

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

In the Matter of McLeodUSA Telecommunications )  
Services, Inc.'s Tariff Filing to Increase its ) Case No. TT-2006-0474  
Missouri Intrastate Access Rates. )

**STAFF RESPONSE TO AT&T COMPANIES'  
MOTION TO SUSPEND AND INVESTIGATE TARIFF**

COMES NOW the Staff of the Missouri Public Service Commission and for its response states:

1. The Staff concurs in the AT&T Companies' request that the Commission suspend McLeodUSA's tariff for investigation.

2. In Case No. TA-98-288, the Commission granted McLeod USA Telecommunications Services, Inc. (McLeodUSA) a certificate of service authority to provide basic local telecommunications service. The Commission's Order notes:

The parties have agreed that McLeodUSA shall be classified as a competitive telecommunications company. The parties have also agreed that McLeodUSA's switched exchange access service may be classified as a competitive service, conditioned upon certain limitations on McLeodUSA's ability to charge for its access services. McLeodUSA has agreed that, unless otherwise ordered by the Commission, its origination and termination access rates will be no greater than the lowest Commission-approved corresponding access rates in effect at the date of certification for the large incumbent LECs within those service areas in which McLeodUSA seeks to operate. The parties have agreed that the grant of service authority and competitive classification to McLeodUSA shall be expressly conditioned on the continued applicability of Section 392.200, RSMo Supp. 1996, and on the requirement that any increases in switched access service rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.200, RSMo Supp. 1996, and 392.230, rather than Sections 392.500 and 392.510

The agreement of the parties is incorporated into Ordered Paragraph 8:

8. That McLeod USA Telecommunications Service, Inc.'s certification and competitive status are expressly conditioned upon the continued applicability of Section 392.200, RSMo Supp. 1996, and on the requirement that any increases in

switched access service rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1996, and 392.230, rather than Sections 392.500 and 392.510.

3. In Case No. TO-99-596, In the Matter of the Access Rates to be Charged by Competitive Local Exchange Telecommunications Companies in the State of Missouri, the Commission concluded that the public interest would be best served by capping CLEC exchange access rates at the level of the access rates of the directly competing ILEC. The Commission noted that a CLEC's petition for rates in excess of the cap will be determined on a case-by-case basis.

4. In Tariff File Nos. JC-2006-0788 and JC-2006-0789, McLeodUSA Telecommunications Services, Inc., (McLeodUSA) proposes to introduce its new access services tariff, P.S.C. Mo No. 6, and to withdraw its existing access services tariff, P.S.C. Mo No. 3, respectively.

5. In its new access services tariff, McLeodUSA proposes exchange access rates that are in excess of the access rates of AT&T Missouri, the directly competing ILEC.

6. AT&T Communications of the Southwest, Inc., and Southwestern Bell Telephone, L.P., d/b/a AT&T Missouri (the AT&T Companies) filed a motion to suspend and investigate McLeodUSA's tariff.

7. Section 392.230 RSMo authorizes the Commission to suspend and to enter upon a hearing concerning the propriety of McLeodUSA's proposed access rates.

WHEREFORE, because McLeodUSA's proposed access rates are above the access rate cap, the Staff concurs in the AT&T Companies' request that the Commission suspend McLeodUSA's tariff for investigation.

Respectfully submitted,

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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 20<sup>th</sup> day of June 2006.

/s/ William K. Haas