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November 17, 2003

Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Missouri 65102

FILED
NOV 17 2003
Missouri Public
Service Commission

Re: Case No. TC-2002-349

Dear Mr. Roberts:

Enclosed for filing on behalf of Spectra Communications Group, LLC d/b/a CenturyTel, please find the Response to Third Order Directing Filing and Brief in above-referenced matter.

Please bring this filing to the attention of the appropriate Commission personnel. A copy of this filing will be provided to parties of record. If there are any questions, please direct them to me at the above number. I thank you in advance for your cooperation in this matter.

Sincerely,



Sondra B. Morgan

SBM/da
Enclosures
cc: Parties of Record

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

FILED

NOV 17 2003

Missouri Public
Service Commission

Frances Langerud,)
)
 Complainant,)
)
 v.)
)
CenturyTel,)
)
 Respondent.).

Case No. TC-2002-349

RESPONSE TO THIRD ORDER DIRECTING FILING AND BRIEF

Spectra Communications Group, LLC d/b/a CenturyTel ("CenturyTel"), files its Response and Brief to the Missouri Public Service Commission's ("Commission") Third Order Directing Filing and states to the Commission as follows:

1. On September 9, 2003, the parties to this case filed a Unanimous Stipulation and Agreement in which they agreed that certain funds that CenturyTel was unable to refund to customers should be paid into the Public School Fund under § 166.011, RSMo 2000.
2. On October 17, 2003, the Commission issued its Third Order Directing Filing and directed the parties to "brief the Commission on the legalities of ordering that the refunds be paid into the Public School Fund or whether the money should be considered unclaimed property."
3. In the Unanimous Stipulation and Agreement filed by the parties, the parties stipulated that:

The parties agree that the payment of the overpayment balance to the public school fund is a just and reasonable process and is consistent with the public interest. The Commission has authority under Section 386.600 RSMo 2000 to take action to recover a

penalty or forfeiture from a utility and to enforce the powers of the Commission. The parties stipulate and agree that these undistributed refunds for erroneous late charges owed to customers that cannot be located shall be treated for the purposes of this stipulation and agreement as a penalty or forfeiture subject to the Commission's jurisdiction and further agree that the Commission may direct CenturyTel to make a payment to the public school fund in the total amount of \$50, 802.20, representing a refund amount of \$46,768.40 and interest thereon of \$4,033.80.

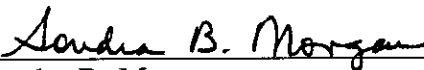
4. Section 386.600 authorizes the Commission to institute an action in circuit court to recover a penalty or forfeiture or to enforce the powers of the Commission. Section 386.600 further states that, "All moneys recovered as a penalty or forfeiture shall be paid to the public school fund of the state." Absent the Unanimous Stipulation and Agreement, the Commission would have been authorized to institute an action in circuit court to recover the unrefunded late fee overpayments that CenturyTel had collected from its customers. Thus, the Commission's approval of the Unanimous Stipulation and Agreement authorizing the payment of the unrefunded amounts to the public school fund is a proper exercise of Commission authority, and payment of the unrefunded amounts to the public school fund is within the Commission's statutory authority.

5. Section 166.011, RSMo 2000, establishes the public school fund and provides that all funds paid into the fund shall be "securely invested by the state board of education and sacredly preserved as a public school fund" Thus, payment of the unrefunded amount to the public school fund is in the public interest.

6. Missouri's Lost and Unclaimed Property statute does include a provision dealing with funds held or owing by a utility. Specifically, § 447.517.1(2), RSMo 2000, states that refunds which have remained unclaimed for five (5) years after the date they became payable may be considered abandoned property and subject to the provisions of the Lost and Unclaimed Property Act. This statute only applies to refunds for which no claim has been made for five (5) years and which are thus presumed abandoned. In this case, first the Complainant Francis Langerud, and then the Staff of the Commission and the Office of Public Counsel both pursued claims for refund from CenturyTel, and the subject of the proper disposition of the refunds was a case before the Commission where the Commission clearly has jurisdiction over the claim and the refunds. The refunds in question here are not abandoned property. Because of this distinction, § 386.600, RSMo gives the Commission authority to approve the Unanimous Stipulation and Agreement providing for the payment of the unrefunded amount to the public school fund established by § 166.011, RSMo. The unrefunded amounts are not "abandoned" funds that would make them subject to the Lost and Unclaimed Property statute, but funds over which the Commission has asserted jurisdiction through its consideration of the consumer complaint and the requests of its Staff and the Office of Public Counsel.

For all these reasons, the Commission is authorized by statute to approve the Unanimous Stipulation and Agreement entered into by the parties and direct the payment of the refunds to the public school fund pursuant to § 386.600, RSMo.

Respectfully submitted,


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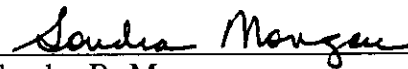
Attorneys for Spectra Communications Group,
LLC d/b/a CenturyTel

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand-delivered on this 17th day of November, 2003, to the following parties:

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