

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

In the Matter of an Investigation of Voice    )  
Over Internet Protocol and Virtual NXX       )  
Telephony in the State of Missouri            )

Case No. TO-2004-0172

**REPLY OF CENTURYTEL  
IN OPPOSITION TO AT&T'S RESPONSE  
AND IN SUPPORT OF STAFF'S MOTION TO OPEN CASE**

**COME NOW** Spectra Communications Group, LLC d/b/a CenturyTel and CenturyTel of Missouri, LLC (collectively "CenturyTel"), pursuant to 4 CSR 240-2.080(15) and the Commission's *Order Setting Time For Response* entered in this matter on October 17, 2003, and respectfully file their Reply in Opposition to AT&T's Response and In Support of Staff's Motion to Open Case.

1. Spectra Communications Group, LLC d/b/a CenturyTel is a Delaware Limited Liability Company authorized to do business in Missouri as evidenced by the certificate of authority issued by the Missouri Secretary of State which was filed in Case No. TM-2000-182 and incorporated herein by reference. Spectra operates in Missouri using the fictitious name of "CenturyTel," pursuant to the registration of fictitious name filed in Case No. TO-2001-437 and incorporated herein by reference. Spectra provides basic local exchange and intrastate interexchange telecommunications services in Missouri pursuant to certificates of service authority issued by this Commission.

2. CenturyTel of Missouri, LLC is a Louisiana Limited Liability Company authorized to do business in Missouri as evidenced by the certificate of authority issued by the Missouri Secretary of State which was filed in Case No. TM-2002-232 and incorporated herein by reference. On August 30, 2002, CenturyTel purchased the local exchange property of GTE Midwest Incorporated d/b/a

Verizon Midwest, pursuant to the Commission's *Report & Order* in Case No. TM-2002-232 issued on May 21, 2002. In Case No. TM-2002-232, the Commission authorized CenturyTel to provide basic local and interexchange telecommunications services in Missouri.

3. All communications, correspondence, pleadings, orders and decisions regarding this proceeding should be directed to:

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4. In its Motion to Open Case, the Commission's Staff requests the Commission to open a case to investigate Voice over Internet Protocol ("VoIP") and Virtual NXX ("VNXX") telephony, suggesting that a generic case is the proper form of examining the complex issues dealing with this subject matter. The Staff readily identifies eight issues regarding VoIP and VNXX that it suggests should be examined, noting that the Federal Communications Commission ("FCC") is preparing a major examination of the regulation of VoIP services, and that at least ten states are at various stages of examining similar issues and/or drafting some sort of VoIP telephony regulations. The Staff also

references Case No. XO-2004-0157, a proceeding wherein KMC Telecom companies “have petitioned the Commission for arbitration seeking resolution of certain issues concerning ISP-bound traffic that have arisen in negotiations with the CenturyTel companies.” The Staff observes that it “is concerned that arbitration time limits and the limited number of participants would act as constraints to a thorough examination of these complex issues.”

5. CenturyTel supports Staff’s Motion To Open Case, and encourages the Commission to promptly grant the relief requested in Staff’s Motion. While Case No. XO-204-0157 is now closed,<sup>1</sup> CenturyTel continues to agree with Staff’s basic proposition that a number of complex issues associated with these subjects need to be examined, in a forum that will permit broad participation by local and interexchange telecommunications companies alike.

6. On October 16, AT&T Communications of the Southwest, Inc. (“AT&T”) filed a pleading opposing Staff’s motion. AT&T contends that there is no need to examine issues surrounding VNXX service, characterizing VNXX as being FX-type services. CenturyTel would disagree with that characterization and, avoiding a protracted explanation of why VNXX service is more a substitute for “800” service in functionality, would simply point out that AT&T’s vision of VNXX service is not comparable to tariffed FX service. Even if one assumed, *arguendo*, that VNXX service was FX-like, there is still a major concern that needs to be addressed. Under AT&T’s vision of VNXX service, the customer and VNXX carrier would be relying upon and utilizing an ILEC’s local network without paying any compensation for that use. This usage without compensation appears to be one of the concerns giving rise to Staff’s Motion. Simply claiming that VNXX service is FX-like does not make that concern go away. To the extent AT&T wishes to raise additional

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<sup>1</sup> Petitioners filed their Notice of Voluntary Dismissal on October 16, 2003, and the Commission issued its Notice Closing Case on October 17, 2003.

issues and/or services in the VNXX inquiry (Par. 7), they will surely identify such concerns in the industry workshops contemplated by Staff's suggested procedural schedule.

7. Regarding VoIP, AT&T appears to suggest that since -- (1) the FCC may open a proceeding on VoIP by the end of the year; (2) "there are significant unresolved legal questions surrounding a state PSC's legal authority to address VoIP services;" and (3) in other states that have started looking at issues surrounding VoIP, the proceedings have been the subject of legal challenges -- "it is not appropriate for Missouri to begin such an investigation at this time." CenturyTel would respectfully suggest that this Commission should not simply look away, and ignore the various "complex issues" already identified by Staff.

8. AT&T also objects to the procedure proposed by the Staff, suggesting that a contested case proceeding is of no value if the Commission is not expected to issue any ruling in this case. However, as Staff points out, being an investigatory docket, "the purpose of the case would be to hear evidence and argument and to make inquiries. The collected information could be helpful vis-à-vis any future proposals for federal or state rulemakings concerning VoIP or VNXX telephony."

WHEREFORE, Spectra Communications Group, LLC d/b/a CenturyTel and CenturyTel of Missouri, LLC respectfully request the Commission to grant Staff's Motion to Open Case and the specific relief requested therein.

Respectfully submitted,



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and  
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## CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, transmitted by e-mail or mailed, First Class, postage prepaid, this 22nd day of October, 2003, to:

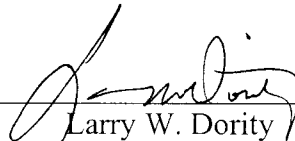
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