# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Notice of Election of ALLTEL Missouri, Inc. To Be Price Cap Regulated Under Section 392.245, RSMo. 2000.

Case No. IO-2002-1083

### **REPLY BRIEF OF ALLTEL MISSOURI, INC.**

COMES NOW ALLTEL Missouri, Inc. ("ALLTEL") and respectfully submits its Reply Brief in response to the Initial Briefs of the Staff of the Missouri Public Service Commission ("Staff") and the Office of the Public Counsel ("Public Counsel"). Failure to address an issue raised in those briefs does not signify acquiescence in that argument, but merely that ALLTEL believes that the issue has been sufficiently addressed in its Initial Brief.

#### The Staff Position

In its Initial Brief, Staff recites that statutory language of Section 392.245, RSMo 2000 and frames the issue to be determined in this matter as follows: "Thus, the question posed is whether an alternative local exchange telecommunications company (ALEC) has been certified to provide basic local telecommunications service and is providing such service in any part of ALLTEL's service area." The Staff then suggests that "the ALECs that have been certified to provide basic local telecommunications service in ALLTEL's service [area] are 'not' providing such service." Staff bases its position on two separate grounds: (1) Universal and MSDT do not provide "basic local telecommunications service. While ALLTEL anticipated and addressed these allegations in its Initial Brief, ALLTEL offers

the following additional argument for the Commission's consideration, beginning with the "latest" Staff position on resale.

# The "New" Standard: Resellers Do Not Qualify

The only party suggesting that the issue of "resale" should be a factor in the Commission's deliberations in this matter is Staff.<sup>1</sup> This position is in stark contrast to previous positions of Staff on this issue. In its Motion previously filed in this case, Staff acknowledges that prior Commission precedent specifically holds that price cap status should be granted on the basis that an alternative local exchange telecommunications company is providing basic local telecommunications service *on a resale basis* to customers within an incumbent local exchange company's service area.<sup>2</sup> There is no dispute that the Commission considered the same statutory language at issue in this case when it considered whether large incumbent local exchange telecommunications companies should be subject to price cap regulation. The only difference in the statutory language for price cap determination for small companies versus large companies is that the Commission must make a determination that the large companies have met the

<sup>&</sup>lt;sup>1</sup> The Public Counsel focuses its arguments, *infra*, on "prepaid providers." Indeed, in Case No. CO-2002-1078, Public Counsel only sought an investigation of the status of prepaid local service providers and, while agreeing to have the issue explored, specifically pointed out that <u>it did not agree with Staff's position</u> on the issue of whether any reseller of local basic service qualifies as an alternative local exchange competitor so that the incumbent company can elect price cap status under Section 392.245, RSMo. *See*, Motion of the Office of the Public Counsel To Expand Scope of Case filed in Case No. CO-2002-1078, *In the Matter of the Investigation of the Status of Prepaid Local Service Providers as Alternative Local Exchange Competitors Under Section 392.245*, *RSMo*.

<sup>&</sup>lt;sup>2</sup> In the Matter of the Petition of GTE Midwest Inc. Regarding Price Cap Regulation under RSMo Section 392.245 (1996), Case No. TO-99-294, ("GTE Price Cap Case") and In the Matter of the Petition of Southwestern Bell Telephone Company for a Determination that It is Subject to Price Cap Regulation under Section 392.245, RSMo Supp. 1996, Case No. TO-97-397, ("Southwestern Bell Price Cap Case"). Staff Motion, Par. 7, p. 3.

requirements of Section 392.245, while small companies are only required to provide written notice to the Commission of their election to be regulated pursuant to the price cap statute. Otherwise, the language and requirements are exactly the same, so the same analysis should apply.

In the Southwestern Bell Price Cap Case, parties opposing Southwestern Bell's request argued that Dial U.S. was not an active, facilities-based competitor but merely resold Southwestern Bell's services, and a reseller could not be considered as providing basic local telecommunications service.<sup>3</sup> Staff opposed that argument and, in fact, in the briefs filed by the Staff in that proceeding, the Staff's position was completely opposite to the position now espoused. In the Initial Brief of Staff in Case No. TO-907-397, the Staff stated, "There is no distinction in this definition [Section 392.245.2] between a facilities-based versus reseller provider, only that there be a certificate to provide 'basic or non-basic local telecommunications service'".<sup>4</sup> In its Report and Order in that case, the Commission stated:

[N]owhere in Section 392.245 is there a requirement that the alternative local exchange telecommunications company be facilities-based rather than a reseller before price cap regulation can be employed. "[C]ourts must construe a statute as it stands, and must give effect to it as it is written. [A] court may not engraft upon the statute provisions which do not appear in explicit words or by implication from other language in the statute." The parties argument that the language in Section 392.450.1 and 392.451.1 constitutes such an implication is not persuasive. These sections describe the certification process for the provision of basic local telecommunications service. Significantly, the statutes make no distinction in the requirements for facilities-based competitors and resellers. More importantly, Section 386.020(46) defines the resale of telecommunications service as "the offering *or providing* of

<sup>&</sup>lt;sup>3</sup>Southwestern Bell Price Cap Case, 6 Mo. P.S.C. 3d, 493, 502 (1997).

<sup>&</sup>lt;sup>4</sup> Initial Brief of Staff of the Missouri Public Service Commission, Case No. TO-97-397, p. 4. See also, Reply Brief of the Staff of the Missouri Public Service Commission, Case No. TO-97-397, pp. 1-2.

telecommunications service primarily through the use of services or facilities owned or provided by a separate telecommunications company . . . . Thus, there is nothing to suggest that a reseller does not *provide* service to its customers.<sup>5</sup>

The Commission affirmed this position in the Sprint and GTE price cap cases.<sup>6</sup>

As ALLTEL stated in its Initial Brief, the Commission has never made any distinction between facilities-based providers and resellers in the certificates of service authority granted to competitive local exchange telecommunications providers. As reflected in the Order Granting Certificate To Provide Basic Local Exchange Telecommunications Service for both Universal and MSDT (Appendices 1 and 2 to ALLTEL's Notice of Election), the orders state that the respective companies are "granted a certificate of service authority to provide basic local telecommunications service in the state of Missouri . . . ." Indeed, in the Universal Order, the Commission had previously recited as a specific finding of fact that "Universal Telecom proposes to provide prepaid basic local telecommunications service on a resold basis." (Order, p. 3). However, as consistent with the other eighty-plus competitive local exchange telecommunications provider certificates, neither Universal nor MSDT was granted a certificate to provide "resold" or even "prepaid" telecommunications service; rather, they were granted certificates of service authority to provide basic local telecommunications services in the state of Missouri. Staff is well aware that the Commission has never made any such distinction in the certificates granted to providers.

<sup>&</sup>lt;sup>5</sup> Southwestern Bell Price Cap Case, 6 Mo. P.S.C. 3d at 505.

<sup>&</sup>lt;sup>6</sup> GTE Price Cap Case; In the Matter of the Petition of Sprint Missouri, Inc. Regarding Price Cap Regulation Under RSMo Section 392.245 (1996), Case No. TO-99-359, ("Sprint Price Cap Case"), 8 Mo. P.S.C.3d 297 (1999).

#### Defining Basic Local Telecommunications Service

As fully set forth in its Initial Brief, ALLTEL contends that the correct definition of basic local telecommunications service is the statutory definition found in Section 386.020(4). Pursuant to the terms of that statutory section, the stipulated facts clearly reveal that both Universal and MSDT are providing basic local telecommunications service in the ALLTEL service area. However, Staff and Public Counsel contend that in order to define basic local telecommunications service, one must also look to Commission Rules 4 CSR 240-32.100 (the "Modernization Rule"), and 4 CSR 240-31.010 (the definition of "essential services" for Missouri Universal Service Fund purposes). As a result, because both companies' tariffs do not provide for equal access to interexchange carriers (tariffs that had to have a positive Staff Recommendation to obtain approval), Staff and Public Counsel argue that neither ALEC is providing basic local telecommunications service.

However, Staff and Public Counsel are proposing a standard not consistent with the plain reading of the price cap statute and the standard definition of "basic local telecommunications service." The controlling definition of "basic local telecommunications service" is found in Section 386.020(4), where "basic local telecommunications service" is defined as:

(4) "Basic local telecommunications service", two-way switched voice service within a local calling scope as determined by the commission comprised of **any** of the following services and their recurring and nonrecurring charges:

(a) Multiparty, single line, including installation, touchtone dialing, and any applicable mileage or zone charges;

(b) Assistance programs for installation of, or access to, basic local telecommunications services for qualifying economically disadvantaged or disabled customers or both, including, but not limited to, lifeline services and link-up Missouri services for low-income customers or dual- party relay service for the hearing impaired and speech impaired;

(c) Access to local emergency services including, but not limited to, 911 service established by local authorities;

(d) Access to basic local operator services;

(e) Access to basic local directory assistance;

(f) Standard intercept service;

(g) Equal access to interexchange carriers consistent with rules and regulations of the Federal Communications Commission;

(h) One standard white pages directory listing.

Basic local telecommunications service does not include optional toll free calling outside a local calling scope but within a community of interest, available for an additional monthly fee or the offering or provision of basic local telecommunications service at private shared-tenant service locations; (Emphasis added.)

Both carriers provide many of these services, and thus provide basic local telecommunications service under the applicable statutory definition. As the stipulated facts reveal:

Universal provides "two-way switched voice service within a local calling scope

as determined by the commission" comprised of the following services:

- (a) Multiparty, single line, including installation, touchtone dialing and any applicable mileage or zone charges.
- (b) Access to local emergency services including, but not limited to, 911 service established by local authorities.
- (c) Standard intercept service.

(d) One standard white pages directory listing.

MSDT provides "two-way switched voice service within a local calling scope as determined by the commission" comprised of the following services:

(a) Multiparty, single line, including installation, touchtone dialing and any applicable mileage or zone charges.

(b) Access to local emergency services including, but not limited to, 911 service established by local authorities.

(c) Standard intercept service.

(d) One standard white pages directory listing

Section 386.020(4) states that basic local telecommunications service is two-way switched voice service comprised of *any* of the listed services, it does not say *all* of these services. Thus, Universal's and MSDT's services clearly meets this definition as they each provide at least four (4) of the listed services.

In fact, in Commission rules where "basic local telecommunications service" is defined, the rules refer back to the statutory definition found at Section 386.020(4).<sup>7</sup> The Commission's Modernization Rule does not further define basic local telecommunications service; it is a completely different rule and serves a completely different purpose. Neither does the Missouri USF rule listing essential services for qualifying companies further define basic local telecommunications service. This rule also serves a completely different purpose. To the extent these services are required of an ALEC seeking to provide basic local telecommunications service in a small ILEC

<sup>&</sup>lt;sup>7</sup> See, Chapter 32, Telecommunications Service, at 4 CSR 240-32.020(5); Chapter 33, Service and Billing Practices for Telecommunications Companies, at 4 CSR 240-33.020(3); and Chapter 34, Emergency Telephone Service Standards, at 4 CSR 240-34.020(4).

exchange, that determination was already made by the Commission (with the concurrence of Staff) when it issued Universal and MSDT certificates of authority to provide basic local telecommunications service.

As the Commission's records reveal, there are approximately eighty (80) ALECs certificated to provide basic local telecommunications service in Missouri, with thirty-three (33) providing prepaid service only. Both Universal and MSDT, as reflected in the stipulated facts, have received approval from this Commission to offer basic local telecommunications service, have approved tariffs on file with this Commission (which reference the provision of basic local telecommunications service), and have negotiated and approved interconnection agreements with ALLTEL on file with this Commission.<sup>8</sup> And both ALECs are providing basic local telecommunications service pursuant to the statutory definition set out in Section 386.020(4). The statutory definition has not been called into question in any of the certificate cases where prepaid providers received basic local telecommunications service authority or in the previous price cap proceedings prior to BPS. Where the language of the statutory provision is clear and unambiguous, the rules of statutory construction do not apply.<sup>9</sup> In *Dueker v. Missouri Div. of Family Services*, 841 S.W.2d 772, 775 (Mo. App. E.D. 1992), the court held that "the legislature

<sup>&</sup>lt;sup>8</sup> These three factors are generally recognized as the prerequisites for "providing" service. Indeed, the boilerplate provision contained in this Commission's orders regarding ALEC interconnection agreements, and the adoptions of those agreements, states: "The Commission notes that before providing telecommunications services in Missouri, a party shall possess the following: (1) an interconnection agreement approved by the Commission to provide interexchange or basic local telecommunications services; and (3) except for wireless providers, a tariff approved by the Commission." See, *e.g.*, Order Recognizing Adoption of Interconnection Agreement, Case No. IO-2004-0426, p. 3.

<sup>&</sup>lt;sup>9</sup> Brownstein v. Rhomberg-Haglin and Associates, Inc., 824 S.W.2d 13, 15 (Mo. banc 1992).

is presumed to have intended what a statute says directly." The legislature expressed its intent in the plain language of the statute, and there is no need to seek any other meaning through statutory construction.

### Public Counsel's Position

#### Raising the Price Cap Bar for the Remaining 9 Percent of the Access Lines

As the Commission's records reveal, Missouri has four large incumbent local exchange carriers subject to price cap regulation under Section 392.245.<sup>10</sup> These carriers cover approximately 91 percent of the access lines in Missouri. Although, as discussed below, the Commission consistently held in those proceedings that competition was not a factor in its application of the price cap statute, Public Counsel advocates that ALLTEL should be denied price cap status because "the telecommunications companies ALLTEL has designated as the alternative local exchange providers certified and providing service in ALLTEL's service area, are not truly competitors."

As discussed, *supra*, at the time Southwestern Bell was granted price cap status, its only competitor was Dial U.S. Dial U.S. was only providing service through resale in one of Southwestern Bell's 160 exchanges. Parties opposing Southwestern Bell's request argued that the level of competition provided by the ALEC, Dial U.S., was "trivial," and that effective competition did not exist in any of Southwestern Bell's exchanges. The Commission Staff, on the other hand, stated in its Initial Brief that, "The statute does not require a percentage of market share for the alternative provider, nor does it require that

<sup>&</sup>lt;sup>10</sup> Southwestern Bell Telephone, L.P., d/b/a SBC Missouri; Sprint Missouri, Inc.; CenturyTel of Missouri, LLC; and Spectra Communications Group, LLC d/b/a CenturyTel.

the alternative provider be creating real, substantial or effective competition." (Staff

Initial Brief, Southwestern Bell Price Cap Case, pp. 4-5).

In its Report and Order in the Southwestern Bell Price Cap Case, the Commission

stated:

With respect to the prerequisites of Section 392.245.2, the parties opposing SWBT's petition appear to want to imprint upon that statute requirements that are not there. "Provisions not plainly written in the law, or necessarily implied from what is written, should not be added by a court under the guise of construction to accomplish an end that the court deems beneficial. 'We are guided by what the legislature says, and not by what we think it meant to say.'" <u>Wilson v. McNeal</u>, 575 S.W.2d 802,809 (Mo. App. 1978) (citations omitted). As previously indicated, nowhere in Section 392.245 is there a requirement that "effective competition" precede price cap regulation. Conversely, such a requirement must be met before an incumbent can be classified as competitive in any given exchange, per Section 392.245.5.<sup>11</sup> (Emphasis added).

The Commission quoted further from *Wilson* when it stated:

"[C]ourts must construe a statute as it stands, and must give effect to it as it is written. [A] court may not engraft upon the statute provisions which do not appear in explicit words or by implication from other language in the statute." *Id.* at 810 (citations omitted).

And, finally, the Commission stated:

A more natural reading of the statute's text must prevail over a mere suggestion to disregard or ignore duly enacted law by hinting at legislative inadvertence or oversight. <u>United Foods and Commercial Workers v.</u> <u>Brown Group</u>, 116 S. Ct. 1529, 1533 (1966). "The plain and unambiguous language of a statute cannot be made ambiguous by administrative interpretation and thereby given a meaning which is different from that expressed in a statute's clear and unambiguous language." <u>State ex rel. Doe Run v. Brown</u>, 918 S.W.2d 303, 306 (Mo. App. 1996). Thus, the parties' attempt to create ambiguity where none exists must fail.<sup>12</sup>

<sup>&</sup>lt;sup>11</sup> Southwestern Bell Price Cap Case, 6 Mo. PSC 3d 493, 505 (1997).

<sup>&</sup>lt;sup>12</sup> *Id.* at 506.

In its Order Denying Applications for Rehearing in the Southwestern Bell Price Cap Case, in response to a contention by the Office of Public Counsel that the Commission had mischaracterized its position as advocating an "effective competition" standard, the Commission stated, "[t]he Commission, however, made no finding that the presence of Dial U.S. in SWBT's territory constituted competition, effective or otherwise. Nor was the Commission required to make such a finding, since Section 392.245.2 contains no reference to 'competition.'"<sup>13</sup>

Two years later, when GTE Midwest Incorporated ("GTE") requested and was granted price cap status, its only competitor was Mark Twain Communications Company, and Mark Twain was only providing service in three (3) GTE exchanges.<sup>14</sup> There was no hearing and no evidence regarding competition. There was no formal finding of sufficient competition. And later in 1999, the Commission determined that Sprint Missouri, Inc. ("Sprint") had met the prerequisites of Section 392.245 and could convert from rate base/rate of return regulation to price cap regulation.<sup>15</sup> This determination was made on the basis of a verified petition, and in making the determination, the Commission did not mention competition. It simply found that the ALEC in question, ExOp of Missouri Incorporated, was certificated to provide basic local telecommunications service and that it was providing basic local telecommunications service to customers in two exchanges of Sprint. There was no Commission finding regarding competition.

<sup>&</sup>lt;sup>13</sup> Southwestern Bell Price Cap Case, Order Denying Application for Rehearing, (November 18, 1997) (emphasis added).

<sup>&</sup>lt;sup>14</sup> GTE Price Cap Case, *supra*.

<sup>&</sup>lt;sup>15</sup> Sprint Price Cap Case, *supra*.

Now, the Public Counsel recycles the same worn arguments, on the premise that its disparagement of "prepaid providers"<sup>16</sup> will find favor in supporting its divined knowledge that "the limited role of prepaid providers does not provide that level of competition that the General Assembly intended when it enacted the price cap statute." It is easy to understand why the Public Counsel wishes to interject this new fluid "competitive standard," when one simply examines the moving target represented by the evolving definitions reflected in Public Counsel's brief: prepaid services are not "sufficiently good substitutes;" "do not offer services with comparable or substitutable quality;" to the pinnacle: "providing service in the <u>exact</u> manner as the 'traditional' competitive local exchange company."

The first sentence of Section 392.245.1 states that, "The commission shall have the authority to ensure that rates, charges, tolls and rentals for telecommunications services are just, reasonable and lawful by employing price cap regulation." When the small incumbent local exchange company electing price cap regulation meets the requirements set out in the statute, its rates, charges and tolls are, by law, just and reasonable. Public Counsel attempts to cloud this basic precept with competitive analyses that should be directed toward Section 392.245.5, the determination of "effective competition" that will lead to competitive status. As the courts have held, Section 392.245.2 does not specify that any level of competition be obtained before price cap regulation is applied. The Commission has recognized that price cap regulation is readily distinguishable from the competitive status that "effective competition" provides.

<sup>&</sup>lt;sup>16</sup> "Prepaid providers (known to some as 'telephone sharks') sell their services through agents, such as payday loan companies, rent-to-own furniture and appliance stores, pawnshops, and check cashing shops, where low income, transient, or financially disadvantaged or troubled persons tend to patronize." (Public Counsel Initial Brief, p. 3).

Unlike a price cap company, alternative local exchange companies and IXCs, which are classified as competitive, have the authority to increase or decrease their prices on short notice to the Commission without the need of providing cost support for the change. This flexibility allows them to modify their offerings to meet customer needs, or to respond to the offerings of their competitors in the local market. . . . A finding under Section 392.245.5, that effective competition exists for a particular service in an exchange would authorize Southwestern Bell to increase or decrease its rates in response to competition. Currently, Southwestern Bell is subject to price cap under Section 392.245. Thus, Southwestern Bell may adjust its rates downward, but there is a statutory limit on any increased prices.<sup>17</sup>

The large local exchange telecommunications companies were granted price cap status by the Commission applying the same statute that Public Counsel would have the Commission interpret to deny price cap status to ALLTEL. There is absolutely no basis for the Commission to now invoke Public Counsel's interpretation of legislative intent regarding competition to effectuate such denial.

#### ALLTEL's Notice of Election To Be Price Cap Regulated Is Valid

In summary, and as fully set forth in ALLTEL's Initial Brief, ALLTEL exercised its statutory right to elect to be price cap regulated under Section 392.245, RSMo 2000, by providing written notice to the Commission in conformance with Section 392.245.2. An examination of the stipulated facts relative to that statutory provision reveals the following in regard to the conditions that a carrier must meet:

A. <u>ALLTEL is a small incumbent local exchange telecommunications</u> <u>company</u>. ALLTEL is a small incumbent local exchange company serving approximately 69,000 access lines in Missouri.

<sup>&</sup>lt;sup>17</sup> Report and Order, Case No. TO-2001-467, *In the Matter of the Investigation of the State of Competition in the Exchanges of Southwestern Bell Telephone Company*, (December 27, 2001).

B. <u>ALLTEL provided written notice of its election to the Commission</u>. On May 17, 2002, ALLTEL filed its Notice of Election To Be Price Cap Regulated Under Section 392.245, RSMo 2000, with the Commission.

C. <u>An alternative local exchange carrier, in this case both Universal and</u> <u>MSDT, has been certified to provide basic local telecommunications service in</u> <u>ALLTEL's service area</u>. Universal Telecom, Inc. (Universal) is an alternative local exchange telecommunications company as that term is used in § 392.245 and defined in § 386.020 (1), RSMo 2000. On March 21, 2002, Universal was granted a certificate of service authority to provide basic local exchange telecommunications services in exchanges served by various local exchange companies, including ALLTEL. (*Order Granting Certificate To Provide Basic Local Exchange Service*, Case No. TA-2002-183, effective March 31, 2002).

Missouri State Discount Telephone (MSDT) is an alternative local exchange telecommunications company as that term is used in § 392.245 and defined in § 386.020 (1), RSMo 2000. On March 16, 2001, MSDT was granted a certificate of service authority to provide basic local exchange telecommunications services in exchanges served by various local exchange companies, including ALLTEL. (*Order Granting Certificate To Provide Basic Local Exchange And Interexchange Telecommunications Service*, Case No. TA-2001-334).

D. <u>An alternative local exchange telecommunications company, in this case</u> <u>both Universal and MSDT, is providing such service in any part of ALLTEL's service</u> <u>area</u>. On January 22, 2001, the Commission approved the Interconnection Agreement between Universal and ALLTEL in Case No. TO-2001-360. (*Order Approving*)

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*Interconnection Agreement*, effective February 1, 2001). The subject Interconnection Agreement does not contain a restriction on service to be provided by Universal, such as that found in the Resale Agreement between BPS Telephone Company and Missouri State Discount Telephone, as discussed in Case No. IO-2003-0012. At the time of the Notice of Election, Universal provided telecommunications service to customers within the ALLTEL service area, pursuant to its lawfully approved tariff. (Universal Telecom, Inc. P.S.C. Mo. Tariff No. 1).

On April 24, 2000, the Commission approved the Interconnection Agreement between MSDT and ALLTEL in Case No. TO-2000-469. (*Order Approving Interconnection Agreement*, effective May 2, 2000). The subject Interconnection Agreement does not contain a restriction on service to be provided by MSDT, such as that found in the Resale Agreement between BPS Telephone Company and Missouri State Discount Telephone, as discussed in Case No. IO-2003-0012. At the time of the Notice of Election, MSDT provided telecommunications service to customers within the ALLTEL service area, pursuant to its lawfully approved tariff. (Missouri State Discount Telephone, P.S.C. No. 1).

As discussed, *supra*, pp. 5-7, Section 386.020(4) defines "basic local telecommunications service." Both carriers provide many of the designated services, and thus provide basic local telecommunications service under the applicable statutory definition. As the stipulated facts reveal:

Universal provides "two-way switched voice service within a local calling scope as determined by the commission" comprised of the following services:

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(a) Multiparty, single line, including installation, touchtone dialing and any applicable mileage or zone charges.

(b) Access to local emergency services including, but not limited to, 911 service established by local authorities.

(e) Standard intercept service.

(f) One standard white pages directory listing.

MSDT provides "two-way switched voice service within a local calling scope as determined by the commission" comprised of the following services:

(a) Multiparty, single line, including installation, touchtone dialing and any applicable mileage or zone charges.

(b) Access to local emergency services including, but not limited to, 911 service established by local authorities.

(e) Standard intercept service.

(f) One standard white pages directory listing

Thus, there can be no argument that Universal's and MSDT's services do not meet the statutory definition, as they each provide at least four (4) of the listed services. ALLTEL submits that the evidence in this matter clearly shows that it has met all of the statutory requirements and that its election to be regulated as a price cap company is valid.

## **Conclusion**

For all of the reasons set out above and in its Initial Brief, ALLTEL Missouri, Inc. respectfully requests that the Commission deny the relief requested in Staff's Motion to Reject ALLTEL's Price Cap Election, and acknowledge that ALLTEL Missouri, Inc. is

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price cap regulated, having lawfully exercised its statutory right to elect to be so regulated under, and in conformance with, Section 392.245, RSMo 2000.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was hand-delivered, e-mailed or mailed, United States Mail, postage prepaid, this 16th day of April, 2004, to:

Michael Dandino Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 Dana K. Joyce, General Counsel Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

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