BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Proposed New Rule) 4 CSR 240-3.570 Regarding Eligible) **Telecommunications Carrier Designations**) for Receipt of Federal Universal Service) Fund Support.

Case No. TX-2006-0169

COMMENTS OF SPECTRA COMMUNICATIONS GROUP, LLC d/b/a **CENTURYTEL AND CENTURYTEL OF MISSOURI, LLC**

)

COME NOW Spectra Communications Group, LLC d/b/a CenturyTel and CenturyTel of Missouri, LLC (collectively "CenturyTel"), and respectfully submit the following Comments on proposed new rule 4 CSR 240-3.570.

CenturyTel Supports the Proposed Rule

As indicated in testimony previously filed with the Commission in several competitive eligible telecommunications carrier ("ETC") designation application cases, CenturyTel continues to believe that the Commission should establish and enforce high standards for ETC designations, with the requirements and public interest tests set for by the Federal Communications Commission ("FCC") in its ETC Designation Order¹ being the *minimum* required by sound public policy, and that whatever standards the Commission ultimately adopts should be fair, competitively neutral, and rigorously and uniformly applied to all ETC applicants and designees. Because proposed rule 4 CSR 240-3.570 contains the minimum requirements set forth in the ETC Designation Order, CenturyTel supports the adoption of the proposed rule. In addition, CenturyTel also concurs with the comments filed by the Small Telephone Company Group on December 29, 2005 but in the interest of brevity will not here repeat those points in detail.

In the Matter of Federal-State Joint Board on Universal Service, Report and Order, CC Docket No. 96-45, FCC Rcd 6371 (2005).

First and foremost, adoption by the Commission of the minimum requirements contained in the proposed rule will help insure that the following important and fundamental public policy goals, contained in the Federal Telecommunications Act of 1996 ("the Act") and identified by the FCC, are met in Missouri:

- requiring competitive ETCs to serve the entire incumbent local exchange study area through a combination of their own facilities, and where necessary, thru resale;
- requiring competitive ETCs to invest in their Missouri networks and expand their facilities-based footprint within the area for which support is intended; and
- requiring that federal universal service fund support be used to fund only services that are used primarily within the ETC service area for which funding is intended, which is especially important in the case of otherwise unregulated wireless ETCs.

Additional Requirements

To the extent that some commentators might suggest that the Commission should as a matter of policy be moving toward less regulation of competitive and wireless ETCs, CenturyTel would suggest that the Commission not do so unless and until the Commission also--and at the same time--relieves the otherwise regulated incumbent carriers from such regulations. Assuming that the Commission believes, on the other hand, that such regulations continue to be important and should not be waived, CenturyTel believes that the Commission in its final rule should:

2

- require that competitive and wireless ETCs comply with the same customer service, service quality, and consumer obligations as are required of the regulated incumbent local exchange carriers; and
- require that competitive and wireless ETCs offer a basic local calling plan at an affordable price, similar to the local calling plans required of the regulated incumbent local exchange carriers, as may be determined by this Commission.

Currently, incumbent carriers are required to offer specified local calling plans and comply with the Commission's Service and Billing Practices rules contained in Chapter 33. CenturyTel joins with the Small Telephone Company Group in urging the Commission to strengthen the consumer protection provisions of its proposed rule by requiring *all* competitive and wireless ETCs to comply with the provisions of Chapter 33 so that all ETCs are regulated in a uniform and competitively neutral manner. To do otherwise would not only violate the principle of competitive neutrality, it also would deprive certain customers the same protections currently afforded customers of the incumbent carriers.

The Commission should be mindful that nothing in the Act or in recent actions by the FCC changes this Commission's broad public interest authority with respect to ETC designations and continuing oversight. Not only has Congress and the FCC made it clear that *state* commissions have *primary* authority over ETC designations², the FCC has strongly encouraged the states to exercise that authority through a "rigorous" ETC designation process. To that end, the FCC in its *ETC Designation Order* has provided the states with a suggested public interest analytical framework, one which sets forth the minimum requirements and considerations, and which clearly allows the states to

² ETC Designation Order, para 44.

consider additional public interest factors and impose additional public interest/consumer protection requirements as part of the state-specific ETC designation process.³ To the extent the Commission modifies its final rule to require all ETCs to comply with the provisions of Chapter 33 and offer specified local calling plans, the Commission is well within its authority.

Application of the Rule

In terms of eventual application of the proposed rule, the Commission already has pending before it several ETC applications, the proposed service areas of which not only overlap the current ETC service areas of the incumbent ETC carriers, but also in many cases involve overlapping ETC service areas among competitive ETCs. CenturyTel agrees with the Office of Public Counsel that ETC funds are a scarce public resource which should be carefully managed by the Commission to the best benefit of the citizens of Missouri, especially those residing and working in rural areas. Accordingly, CenturyTel submits that in cases of multiple ETC designation requests for the same service area, preference should be given to the ETC applicant who can best demonstrate a clear facilities-based infrastructure commitment and otherwise show that if their ETC designation request is granted that they will meet the above-mentioned policy goals and requirements of the proposed rule.

³ ETC Designation Order, para 19, 61. *See also, Texas Office of Public Utility Council v. FCC*, 183 F.3d 393, 418 (5th Cir. 1999).

Respectfully submitted,

/s/ Charles Brent Stewart

Charles Brent Stewart, MoBar #34885 STEWART & KEEVIL, LLC 4603 John Garry Drive, Suite 11 Columbia, Missouri 65203 (573) 499-0635 (573) 499-0638 (fax) Stewart499@aol.com

ATTORNEY FOR SPECTRA COMMUNICATIONS GROUP, LLC d/b/a CENTURYTEL and CENTURYTEL OF MISSOURI, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was sent via electronic transmission to the General Counsel's Office and the Office of the Public Counsel this 30th day of December, 2005.

/s/ Charles Brent Stewart