



The Missoula Plan

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Washington Impacts - Missoula Plan



- ▶ Embarq's SLC rates will be permitted to increase to the \$8.75 (residential and single-line business) and \$10.00 (multi-line business) caps under the plan.
- ▶ As permitted SLC increases will not recover foregone intercarrier compensation revenues, Embarq will require distributions from the restructure mechanism in Washington. The restructure mechanism may be part of the federal USF program.
- ▶ If part of the federal USF program, end-user assessments will increase. Embarq is unable to quantify the amount of the increase, but notes that the Missoula Plan proponents have offered an estimate.
- ▶ Embarq's one-way intrastate switched access rate is \$ [REDACTED] per minute. The Missoula Plan would reduce this rate to either \$0.00 (originating) and \$0.0102 (terminating) or \$0.0095 (originating) and \$0.008 (terminating), at Embarq's option.
- ▶ It is unclear what impact the Missoula Plan will have on the setting of rates for intrastate regulated telecom services.

Washington Impacts - Missoula Plan



▶ Embarq's estimated impacts for the 6-year period for its Washington operations are:

- InterCarrier Revenue Decrease [REDACTED]
- SLC Revenue Increase [REDACTED]
- ARM Revenue [REDACTED]

▶ Estimated impacts do not reflect:

- Changes to demand resulting from price changes.
- Costs of system enhancements and other implementation requirements.

▶ Other indirect impacts

- IT Billing Systems must be modified to accommodate added local and EAS MOUs.
- Central Office hardware must be upgraded to measure Feature C Trunk usage.