BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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In the Matter of the Application of International Exchange Communications, Inc., d/b/a IE Com for a Certificate of Service Authority to provide Interexchange Telecommunications Services and for Competitive Classification in the State of Missouri.

<u>Case No. TA-2000-196</u> Tariff No. 200000172

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE _____AUTHORITY AND APPROVING TARIFF

On August 30, 1999, International Exchange Communications, Inc., doing business as IE Com (IE or Applicant), filed its application for a certificate of service authority to provide resold intrastate interexchange telecommunications services to the public in the state of Missouri. IE asked the Commission to classify it as a competitive company and to waive certain statutes and rules as authorized by Sections 392.361 and 392.420, RSMO. Applicant is a Delaware corporation, with its principal office located at 500 Airport Boulevard, Suite 340, Burlingame, California 94010.

The Commission issued a Notice of Applications and Opportunity to Intervene on September 7, 1999, directing parties wishing to intervene to file their requests by September 22, 1999. No requests to intervene were received. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. <u>State ex rel. Rex Deffenderfer Enterprises, Inc. v.</u> <u>Public Service Commission</u>, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has asked permission to intervene or requested a hearing, the Commission may grant the relief requested based on the verified application.

IE filed a proposed tariff in conjunction with its application, Tariff No. 200000172, effective October 14, 1999. On September 28, 1999, IE filed substitute proposed tariff sheets. On September 30, 1999, IE again filed a substitute proposed tariff sheet. On October 6, 1999, IE extended the effective date of its proposed tariff to October 21, 1999. On October 7, 1999, IE extended the effective date of its proposed tariff to October 31, 1999. On October 19, 1999, IE extended the effective date of its proposed tariff to November 17, 1999. On November 2, 1999, IE extended the effective date of its proposed tariff to December 2, 1999, IE on November 18, 1999, IE extended the effective date of its proposed tariff to December 20, 1999. On December 3, 1999, IE extended the effective date of its proposed tariff to December 27, 1999. On December 9, 1999, IE filed further substitute proposed tariff sheets.

IE's tariff describes the rates, rules, and regulations it intends to use, identifies IE as a competitive company, and lists the waivers requested. IE intends to provide interexchange telecommunications services including 1+ long distance services, 800/888/877, Directory Assistance, Debit Card, and Travel Card services.

In its Memorandum filed on December 15, 1999, the Staff of the Commission stated that Applicant's proposed services are similar to existing IXC offerings. Staff recommended that the Commission grant Applicant a certificate of service authority, competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended

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that the Commission approve the proposed tariff as amended to become effective on December 27, 1999.

Staff also notes that IE may offer services requiring a minimum use guarantee (MUG), in which a subscriber agrees to pay a minimum amount per billing period, even if actual usage falls below that amount. Should a subscriber terminate the contract prior to expiration, the subscriber would be required to pay IE the MUG amount for each remaining contract month. Likewise, even in contracts not containing a MUG, IE requires that a subscriber terminating prior to expiration pay the amount of their monthly average usage for each month remaining on the contract. However, IE uses monthly contract periods, so that a subscriber can only be liable for a single month's charge upon terminating prior to expiration.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and IE should be granted a certificate of service authority. The Commission finds that the services IE proposes to offer are competitive and IE should be classified as a competitive company. The Commission finds that waiving the statutes and Commission rules set out in the ordered paragraph below is reasonable and not detrimental to the public interest.

The Commission finds that IE's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange carriers. The Commission finds that the proposed tariff sheets filed on August 30, 1999, shall be approved as amended on September 28, 1999, September 30, 1999, and December 9, 1999, to become effective on December 27, 1999.

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Finally, the Commission finds that the pre-expiration termination penalty provisions outlined above are acceptable in a competitive environment.

IT IS THEREFORE ORDERED:

1. That International Exchange Communications, Inc., doing business as IE Com, is granted a certificate of service authority to provide intrastate interexchange telecommunications services in the state of Missouri, subject to all applicable statutes and Commission rules except as specified in this order.

2. That International Exchange Communications, Inc., doing business as IE Com, is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

Statutes

392.240(1	L) -	ratemaking
392.270	-	valuation of property (ratemaking)
392.280	-	depreciation accounts
392.290	-	issuance of securities
392.310	-	stock and debt issuance
392.320	-	stock dividend payment
392.340	-	reorganization(s)
392.330,	RSMO	Supp. 1998 - issuance of securities,
		debts and notes

Commission Rules

4	CSR	240-10.020	-	depreciation fund income
4	CSR	240-30.010(2)(C)	-	rate schedules
4	CSR	240-30.040	-	Uniform System of Accounts
4	CSR	240-32.030(1)(B)	-	exchange boundary maps
4	CSR	240-32.030(1)(C)	-	record-keeping
4	CSR	240-32.030(2)	-	in-state record-keeping
4	CSR	240-32.050(3)	-	local office record-keeping
4	CSR	240-32.050(4)	-	telephone directories
4	CSR	240-32.050(5)	-	call intercept
4	CSR	240-32.050(6)		telephone number changes

4	CSR	240-32.070(4)	-	public coin telephone
4	CSR	240-33.030	-	minimum charges rule
4	CSR	240-33.040(5)	-	financing fees

3. That the proposed tariff sheets filed on August 30, 1999, by International Exchange Communications, Inc., doing business as IE Com, shall be approved as amended on September 28, 1999, September 30, 1999, and December 9, 1999, to become effective on December 27, 1999. The tariff approved is:

P.S.C. Mo. Tariff No. 1 Original Title Page Original Sheets 1-31

4. That this order shall become effective on December 27, 1999.

5. That this case shall be closed on December 28, 1999.

BY THE COMMISSION

Hok Hnedy Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

(SEAL)

Kevin A. Thompson, Deputy Chief Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1), (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 21st day of December, 1999.

STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this <u>21st</u> day of December 1999.

Dale Hardy Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY December 21, 1999

CASE NO: TA-2000-196

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

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Dale Hardý Roberts Secretary/Chief Regulatory Law Judge

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COMMISSION COUNSEL PUBLIC SERVICE COMMISSION