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Chair

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## Missouri Public Service Commission

POST OFFICE BOX 360  
JEFFERSON CITY, MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.ecodev.state.mo.us/psc/>

February 14, 2000

GORDON L. PERSINGER  
Acting Executive Director  
Director, Research and Public Affairs

WESS A. HENDERSON  
Director, Utility Operations

ROBERT SCHALLENBERG  
Director, Utility Services

DONNA M. KOLILIS  
Director, Administration

DALE HARDY ROBERTS  
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE  
General Counsel

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

RE: TA-2000-32

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **STAFF RESPONSE TO COMMISSION'S ORDER DIRECTING FILING.**

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Marc Poston  
Senior Counsel  
(573) 751-8701  
(573) 751-9285 (Fax)

MP/jb  
Enclosure  
cc: Counsel of Record

FILED

FEB 14 2000

Missouri Public  
Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED

FEB 14 2000

In the Matter of the Application of )  
Computer Business Sciences, Inc., for )  
Certificates of Service Authority to )  
Provide Facilities-based Basic Local and )  
Interexchange Telecommunications )  
Services in the State of Missouri and to )  
Classify Said Services and the Company )  
as Competitive. )

Missouri Public  
Service Commission

Case No. TA-2000-32

STAFF RESPONSE TO COMMISSION'S ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), and for its response to the Commission's *Order Directing Filing* states as follows:

1. On January 26, 2000, Computer Business Sciences, Inc. ("CBS" or "Company"), Southwestern Bell Telephone Company ("SWBT") and the Staff filed a Stipulation and Agreement executed by all three parties with the Commission. The Agreement purports to place conditions upon the certificates of service authority requested by CBS. CBS requested, in its July 15, 1999 application, certificates of service authority to provide facilities-based basic local exchange and interexchange telecommunications services.

2. On February 3, 2000, the Commission issued its *Order Directing Filing* in which it ordered the Staff to file a response to several questions and concerns the Commission expressed regarding the authority and the waivers requested by CBS. The answers to the Commission's questions are as follows:

- a. **The Commission requires an explanation from the parties as to the precise provisions to be waived in a case, like the present, in which a competitive carrier provides both basic local and interexchange services. Should the two standard lists simply be compiled into one? Or should the waivers be limited to those normally granted to a basic local provider? What is the rationale, if any, that underlies the differences between the two standard lists?**

The Staff has no objections to a waiver of the provisions that have been waived by this Commission in past cases. The two lists of waivers in this case each contain those that are normally granted by the Commission for competitive basic local telecommunications services and for interexchange services. These waivers are separate since each applies to the offering of a separate service – basic local service has one list of waivers applicable to that service and interexchange service has a separate list of waivers applicable to that service. The waivers should also remain separated because at some time in the future, the applicant might elect to cancel one or the other, but not both certificates.

- b. **It is also unclear from the present filings in this case whether CBS desires authority to provide local exchange services, such as dedicated private lines, in addition to basic local and interexchange authority. Is separate authority even necessary for a basic local provider?**

Section 392.430 RSMo authorizes the Commission to grant two types of certificates for telecommunications service authority--local exchange and interexchange--upon a finding that the grant is in the public interest.

The statutes define two types of local telecommunications service. “Basic local telecommunications service” is a two-way switched voice service within a local calling scope and having certain specified characteristics. Section 386.020 (4). “Local exchange telecommunications service” is telecommunications service between points within an exchange. Section 386.020 (31).

There are no specific statutory requirements for the grant of a certificate of local exchange service authority to provide "local exchange telecommunications service" beyond a finding that the grant is in the public interest. However, Section 392.450 RSMo imposes specific requirements on an application for a certificate of local exchange service authority to provide "basic local telecommunications service" beyond a finding that the grant is in the public interest.

Reading these statutes, Section 392.430 and 392.450, together suggests that a plain vanilla certificate of local exchange authority (which would authorize the provision "local exchange telecommunications service") is the foundation for and therefore included within a certificate of local exchange authority to provide "basic local telecommunications service." This situation may be analogous to a situation where an interexchange carrier desiring to provide pay telephone service does not need to apply for a pay phone certificate.

The two certificates requested by CBS are 1) basic local telecommunications services, and 2) interexchange telecommunications service. While CBS did not state in its application that it seeks to provide dedicated or non-switched local exchange services, the Company advised the Staff it intends to provide such service in addition to basic local exchange service and interexchange service.

For these reasons, the Staff is in favor of allowing CBS to provide dedicated or non-switched point to point local exchange service with the authority granted by its certificate for authority to provide basic local telecommunications service. The Staff is not aware of any party that would be prejudiced by this authority.

- c. **The Stipulation and Agreement of the parties, as well as Staff's Suggestions, all state that CBS did not file a tariff with its application. In fact, CBS did file a tariff with its application. The parties shall explain this discrepancy to the Commission.**

The Commission is correct in that CBS did file a tariff with its application. The references in the Stipulation and Agreement and in Staff's Suggestions that CBS did not file a tariff are incorrect. The Staff apologizes for the confusion.

WHEREFORE, the Staff, having responded to the Commission's questions, hopes the foregoing answers adequately address the Commission's concerns and respectfully request that the Commission grant CBS the requested authority.

Respectfully submitted,

DANA K. JOYCE  
General Counsel

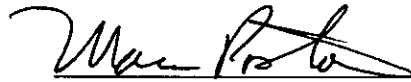


Marc Poston  
Senior Counsel  
Missouri Bar No. 45722

Attorney for the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 751-8701 (Telephone)  
(573) 751-9285 (Fax)

### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 14th day of February 2000.



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**Service List for**  
**Case No. TA-2000-32**  
**February 14, 2000**

Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, MO 65102

Sherry L. Doctorian  
Armstrong, Teasdale, Schafly  
& Davis  
3405 West Truman Boulevard  
Jefferson City, MO 65109

Paul G. Lane/Katherine C. Swaller/  
Leo J. Bub/Anthony Conroy  
Southwestern Bell Telephone Company  
One Bell Center, Room 3520  
St. Louis, MO 63101