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February 9, 2000

FILED

FEB 10 2000

Missouri Public  
Service Commission

Mr. Dale Hardy Roberts  
Executive Secretary-Chief Regulatory Law Judge  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102-0360

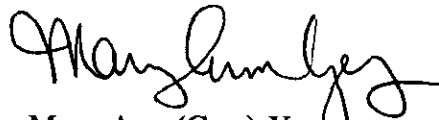
RE: Case No. TM-2000-493  
Application of IDT America, Corp. for Approval of a Transaction to Acquire Selected  
Interexchange Customers of MCI WorldCom

Dear Mr. Roberts:

Enclosed please find an original and fourteen copies of the Application of IDT America, Corp. for Approval of a Transaction to Acquire Selected Interexchange Customers of MCI WorldCom for filing with the Commission.

Thank you for your assistance in processing this filing. A copy is being served on the Office of Public Counsel and General Counsel. If there are any questions, please feel free to call me at 634-8109.

Sincerely,

  
Mary Ann (Garr) Young

Enclosure

cc: Office of Public Counsel  
General Counsel's Office  
Mr. Kevin Minsky, Swidler Berlin

FILED

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FEB 10 2000

Missouri Public  
Service Commission

Application of IDT America, Corp. )  
for Approval of a Transaction Whereby )  
IDT America, Corp., Will Acquire Selected )  
Interexchange Customers of MCI WorldCom )  
Communications, Inc. )

Case No. TM-2000-493

APPLICATION

**I. INTRODUCTION**

IDT America, Corp. ("IDT America" or "Applicant"), by its undersigned counsel and pursuant to §392.300 RSMo. (1999) and 4 CSR 240-2.060(5), hereby requests approval of a transaction whereby IDT America acquires selected business and residential interexchange (IXC) customers of MCI WorldCom Communications, Inc. ("MCIW") in Missouri. IDT America requests permission to transfer these MCIW customers to its customer base and a waiver of the applicable subscriber authorization and verification requirements for the change of customers' primary interexchange carrier,<sup>1/</sup> 4 CSR 240-33.150 (1999). IDT America is a competitive interexchange carrier authorized by this Commission to provide resold interexchange telecommunications services in Missouri.<sup>2/</sup>

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<sup>1</sup> Concurrent with this filing, IDT America has applied to the Federal Communications Commission to grant a limited waiver of its subscriber carrier selection rules (47 C.F.R. §§ 64.1100 through 64.1190 (1999)) and relevant Orders to the extent necessary to permit Applicant to transfer selected customers of MCIW to the Applicant's customer base without first obtaining the customers' authorization and verification.

<sup>2</sup> Case No. TA-99-97, *Re: IDT America, Corp. for a Certificate of Service Authority to Provide Interexchange Telecommunications Services*, Order, November 23, 1998.

IDT America respectfully requests expedited treatment of this Application. In support of its request, Applicant respectfully provides the following information:

## **II. THE PARTIES TO THE TRANSACTION**

### **A. IDT America, Corp.**

IDT America is a New Jersey corporation and a wholly-owned subsidiary of IDT Corporation ("IDT"), a Delaware corporation that is publicly traded on the NASDAQ National Market System. IDT America and IDT maintain their principal offices at 294 State Street, Hackensack, New Jersey 07601.

IDT America is authorized to provide intrastate resold interexchange services in 46 states.<sup>3/</sup> IDT America provides resold interexchange telecommunications services in the State of Missouri pursuant to the Certificate of Service Authority issued by the Commission on November 23, 1998 in Case No. TA-99-97.<sup>4/</sup> Parent IDT is authorized by the Federal Communications Commission ("FCC") to provide international switched and private line telecommunications services between the United States and various international points.<sup>5/</sup> In addition, IDT and IDT America offer a wide

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<sup>3</sup> As part of a corporate reorganization, IDT, the parent company, is in the process of transferring certificates of public convenience and necessity in selected states to IDT America; however, no certification activity is necessary in Missouri, where IDT America already holds a separate IXC Certificate of Service Authority. *See: IDT America, Corp. for a Certificate of Service Authority to Provide Interexchange Telecommunications Services*, Order, November 23, 1998, Case No. TA-99-97. No transfer of certificates will occur in Missouri.

<sup>4</sup> *See supra* note 2.

<sup>5</sup> IDT holds Section 214 authority to provide international resold switched and non-interconnected private line services between the U.S. and international points. *International Discount Telecommunications Corp., Application for Authority to Resell Services of Other Carriers to Provide Switched and Private Line Services Between the U.S. and Various International Points*, File No. I-T-C 96-194, DA 96-754 (rel. May 16, 1996). IDT also holds Section 214 "global" resale and  
(continued...)

range of integrated and competitively priced domestic and international long distance telephone and Internet access services in the U.S. and abroad, through their network of switches and leased lines interconnected to other domestic and foreign carriers.

IDT America is an experienced and duly certificated telecommunications carrier and has sufficient managerial and financial qualifications to acquire the customer assets of MCIW and to ensure the uninterrupted provision of telecommunications services. Further information concerning IDT America's authority to do business in Missouri, along with its managerial, technical and financial qualifications to provide telecommunications services was filed with IDT America's Application for certification in Case No. TA-99-97, and is incorporated herein by reference.

**B. MCI WorldCom Communications, Inc.**

MCIW is a Georgia corporation with principal offices located at 500 Clinton Center Drive, Clinton, MS 39056-5654. MCIW currently provides competitive telecommunications service in Missouri.

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<sup>5</sup> (...continued)  
facilities-based authority pursuant to Section 214 of the Communications Act of 1934, as amended. *Application of IDT Corporation For authority pursuant to Section 214 of the Communications Act of 1934 as Amended, for Global Authority to Operate as a Facilities-based Carrier and as an International Resale Carrier*, File No. I-T-C-97-136 (eff. April 16, 1997).

### **III. DESIGNATED CONTACTS**

The designated contacts for questions concerning this Application are:

William B. Wilhelm, Jr., Esq.  
Kevin D. Minsky, Esq.  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, N.W., Suite 300  
Washington, D.C. 20007  
(202) 424-7500 (Tel.)  
(202) 424-7645 (Fax)

and as Missouri counsel for applicant:

Mary Ann (Garr) Young, Esq.  
WILLIAM D. STEINMEIER, P.C.  
2031 Tower Drive  
Jefferson City, MO 65110-4595  
(573) 634-8109 (Tel.)  
(573) 634-8224 (Fax)

with a copy to:

Diane Clark, Esq.  
IDT America Corp.  
190 Main Street  
Hackensack, NJ 07601  
(201) 928-4485 (Tel.)  
(201) 692-3354 (Fax)

### **IV. THE TRANSACTION**

Pursuant to an agreement executed with MCIW, MCIW and IDT America intend to transfer specific assets of MCIW including customer accounts and accounts receivables to IDT America. IDT previously served as an agent for MCIW and acquired these customers for MCIW. MCIW has decided to terminate service to these customers and agreed to transfer these customer accounts to Applicant pursuant to the agreement. IDT America intends to migrate approximately 357 residential and business customers in Missouri from MCIW to IDT America. IDT America will provide

interexchange service to these customers under the same or better rates as provided by MCIW. Since IDT America is already authorized to provide long distance services in the State of Missouri, the transfer of MCIW's long distance customers will proceed following Commission's approval of this Application.

IDT America requests authority to transfer selected MCIW interexchange customers to IDT America and a waiver of the applicable carrier change authorization and verification rules, 4 CSR 240-33.150. Upon Commission approval of this Application but prior to the transfer of MCIW's Missouri customers to IDT America, IDT America will provide notice to these customers of the changes in their interexchange service provider. These customers will be notified, via a letter that states: (a) the quality of service to the customers will remain the same and that IDT America will continue to provide service to the customers with the same or better services and rates currently provided to them by MCIW; (b) the customers have the right to switch to the interexchange carrier of their choice; (c) Applicant will reimburse customers for any primary interexchange carrier ("PIC") change charges if imposed by local exchange carriers ("LECs") in connection with this transaction; and (d) the customers may contact Applicant via a toll-free number with any questions regarding the switch over. IDT America will also amend its tariff to include the applicable MCIW services and rates for these customers. After consummation of the transfer, IDT America will send another notification letter welcoming customers and reiterating statements (a) through (d) above. Therefore, other than the identity of the carrier providing their interexchange service, the transaction will be completely transparent to customers and will not involve a change in the manner or quality in which MCIW's customers will receive their telecommunications services.

As such, this transaction will neither disrupt the service nor cause inconvenience or confusion to MCIW's customers. Similarly, the proposed transaction will have no effect on the corporate structure or operation of IDT America, which will continue to provide intrastate telecommunications services to customers pursuant to its existing Missouri certificate of service authorization.

**V. PUBLIC INTEREST CONSIDERATIONS**

Approval of the proposed transaction will serve the public interest by allowing MCIW's customers to continue to receive service, under the same or better rates. Moreover, unless the Application is granted, there is a potential for a service disruption since MCIW has decided to discontinue providing interexchange services to these customers. The customers will be sufficiently notified of the transaction and their rights before and after the transaction. As a result of the transfer, there is no change in the quality of service provided to customers and the customers are protected because they are being served by an experienced and qualified carrier. Hence, the public interest is served by IDT America's managerial, technical, and financial ability to assume full provision of service to the transferred MCIW customer base.

VI. CONCLUSION

WHEREFORE, Applicant respectfully requests that the Commission approve the proposed transfer of the selected interexchange customer assets of MCI WorldCom, Inc. to IDT America, Corp. and grant all other relief as necessary and appropriate to effectuate the proposed transaction described herein.

Respectfully submitted,



Mary Ann (Garr) Young Mo. Bar # 27951

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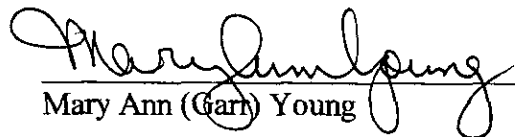
(573) 634-8224 (Fax)

Counsel for the IDT America, Corp.

Dated: February 9, 2000

Certificate of Service

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the Office of Public Counsel and the General Counsel's Office on this 9th day of February 2000.

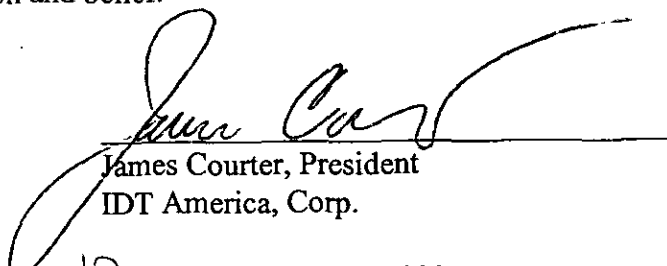


Mary Ann (Garr) Young

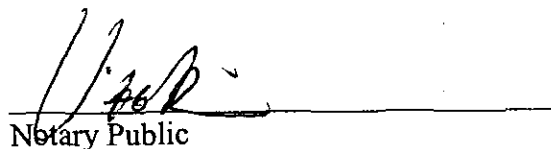


VERIFICATION

I, James Courter, declare under penalty of perjury, that I am the President of the Applicant in this proceeding; that I am authorized to make this verification on behalf of the Applicant ; that I have read the foregoing Application ; and that facts stated therein are true and correct to the best of my knowledge, information and belief.

  
James Courter, President  
IDT America, Corp.

Sworn to and subscribed before me this 12 day of October, 1999.

  
Notary Public

My Commission expires:

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**VITO BARBIERA  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES 3/23/2004**