BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of CenturyTel of Missouri,)	
LLC's Annual Price Cap Filing for)	Case No. TT-2006-0077
Basic Local Services.)	Tariff File No. JI-2006-0076

CENTURYTEL OF MISSOURI, LLC'S RESPONSE IN OPPOSITION TO MOTION TO SUSPEND TARIFF FILING

COMES NOW CenturyTel of Missouri, LLC ("CenturyTel"), pursuant to 4 CSR 240-2.080(15) and 4 CSR 240-2.065(3), and for its Response in Opposition to the Motion to Suspend Tariff Filing ("Motion") filed by the Staff of the Missouri Public Service Commission ("Staff") on August 10, 2005, respectfully states as follows:

- 1. In its August 10, 2005 Motion, the Staff recites that CenturyTel filed revised tariff sheets (Tariff File Nos. JI-206-0076, JI-2006-0077 and JI-2006-0078) with the Commission on August 1, 2005, constituting CenturyTel's annual price cap filing. As noted, those tariff provisions propose making rate changes to basic local service, exchange access, and non-basic service rates. Staff's Motion explicitly states: "This motion addresses only Tariff File No. JI-20026-0076, CenturyTel's proposed rate changes for basic local service." (Motion, page 1, footnote omitted).
- 2. Staff further recites that an integral part of the tariff filing and the proposed rate changes include tariff revisions to implement new expanded calling scopes, as proposed by CenturyTel and the Office of the Public Counsel in Case No. TO-2003-0257, *In the Matter of the Request from Customers in the Rockaway Beach Exchange for an Expanded Calling Scope to Make Toll-Free Calls to Branson.*" Staff discusses the Stipulation and Agreement filed by CenturyTel and Public Counsel in that case, whereby

CenturyTel and Public Counsel stipulate and agree to a proposed expanded calling plan. "To effectuate the plan, the OPC and CenturyTel agreed upon a partial funding mechanism accomplished through using a portion of the revenues represented by the annual change in the telephone service component of the Consumer Price Index ("CPITS") to offset a portion of the cost associated with adopting the expanded calling plan." (Motion, pages 1-2). Staff states that "CenturyTel's Tariff File No. JI-2006-0076 attempts to incorporate the plan agreed to by OPC and CenturyTel." Staff essentially bases its Motion on the following arguments: 1) the Stipulation and tariff revisions propose an unlawful solution to the expanded calling scope petition by proposing to use the annual price cap adjustment in a manner that is inconsistent with Section 392.245 RSMo 2000; and 2) the Staff has additional concerns regarding the reasonableness of the Stipulation and proposed tariff revisions (set forth in Appendix D to the Motion¹).

3. Similar, if not identical, concerns previously have been expressed by Staff in pleadings and comments offered in Case No. TO-2003-0257. ("Staff Suggestions In Opposition to the Stipulation and Agreement," August 8, 2005; On-The-Record Presentation, Hearing, Volume 2, August 11, 2005). CenturyTel has addressed and rebutted the issues raised by Staff's Motion to Suspend in its previous pleadings and comments offered in Case No. TO-2003-0257. Briefly, contrary to Staff's position, there is no statutory reason why the rate reductions mandated by Section 392.245, RSMo 2000

¹ As stated in the body of the Motion, "in the event the Commission believes the expanded calling proposal is a lawful and appropriate solution to the expanded calling petition, the Staff believes the entire CPI-TS reduction should be used to provide expanded calling, rather than using only a portion of the CPI-TS reduction for expanded calling while using the remainder of the CPI-TS reduction to implement a small rate reduction for all of CenturyTel's customers." (Motion, page 4, emphasis added). Indeed, Appendix D reflects that, "Conceptually, the Staff does support the stipulation and agreement submitted by the OPC and CenturyTel." However, Staff expresses concerns regarding the omission of the communities of Forsyth, Kimberling City and Reeds Spring to have EAS to Branson as a part of the stipulation presented by the Office of the Public Counsel and CenturyTel.

must be applied across-the-board, on an equal percentage basis as long as the rate reductions are applied to basic local service and access rates, and aggregate to the full amount of the CPI-TS adjustment mandated by Section 392.245. As the attachments to CenturyTel's pleadings show, Staff previously has recommended the approval of rate design proposals that did not apply the CPI-TS rate reductions on an across-the-board, equal percentage basis. The expanded calling plan proposal embodied in the Stipulation and Agreement is a lawful, just and reasonable resolution obtained after months of negotiations, that strikes a reasonable balance between the need for expanded calling options in the Rockaway Beach, Forsyth, Reed Springs and Kimberling City exchanges, and the otherwise modest basic service rate reductions throughout the rest of the Company's service area. In furtherance of judicial efficiency and the desire to not burden the Commission's records any more than necessary, CenturyTel adopts and incorporates by reference herein the "Response of CenturyTel of Missouri, LLC To Staff's Suggestions In Opposition to Stipulation and Agreement" filed August 8, 2005; the "Amendment/Supplement and corrected Attachment" to CenturyTel's Response filed on August 15, 2005; and the Comments of CenturyTel as set forth in the Transcript, Volume 2, On-The-Record Presentation Hearing held August 11, 2005, all as contained in Commission Case No. TO-2003-0257.

WHEREFORE, CenturyTel of Missouri, LLC respectfully requests that the Commission deny Staff's Motion to Suspend Tariff Filing, and allow the filed revised tariff sheets contained in Tariff File No. JI-2006-0076 to go into effect on September 1, 2005.

Respectfully submitted,

Larry/W. Dority, Esq.

MBN 25617

FISCHER & DORITY, P.C. 101 Madison, Suite 400

Jefferson City, Missouri 65101 Telephone: (573) 636-6758 Facsimile: (573) 636-0383

E-mail: lwdority@sprintmail.com

Attorneys for CenturyTel of Missouri, LLC

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, to all counsel of record this 19th day of August, 2005.

Larry W. Dority