

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 12th
day of November, 1993.

In the matter of the application of Citizens)
Telephone Company of Higginsville, Missouri,)
Inc. for authority to file, establish and put) Case No. TR-93-268
into effect new, increased or revised rates and)
charges for telephone service.)

ORDER APPROVING STIPULATION AND AGREEMENT

On November 4, 1993, the parties to this case filed a unanimous STIPULATION AND AGREEMENT ON REHEARING (hereafter Agreement) which set out a unanimous agreement of the parties and also set out the rates to which they would stipulate. Attached to the Agreement was an Appendix of three (3) pages with detailed rate information. It was the intention of the parties that the Agreement be accepted by the Commission in lieu of the rehearing which is presently scheduled in this case.

On November 10, 1993, the Commission held an on-the-record hearing for the purpose of receiving the Agreement. This hearing was also used as an opportunity for the parties to explain to the Commissioners their arguments in support of the Agreement and also for the Commissioners to ask questions of the parties regarding the Agreement. At the conclusion of this hearing there remained some questions which had not been clearly resolved to the satisfaction of the entire Commission. Therefore, the hearing was continued to November 22, 1993, so that the parties could return with those witnesses who had originally testified on those areas which remained unclear pending the rehearing.

On further consideration, the Commission finds that the Agreement does not establish precedent as to any specific policy which had been argued in the original hearing. Rather, the Agreement settles all remaining issues, as among the parties, simply on a dollar-for-dollar basis. The Commission finds that the

Agreement is in the public interest and it will be approved by the Commission. For this reason, the hearing which was continued until November 22, 1993, will be cancelled. The Commission also finds that Citizens Telephone Company will be required to file tariff sheets for the implementation of the rates set out in the Agreement and the attachments thereto and this tariff shall be for service on and after November 24, 1993.

IT IS THEREFORE ORDERED:

1. That the hearing which was continued on November 10, 1993 and rescheduled for continuation to November 22, 1993 is hereby cancelled.
2. That the STIPULATION AND AGREEMENT ON REHEARING as offered by the parties is hereby accepted and approved with the attached schedule of rates. This STIPULATION AND AGREEMENT ON REHEARING with its attachment is attached hereto and incorporated herein.
3. That Citizens Telephone Company of Higginsville, Missouri, Inc. shall file tariff sheets reflecting the rates contained in the STIPULATION AND AGREEMENT ON REHEARING for service on and after November 24, 1993.
4. That this order shall become effective on November 22, 1993.

BY THE COMMISSION


David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., Kincheloe
and Crumpton, CC., Concur.
McClure and Perkins, CC., Dissent,
with Opinion to follow.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the application of)
Citizens Telephone Company of)
Higginsville, Missouri, Inc. for) Case No. TR-93-268
authority to file, establish and put)
into effect new, increased or revised)
rates and charges for telephone service.)

STIPULATION AND AGREEMENT ON REHEARING

On September 10, 1993, the Missouri Public Service Commission (Commission) issued its Report and Order in the above-referenced case establishing rates for certain local exchange telecommunications services as well as rates for intrastate interexchange access telecommunications services provided by the Citizens Telephone Company of Higginsville, Missouri (Citizens).

On September 24, 1993, the Commission issued its Order Granting in Part, and Denying in Part, Rehearing which granted rehearing "on the issue of the allocation of the approximately One Hundred Forty Thousand Dollars (\$140,000) of revenue reduction toward access charge elements including the examination of the sub issues of the disparity between the interLATA and intraLATA access rates, the issue concerning billing and collection rates and the potential for removing the "cap" existing in the intraLATA rates." (Ordered Paragraph No. 1, p. 3)

Subsequently, representatives of Citizens, the Commission Staff (Staff), the Office of Public Counsel (Public Counsel), AT&T Communications of the Southwest, Inc. (AT&T) and Southwestern Bell Telephone Company (SWBT) participated in discussions regarding a

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possible settlement of the "access charge" issue. As a result of those discussions, the undersigned Parties were able to resolve all differences which existed between them regarding the issues to be addressed on rehearing. Accordingly, the undersigned submit the following Stipulation and Agreement to the Commission for its approval:

1. The Parties stipulate and agree that Citizens shall be authorized to file rates for intrastate interexchange access telecommunications services as set forth in Appendix A attached hereto and incorporated herein by reference. These rates will result in a reduction in gross annual revenues received from intrastate access charges of approximately \$5,000 more than that produced by the intrastate interexchange access rates currently in effect (or a reduction of approximately \$145,000¹ from the revenues produced by the intrastate interexchange access rates in effect prior to October 1, 1993). The Parties further agree that the access rates contained in Appendix A shall become effective for intrastate interexchange telecommunications services rendered on and after November 24, 1993.² It is also understood and agreed by

¹Of the \$145,000 total reduction, approximately \$85,500 relates to intrastate interLATA access services and \$59,500 relates to intrastate intraLATA access services. Although the agreed to access ~~revenue~~ reduction is \$5,000 more than that authorized by the Commission, Citizens does not propose to increase any other rates to recover this additional revenue reduction.

²On October 22, 1993, Citizens filed revised intrastate access tariffs designed to place certain intrastate intraLATA access rates on an "interim, subject to refund" basis as required by Commission

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the Parties that for purposes of implementing the access rates agreed to in Paragraph 1 above, Citizens will be able to concur in the Oregon Farmers Mutual Telephone Company's intrastate access tariff.

2. The Parties further stipulate and agree that:

- A. this Stipulation and Agreement represents a negotiated dollar settlement for the sole purpose of disposing of the issues on rehearing, and that none of the Parties to this Stipulation and Agreement shall be prejudiced or bound by the terms of this Stipulation and Agreement in any future proceedings, or in this proceeding, in the event the Commission does not approve this Stipulation and Agreement in its entirety.
- B. none of the Parties to this Stipulation and Agreement shall be deemed to have approved of or acquiesced in any ratemaking principal or any method of cost of service determination or cost allocation underlying any of the intrastate

orders issued in TO-92-306. These tariffs are proposed to become effective November 24, 1993, the date on which Citizens plans to implement the Outstate Calling Area (OCA) plan. Accordingly, if the instant Stipulation and Agreement is approved by the Commission and the rates agreed to herein become effective for intrastate intraLATA access services rendered on and after November 24, 1993, it is understood among the Parties that certain of the agreed to rates will be "interim, subject to refund" in accordance with the Commission's orders in Case No. TO-92-306.

interexchange access rates for which provision has been made in this Stipulation and Agreement.


C. in the event the Commission accepts the specific terms of this Stipulation and Agreement, the Parties waive their rights 1) to participate in an evidentiary hearing pursuant to §386.500 RSMo. 1986; 2) to present oral argument and written briefs pursuant to Section 536.080 RSMo. 1986; 3) pertaining to the reading of the transcript by the Commission pursuant to Section 536.080 RSMo. 1986; and 4) to judicial review pursuant to Section 386.510 RSMo. 1986.


D. the agreements in this Stipulation and Agreement have resulted from extensive negotiations among the Signatory Parties and are interdependent, and in the event the Commission does not approve and adopt this Stipulation and Agreement in its entirety and in the event the tariffs agreed to herein do not become effective for intrastate interexchange telecommunications services rendered on and after November 24, 1993, the Parties agree that this Stipulation and Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof.

E. The Staff shall have the right to submit to the Commission, in memorandum form, an explanation of

its rationale for entering into this Stipulation and Agreement and to provide to the Commission whatever further explanation the Commission requests. Such memorandum shall not become a part of the record of this proceeding and shall not bind or prejudice the Staff in any future proceeding or in this proceeding in the event the Commission does not approve the Stipulation and Agreement. It is understood by the signatories hereto that any rationales advanced by the Staff in such a memorandum are its own and are not acquiesced in or otherwise adopted by Citizens or any party hereto:

Respectfully submitted,


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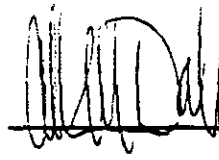
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Dated this 4th day of November, 1993.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all parties of record as listed below this 4th day of November, 1993.



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Citizens Telephone Company
Stipulated Access Rates
Case No. TR-93-268

Appendix A
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SWITCHED ACCESS AND BILLING AND COLLECTING

	Stipulated Rates
CCL - InterLATA	
Originating	0.04450
Terminating	0.14408
CCL - IntraLATA	
Originating - Full	0.04450
Terminating - Full	0.07571
CCL - IntraLATA	
Originating - Discount	0.00000
Terminating - Discount	0.00000
CCL - IntraLATA	
Originating - Surcharge	0.00000
Terminating - Surcharge	0.00000
Local Transport	0.02048
Local Switching	
LS1	0.02680
LS2	0.02680
Line Termination	0.00000
Billing & Collecting:	
Recording	0.04830
Rating	0.01340
Processing	0.06050
Message Bill Ser	0.82000
Data Trans	0.00840
CMDS II	0.01630
Magnetic Tape	17.48
Program Development	
Basic per Hour	57.74
Premium per hour	80.07

Appendix A
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SPECIAL ACCESS

		<u>Stipulated Rates</u>		
		<u>Monthly</u>	<u>Daily</u>	<u>Nonrecurring Charges</u>
(A) <u>Channel Termination, per termination</u>				
(1) Voice Grade Channel				
Two wire		23.40	N/A	82.40
Four wire		37.45	N/A	82.40
(2) Metallic Channel				
Two Wire		15.99	N/A	80.02
(3) Program Audio				
50 Hz to 15,000 Hz		44.82	4.48	189.00
a) Optional Features and Functions				
1-Gain Conditioning per service		11.23	1.12	None
2-Stereo per service		18.24	1.82	None
(4) High Capacity				
1.544 Mbps		225.00	N/A	685.00
(5) Digital Data				
56.0 kbps		171.35	N/A	355.00
(B) <u>Channel Mileage</u>				
(1) Channel Mileage Facility				
a) Applies to Voice Grade - per Mile		1.70	N/A	
b) Applies to Metallic - per Mile		1.70	N/A	None
c) Applies to Program Audio -per Mile		13.84	1.38	None
d) Applies to High Capacity -per Mile		60.00	N/A	None
e) Applies to Digital Data -per Mile		3.60	N/A	None
(2) Channel Mileage Termination				
a) Applies to Voice Grade -per Termination		31.54	N/A	None

Appendix A
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SPECIAL ACCESS (Cont'd)

	Stipulated Rates		
	Monthly	Daily	Nonrecurring Charges
(B) <u>Channel Mileage</u> (Cont'd)			
(2) Channel Mileage Termination (Cont'd)			
b) Applies to Metallic -per Termination	31.54	N/A	None
c) Applies to Program Audio -per Termination	125.08	12.51	None
d) Applies to High Capacity -per Termination	40.00	N/A	None
e) Applies to Digital Data -per Termination	80.33	N/A	None
(C) <u>Special Access Surcharge</u>			
-Per Voice Grade Equivalent	25.00	N/A	None
(D) <u>Optional Features & Functions</u>			
(1) Central Office Voice Bridging Capability Two-wire or Four-wire per port	4.03	N/A	None
(2) Conditioning, C-Type, per termination	6.01	N/A	None
(3) Improved Return Loss for Effective Two-Wire or Four-Wire Transmission, per termination	1.78	N/A	None
(4) Data Capability, per termination	1.34	N/A	None
(5) Signaling Capability, per termination	13.87	N/A	None
(6) Selective Signaling Arrangement, per arrangement	14.83	N/A	None