

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

In the Matter of Embarq Missouri, Inc. )	
Application for Competitive Classification )	Case No. TO-2008-0380
Under Section 392.245.5 RSMo 2005 )	Tariff File No. YI-2008-0370

**STAFF RECOMMENDATION**

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

1. On June 3, 2008, Embarq Missouri, Inc., filed its Application for Competitive Classification pursuant to Section 392.245.5, RSMo Supp. 2007. In its application, Embarq requests that the Commission classify all of its residential services, other than exchange access service, as competitive in the Salem exchange. In addition, Embarq requests that the Commission classify all of its business services, other than exchange access service, as competitive for the following exchanges: (a) Buckner, (b) Odessa, (c) Oak Grove (d) Pleasant Hill, and (e) Salem. Embarq also submitted a proposed revised tariff sheet listing these new proposed competitive classifications. The tariff sheet bears a proposed effective date of July 3, 2007.

2. The Commission directed the Staff to investigate this matter and to file any objections to and a verified recommendation regarding this matter no later than June 16, 2008.

3. In the attached Memorandum, the Staff states that there are at least two (2) qualifying carriers serving Embarq's Salem exchange who are not affiliated with Embarq but provide basic local phone service to at least two residential customers located within those exchanges. The competing carriers have local numbers available for use by residential customers in that exchange. In addition, the Staff states that there are at least two (2) qualifying carriers serving Embarq's Buckner, Odessa, Oak Grove, Pleasant Hill and Salem exchanges who are not

affiliated with Embarq but provide local phone service to business customers in these exchanges. The competing carriers have local numbers available for use by business customers in those exchanges.

WHEREFORE, the Staff has no objection to and recommends (1) competitive classification for Embarq's residential services, other than exchange access service, in the Salem exchange, and (2) competitive classification for Embarq's business services, other than exchange access service, in the Buckner, Odessa, Oak Grove, Pleasant Hill and Salem exchanges. Accordingly, the Staff recommends the Commission allow the revised tariff sheet to go into effect.

Respectfully submitted,

/s/ William K. Haas

William K. Haas

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Missouri Bar No. 28701

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Missouri Public Service Commission

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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 13<sup>th</sup> day of June 2008.

/s/ William K. Haas

# MEMORANDUM

**To:** Missouri Public Service Commission Official Case File  
Case No. TO-2008-0380  
Embarq Missouri, Inc.

**From:** William Voight *BN*  
Telecommunications Department

**Subject:** Staff Recommendation to Approve Tariff Sheet

**Date:** June 13, 2008

On June 4, 2008, the Commission issued an order in which it directed staff to investigate matters associated with Embarq Missouri's (Embarq's) request to have its business services (except exchange access service) classified as competitive in the Buckner, Odessa, Oak Grove and Pleasant Hill telephone exchange areas, and to have both its business and residential services (except exchange access service) classified as competitive in the Salem telephone exchange area.

The Order directed Staff to file a verified pleading stating whether there are at least two carriers serving the Buckner, Odessa, Oak Grove, Pleasant Hill and Salem exchanges who are not affiliated with Embarq, but provide basic local telephone service to business customers located within the exchange. Additionally, the Order directed staff to state whether the competing carriers have local numbers available for use by business customers in the affected exchange areas. Lastly, staff was directed to submit the same information pertaining to residential customers in the Salem telephone exchange.

Subsection 392.245.5 RSMo. holds that wireless carriers may be counted among the nonaffiliated entities providing local voice service which serve to qualify incumbent local exchange carriers for competitive classification.

In its June 3<sup>rd</sup> Application, Embarq stated that numerous non-affiliated wireless providers operate in Buckner, Odessa, Oak Grove, Pleasant Hill, and Salem, and that such carriers provide service to both business and residential customers. The wireless carriers cited by Embarq as providing service in each of the named exchanges were Sprint, AT&T, Verizon, Alltel, T-Mobile, and US Cellular. (In Case No. IO-2006-0551, the Commission previously found that at least one non-affiliated wireless carrier provides service to residential customers in Buckner, Oak Grove, Odessa, and Pleasant Hill exchanges).

Embarq's Application also stated that it has experienced residential and business customer loss in Salem to Fidelity Communications Services I ("Fidelity"). Lastly, Embarq stated that it has experienced business customer loss in Buckner, Odessa, Oak Grove, and Pleasant Hill due to competitive entry by an entity identified as "Comcast."

In support of its Application, Embarq has supplied verified information relating to telephone number porting that has occurred in each telephone exchange for which competitive classification is sought; Type I and Type 2B wireless trunking arrangements; and, Local Exchange Routing Guide (LERG) data. Staff has reviewed this data along with line count data obtained from 2007 annual reports submitted to the Commission. Based on a review of all relevant data, the Staff concludes that there are two or more non-affiliated carriers with the ability to provide local numbers who are providing local voice service to business and residential customers in the named telephone exchange areas. Based on this review, the Staff concludes that Embarq has met the statutory requirement for competitive service classification in the requested telephone exchanges. Staff recommends the Commission issue an order approving Embarq's request for competitive classification for business services (except for exchange access services) in the telephone exchange areas of Buckner, Odessa, Oak Grove and Pleasant Hill, and for competitive classification for both business and residential services (except for exchange access services) in the Salem telephone exchange.

The specific tariff sheet recommended for approval is:  
Embarq Missouri, Inc. P.S.C. Mo. No 22, Section 16  
Eighth Revised page 23 Canceling Seventh Revised Page 23.

Staff is unaware of any other matter that affects, or that would be affected by, this matter.

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Application for Competitive Classification    )  
Under Section 392.245.5 RSMo. (2005)       )                      Case No. TO-2008-0380

**AFFIDAVIT OF WILLIAM L. VOIGHT**

STATE OF MISSOURI                    )  
  ) ss:  
COUNTY OF COLE                    )

William L. Voight, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in preparing the accompanying Staff Memorandum, and that the facts therein are true and correct to the best of his knowledge and belief.

*Bill Voight*

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**WILLIAM L. VOIGHT**

Subscribed and affirmed before me this    13       day of    June, 2008       .



*Nikki Senn*  
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**NOTARY PUBLIC**