

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Windstream Missouri,           )  
Inc Tariffs filed to Adjust Rates and           )  
Rebalance Local Basic Rates and           )     Tariff No. JI-2009-0198  
Switched Access Rates Under Section       )  
392.245, RSMo as amended by HB 1779    )     Case No. \_\_\_\_\_

## **OFFICE OF THE PUBLIC COUNSEL'S OBJECTION TO LOCAL BASIC RATE INCREASE UNDER REBALANCING STATUTE**

The Office of the Public Counsel gives notice to Windstream Missouri, Inc, its customers, to the public and to the Missouri Public Service Commission that it objects to Windstream's proposed rebalancing tariff filed under Section 392.245, RSMO 2000 as amended by HB 1779. Public Counsel opposes the rate increase presented in Windstream's tariffs, especially the rebalancing rate increase, as contrary to the interests of the ratepayers and inconsistent with the public interest. Section 392.185 (6), RSMo 2000. Although HB 1779 allows this rebalancing at the discretion of the company without any price or cost or any justification, that authority to do so does not automatically mean that it should be exercised. This rebalancing harms the Missouri local exchange customers served by Windstream and benefits only the long distance companies who will see immediate access rate reductions and will only pass through any "savings" at some distant and unknown time when the saving can be incorporated into consumer rate reductions. For these reasons, Public Counsel opposes this rebalancing.

### **Tariff inconsistent with Telecommunications Act of 1996**

The promise of competition in telecommunications has consistently been that competition will bring lower rates, improved service and more and varied offerings of new and advanced services. (Preamble, Federal Telecommunications Act of 1996. . . "to

secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies." Price cap regulation, the transition step from monopoly to a competitive market, assumes that minimal competition exists that justifies flexibility in pricing, the introduction of new services, and higher quality service all without the focus on cost of service pricing, but rather with the focus on prices set by the marketplace and the demand for service. Price cap regulation also removed the need for the traditional rate case process where a rate base, revenue requirement, and rate of return on equity were key factors in the setting of prices and rates.

This rebalancing tariff does not represent the fulfillment of the promises and goals of telecom competition. It increases rates. The tariff increases local access lines access rate by \$1.50/month/per line; it then reduces the revenue generated by that increase by decreasing the intralata and intrastate exchange switched access termination charges paid by long distance and toll carriers for their customers that terminate calls in Windstream's exchanges.

Residential rate increases of 24.9% and 22.8%; Business rate up 12.5% and 11.7%

It is not in the best interests of Windstream's local customers, especially residential and small business customers, to raise their local rates to increase revenues for long distance companies. This rate increase is a 24.9% increase in residential basic local service (Rate Group 1) and 22.8 % increase in residential basic local service (Rate Group 2); B1-12.5% and B2-11.7% increases Basic local service is just that: the minimum service available and all other services, including local toll to community of interests beyond the local calling scope, other in state and intrastate long distance, international

calls, custom calling features, voice mail and internet access via DSL or dial-up builds on this Plain Old Telephone (POTS) service. Basic local service is virtually the joint and common service and cost of all other telecom services (both regulated or unregulated) using the public switched network, in whole or in part.

Local customers already pay a monthly additive for EAS to increase local calling scope

In addition to this essential service, many customers in Windstream's exchanges pay an additive monthly flat fee for Expanded Area Service charge (EAS) that gives them calling without per minute toll charges to certain exchanges they deem within the community of interest. These additives range from \$ .35 R and \$.70 B in Purdy to \$3.65R and \$7.55B for Rothville. The most common additive for residential is \$1.00 to \$1.50 per month with business EAS running about \$1.75 to various prices above \$2.00.

Long Distance Companies get relief and price reductions; local residents increased prices

Access termination charges apply when callers with AT&T or Verizon or another long distance service call homes and businesses in the Windstream exchanges. The long distance carrier incurs these access termination charges whether or not the called party is the long distance company's customer. In this proposed rebalancing, Windstream increases the price of its basic telephone service paid by its local customers located in its Missouri exchanges. It then offsets this additional revenue from rate increases on its local service customers with reduced access rates paid by long distance carriers. This rate reduction includes the two largest telecom corporations (AT&T and Verizon) in the nation. The specific outcome of this rebalancing tariff is undeniable: Windstream customers pay higher local rates in order to replace the revenue lost by lowering rates paid by the long distance companies. The local ratepayer is burdened by the extra

monthly charge while long distance companies benefit by paying a lower rate on each minute of use for calls terminated in the exchanges.

“Pass through” benefits of lower access rates are remote and miniscule to Mo. ratepayers

Windstream’s access reductions give immediate relief and benefit to the carriers. The callers to the Windstream exchanges may not see any measurable benefit even if the carriers pass through the access reduction in calculating the actual long distance rates. Section 392.245.10, RSMo 2000 requires long distance companies to pass through access rate reductions:

Any telecommunications company whose intrastate access costs are reduced pursuant to subsections 8 and 9 of this section shall decrease its rates for intrastate toll telecommunications service to flow through such reduced costs to its customers. The commission may permit a telecommunications company **to defer a rate reduction required by this subdivision until such reductions, on a cumulative basis, reach a level that is practical to flow through to its customers. (Emphasis added)**

A benefit to the Missouri long distance customer is highly remote and difficult to measure while the benefit to the long distance companies will be immediate and the savings clear. The revenue savings from the access rate reduction will have minor affect on long distance rates due to rates that round to the fourth decimal place, the MOU terminated in Missouri by each company, the actual dollar savings from each Windstream exchange access rate reduction. The “passed through savings” disappears with little or no benefit to Missouri customer rates.

Rebalancing justification eliminated under HB 1779

Public Counsel recognizes that HB 1779 has changed the statutory price cap rebalancing process. HB 1779 removed the cost/price analysis justification for the rebalancing. Section 392.245.8, RSMo as amended by HB 1779, seems to give

Windstream unbridled discretion to rebalance with or without any justification. Under the new statute, PSC approval is not required.

HB 1779 has not removed all PSC's traditional consumer protection authority

The statutory changes in HB 1779 are many, but are not so comprehensive as to deny the Public Service Commission of all authority to see that the state's telecommunications industry and infrastructure are maintained to benefit the public and the public interest. HB 1779 did not touch many statutes and left intact long held authority for the PSC to exercise its power to protect the health, safety, property and general welfare of its citizens, residents, and visitors. (*See, Exhibit A, Missouri Public Service Commission Telecommunications Jurisdiction after HB 1779*)

The statutes set out in Exhibit A provide the legal basis for the Commission to act. Public Counsel suggests that the Commission has a responsibility to investigate matters of public interest and consumer protection concerning telecommunications and be in a position to act when the public interest and the consumer is threatened. The harm to the ratepayers in the Windstream exchanges and public interest at stake is clear in this proposed rebalancing that shifts revenue responsibility to Windstream local service Missouri customers from long distance telecom carriers with empty hope that reduced long distance customer rates will flow from this rebalancing.

General Assembly's intent and purpose of Mo. telecom laws remain unchanged

In particular, the PSC should take a close look at the declaration of the intent and purpose of telecommunication regulation and laws in Section 392.185, RSMo the General Assembly in 1976 declared in Section 392.185, RSMo its clear and explicit intent and purpose of the telecommunications law. Section 392.185 remains unchanged

and effective. HB 1779 did not repeal or modify Section 392.185, either by explicit or implicit language. Although HB 1779 vests more discretion in the companies and more limitations on PSC review, Section 392.185, RSMo continues the PSC's authority to protect consumers, their right to just and reasonable rates, and to protect the public interest..

The purpose of price cap regulation is pricing flexibility that permits incumbent LECS like Windstream, Inc to compete and quickly respond to the new competitors without rate cases or extended proceedings on price changes tempered with consumer protection from overreaching. That spirit of price cap regulation should be observed and preserved. Public Counsel opposes the rate rebalancing and its rate increase.

#### Request for investigation

Missouri Public Counsel asks the Commission to recognize Public Counsel's objection and to take steps to investigate the reasonableness of this rebalancing and its impact on the ratepayers and the public interest and to determine if the IXCs carry out their obligation to pass this reduction in access rates through to their customers by a reduction in long distance rates paid by Missouri customers. To give the Commission an opportunity to review and determine the public interest and consumer protection concerns, a brief 30 day suspension of the effective date may be in order. At the minimum the record should include the staff recommendation and the company's response in light of Public Counsel's objection. If the Commission decides not to recognize or take any action or make any investigation under Section 386.420.2, RSMO 2000, Public Counsel urges the Commission not to adopt an order approving the tariff.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ **Michael F. Dandino**

BY: \_\_\_\_\_

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Deputy Public Counsel  
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(573) 751-5559  
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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing has been faxed, mailed or hand-delivered to the following counsel of record on this 15<sup>th</sup> day of October, 2008:

General Counsel  
P.O. Box 360  
200 Madison St., Suite 800  
Jefferson City, MO 65102  
[GenCounsel@psc.mo.gov](mailto:GenCounsel@psc.mo.gov)

Mike Gately  
Windstream Communications, Inc.  
4001 Rodney Parham Road  
Little Rock, AR 72212  
[michael.g.gately@windstream.com](mailto:michael.g.gately@windstream.com)

/s/ **Michael F. Dandino**

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EXHIBIT A  
MISSOURI PUBLIC SERVICE COMMISSION TELECOMMUNICATIONS  
JURISDICTION AFTER HB 1779

**Jurisdiction of commission.**

386.250. The jurisdiction, supervision, powers and duties of the public service commission herein created and established shall extend under this chapter:

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**(2) To all telecommunications facilities, telecommunications services and to all telecommunications companies so far as such telecommunications facilities are operated or utilized by a telecommunications company to offer or provide telecommunications service between one point and another within this state or so far as such telecommunications services are offered or provided by a telecommunications company between one point and another within this state,** except that nothing contained in this section shall be construed as conferring jurisdiction upon the commission over the rates charged by a telephone cooperative for providing telecommunications service within an exchange or within a local calling scope as determined by the commission, except for exchange access service; **(Emphasis added)**

\*\*\*

(6) To the adoption of rules as are supported by evidence as to reasonableness and which prescribe the conditions of rendering public utility service, disconnecting or refusing to reconnect public utility service and billing for public utility service. All such proposed rules shall be filed with the secretary of state and published in the Missouri Register as provided in chapter 536, RSMo, and a hearing shall be held at which affected parties may present evidence as to the reasonableness of any proposed rule; and

(7) To such other and further extent, and to all such other and additional matters and things, and in such further respects as may herein appear, either expressly or impliedly. **(Emphasis added)**

**Purpose of chapter.**

392.185. The provisions of this chapter shall be construed to:

- (1) Promote universally available and widely affordable telecommunications services;
- (2) Maintain and advance the efficiency and availability of telecommunications services;
- (3) Promote diversity in the supply of telecommunications services and products throughout the state of Missouri;
- (4) Ensure that customers pay only reasonable charges for telecommunications service;**

- (5) Permit flexible regulation of competitive telecommunications companies and competitive telecommunications services;
- (6) Allow full and fair competition to function as a substitute for regulation when consistent with the protection of ratepayers and otherwise consistent with the public interest;**
- (7) Promote parity of urban and rural telecommunications services;
- (8) Promote economic, educational, health care and cultural enhancements; and
- (9) Protect consumer privacy. (L. 1996 S.B. 507) **(Emphasis added)**

**Investigatory power of commission, exception, telephone yellow page listings--complaint by public, how made--final order to be made, when.**

386.330. 1. The commission may, of its own motion, investigate or make inquiry, in a manner to be determined by it, as to any act or thing done or omitted to be done by any telecommunications company subject to its supervision, and the commission shall make such inquiry in regard to any act or thing done or omitted to be done by any such public utility, person or corporation in violation of any provision of law or in violation of any order or decision of the commission.

2. Complaints may be made to the commission by the public counsel or any person or corporation aggrieved, by petition or complaint, in writing, setting forth any thing or act done or omitted to be done by any telecommunications company in violation, or claimed to be in violation, of any provision of law or of the terms and conditions of its franchise or charter or of any order or decision of the commission. Upon the presentation of such a complaint the commission shall cause a copy thereof to be forwarded to the public utility, person or corporation complained of, which may be accompanied by an order, directed to such public utility, person or corporation, requiring that the matters complained of be satisfied, or that the charges be answered in writing within a time to be specified by the commission. If the public utility, person or corporation complained of shall make reparation for any injury alleged and shall cease to commit, or to permit, the violation of law, franchise, order or decision charged in the complaint, and shall notify the commission of that fact before the time allowed for answer, the commission need take no further action on the charges. **If, however, the charges contained in such petition be not thus satisfied, and it shall appear to the commission that there are reasonable grounds therefor, it shall investigate such charges in such manner and by such means as it shall deem proper, and take such action within its powers as the facts justify.**

**3. Whenever the commission shall investigate any matter complained of by the public counsel or by any person or corporation aggrieved by any act or omission of a telecommunications company under this section,** it shall be its duty, within sixty days after final submission, to make and file an order either dismissing the petition or complaint or directing the public utility, person or corporation complained of to satisfy the cause of complaint in whole or to the extent which the commission may specify and require.

4. Notwithstanding the power of the commission over telecommunications companies, the commission shall not have jurisdiction over complaints concerning yellow page listings and advertisements; however, this subsection shall not be construed in any manner to limit the commission's authority in the ratemaking process to impute to the telecommunications company the revenues and costs of the telecommunications company's parent corporation, affiliated corporations, subsidiary corporations or divisions to the extent that those revenues and costs are associated with yellow page listings or advertisements in the state of Missouri. The commission shall not have jurisdiction over complaints concerning the rates charged by a telephone cooperative for providing telecommunications service within an exchange or within a local calling scope as determined by the commission, except the rates for providing exchange access service. **(Emphasis added)**

#### **General supervision of telegraph and telephone corporations.**

**386.320. 1. The commission shall have the general supervision of all telegraph corporations or telephone corporations, and telegraph and telephone lines, as herein defined, and shall have power to and shall examine the same and keep informed as to their general condition, their capitalization, their franchises and the manner in which their lines and property, owned, leased, controlled or operated are managed, conducted and operated, not only with respect to the adequacy, security and accommodation afforded by their service, but also with respect to their compliance with all the provisions of law, orders and decisions of the commission and charter and franchise requirements.**

**2. The commission shall have power, either through its members or responsible engineers or inspectors or employees duly authorized by it, to enter in and upon and to inspect the property, equipment, buildings, plants, factories, powerhouses, offices, apparatus, machines, devices and lines of any of such corporations or persons.**

**3. The commission and each commissioner shall have power to examine all books, contracts, records, documents and papers of any person or corporation subject to its supervision, and by subpoena duces tecum to compel production thereof. In lieu of requiring production of originals by subpoena duces tecum, the commission or any commissioner may require sworn copies of any such books, records, documents, contracts and papers or parts thereof to be filed with it. (Emphasis added)**

## EXHIBIT B

## Exchanges served by Windstream (Alltel)

Albany	Purdy
Aldrich	Rothville
Allendale	Silex
Bellflower	St. Elizabeth
Bolivar	Stark City
Coffey	Stockton
Crocker	Stotts City
Clubb	Stover
Dixon	Sumner
Doniphan	Union Star
Eolia	Vandalia
Fairdealing	Verona
Fair Play	Wappapello
Fairview	Park
Florence	Wheaton
Gallatin	Williamsville
Grandin	Winston
Grant City	
Greenville	
Holliday	
Halfway	
Iberia	
Jameson	
Laclede	
Liberal	
Madison	
Martinsburg	
Mendon	
Middletown	
Milan	
Minden Mines	
Morrisville	
Myrtle	
Naylor	
Neelyville	
New Hartford	
Olney	
Oxly	
Patterson	
Pattonsburg	
Piedmont	
Pleasant Hope	
Polk	
Ponder	

# EXHIBIT C

Windstream Communications, Inc.  
4001 Rodney Parham Road  
Little Rock, AR 72212  
t: 501-748-5284 f: 501-748-6583  
e-mail: michael.g.gately@windstream.com

**Mike Gately**  
Staff Manager - Tariffs



September 15, 2008

Ms. Colleen M. Dale  
Chief Regulatory Law Judge/Secretary  
Missouri Public Service Commission  
200 Madison Street, Suite 100  
Jefferson City, MO 65102-0360

*RECEIVED*<sup>2</sup>

SEP 15 2008

*Records  
Public Service Commission*

RE: Windstream Missouri, Inc.  
Price Cap Filing

Dear Ms. Dale:

Windstream Missouri, Inc. ("Windstream") respectfully submits for filing with the Commission the enclosed revised tariff sheets in accordance with Section 392.245.4(1)(a), RSMo. With this filing, Windstream is adjusting its maximum allowable prices and current rates for basic local telecommunications service and the service charges by the change in the CPI. This change was calculated using a twelve-month moving average to arrive at a +3.7108% adjustment (increase). Supporting documentation for the resulting price changes has been provided to and discussed with the Commission's Staff and is enclosed for reference.

Also in accordance with the provisions of Section 392.245, RSMo, Windstream is increasing its access line rates by \$1.50 and offsetting this revenue increase by decreasing its Terminating Intrastate Intralata CCL access rate by \$.01397 per minute of use. The supporting documentation for this calculation is enclosed.

Additionally, included in this filing are rate increases for certain non-basic services.

In accordance with the provisions of 4 CSR 240-3.545(15), a copy of the customer notification is included with this filing, and the notice will be sent to customers at least ten (10) days in advance of the rates effective date.

Please find enclosed the following revised tariff sheets which reflect Issued and Effective Dates of September 15, 2008, and November 1, 2008, respectively:

Ms. Colleen M. Dale  
September 15, 2008  
Page 2

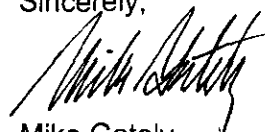
<u>Section</u>	<u>Title</u>	<u>Revision</u>	<u>Sheet</u>
4	Establishment & Furnishing of Service	Second	2
21	Directory Assistance	Second	1
23	Windstream Digital Centrex	Fourth	7
25	Local Exchange Service	Fourth	2
27	Service Charges	Third	2
30	Optional Services	Sixth	2
30	Optional Services	Fifth	9 - 10
30	Optional Services	Second	11.1 - 12, 15, 16
30	Optional Services	Second	18
30	Optional Services	Original	19
32	Directory Listings	Third	1
32	Directory Listings	Second	3, 5

ACCESS SERVICES TARIFF SHEETS

<u>Section</u>	<u>Title</u>	<u>Revision</u>	<u>Sheet</u>
17	Rates and Charges	First	1

Should you have any questions concerning this filing, please contact me at (501) 748-5284 or Stephanie Marsh at (501) 748-7897.

Sincerely,



Mike Gately

Enclosures

cc: Stephanie Marsh  
Office of Public Counsel

4. ESTABLISHMENT AND FURNISHING OF SERVICE (Continued)

4.2 Telephone Numbers (Continued)

Special Billing telephone numbers are provided upon request to telephone customers, provided such numbers are available. A recurring monthly charge of \$1.99 shall apply for each Special Billing Telephone Number. See Section 40 for Rates and Regulations.

(I)

If available, telephone numbers may be reserved for future use as requested by the customer. The telephone company reserves the right to change or use the reserved telephone number or central office designation, or both, whenever it deems it advisable in the conduct of its business to do so. Should it become necessary to change telephone numbers or central office designation, the customer will be given 30 days notice of this cancellation. A monthly charge applies for each reserved number.

(C)

Residence:	\$1.99
Business	\$2.49

(I)

(I) (C)

Depending upon the capabilities of the central office switching equipment, primary telephone numbers may be arranged to "rotary hunt" to a designated idle number in service for the same customer. It may be required that the designated "rotary hunting" number be in a consecutive sequence with the primary number.

4.3 Payment for Service

The subscriber is required to pay all charges for exchange services and facilities, and for toll messages in accordance with provisions contained elsewhere in this tariff. The subscriber is held responsible for all charges for telephone service rendered at his telephone, both exchange and toll, including charges for toll messages on which the charges have been reversed. Payment by personal check may be refused if the customer has rendered a dishonored check within the last twelve (12) months.

A. Bills

Regular monthly bills are due and payable upon presentation.

Customers generally are provided one copy of the regular monthly bill. Additional copies may be provided at a charge of \$1.95 per copy.

The company shall itemize on the customer's bill any taxes and/or franchise fees. Upon request, the company shall furnish a detailed summary of these fees and taxes.

21. DIRECTORY ASSISTANCE

21.1 LOCAL DIRECTORY ASSISTANCE

A. General Regulations

1. The Telephone Company furnishes Local Directory Assistance Service whereby customers may request assistance in determining telephone numbers of customers who are located in the same local calling area or the same Home Numbering Plan Area (HNPA).
2. The rates set forth below apply to calls from customers who request assistance in determining telephone numbers of customers who are located in the same local calling area or the same Home Numbering Plan Area (HNPA).

B. Rates

1. Where the customer direct dials the Local Directory Assistance number the charge for each call (maximum of two requested telephone numbers per call) is:

Current  
Rate  
\$0.80

(I)

21.2 NATIONAL AND REVERSE DIRECTORY ASSISTANCE

A. General

1. National Directory Assistance is a service whereby customers may dial 1411 and request assistance in determining listing information of subscribers who are located outside the customer's local calling area (exchange).
2. Reverse Directory Assistance is a reverse search service that allows the caller to request a customer's name and/or address after giving the directory assistance operator a complete telephone number. Customers may access Reverse Directory Assistance by dialing 1411.

B. Conditions

The following conditions and rates apply to all calls from customers who request National Directory Assistance or Reverse Directory Assistance.

1. The customer will be charged for each call made to National Directory Assistance or Reverse Directory Assistance. Customers may receive one listing per call. The National and/or Reverse Directory Assistance rate applies per call, whether or not a number, name, or address is provided; this includes requests for numbers, names, or address that are non-published or unlisted.
2. There are no billing exemptions or allowances for National Directory Assistance or Reverse Directory Assistance service requests.
3. Charges for National Directory Assistance or Reverse Directory Assistance service are not applicable to calls placed from hospitals, or to calls placed by customers who certify they are unable to use a directory because of visual or physical handicap.
4. National Directory Assistance and Reverse Directory Assistance services will not be available from Hotel/Motel and Pay Telephones.

C. Rates

- |                                  | <u>Per Request</u> |
|----------------------------------|--------------------|
| 1. National Directory Assistance | \$1.99             |
| 2. Reverse Directory Assistance  | \$1.99             |

(I)

(I)

ISSUED: September 15, 2008  
ISSUED BY:

Vice President  
4001 Rodney Parham Road  
Little Rock, AR 72212

EFFECTIVE: November 1, 2008

23. WINDSTREAM DIGITAL CENTREX (Continued)

23.3 Feature Descriptions (Continued)

STATION TO STATION DIALING - Calls may be dialed to completion between any two station lines of a digital WDC group.

THREE WAY CONFERENCE - This feature allows an WDC station line to establish a three way conference with two other parties.

VIRTUAL FACILITIES GROUP-(VFG) - This feature enables WDC users to gain access to special trunk facilities by dialing an access code.

STATION CALL PARK - This feature allows calls to be parked against a specific number. Calls may then be retrieved, from any station in the WDC group, by dialing the revival access code.

23.4 Rates and Charges (1)

<u>Features</u>	<u>Monthly Rate</u>	<u>36 months</u>	<u>60 months</u>
Feature Package 1	\$ 3.00	\$ 2.70	\$ 2.50
Feature Package 2	2.50	2.25	2.05

Optional Feature Packages:

VFG	4.25	3.85	3.50
Station Call Park II	17.05	15.35	14.00

Enhanced Custom Calling Monthly Rate

a. Caller ID per Centrex Line	\$3.99	(1)
b. Call Tracing per Centrex Line	\$3.00	
c. Feature Package A per Centrex Line (Call Return, Repeat Dialing, Call Selector, Preferred Call Forwarding, and Selective Call Accept)	\$8.00	

In addition to the above rates, the  
WDC line rate will apply.

	<u>Monthly Rate</u>	<u>36 months</u>	<u>60 months</u>	
WDC Line Rate (2)	\$13.78	10.45	9.50	(1)

(1) Regular Multi-Element Charges also apply as specified in Section 27 of this Tariff.

(2) If a customer requests WDC features on a trunk(s) terminating in Multi-line, or P(A)BX equipment, the associated rate specified in Section 25 of this tariff shall apply.

25. LOCAL EXCHANGE SERVICE (Continued)

25.4 Local Exchange Rates

25.4.1 Exchange Wide One-Party Rates

<u>Class of Service</u>	<u>Monthly Rates</u>		
	<u>Rate Group</u>	<u>Rate Group</u>	
	<u>1</u>	<u>2</u>	
Residence One-Party	\$9.28	\$9.81	(I)
Business One-Party	15.43	16.39	(I)
Business Trunk	22.37	23.82	(I)

27. SERVICE CHARGES - CONNECTIONS, MOVES AND CHANGES (Continued)

27.1 Multi-Element Non-Recurring Charges (Continued)

A "Line Connection Charge" (L) applies to work done in the Central Office and/or outside plant facility associated with providing each access line (the line from the serving central office up to and including the station protector at the customer's premises), or making changes thereto.

27.1.1 Regular multi-element non-recurring charges are as follows:

<u>Business</u>	<u>Residence</u>		
- Service Order Charge (S)			
- New Customer, each request	\$9.33	\$9.33	(I)
- Existing Customer, each request	\$7.77	\$7.77	(I)
- Line Connection Charge (L), each Central Office line or trunk	\$16.59	\$16.59	(I)
- Installation Expedite Charge (E), each request	N/A	\$650.00	
- Trouble Isolation Charge (T), each visit	\$50.00	\$50.00	

Service Connection Charges do not apply to service re-established, once, after the destruction or partial destruction of the customer's premises by means beyond the control of the customer, i.e., fire, flood or other acts of God, whether at the same or another location.

30. OPTIONAL SERVICES (Continued)

30.1 Custom Calling Service (Continued)

A. General Regulations (Cont'd)

Disaster Assistance Plan

In the event that a natural disaster occurs in one of the Company's exchanges and destroys or partially destroys customers' premises, the Company may, at its sole discretion, elect to implement a Disaster Assistance Plan. Under the Plan, the Company may, for example, waive the installation fee and up to three months' recurring service charges for Call Forwarding, Call Forwarding - Busy Line, Call Forwarding - No Answer, Preferred Call Forwarding, Ring +, and/or other features the Company may deem appropriate. This plan will only be available to residential and business customers whose premises are damaged to the point they are considered unsafe, unsuitable, or uninhabitable. Charges will only be waived with respect to existing local exchange service accounts which are not partially or fully suspended at the time of the offer. Charges will not be waived on service established at a new location.

B. Rates

The following rates and charges apply in addition to the established rates and charges for the service with which these features are associated. A nonrecurring service order charge, found in Section 27, applies for existing customers in addition to the rates below.

Call Waiting, Call Forwarding, Three-Way Calling, Speed Calling (8-Code) and Speed Calling (30-Code).

	<u>Monthly Rate</u>		
	Residence	Business	
One Feature, per line	(1)	(2)	
Call Waiting	\$2.99	\$3.99	(I)
Call Forwarding	2.99	3.99	
Three-Way Calling	2.99	3.99	
Speed Calling (8-Code)	2.99	3.99	
Speed Calling (30-Code)	3.49	4.99	
Call Forwarding - Busy Line	1.99	2.49	
Call Forwarding - No Answer	1.99	2.49	(I)
Two Features (Note 1)			
Call Waiting w/Call Forwarding	\$3.99	\$5.99	(I) (C)
Call Waiting w/3-Way Calling	\$3.99	\$5.99	
Call Waiting w/Speed Calling (8-Code)	\$3.99	\$5.99	
Call Waiting w/Speed Calling (30-Code)	\$4.99	\$6.99	
Call Forwarding w/3-Way Calling	\$3.99	\$5.99	
Call Forwarding w/Speed Calling (8-Code)	\$3.99	\$5.99	
Call Forwarding w/Speed Calling (30-Code)	\$4.99	\$6.99	
Speed Calling (8-Code) w/3-Way Calling	\$3.99	\$5.99	
Speed Calling (30-Code) w/3-Way Calling	\$4.99	\$6.99	
Three or More Features (Note 1)			
Call Forwarding w/Call Waiting & 3-Way Calling	\$4.99	\$7.99	
Call Forwarding w/Call Waiting & Speed Calling (8-Code)	\$4.99	\$7.99	
Call Forwarding w/Speed Calling (8-code) & 3-Way Calling	\$4.99	\$7.99	
Call Waiting w/Speed Calling (8-code) & 3-Way Calling	\$4.99	\$7.99	
Call Forwarding w/Call Waiting, 3-Way Calling & Speed Calling (8-code)	\$5.99	\$8.99	(I) (C)

(D)  
|  
(D)

(Note 1) These services are only available to existing customers at existing locations.

ISSUED: September 15, 2008  
ISSUED BY:

Vice President  
4001 Rodney Parham Road  
Little Rock, AR 72212

EFFECTIVE: November 1, 2008

30. OPTIONAL SERVICES (Continued)

30.2 CLASS Service (Continued)

C. Regulations and Limitation of Service (Continued)

1. The following limitations apply:

- g. The Multi-Feature Discount Plan is a packaging option which offers residence and business customers reduced monthly rates on selected optional network vertical services when a minimum purchase requirement of two features is met.

D. Residence Rates

1. Single or First Service Features, per line (2)(4)

	Monthly Rate	(I)
(a) Call Return	\$3.99	
(b) Repeat Dialing	\$3.99	
(c) Call Selector	\$3.99	
(d) Preferred Call Forwarding	\$3.99	
(e) Selective Call Rejection	\$3.99	
(f) Selective Call Accept	\$3.99	
(g) Call Tracing	\$3.99	
(h) Caller ID	\$6.99	
(i) Caller ID Deluxe	\$7.99	
(j) Anonymous Call Rejection	\$1.99	
(k) Caller ID on Call Waiting	\$1.99	(II)

2. Multi-Feature Discount Amounts - Monthly, per line (1)(3)(4)(5) (Note 1)

	Monthly Discount Amount
(a) Two Features	\$ .50
(b) Three Features	\$1.50
(c) Four Features	\$3.00
(d) Five Features	\$4.50
(e) Six Features	\$6.00
(f) Seven Features	\$7.50
(g) Eight Features	\$9.00

- (1) The Monthly Discount Amounts apply to CLASS Services and are a reduction of the rates and charges applicable to the associated service.
- (2) The Monthly Rates apply to CLASS Services and are in addition to the rates and charges applicable to the associated service.
- (3) Non-recurring service charges apply per Section 27 of this Tariff.
- (4) In order to be included in the determination of appropriate discounts, all features must be provisioned to a single customer line at a single location.
- (5) Caller ID and Caller ID Deluxe are not included in the Multi-feature discounts listed above.

(Note 1) These services are only available to existing customers at existing locations.

30. OPTIONAL SERVICES (Continued)

30.2 CLASS Service (Continued)

D. Residence Rates (Continued)

	<u>Monthly Rate</u>	
3. Enhanced Caller ID Package (Note 1) (Caller ID Deluxe, Caller ID on all Waiting, and Anonymous Call Rejection)	\$9.99	(I)
4. Residence Packages		
<u>Custom Calling Package</u> -(Note 1) (Includes Call Forwarding, Call Waiting, Cancel Call Waiting, 3 Way Calling, Speed 8)	\$5.99	(I)
<u>Caller ID Basic</u> -(Note 1) (Includes Caller ID Deluxe, Call Waiting, Cancel Call Waiting, Caller ID on Call Waiting)	\$7.99	(I)
<u>Caller ID Premium</u> -(Note 1) (Includes Caller ID Deluxe, Call Waiting, Cancel Call Waiting, Caller ID on Call Waiting, 3 Way Calling Selective Call Acceptance, Call Selector, Call Forwarding)	\$14.99	(I)
<u>Caller ID Ultimate</u> -(Note 1) (Includes Caller ID Deluxe, Call Waiting, Caller ID on Call Waiting, Cancel Call Waiting, 3 Way Calling, Selective Call Acceptance Call Selector, Call Forwarding, Repeat Dial, Call Return, Preferred Call Forward, Selective Call Rejection, Speed 8)	\$20.99	(I)
<u>Windstream Easy Call Package</u> -(Note 1) (Includes Call Forwarding, Call Waiting, Cancel Call Waiting, 3 Way Calling, Speed 8)	\$5.99	(I)
<u>Windstream Caller ID Package</u> - (Includes Caller ID Deluxe, Call Waiting, Cancel Call Waiting, Caller ID on Call Waiting, Call Return)	\$12.99	(I)
<u>Windstream Complete Package</u> -(Note 1) (Includes Caller ID Deluxe, Call Waiting, Caller ID on Call Waiting, Cancel Call Waiting, 3 Way Calling, Selective Call Acceptance, Call Selector, Call Forwarding, Repeat Dial, Call Return, Preferred Call Forward, Selective Call Rejection, Speed 30)	\$15.69	
<u>Voice Mail Link Package</u> (Includes Call Forwarding - Busy Line, Call Forwarding No Answer, and Stutter Dial Tone)	\$2.50	

(Note 1) These services are only available to existing customers at existing locations.

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Vice President  
4001 Rodney Parham Road  
Little Rock, AR 72212

EFFECTIVE: November 1, 2008

30. OPTIONAL SERVICES (Continued)

30.2 CLASS Service (Continued)

E. Business Rates

1. Single or First Service Features, per line (2)(4)

	Monthly Rate	(l)
(a) Call Return	\$4.99	
(b) Repeat Dialing	\$4.99	
(c) Call Selector	\$4.99	
(d) Preferred Call Forwarding	\$5.99	
(e) Selective Call Rejection	\$4.99	
(f) Selective Call Accept	\$4.99	
(g) Call Tracing	\$4.99	
(h) Caller ID	\$9.99	
(i) Caller ID Deluxe	\$10.99	
(j) Anonymous Call Rejection	\$2.99	
(k) Caller ID on Call Waiting	\$1.99	(l)

2. Multi-Feature Discount Amount - Monthly, per line (1)(3)(4)(5) (Note 1)

	Monthly Discount Amount
(a) Two Features	\$ .75
(b) Three Features	\$ 2.25
(c) Four Features	\$ 4.50
(d) Five Features	\$ 6.75
(e) Six Features	\$ 9.00
(f) Seven Features	\$11.25
(g) Eight Features	\$13.50

3. Enhanced Caller ID Package (Note 1)  
(Caller ID Deluxe, Caller ID on  
Call Waiting, and Anonymous  
Call Rejection)

\$12.45

- (1) The Monthly Discount Amounts apply to CLASS Services and are a reduction of the rates and charges applicable to the associated service.
- (2) The Monthly Rates apply to CLASS Services and are in addition to the rates and charges applicable to the associated service.
- (3) Non-recurring service charges apply per Section 27 of this Tariff.
- (4) In order to be included in the determination of appropriate discounts, all features must be provisioned to a single customer line at a single location.
- (5) Caller ID and Caller ID Deluxe are not included in the Multi-feature discounts listed above.

(Note 1) These services are only available to existing customers at existing locations.

30. OPTIONAL SERVICES (Continued)

30.3 Toll Blocking Service

C. Rates and Charges

The following rate applies in addition to the non-recurring charges found in Section 27 of this Tariff:

Toll Blocking

	<u>Monthly Rate</u>	
	<u>Business</u>	<u>Residence</u>
Option #1	No Charge*	No Charge
Option #2	\$5.99	\$0.99
Option #3	No Charge	No Charge

(I)

\* Regular multi-element charges apply as shown in Section 27 of this tariff.

30. OPTIONAL SERVICES (Continued)

30.4 Custom Calling Local Area Signaling Service - Per Use

30.4.1 General

- A. The services listed below are offered on a per usage basis to residence and business customers in exchange with equipped properly central offices and are subject to the limitations for each service found in this section of the tariff. If customers subscribe to these services on a monthly basis as described and rated in other subsections of this section of the tariff, unlimited access is provided with no additional charge for each activation. If facilities permit, the features listed below may be utilized on a non-subscription basis with a per use charge for each activation.
- B. Custom Calling Local Area Signaling Service - Per Use will be offered free of charge for up to sixty days after facilities, which allow these services to be offered, are added.
- C. Blocking of Per Use Custom Calling Services is offered to customers at no charge. This blocking option, once activated, does not allow Per Use Custom Calling Services to be activated on a line.
- D. The services listed below are being offered with a cap on the total charge for any one Per Use Custom Calling Service per line for one billing month, with the exception of Call Tracing Service.

30.4.2 Rates

<u>Per Use Features</u>	<u>Per Use Features</u>	<u>Maximum Monthly Per Use Charge</u>	
Call Return	\$1.25	\$10.00	(I)
Repeat Dialing	1.25	10.00	I
Three Way Calling	1.25	10.00	
Call Forwarding	1.25	10.00	(I)

30. OPTIONAL SERVICES (Continued)

30.6 Ring + (Continued)

B. Regulations

1. This service is available to individual line residence and business customers.
2. The service is not compatible with Windstream Digital Centrex (WDC) service, PBX trunk service, foreign exchange service, or with access lines terminating in customer premises switching or key equipment. RING+ service may not be compatible with all types of customer provided telephone equipment.
3. RING+ service is provided subject to the availability of facilities. Additionally, RING+ II and RING+ III may not be available in all central offices equipped to provide RING+ I service.
4. In addition to the rates shown in Section 30.6, a directory listing charge is applicable. Listings for RING+ service are subject to regulations specified in Section 32 for directory listings and will be charged for at the regular rate for each additional number subscribed to other listings will also be provided under the terms and conditions described in Section 32 of this tariff.
5. All telephone numbers associated with a line equipped with RING+ service must originate from the same central office switching machine.
6. When establishing RING+ service, Call Forwarding service subscribers must choose one of the following options. When Call Forwarding service is activated:
  - a. All telephone numbers associated with one line will be forwarded to a single number when Call Forwarding service is activated.
  - b. The main telephone number only will be forwarded when Call Forwarding is activated. The additional RING+ service numbers will continue to ring and may be answered at the subscriber's premises.
7. Secondary service order charges will apply when changing from one option to the other subsequent to the establishment of RING+ service.

C. Rates

		Monthly Rate <sup>2</sup>		(C)
		Residence	Business	
1.	RING+ One additional telephone number with distinctive ringing, per line	\$3.99	\$4.99	(I)
2.	RING+ II Second additional telephone number with distinctive ringing per line <sup>1</sup>	\$5.99	\$5.99	(I)
3.	RING+ III Third additional telephone number with distinctive ringing per line <sup>1</sup>	\$5.99	\$6.99	(I) (C)

Note 1: Must be ordered with first additional telephone number

Note 2: Per Section 32 a directory listing charge applies in addition to these rates.

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ISSUED BY:

Vice President  
4001 Rodney Parham Road  
Little Rock, AR 72212

EFFECTIVE: November 1, 2008

30. OPTIONAL SERVICES (Continued)

30.7 BUSINESS CALLING PACKAGES

Monthly Rates

A. Basic Caller ID Package –

Includes all Anchored Features and two of five Non-Anchored  
Optional Features.

\$10.99

(I)

Anchored Features

Caller ID Deluxe  
Call Waiting  
Enhanced Call Waiting

Non-Anchored Optional Features

Call Forwarding  
3-Way Calling  
Call Return  
Speed Dial 8  
Repeat Dial

B. Caller ID Premium Package –

Includes all Anchored Features and four of seven Non-Anchored  
Optional Features.

\$15.99

(I)

Anchored Features

Caller ID Deluxe  
Call Waiting  
Enhanced Call Waiting

Non-Anchored Optional Features

Anonymous Call Rejection  
Call Forwarding  
3-Way Calling  
Call Return  
Speed Dial 30  
Repeat Dial  
Caller ID on Call Waiting

C. Caller ID Ultimate Package –

Includes all Anchored Features and six of eleven Non-Anchored  
Optional Features.

\$20.99

(I)

Anchored Features

Caller ID Deluxe  
Call Waiting  
Enhanced Call Waiting  
Basic Voice Mail \*

Non-Anchored Optional Features

Call Forwarding  
3-Way Calling  
Call Return  
Speed Dial 30  
Repeat Dial  
Caller ID on Call Waiting  
Selective Call Acceptance  
Selective Call Rejection  
Anonymous Call Rejection  
Call Selector  
Preferred Call Forwarding

D. Voice Mail Link Package –

Includes Call Forwarding - Busy Line, Call Forwarding - No Answer  
And Stutter Dial Tone

\$2.50

\* Voice Mail is a non-regulated service. Basic Voice Mail includes Call Forward Busy, Call Forward No Answer and Stutter Dial Tone at no additional charge. Subscribers to the Caller ID Ultimate Package will also receive the three additional features free of charge.

ISSUED: September 15, 2008  
ISSUED BY:

Vice President  
4001 Rodney Parham Road  
Little Rock, AR 72212

EFFECTIVE: November 1, 2008

30. OPTIONAL SERVICES (Continued)  
30.8 Remote Call Forwarding (Continued)

30.8.3 Rates and Charges

		<u>Note (1)</u> <u>Monthly</u> <u>Rate</u>	<u>Service</u> <u>Connection</u> <u>Charges</u>	
a.	Remote Call Forwarding, each path		Service Order and Line Connection charge (See Section 27)	(C) (I) (C)
	Business	\$22.99		
	Residence	\$21.00		
b.	Rearrangement and Changes			
1.	Change of telephone number to which calls are forwarded, per occasion		Service Order and Line Connection charge (See Section 27)	
2.	Change of directory listing, per occasion		Service Order charge (See Section 27)	

Notes:(1) In addition, the subscriber to Remote Call Forwarding is responsible for dial type (DDD) station-to-station local and toll charges applicable to calls transferred from the forwarding location to the terminating location. The charge applies for each call answered, including person-to-person and collect calls which are refused at the terminating location.

30. OPTIONAL SERVICES (Continued)

30.9 Billed Number Screening

(N)

30.9.1 General

- a. Billed Number Screening is a service which, through operator screening, prevents third number and collect calls from being billed to a telephone line.
- b. Billed Number Screening is available to all classes of residence and business services which utilize the public switched network for long distance calling.
- c. Operator screening of collect, third number, and international collect calls cannot be guaranteed; therefore, charges for any such calls will be the responsibility of the customer.

30.9.2 Rates

- a. The following monthly rates are applicable for Billed Number Screening, plus the service order charge, if applicable, as specified in Section 27 of this Tariff.

Monthly Rate

- |    |                               |                  |
|----|-------------------------------|------------------|
| 1. | Per billing line screened     | \$0.99           |
| 2. | Customer Owned Coin Telephone | See Section 19.4 |

(N)

32. DIRECTORY LISTINGS

32.1 General Regulations

Directory listing regulations apply only to listings that appear in the alphabetical section of the telephone directory containing the regular alphabetical list of names of customers and joint users.

One (1) listing is furnished without charge to each customer or joint user service subscriber in conformity to the Telephone Company's practices with respect to its directories. Listings are intended primarily for the purpose of identification and are limited to information which is essential to such identification. Directories are furnished only as an aid to the use of the telephone service facilities and the Telephone Company reserves the right to refuse to insert any listing in its directories which does not facilitate telephone service.

The length of any listing is normally limited to one line by the use of abbreviations when the clearness of the listing and the identification of the customer are not impaired thereby. When more than one line is required to properly list the customer, no additional charge is made.

The Telephone Company will refuse to list in the alphabetical section of the telephone directory, any listing which does not constitute a legally authorized and adopted name, and/or any name which is likely to mislead or deceive the public as to the identity of the customer, or which is inserted for advertising purposes, or which is more elaborate than is reasonably necessary to identify the customer. The Telephone Company will withdraw any listing which is found to violate the above rule.

When a customer contracts for more than one individual line of the same class of service and at the same location, consecutive telephone numbers may be assigned to such lines and in such cases, only one listing is provided without charge.

Upon written request, (service order), a customer's listing may be omitted from both the telephone directory and the Telephone Company's Directory Assistance Service records at a monthly rate of \$1.99. Connections with such non-published stations may be completed only when requested by telephone number, or in case of extreme emergency when such emergency is stated by the calling party.

(1)

32. DIRECTORY LISTINGS (Continued)

32.3 Primary Residence Listings

A primary residence listing must be in the name of the customer to whom service is furnished or a member of the customer's household.

The listing of a telephone in the residence of a professional person such as a physician, dentist, veterinary, surgeon, osteopathic physician, doctor of divinity, etc., may include his professional degree provided, however, that the listing of only an individual name is desired.

The listing of a telephone in the residence of a nurse may include the word "nurse."

The listing of a telephone in a clergyman's residence may include a standard abbreviation such as "Rev." or "Msgr." following the clergyman's name, except that when the listing includes a professional degree, such as "DD," the abbreviation above is not shown. Only nationally standard abbreviations shall be accepted in the above listings.

32.4 Private Branch Exchange Primary Listings

Primary Private Branch Exchange Listings for either business or residence Private Branch Exchanges shall conform to the regulations for business or residence listings respectively. When two or more main station lines or PBX trunk lines are consecutively operated, only the first number of the group is listed without charge.

32.5 Extra Listings

Additional listings, for which charges are made are designated extra listings, and are furnished subject to a directory listing regulations at the following rates:

Business Listing, each	\$1.99 per month	(I)
Residence Listing, each	\$1.99 per month	(I)

32. DIRECTORY LISTINGS (Continued)

32.6 Alternate Listings (Continued)

The telephone number used in an alternate call number listing may be that of a business telephone, Private Branch Exchange trunk, or of a residence telephone providing that satisfactory arrangements have been made for the handling of calls received for the customer having the main listing. In those cases where the alternate call number listing is to be that of a business or residence telephone of another customer, the listing will be furnished only on a written statement of approval from the customer whose telephone number will be the alternate call number.

A monthly rate applies for each alternate call number listing:

	<u>Rate</u>	
- Alternate to Business Listing	\$1.99	(I)
- Alternate to Residence Listing	\$1.99	(I)

32.7 Foreign Listings

Foreign Listings are listings in the alphabetical list of an exchange other than the exchange in which listed service is furnished.

A monthly rate applies for each foreign listing:

	<u>Rate</u>	
- Foreign Listing, Residence	\$4.99	(I)
- Foreign Listing, Business	\$4.99	(I)

Windstream Communications, Inc.  
4001 Rodney Parham Road  
Little Rock, AR 72212  
t: 501-748-5284 f: 501-748-6583  
e-mail: michael.g.gately@windstream.com

**Mike Gately**  
Staff Manager - Tariffs

*RECEIVED<sup>2</sup>*

SEP 17 2008

*Records*  
*Public Service Commission*

windstream



September 16, 2008

Ms. Colleen M. Dale  
Chief Regulatory Law Judge/Secretary  
Missouri Public Service Commission  
200 Madison Street, Suite 100  
P.O. Box 360  
Jefferson City, MO 65102-0360

RE: Windstream Missouri, Inc. – Price Cap Filing  
Tracking No. JI-2009-0198 & JI-2009-0199

Dear Ms. Dale:

Attached please find one original and four (4) copies of a revised customer notice for the above referenced tariff filing submitted by Windstream Missouri, Inc. on September 15, 2008.

The customer notice was revised to make it more customer-friendly. The notice will be sent to customers at least ten (10) days in advance of the effective date of the rate increases.

Should you have any questions concerning this revised customer notice, please contact Stephanie Marsh at (501) 748-7897.

Sincerely,

Mike Gately

Attachments

cc: Stephanie Marsh  
Office of Public Counsel

At Windstream, our goal is to continue to provide the best possible service while keeping the rates of all our customers as low as possible.

Effective with your November bill, there will be some rate increases including: basic local service of no more than \$1.80 for residential customers and no more than \$2.30 for business customers; certain standalone calling features; and some pay-per-use features. We will begin charging \$0.80 per call for local directory assistance service.

For a listing of specific services and the corresponding new rates, please visit [windstream.com/missouriratechanges](http://windstream.com/missouriratechanges), or call us at the number listed on your bill for more information.

Even with this adjustment, our rates are still competitive with other communications providers in Missouri. We will continue our pledge to provide quality service at affordable rates and keep you connected to family, friends and business.

Our current Connect feature packages/bundles are not increasing. If you would like to learn more about how you can bundle your Windstream services and save, please contact us at 1-800-501-1754 (residential customers), 1-800-501-1776 (business customers) or visit [windstream.com](http://windstream.com).

Thank you for being a valued Windstream customer. We appreciate your business.