

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 1st day of February, 2012.

In the Matter of an Investigation Into Various Issues Related to the Missouri Universal Service Fund

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File No. TO-2012-0257

**ORDER GRANTING INTERVENTION AND DECREASING
ASSESSMENT RATE**

Issue Date: February 1, 2012

Effective Date: February 11, 2012

On January 25, 2012, the Staff of the Commission, acting at the request of the Missouri Universal Service Board, filed a motion asking the Commission to approve a decrease of the Missouri Universal Service Fund assessment rate from .0029 to .0025 as recommended by the Board at its January 25 meeting. Staff also asked the Commission to expedite its approval of the assessment rate decrease so that the affected telecommunications carriers would have time to change their billing arrangements before the April 1, 2012 effective date of the change.

The Commission directed that notice of Staff's motion be sent to all interexchange carriers, competitive local exchange carriers, and incumbent local exchange carriers. The Commission also ordered that any person, entity wishing to intervene, or otherwise respond to Staff's motion do so no later than January 31.

Southwestern Bell Telephone, L.P. d/b/a AT&T Missouri filed a motion to intervene and a response to Staff's motion on January 31. AT&T Missouri asked to intervene but

also indicated it did not object to Staff's motion so long as the Commission approves the proposed reduction in the assessment in time to allow telecommunications companies, such as itself, at least 60 days to implement the change. The Commission will grant AT&T Missouri's application to intervene and notes that by approving the reduced assessment today, the Commission will allow the 60 days lead-time requested by the company.

Section 392.248.1, RSMo 2000 creates the Missouri Universal Service Board and charges it with the duty to "ensure just, reasonable, and affordable rates for reasonably comparable essential local telecommunications services throughout the state." That statute also creates a state Universal Service Fund that is funded through an assessment on all telecommunications companies in the state. The Commission is required to establish the level of funding needed to accomplish the purposes of the Universal Service Fund.¹

Staff's motion explains that the Missouri Universal Service Board has determined that the Universal Service Fund's needs can be met with a reduced assessment rate of .0025 to replace the existing rate of .0029. The Board recommends that the reduced assessment rate become effective on April 1, 2012, to allow the affected telecommunications companies time to adjust the bills they send to their customers.

The Commission finds that the Universal Service Board's recommendation is reasonable. Furthermore, no person or entity has expressed any opposition to that recommendation. The Commission will reduce the assessment rate as recommended by the Universal Service Board.

¹ Section 392.248.3, RSMo 2000.

THE COMMISSION ORDERS THAT:

1. Southwestern Bell Telephone, L.P. d/b/a AT&T Missouri's motion to intervene is granted.

2. The assessment rate for the Missouri Universal Service Fund is reduced from .0029 to .0025, effective April 1, 2012.

3. The Commission's Data Center shall send a copy of this order to all interexchange carriers, competitive local exchange carriers, and incumbent local exchange carriers doing business in Missouri.

4. This order shall become effective on February 11, 2012.

BY THE COMMISSION

(S E A L)



Steven C. Reed
Secretary

Gunn, Chm., Jarrett and Kenney, CC., concur;
Stoll, C., not participating.

Woodruff, Chief Regulatory Law Judge