

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

In the Matter of Proposed Rule 4 CSR)
240-2.061, Applications for Expanded)
Local Calling Area Plans Within a)
Community of Interest)

Case No. TX-2005-0194

FISCAL NOTE REVIEW MEMORANDUM

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and states:

1. In the Memorandum attached as Appendix A, the Staff advises the Commission that the Staff conducted a review of the fiscal estimates from the rule adopted in this case and has determined that no fiscal estimate changes need to be filed with the Secretary of State.

2. The Commission’s Order of Rulemaking adopting 4 CSR 240-2.061, Filing Requirements for Applications for Expanded Local Calling Area Plans Within a Community of Interest, was published in the September 15, 2005 *Missouri Register*. This rule became effective on October 30, 2005, 30 days after its publication in the *Code of State Regulations*.

3. Section 536.200.2 RSMo (2000) requires agencies to make a filing with the Secretary of State if, after the first full fiscal year after implementation, the cost of the rule exceeds the agency estimate. The first full fiscal year after the rules became effective was the fiscal year beginning July 1, 2006 and ending June 30, 2007.

WHEREFORE, the Staff respectfully submits the attached Memorandum wherein the Staff states its conclusion that no fiscal estimate changes need to be filed with the Secretary of State.

Respectfully submitted,

/s/ William K. Haas

William K. Haas

Deputy Counsel

Missouri Bar No. 28701

Attorney for the Staff of the
Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 751-7510 (Telephone)

(573) 751-9285 (Fax)

william.haas@psc.mo.gov

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 15th day of August 2007.

/s/ William K. Haas

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. TX-2005-0194

From: William Voight
Telecommunications Department

/s/ John Van Eschen / August 15, 2007
Utility Operations Division/Date

/s/ William K. Haas / August 15, 2007
General Counsel's Office/Date

Subject: Expanded Calling Scope Rulemaking Fiscal Analysis Review

Date: August 15, 2007

The Secretary of State (SOS) published the Commission's Final Order of Rulemaking which proposed a new Commission rule, 4 CSR 240-2.061; and was the subject of Case No. TX-2005-0194. The rule established a process for the commission to entertain requests for expanded local telephone calling area plans that provide toll-free or discounted calling within a community of interest.

Section 536.200.2 RSMo 2000 requires agencies to make a filing with the SOS if, after the first full fiscal year after implementation, the cost of the rule has exceeded by ten percent or more the estimated cost in the fiscal note or has exceeded five hundred dollars if the proposed cost was estimated to be less than five hundred dollars. The Commission's General Procedure 1 (GP-1) requires a Staff investigation of the fiscal impact to begin thirty days prior to end of first full fiscal year. According to the GP, Staff is to prepare a memorandum within thirty days after the end of the first full fiscal year if costs are less than 10% or \$500, where appropriate. If costs are more than 10% or \$500, the General Counsel prepares a filing for action by the Regulatory Law Judge.

The fiscal impacts of the proposed rule were estimated by Missouri telephone companies to be \$54,000 for the first year of the rule. This memorandum advises the Commission that Staff has not discovered any information that would show the cost estimates associated with the rule were not accurate. Additionally, Staff has contacted the industry for input on the fiscal review. Staff has not received any information from any party potentially or actually affected by the implementation of this rule that would indicate the public or private cost estimates as published in the Missouri Register were not accurate. In fact, when asked, Missouri telephone companies did not report any fiscal impact of the rule.

Since the Staff's investigation indicates the published cost estimates related to the implementation of 4 CSR 240-2.061 have not been exceeded, no Missouri Register publication is required under Section 536.200.2.