BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of the Application of Capsule Communications, Inc.) Case No. TA-2000-536 for a Certificate of Telecommunications Services in the State of Missouri and for Competitive Classification

) Tariff No. 200000797

ORDER REQUESTING RESPONSE

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On March 3, 2000, Capsule Communications, Inc., (Capsule) filed with the Missouri Public Service Commission (Commission) an application for a certificate of service authority to provide resold interexechange telecommunications services in the state of Missouri. Together with the application, Capsule filed a proposed tariff which it said was essentially identical to the tariff currently approved and on file with the Commission for US WATS, Capsule's parent company.

Capsule requested expedited service for the tariff with an effective date of March 31, 2000, and also expedited treatment for the grant of a The reasons given for the expedited treatment were certificate. " important internal business considerations." Among those business considerations were that Capsule and US WATS submitted a letter to the Commission on February 2, 2000, notifying it of a transaction whereby US WATS would engage in a pro forma reorganization by merging with and into wholly owned subsidiary, Capsule. its Capsule stated that the reorganization will only result in a change in corporate name and state of incorporation of the company. Capsule stated that Commission approval was not required for the reorganization, based on Section 392.420, RSMo, and the waiver of Section 392.340, RSMo, granted thereunder. Capsule stated that the Commission waives the applicability of Section 392.340, RSMo, to competitive interexchange companies pursuant to its authority under Section 392.420, and that US WATS was granted competitive interexchange company status on September 28, 1993, in case number TA-94-11. Capsule stated that it was of the understanding that the Commission would not transfer US WATS' certificate of authority and that Capsule must file an application for a certificate of service authority.

Commission Rule 4 CSR 240-2.065(2) states, in part:

When a public utility regulated by the Public Service Commission submits a tariff for commission approval but requests the tariff [to] become effective in less than thirty (30) days . . [such] request for less than thirty (30)-day approval must state good cause for such treatment.

The Commission finds that Capsule's request for less than thirty (30)-day approval of its tariff and for expedited approval of its certificate has stated good cause for such treatment.

The Commission will order the Staff of the Commission (Staff) to respond to this order within five (5) days, stating in a pleading whether or not it will be able to handle this case in an expedited manner and, if so, giving suggested dates for the filing of a Staff report or recommendation.

IT IS THEREFORE ORDERED:

1. That the Staff of the Missouri Public Service Commission shall file its pleading stating whether or not it will be able to handle this case in an expedited manner and, if so, giving suggested dates for the

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filing of a Staff report or recommendation no later than 3:00 p.m. on March 14, 2000.

2. That this order shall become effective on March 20, 2000.

BY THE COMMISSION

Ask Hredy Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

(SEAL)

Bill Hopkins, Senior 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 9th day of March, 2000.

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