STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 7th day of September, 2006.

In the Matter of Proposed Amendments to Commission Rule 4 CSR 240-3.545 Case No. TX-2006-0429

FINAL ORDER OF RULEMAKING

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Issue Date: September 7, 2006 Effective Date: September 17, 2006

On May 11, 2006, the Commission opened a new proceeding to consider proposed amendments to the Commission Rule 4 CSR 240-3.545. On May 12, 2006, the Staff of the Missouri Public Service Commission filed a proposed Amendment to the Rule concerning one-day tariff filings by telecommunications companies in certain instances with the Missouri Secretary of State's Office.

On September 7, 2006, the Commission adopted the Final Order of Rulemaking, which is fully set forth as Attachment A.

IT IS ORDERED THAT:

- 1. 4 CSR 240-3.545 is amended.
- 2. This order shall become effective September 17, 2006.



(SEAL)

Davis, Chm., Murray, Gaw, Clayton and Appling, CC., concur

Dale, Chief Regulatory Law Judge

Title 4 – DEPARTMENT OF ECONOMIC DEVELOPMENT Division 240 – Public Service Commission Chapter 3 – Filing and Reporting Requirements

Order of Rulemaking

By the authority vested in the Public Service Commission under section 386.250 RSMo 2000, the Commission amends a rule as follows:

4 CSR 240-3.545 Filing Requirements for Telecommunications Company Tariffs is amended.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on June 15, 2006 (31 MoReg 902). The section with a change is reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*

SUMMARY OF COMMENTS: Leo Bub filed written comments for Southwestern Bell Telephone, L.P., d/b/a AT&T Missouri. John Idoux filed written comments for Embarq Missouri, Inc. and Embarq Communications, Inc. (collectively Embarq). Michael Dandino filed written comments for the Office of the Public Counsel. Larry Dority filed written comments for CenturyTel of Missouri, LLC and Spectra Communications Group, LLC d/b/a CenturyTel (collectively, CenturyTel). Natelle Dietrich filed written comments for the Staff of the Missouri Public Service Commission. Those written comments support the proposed amendment of 4 CSR 240-3.545(16) to allow rate decreases for competitive telecommunications services on one days notice to the commission. Embarq recommended that additional tariff filings should be allowed on one days notice to the commission. At the public hearing held on July 20, 2006, Embarq's recommendation was discussed.

COMMENT: The five commenters support the proposed amendment to allow rate decreases for competitive telecommunications services on one days notice rather than seven days notice because the amendment reflects that section 392.500 RSMo was amended by SB 237 to allow such rate decreases on one days notice to the commission.

RESPONSE: No changes have been made to the amendment as a result of these comments:

COMMENT: In addition to a decrease in rates or charges, Section 392.500 RSMo and the proposed amendment also allow, on one days notice, a "proposed change in any classification or tariff resulting in a decrease in rates or charges" for a competitive telecommunications service. This Staff suggests that this phrase needs clarification.

RESPONSE: This suggestion was explored at the hearing. The commission agrees the phrase requires clarification. The proposed amendment will be modified to provide clarification to the phrase and the rule.

COMMENT: Embarq recommends the commission take this opportunity to review the notice requirements for all tariff changes including: (a) changes to the terms and conditions of existing services; (b) the introduction of new services; and (c) the elimination of existing services.

RESPONSE: Embarq's recommendation is beyond the scope of this rulemaking. The notice of proposed rulemaking states that the commission is amending section (16) of 4 CSR 240-3.545. Section (16) implements section 392.500 RSMo. The notice of proposed rulemaking states as the purpose of the proposed amendment:

This rule is being modified to allow rate decreases for competitive telecommunications on one (1) – day's notice to create consistently with changes to Missouri's telecommunications laws.

As noted above, SB 237 had amended section 392.500 by shortening the minimum notice period for rate decreases for competitive telecommunications services from 7 days to one day. No change has been made to the amendment as a result of this comment.

4 CSR 240-3.545 Filing Requirements for Telecommunications Company Tariffs

(16) Requirements for tariff filings pursuant to Section 392.500 RSMo.

(A) The commission shall be notified at least ten (10) days in advance of a proposed increase in rates or charges or a proposed change in any classification or tariff resulting in an increase in rates or charges for competitive telecommunications services.

1. A proposed increase in rates or charges or a proposed change in any classification or tariff resulting in an increase in rates or charges pursuant to Section 392.500 is defined as a rate increase to existing rates or charges for any competitive service.

2. No other tariff changes, except as directed by commission order or as allowed under section (19) below, are permitted on ten (10) days notice.

3. Commission notice shall be in the form of a tariff filing with a proposed effective date that is ten (10) days after the tariff has been filed.

(B) The commission shall be notified at least one (1) day in advance of a proposed decrease in rates or charges or a proposed change in any classification or tariff resulting in a decrease in rates or charges for competitive telecommunications services.

1. A proposed decrease in rates or charges or a proposed change in any classification or tariff resulting in a decrease in rates or charges pursuant to Section 392.500 is defined as:

A. A rate decrease to existing rates or charges for any competitive service.

B. A proposal to establish or revise a package of services involving a regulated intrastate service provided all regulated intrastate telecommunications services in the package are currently tariffed on an individual basis.

2. No other tariff changes, except as directed by commission order, are permitted on one (1) days notice.

3. Commission notice shall be in the form of a tariff filing with a proposed effective date that is one (1) day after the tariff has been filed.

(C) A thirty (30)-day tariff filing is required to introduce or revise the terms and conditions of any competitive service available on an individual basis. A thirty (30)-day tariff filing is required to eliminate any package of services.

M E M O R A N D U M

TO: Colleen M. Dale, Secretary

DATE: September 7, 2006

RE: Authorization to File Proposed Rulemaking with the Office of Secretary of State

CASE NO: TX-2006-0429

The undersigned Commissioners hereby find necessity to propose the rules as attached and authorize the Secretary of the Missouri Public Service Commission to file the following Proposed Rulemaking with the Office of the Secretary of State:

Amendment to 4 CSR 240-3.545 - Filing Requirements for Telecommunications Company

Tariffs Jeff airman Connie Murray, Commissioner Commissione Robert M. Clayton III, Commissioner AL Linward/'Lin" Appling, Commissioner