Voice Data Internet Wireless Entertainment



July 13, 2006

Cully Dale Secretary of the Commission Missouri Public Service Commission PO Box 360 Jefferson City, Missouri 65102

Re: EMBARQ's Comments in Case No. TX-2006-0429

Dear Ms. Dale:

Embarq Missouri, Inc. and Embarq Communications, Inc. (herein collectively referred to as "EMBARQ") have reviewed the Chapter 3 Proposed Rules pertaining to tariff filing requirements for competitive services and provides the following comments.

While EMBARQ supports the portion of the proposed rule change that shortens notice requirement for price changes associated with competitive services, EMBARQ submits that requirement to allow a full 30 days notice for non-rate impacting changes is illogical and should also be shorted to ten days. EMBARQ recommends the Commission take this opportunity to review the notice requirements for all tariff changes including: (a) changes to the terms and conditions of existing services; (b) the introduction of new services; and (c) the elimination of existing services. Specifically, EMBARQ recommends the following:

(16) Missouri statute 392.500 provides that the commission shall be notified at least ten (10) days in advance of proposed rate increases to competitive telecommunications services and that the commission shall be notified at least one day in advance of proposed decreases to competitive telecommunications services. The one (1) or ten (10) day tariff filings for rate decreases and increases are for changes to existing rates or charges, or proposed change in any classification or tariff resulting in a decrease or increase in rates or charges, for competitive telecommunications service. No other additional tariff changes, except as directed by commission order or as allowed under section (19) below, are permitted on one (1) or ten (10) days notice. For example, changes to the terms and conditions of existing services, the introduction of new services, or the elimination of existing services still require a thirty (30) day tariff filing. Telecommunications companies proposing new price deregulated and/or competitive services, shall provide the commission with at least ten (10) days notice.

John R. Idoux 5454 West 110th Street Overland Park, Kansas 66211 Manager – Regulatory Affairs Voice: (913) 345-6692 EMBARQ submits that 30 days advance notice is simply not warranted for most tariff filings. For instance, when a carrier offers a new product offering there are no customer notification requirements because there are no customers subscribed to the service. Requiring a carrier to wait 30 days to begin offering a new service benefits no party while reducing the timeline to ten days harms no party. Even though Senate Bill 237¹ price deregulated bundles, current Commission rules require 30 days advance notice for new bundles. Most often, new bundle offerings are simply an unique or different combination of piece-parts at an attractive price. Per statute, all portions of bundles must be available to the customer on an ala carte basis so there is no justification to require a 30 day waiting period for new bundles or new services.

Embarq Missouri, Inc. and Embarq Corporation, Inc. have made 31 permanent tariff filings thus far in 2006 and an additional 11 promotional tariff filings². EMBARQ submits that a ten day notice would be ample time for 28 of the 31 permanent tariff filings made in 2006. For the remaining three tariff filings, two related to competitive designation which has a statutory 30 day notice requirement and one related to a competitive price decrease which has a one day statutory notice. Exhibit A provides a listing of these 42 tariff filings and a brief description.

Adopting EMBARQ's proposal would lessen the existing regulatory parity gap that EMBARQ and other regulated companies currently face in Missouri. The current 30 day notification requirement for new services and other non-rate tariff changes provides competitors with unfair insight into marketing initiatives. Comcast is currently offerings its Comcast Digital Voice® service without a tariff and Time Warner Cable Information Services (Missouri), LLC d/b/a Time Warner has requested similar abilities.³ These companies operate outside the purview of tariffs and may alter prices, terms, and service offerings with no advance notice. This clearly is not regulatory neutrality.

Finally, EMBARQ encourages the Commission to open a similar proceeding to review Commission Rule 4 CSR 240.3 545 (19) which currently requires seven or ten days advance notice for promotional offerings. Promotions must be offered under tariff for certain carriers such as EMBARQ and a one day notice requirement would be more consistent with 392.500. Under certain circumstances, carriers can currently get around this rule by lowering prices on a one-day notice and then raising prices at the end of the promotional period; however, this method cause unnecessary work for the companies and the Commission.

Please do not hesitate to contact myself if you have any questions.

Sincerely

John R. Idoux

¹ 392.200.12 RsMO 2005

² Promotional tariff offerings are regulated under 4 CSR 240-3 545 (19).

³ Case No. LT-2006-0162