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**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 22nd
day of August, 1997.

In the Matter of the Tariff Filing of ALLTEL)
Missouri, Inc., to Consolidate Its Access Rate) Case No. TR-97-567
Tariffs.)
)

ORDER GRANTING APPLICATION TO INTERVENE,
DENYING MOTION TO SUSPEND TARIFF SHEETS,
AND SETTING PREHEARING CONFERENCE

The Commission issued an order in Case No. TM-95-87 on December 12, 1995, approving the merger of Eastern Missouri Telephone Company and Missouri Telephone Company into ALLTEL Missouri, Inc. (ALLTEL). In the Stipulation and Agreement filed in that case, ALLTEL agreed to file a proposed consolidated access tariff no later than 18 months after the effective date of the Commission's order approving the agreement or June 30, 1997.

ALLTEL filed tariff sheets on June 30, 1997, pursuant to the Stipulation and Agreement. ALLTEL stated in its filing letter that the purpose of the tariff sheets was to:

- (1) mirror the current consolidated interstate rates in effect for 800 DB Query, information surcharge originating and terminating, local switching originating and terminating and transport originating and terminating;
- (2) eliminate the current intrastate line termination rates; and,
- (3) set the intrastate carrier common line originating rate at .01 per minute, with the terminating rate being a residual rate calculated to bring consolidated access revenue back to the preconsolidation access revenue level, except for a \$90,000 reduction due to deregulation of payphone investment.

The effective date of the tariff sheets was July 30; however, on July 24 ALLTEL extended the effective date until August 30, and on August 18 ALLTEL extended the effective date until November 1.

Southwestern Bell Telephone Company (Southwestern Bell) filed an Application to Intervene and Motion to Suspend and Investigate on July 22. Southwestern Bell claims an interest in this proceeding different from that of the general public because Southwestern Bell is ALLTEL's single largest customer and primary toll carrier and because Southwestern Bell will be directly and significantly impacted by the intrastate access charges it will pay to ALLTEL. If the proposed restructuring of ALLTEL's access tariffs is approved, Southwestern Bell estimates the charges it pays to ALLTEL will increase in excess of \$1 million per year.

Southwestern Bell's Motion to Suspend Tariffs and Investigate states the proposed tariff is a major tariff restructuring which should be suspended so that the following issues can be investigated: (1) the parties should be permitted to review how ALLTEL's calculations were made which indicate that the impact is revenue-neutral to ALLTEL; (2) the Commission should investigate the impact on other carriers and customers; and (3) the proposed access tariff appears to place a disproportionately large burden on carriers that terminate interexchange traffic to ALLTEL exchanges and shifts recovery of revenue from interLATA to intraLATA jurisdictions.

The Commission has reviewed the tariff sheets filed by ALLTEL, and the Application for Intervention and Motion to Suspend and Investigate filed by Southwestern Bell. The Commission finds that the Application for Intervention is in substantial compliance with Commission rules regarding intervention and that the applicant has an interest in this matter which is different from that of the general public. The Commission concludes

that the request for intervention should be granted. The Commission finds that the tariff sheets should not be suspended at this time because ALLTEL has extended the effective date until November 1, 1997. The Commission also finds that it is appropriate to schedule a prehearing conference, so the parties can identify the issues in dispute and develop a proposed procedural schedule. The parties should be prepared to discuss the facts and stipulate to those facts which are not in dispute. The parties shall then file a recommended procedural schedule or stipulation and agreement no later than September 12, 1997.

IT IS THEREFORE ORDERED:

1. That Southwestern Bell Telephone Company is granted intervention in accordance with 4 CSR 240-2.075.


2. That the motion to suspend tariff sheets filed by Southwestern Bell Telephone Company is denied.

3. That a prehearing conference is now set in this matter for September 5, 1997, at 10:00 a.m. in the Commission's conference room on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri. Any persons with special needs as addressed by the Americans With Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one of the following numbers: Consumer Services Hotline -- 1-800-392-4211, or TDD Hotline -- 1-800-829-7541

4. That the parties shall file a proposed procedural schedule or stipulation and agreement no later than September 12, 1997.

5. That this order shall become effective on August 22, 1997.

BY THE COMMISSION

A handwritten signature in cursive script, appearing to read "Cecil I. Wright".

**Cecil I. Wright
Executive Secretary**

(S E A L)

Lumpe, Ch., Crumpton, Murray,
and Drainer, CC., concur.

ALJ: Wickliffe