Spectra in Spectra's Savannah exchange:

- i. As reflected in the attached advertisement for "New Residential Phone Service, Digital Phone" (see Exhibit D), St. Joseph Cablevision's "Digital Phone" service "merges the traditional technology of standard phone service with the digital capabilities of cable broadband. Your phone service is channeled through our cable network and to the public telephone system." As noted on the back page of the attachment listing the Channel Line Up, "\*Customers in Savannah will receive the Savannah City Channel." Upon direct inquiry on behalf of Spectra, the offering of residential facility-based phone service in the Savannah exchange was confirmed by a St. Joseph Cablevision representative.
- ii. Upon information and belief, Spectra understands that St. Joseph Cablevision utilizes, in addition to its own facilities, a portion of other CLEC's facilities and, in fact, Spectra numbers in the Savannah NPA-NXX have been ported to such CLEC to assist in the provisioning of such services. 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

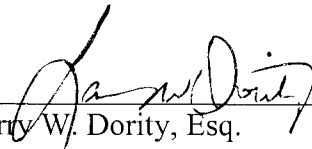


to facilitate the Commission “making all inquiries as are necessary and appropriate from regulated providers of local voice service to determine the extent and presence of regulated local voice providers in an exchange.”

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 E) 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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## VERIFICATION

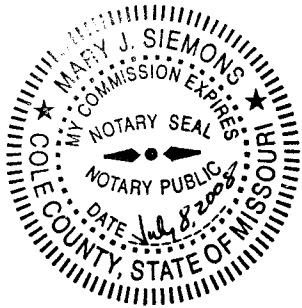
I, Arthur P. Martinez, Director Government Relations for CenturyTel, hereby verify and affirm that I have read the foregoing Application for Competitive Classification and that the statements contained therein are true and correct to the best of my information and belief.

  
Arthur P. Martinez

Subscribed and sworn to before me on this 9<sup>th</sup> day of September, 2005.

  
Notary Public

My Appointment Expires: July 8, 2008

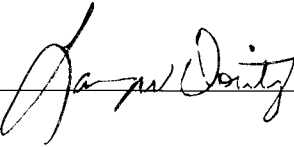


### CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 9<sup>th</sup> day of September, 2005, 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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### LIST OF EXHIBITS

Exhibit A	Wireless Carriers Operating in Spectra Exchanges
Exhibit B	Mark Twain Communications Company Operating in Spectra Exchanges
Exhibit C	Chariton Valley Telecom Corporation Operating in Spectra Exchanges
Exhibit D	News-Press and Gazette Company d/b/a St. Joseph Cablevision (a/k/a Savannah Cablevision) Operating in Spectra Exchanges
Exhibit E	Spectra Illustrative Tariffs