

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
December 17, 2001)	CCB/CPD 01-23
MAG Access Charge Tariff Filings)	DA 01-2748

OPPOSITION TO PETITION TO SUSPEND AND INVESTIGATE

CenturyTel, Inc. ("CenturyTel"),¹ hereby opposes AT&T's December 24, 2001 Petition to Suspend and Investigate CenturyTel Tariff F.C.C. No. 1, Transmittal No. 14, and the Telephone Utilities Exchange Carrier Association (TUECA) Tariff F.C.C. No. 2, Transmittal No. 168, both filed December 17, 2001. These transmittals correctly and completely implement changes to the interstate access rate structure adopted in the Commission's *MAG Order*, released November 8, 2001,² with one exception: Although not identified by AT&T in its Petition, CenturyTel has concluded that it did make one error in stating its common line revenue requirement, an error it is prepared voluntarily to correct.

I. INTRODUCTION

All CenturyTel operating companies except CenturyTel of Ohio participate in the common line pool tariff prepared and filed by the National Exchange Carrier Association

¹ CenturyTel, which is headquartered in Monroe, Louisiana, is a leading provider of integrated communications services to rural markets. CenturyTel and its affiliates utilize state-of-the-art technology to provide a variety of high quality communications services to consumers in twenty-one states. Very few of its exchanges, however, serve more than 10,000 access lines, and approximately half of CenturyTel's exchanges serve fewer than 1,000 lines. All of CenturyTel's telephone operating companies qualify as rural under the definition contained in the Communications Act of 1934, as amended. 47 U.S.C. § 153(37).

² *Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, et. al.*, Second Report and Order and Further Notice of Proposed Rulemaking in CC Docket No. 00-256, Fifteenth Report and Order in CC

(NECA). NECA updates this tariff at least once per year, to be effective July 1. CenturyTel tariffs its own traffic-sensitive rates, which primarily are contained in the TUECA tariff, although some of its Michigan and Wisconsin operating companies file individual tariffs.

In the *MAG Order*, the Commission significantly revised the interstate access charge rate structure applicable to rate-of-return carriers. Among the most significant changes that will take effect on January 1, 2002, the Commission (1) significantly increased the caps on subscriber line charges to the levels established in 2000 for price cap carriers; (2) reallocated the costs of line-side ports from the traffic-sensitive local switching revenue requirement to the common line revenue requirement, substantially reducing the traffic-sensitive revenue requirement and local switching rates; and (3) eliminated the TIC by reallocating TIC revenues among other access rate elements, primarily the common line rate elements. *MAG Order*, 16 FCC Rcd at 19621 (para. 15).

II. CENTURYTEL AND TUECA PROPERLY REALLOCATED THE COSTS OF LINE-SIDE LOCAL SWITCH PORTS TO THE COMMON LINE REVENUE REQUIREMENT.

CenturyTel Transmittal No. 14 and TUECA Transmittal No. 168 properly implement the *MAG Order*'s requirement that the costs of line-side local switch ports be reallocated to the common line. AT&T's confusion, reflected in Exhibit 2 to its Petition, stems from its failure to appreciate the implications of the Commission's commitment to make the MAG transition revenue-neutral.

CenturyTel's Ohio and Michigan operating companies have elected to file traffic-sensitive tariffs every two years, as permitted by the Commission's rules, 47 C.F.R. § 69.4. These companies last filed a traffic-sensitive tariff to become effective July 1, 2000, and the rates that were contained in that tariff were based on CenturyTel's projection of its revenue

requirement for 2000/2001. These companies also participate in the NECA common line pool tariff, which is updated at least annually. NECA updated this tariff in its annual access tariff filing effective July 1, 2001 using updated CenturyTel revenue requirement data consisting of a projection for the 2001/2002 period.

This data showed a decrease in the traffic sensitive revenue requirement. As a result, if NECA had added to the common line revenue requirement an amount equal to 30 percent of the updated traffic-sensitive amount, while CenturyTel's Ohio and Michigan companies had deducted 30 percent of the old (and larger) amount from their traffic-sensitive revenue requirement, then this "mismatch" would have resulted in an overall decrease in CenturyTel's aggregate revenue requirement.

In the *MAG Order*, the Commission stated its commitment to make the MAG transition revenue-neutral. *MAG Order*, 16 FCC Rcd at 19620 (para. 12) (stating "that the rate structure modifications we adopt do not affect overall recovery of interstate access costs.") The only way for CenturyTel to implement the MAG modifications in a revenue-neutral manner is for it to use the same revenue requirements both in its traffic-sensitive and in its common line tariffs. And, the data most closely matching the effective date of the MAG rules is the 2001/2002 updated data used by NECA. Accordingly, CenturyTel's reallocation of 30 percent of its updated traffic-sensitive revenue requirement to the common line was proper.

III. CENTURYTEL AND TUECA PROPERLY INCLUDED LINE-SIDE PORT COSTS IN ITS COMMON LINE REVENUE REQUIREMENT WHEN REALLOCATING THE TIC.

Contrary to AT&T's assertion, the TUECA tariff did include line-side local switch port costs in the common line revenue requirement when reallocating TIC costs. On review, however, CenturyTel acknowledges a mathematical error in stating its common line

Rcd 19613 (2001) ("*MAG Order*").

revenue requirements that resulted in an improper allocation of the TIC across all rate elements for TUECA, as well as CenturyTel's Ohio, Michigan, and Wisconsin operating companies. The corrected data is shown in a spreadsheet attached as Exhibit 1. CenturyTel is prepared to file updated tariff pages reflecting this correction.

IV. CONCLUSION.

For the foregoing reasons, the Petition of AT&T to Suspend and Investigate CenturyTel Tariff F.C.C. No. 1, Transmittal No. 14, and the Telephone Utilities Exchange Carrier Association (TUECA) Tariff F.C.C. No. 2, Transmittal No. 168, should be denied.

Respectfully submitted,

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December 28, 2001