

FILE



January 31, 2007

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PUCO

VIA OVERNIGHT MAIL

Chief of Docketing Division
Public Utilities Commission
180 East Broad Street, 3rd Floor
Columbus, OH 43215-3793

RE: **Case No. 06-1425-TP-ZTA**
McLeodUSA Telecommunications Services, Inc. ("McLeodUSA")
90-9087-TP-TRF

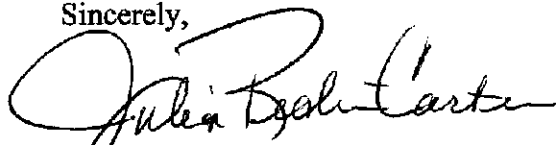
Dear Docketing Division:

Enclosed please find an original and ten copies of corrected pages to McLeodUSA Telecommunications Services, Inc.'s ("McLeodUSA") Telephone Tariff No. 2 revision filed on December 5, 2006 (06-1425-TP-ZTA). Per discussion with Robbin Russell, McLeodUSA respectfully requests that the attached Sheet No. 38 replace Sheet No. 38 of this original filing. The reference in the 3rd paragraph of section 2.8.1 now reflects section 5.1 correctly.

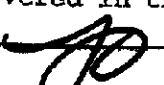
Also, McLeodUSA respectfully requests that the attached "Exhibit E - PUCO questions and McLeodUSA responses" be added to the filing. This contains the memorandum from the PUCO representative, Robbin Russell, and the responses to the memorandum questions regarding Account Service Fee. Any corrections and responses regarding Operator Services will be in a forthcoming amendment to this filing.

The Issue Date of December 5, 2006 and Effective Date of December 15, 2006 should remain the same. Please file stamp the extra copy and return it to me in the enclosed, self-addressed, stamped envelope. If you have any questions, please contact me at iredman-carter@mcleodusa.com or (319) 790-2250.

Sincerely,


Julia Redman-Carter
Regulatory Analyst

Enclosures

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician  Date Processed 2-1-07

2.0 General Rules and Regulations (cont'd)**2.8 Billing****2.8.1 Monthly Billing**

Bills to Customers will be issued monthly unless McLeodUSA is authorized by the Commission to bill at other than monthly intervals because of unusual circumstances. Local service charges, including installation charges, are billed in advance. Certain toll charges and NRCs are billed in arrears. If a Customer elects, McLeodUSA may issue a billing statement to a Customer in an electronic format only.

McLeodUSA shall have no responsibility with respect to billings, charges, or disputes related to services used by the Customer which are not included in the services herein including, without limitation, any local, regional, and long distance services provided by a third party vendor. The Customer shall be fully responsible for the payment of any bills for such services and for the resolution of any disputes or discrepancies with the service provider.

An Account Service Fee will be applied to bills that do not meet a minimum 'total current charges'. See Account Service Fee listed in Section 5.1 for the applicable rates.

(N)

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(N)

2.8.2 Bill Contents

The bill form or a bill insert will provide the following information: the dates at the beginning and end of the billing period; the last date for timely payment, which shall not be less than twenty (20) days after the bill is rendered; the amount of the net charge, stated by category, for local service, bundled packages, packages of long distance minutes, ancillary services and equipment, toll service, information service, sales tax and excise tax, and of any late payment charge, together with the gross amount of the bill, with separate entries for total amounts current or in arrears. McLeodUSA will also comply with reasonable requests for bill detail.

Issued: December 5, 2006

Effective: December 15, 2006

BY: William A. Haas
Vice President and Deputy General Counsel
One Martha's Way, P.O. Box 3177
Hiawatha, Iowa 52233

Issued under authority of the Public Utilities Commission of Ohio, dated March 16, 2000, in Case No. 99-972-TP-ACE.

EXHIBIT E

MEMORANDUM

TO: Julia Redman-Carter
Regulatory Analyst
Jredman-carter@mcleodusa.com

FROM: Robbin Russell
Public Utilities Commission of Ohio
Robbin.russell@puc.state.oh.us

RE: McLeod USA Telecommunications Services, Inc.
Case No. 06-1425-TP-ZTA; 90-9087-TP-TRF
(Filed December 5, 2006 – To add a new account service fee and to increase operator service rates)

DATE: January 30, 2007

Upon review of the McLeodUSA Telecommunications Services, Inc. application filed December 5, 2006; a few issues need to be addressed. The issues are:

1. **Page 38, Section 2.8.1** – Incorrect section reference.
2. **Page 134, Section 5.3.11** – Upon review of Section 3.3 of the tariff, it appears that the Company is offering Alternative Operator Services. Alternative Operator Service or AOS is defined in the Ohio Administrative Code §4901:1-6-01(A) as any intrastate operator-assisted services, other than inmate operator services, in which the customer and the end-user are totally separate entities. The AOS provider contracts with the customer to provide the AOS; however, the AOS provider does not directly contract with the end-user to provide the service even though it is the end-user who actually pays for the processing of the operator-assisted calls. If the services listed in this section are consistent with this definition then the tariff must be revised to comply with the following rule. Pursuant to the Ohio Administrative Code §4904:1-6-23 (as revised on 12/29/05), the maximum amount of any operator assistance charge or call set up fee that may be applied by a alternative operator service (AOS) provider to any intrastate AOS call shall not exceed \$2.75 per call. The maximum rate of any usage sensitive charge that may be applied by an AOS provider to any intrastate AOS call shall not exceed \$.45 per minute of use. However, AOS shall be exempted from these rate caps if proper disclosure is given to the end-user. For the definition of proper disclosure please see OAC §4901:1-6-23(C)(2) (See attached). The proposed "Person-to-Person" rate is set above the caps set forth in the rule; is the Company complying with the disclosures rules which permits for an exemption from the to the rate caps?

January 31, 2007

3. **Exhibit D, Operator Services Customer Notice** – Some of the rates listed in the customer notice for Operator Services are different than the rates set forth in Section 5.3.11 of the tariff, which rate is correct?
4. **Exhibit D, Account Service Fee Customer Notice** – How will the Company convey the account service fee charge to new subscribers?

Please file the revision in the case number listed upon by February 7, 2007. Failure to file the revision will result in the suspension of this case. If you have any questions, feel free to call me at (614) 466-0401 or email me at the above address.

Robbin Russell
Utility Specialist
Public Utilities Commission of Ohio

4901:1-6-23 Alternative operator services including secured inmate facility services.

(A) This rule applies to all telephone companies, including all ILECs whether the ILEC is subject to a qualifying alternative regulation plan or not.

(B) AOS and IOS are subject to the rate restrictions set forth in this rule, but otherwise shall be subject to the same regulatory treatment as applies to tier two services for purposes of Chapter 4901:1-06 of the Administrative Code.

(C) AOS parameters.

(1) Except as exempted by paragraph (C)(2) of this rule, all AOS services shall be provided under the following parameters:

(a) The maximum amount of any operator assistance charge or call set up fee that may be applied by an AOS provider to any intrastate AOS call shall not exceed two dollars and seventy-five cents per call. The maximum rate of any usage sensitive charge that may be applied by an AOS provider to any intrastate AOS call shall not exceed forty-five cents per minute of use.

(b) Notice of any change in AOS rates, whether upward or downward, must be filed by the AOS provider with the commission in the form of a new pricing list, in accordance with commission-established tariff filing rules for tier two services.

(c) Upon request of the end user or billed party, and at no additional charge, the AOS provider must quote the actual intrastate price list rates for all components of the call to the end user. For live and automated operator-assisted calls, each AOS provider must brand its calls by having its operator identify the name of the AOS provider to the end user or billed party prior to the processing of the calls. After such notification and rate disclosure (if requested), the AOS provider must allow the end user or billed party an opportunity to decide not to utilize the AOS provider's service and reject the call without incurring any charges.

(d) AOS providers may not charge end users for uncompleted calls.

(e) Each AOS provider must post conspicuous notice on the telephone instrument through which the end user is placing the call utilizing the following format and language:

Operator services provided to this telephone by: (certified name of the AOS provider).

For information or to lodge a complaint call toll free: (a toll-free number to reach the AOS provider).

(f) Each AOS provider must include in its contract with each of its customers language requiring that the customer permit the AOS provider to take whatever steps are necessary to ensure that the AOS provider is in compliance with all of the established requirements and restrictions pertaining to AOS.

(g) AOS providers may not charge end users surcharges in addition to the AOS service charges set forth in their commission-ap-proved tariff which, in turn, must comply with the per minute and per call rate caps set forth in paragraph (C)(1)(a) of this rule. This restriction means that no surcharges, including, but not limited to, bill rendering charges, nonsubscriber charges, property imposed fees (PIFs), and any ad-ditional charge which an AOS customer may request the AOS provider to bill an end user may be levied by the AOS provider on the end user. Any surcharges imposed by an AOS customer are to be billed separately by the AOS customer.

(h) AOS providers may not assess end users backhauling charges regardless of the precise route the AOS providers must take in order to transport the calls.

(i) Each AOS provider must provide to end users, through the end user's telephone instrument, ac-cess to all telecommunications service providers.

(j) Upon request, each AOS provider must provide, as directed by the commission or its staff, informa-tion concerning its operations, in-cluding but not limited to, customer lists and call records.

(2) AOS providers shall be exempt, on a per call basis, from paragraph (C)(1)(a), (C)(1)(c) and (C)(1)(g) of this rule where the following service parameters are met:

(a) The AOS provider identifies itself at the beginning of the call be-fore the end user incurs any charges.

(b) The AOS provider discloses to the end user who is charged for the call, at the beginning of the call before the end user incurs any charges, a quotation of the total cost of the call, including a breakdown of all charges

imposed by the AOS provider and the applicability of any taxes.

(c) The AOS provider allows the end user to terminate at no charge before the call is connected.

(d) The AOS provider retains an audio-recorded verification of the end user's acceptance of the quoted rates and charges of the call. Such verification, which must be provided to the commission or its staff upon request, shall at a minimum consist of an audio recording that preserves evidence of those portions of the call during which:

(i) The AOS provider discloses its rate charges to the end user in accordance with paragraph (C)(2)(b) of this rule.

(ii) The end user both identifies himself or herself and also affirmatively accepts the quoted rates and charges for the call before the call is completed and any charges are incurred. Such end user identification and acceptance may be accomplished on AOS calls when an end user enters his or her credit card or calling card number.

January 31, 2007

Case No. 06-1425-TP-ZTA

McLeodUSA Telecommunications Services, Inc. ("McLeodUSA")

90-9087-TP-TRF

Questions 1 - 4 in the January 30, 2007 Memorandum from Robbin Russell, and Responses to Questions 1 and 4.

1. Page 38, Section 2.8.1 – Incorrect section reference.

Response: The reference has been changed from "Section 4.1" to "Section 5.1." Please see the corrected 1st Revised Sheet No. 38 that is attached to this amended filing.

2. Page 134, Section 5.3.11 – The proposed "Person -to-Person" rate is set above the caps set forth in the rule; is the Company complying with the disclosures rules which permits for an exemption from the rate caps?

Response: This question is regarding operator services, which will be addressed in a separate amendment to this filing.

3. Exhibit D, Operator Services Customer Notice – Some of the rates listed in the customer notice for Operator Services are different than the rates set forth in Section 5.3.11 of the tariff, which rate is correct?

Response: This question is regarding operator services, which will be addressed in a separate amendment to this filing.

4. Exhibit D, Account Service Fee Customer Notice – How will the Company convey the account service fee charge to new subscribers?

Response: In addition to listing it in the tariff, the Account Service Fee has been incorporated into the Terms and Conditions of the Contract for business customers. The Terms and Conditions are available for viewing by the general public on the corporate website. We are in the process of adding the Account Service Fee to the Welcome Package and Third Party Verification.