



September 9, 2011

John Van Eschen
Manager, Telecommunications Department
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

Re: TW-2012-0012 Proposed Changes to ETC Rules

Dear Mr. Van Eschen:

On behalf of CenturyTel of Missouri, LLC d/b/a CenturyLink, Spectra Communications Group, LLC, d/b/a CenturyLink, Embarq Missouri, Inc. d/b/a CenturyLink and CenturyTel of Northwest Arkansas, LLC d/b/a CenturyLink, hereinafter referred to together as "CenturyLink", I respectfully submit the following comments concerning the Staff's proposed changes to the eligible telecommunications carrier rules.

General comments:

1. The Missouri Public Service Commission should wait and see what the Federal Communications Commission does with Intercarrier Compensation, Universal Service Fund and Lifeline reform before promulgating any revisions to 4 CSR 240-3.570.

It is clear that the Federal Communications Commission is preparing to take steps to reform Intercarrier Compensation and the Universal Service Fund, including addressing issues of concern in the Lifeline/Linkup programs. (*See, e.g., WC Docket Nos. 10-29, 07-135, 05-337, and 03-109.*) In light of what could be comprehensive reform in these areas and what could amount to a complete refocus of funding from the Universal Service Fund, it seems premature for the Missouri Public Service Commission to promulgate rules that would be impacted and possibly even negated by such comprehensive reform. Once it is clear what the Federal Communications Commission has determined to be necessary changes to these programs and issues, the Missouri Public Service Commission could then revise the rules to comply with the federal mandates.

2. The current incumbent local exchange carrier (ILEC) high cost support and lifeline processes are working and there is no necessity for changing them.

From discussions with staff over the need to revise 4 CSR 240-3.570, it is clear that the staff's concerns are focused on the application and reporting requirements for wireless (CMRS) and competitive local exchange carriers (CLEC) eligible telecommunications carriers and that the vast majority of these changes are being made to address those concerns. Indeed, no

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concerns have been expressed with regard to how ILECs report and utilize Universal Service Funding for high cost support or Lifeline processes. ILECs, because of the differing distribution methods, are treated differently in the application and reporting provisions of the current rule and those application and reporting provisions are working well. These differences in application and reporting methods are clearly justified and it is unnecessary at this time to increase the application and reporting burdens as they apply to ILECs.

Specific provisions:

4 CSR 240-3.570(1)(C) – Staff proposes to make the following change to the definition of an eligible telecommunications carrier:

“Eligible telecommunications carrier (ETC) is a carrier designated as such by the Missouri Public Service Commission pursuant to 47 U.S.C. 214(e) in order to receive universal service support. Eligible telecommunications carrier (ETC) shall refer to alternative local exchange carriers, **incumbent local exchange carriers** and commercial mobile radio service providers *[and shall not include incumbent local exchange carriers unless otherwise specified].*”

This change clearly erases the differing treatment of ILECs’ application and reporting requirements that exist in the current rule. In addition to CenturyLink’s general comment on this change, it should be pointed out that there are many provisions in the application process that clearly do not make sense if an applicant is an incumbent local exchange company. Further, provisions in subsection (3) of the rule pertaining to Service Requirement for ETCs clearly would no apply to an ILEC with carrier of last resort obligations.

4 CSR 240-3.570(4)(B)2. – The staff is proposing to amend the reporting requirements for carriers receiving high-cost USF support by requiring all ETCs to submit:

“A narrative discussing construction and maintenance projects using high-cost support received by the company or impacting future high-cost support received by the company. If possible provide a map identifying the area(s) affected by any new construction. This narrative shall include the following information:

- A. Construction project(s) for the past 2 years. Describe any relevant construction project(s) along with budget amounts.**
- B. New construction project(s) planned for the upcoming year. Identify the anticipated budget for each relevant project.**
- C. Maintenance: A general description of any on-going maintenance that is supported by high-cost funding, if applicable.”**

Many of these requirements make sense for the type of fund distribution available to CMRS and CLEC ETCs, but clearly do not make sense when noting that ILECs receive funds based on a reimbursement basis only. ILECs submit for reimbursement those funds that were spent for new construction and maintenance in high-cost areas and only then receive their distributions from the high-cost Universal Service Funds. Requiring description of construction projects for the past two years is a redundant process given that we provide the accounting basis for new construction projects on an annual basis. And once we submit a two-year narrative, we would only be repeating the same information in the following year's report. New construction projects planned for the upcoming year are irrelevant when receiving funding on a reimbursement basis only. This requirement clearly demonstrates the problems with treating ILECs the same as CMRS and CLEC ETCs because of the vastly different distribution methodologies.

Further, this provision will add significant costs to collect and narrate this additional data. As of this date, CenturyLink has had insufficient time to calculate such costs; but as this company has no current method for collecting this narrative data, it would impose a higher burden and increase the man hours required to comply with the rule.

4 CSR 240-3.570(4)(B) 3, 4 & 5 – The staff is proposing to amend the rule to require additional reporting requirements as follows:

- “3. Number of unfilled service requests during the past twelve months.**
- 4. Number and description of customer complaints received during the past twelve months.**
- 5. A demonstration the company is providing adequate service. This demonstration should address the following service criteria:**
 - A. Responding to service requests in a timely manner.**
 - B. Responding to out-of-service requests in a timely manner.**
 - C. Number of trouble reports.”**

Numbers 3 and 5 clearly appear to be an attempt by staff to reimpose quality of service reporting (at least on an annual basis) following the relief received by most certificated carriers under the change in law in House Bill 1779 (2008). CenturyLink objects strongly to these provisions as they contradict the legislative determination that companies may receive waivers of such obligations. Further, staff has adequate means via statutes and rules to pursue carriers whose customer complaints are increasing in severity and frequency as demonstrated by its recent investigation into the quality of customer service. There is no need to use the ETC certification process as a back door to information that carriers are no longer required to submit.

Number 4, the provision requiring the collection of customer complaints is a very onerous provision. Currently CenturyLink does not collect, format and retain information on every customer call that results in some form of complaint. New IT processes for tracking this information would be required and additional man hours would result in significantly increased costs to the company for compliance. Further, the Missouri Public Service Commission's Consumer Services Division can easily give staff a snapshot of the types and numbers of complaints received on a per company basis. This data should be adequate to meet staff's needs.

4 CSR 240-3.570(4)(B) 7. – The staff is proposing to amend the rule to require an additional reporting requirement showing a **“demonstration of the status and availability of the company's broadband service”**.

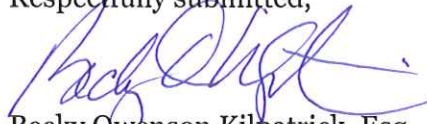
This is simply unnecessary. The Missouri Public Service Commission has no jurisdiction over the provision of broadband services to the public and the provision of such services is not a basis for receiving high-cost Universal Service Fund support. The staff has other means available to the general public for getting the basic information through both the state and federal broadband mapping efforts. There is no need to impose addition reporting requirement in the ETC certification process and increasing costs of compliance for information that is irrelevant and not subject to the Commission's jurisdiction.

4 CSR 240-3.570 (4)(C) 3. – The staff is proposing to amend the rule to require an additional reporting requirement for receiving low-income support as follows:

“3. Identify the number of complaints regarding the company's Lifeline service offering during the past twelve months and explain the issue(s) and how the company resolved the complaints.”

Currently, CenturyLink does not track complaints by the type of customer and makes no attempt when dealing with customer complaints to identify whether the customer is a Lifeline subscriber. As noted above, CenturyLink does not collect, format and retain information on every customer call that results in some form of complaint. New IT processes for tracking this information would be required and additional man hours would result in significantly increased costs to the company for compliance.

Respectfully submitted,



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