

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

In the Matter of the Review of the Competitive )  
Classification of the Exchanges of Southwestern )  
Bell Telephone, L.P., d/b/a AT&T Missouri )

Case No. TO-2007-0053

**STAFF RESPONSE TO BENCH QUESTION**

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

1. Section 392.245.5 RSMo (2005 Cum. Supp.) provides an expedited two-track procedure when a price-cap regulated incumbent local exchange telecommunications company seeks competitive classification for its services within one or more exchanges.

2. Section 392.245.5 directs:

The commission shall, at least every two years, or where an incumbent local exchange telecommunications company increases rates for basic local telecommunications services in an exchange classified as competitive, review those exchanges where an incumbent local exchange carrier's services have been classified as competitive, to determine if the conditions of this subsection for competitive classification continue to exist in the exchange and if the commission determines, after hearing, that such conditions no longer exist for the incumbent local exchange telecommunications company in such exchange, it shall reimpose upon the incumbent local exchange telecommunications company, in such exchange, the provisions of paragraph (c) of subdivision (2) of subsection 4 of section 392.200 and the maximum allowable prices established by the provisions of subsections 4 and 11 of this section, and, in any such case, the maximum allowable prices established for the telecommunications services of such incumbent local exchange telecommunications company shall reflect all index adjustments which were or could have been filed from all preceding years since the company's maximum allowable prices were first adjusted pursuant to subsection 4 or 11 of this section.

3. The Staff Report, which initiated this case, recommends that the Commission simply conduct such a review once a year, regardless of whether a company has increased rates for a competitive exchange.

4. At the scheduling conference held on September 28, 2006, the Regulatory Law Judge asked the Staff to suggest a date when the Staff could file a report, if the Commission were to decide to conduct the review once a year.

5. The Staff suggests that August 1 is an appropriate date for it to file a report, if the Commission decides to conduct the review once a year.

The Staff relies heavily upon CLEC annual reports in performing its review of the conditions in competitively classified exchanges. Telecommunications companies are required to file an annual report by April 15 of each year. 4 CSR 240-3.540 (1). A telecommunications company may obtain an extension of up to thirty days by submitting a written request and may request an extension of greater than 30 days by filing a pleading. 4 CSR 240-3.540 (6), (7). The Staff clarifies any anomalies in the annual reports and then organizes the cumulative results.

After following this process in the current case, the Staff filed its Report on August 7, 2006.

WHEREFORE, the Staff suggests that August 1 is an appropriate date for the Staff to file future reports on the status of competition in competitive exchanges, if the Commission decides to conduct the review once a year.

Respectfully submitted,

/s// William K. Haas

William K. Haas

Deputy General 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](mailto: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 the following counsel this 13<sup>th</sup> day of October 2006.

/s/ William K. Haas