

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 24th
day of August, 1994.

In the matter of the application of)
Mo-Tel, Inc. for a certificate of)
authority to provide competitive)
intrastate telecommunications service)
within the State of Missouri.)

CASE NO. TA-94-354

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND
ORDER APPROVING TARIFF

On May 24, 1994, Mo-Tel, Inc. (Applicant) applied to the Public Service Commission (Commission) for a certificate of service authority to provide intrastate interexchange telecommunications services within the state of Missouri and for classification as a competitive telecommunications company pursuant to Sections 392.361 and 392.440, RSMo Supp. 1993. Applicant also requested waiver of certain statutes and Commission rules as authorized by Section 392.420, RSMo Supp. 1993. In addition to the waivers commonly granted to interexchange telecommunications companies, Applicant requested waiver of rescinded section 4 CSR 240-2.060(5)(B) - (O), and section 4 CSR 240-33.040(5)(financing fee). The Commission issued its Notice and Schedule of Applicants on June 3, 1994, directing parties wishing to intervene in the case to do so by June 20, 1994. There were no motions filed for permission to intervene or for hearing. On June 22, 1994, Mo-Tel, Inc. was also directed to file a proposed tariff, carrying a thirty-day effective date, reflecting the rates, rules, and regulations under which it proposes to offer services in Missouri.

Mo-Tel, Inc. filed its proposed tariff on July 6, 1994, with an effective date of August 5, 1994. In addition to the rates, rules, and regulations it intends to use for providing services, the tariff also identifies Applicant as a competitive telecommunications provider, and indicates the

statutory and regulatory requirements expected to be waived by the Commission. Mo-Tel, Inc. is proposing to provide "1+" and 800 number telecommunications services. The company requested an extension of the effective date to August 15, 1994, by letter on July 27, 1994. On August 8, 1994, Mo-Tel filed substitute sheets to amend the tariff previously filed, and requested that the effective date be further extended to August 29, 1994.

On August 23, 1994, the Staff of the Commission (Staff) filed its Memorandum recommending approval of Company's application and proposed tariff. Staff stated that Applicant's proposed services are the same or equivalent to the services which were classified as competitive in Case No. TO-88-142, In re the investigation for the purpose of determining the classification of the services provided by interexchange telecommunications companies within the State of Missouri, 30 Mo. P.S.C. (N.S.) 16 (September 1989) and recommended that the Commission grant Applicant competitive status on that basis. Staff also recommended that Mo-Tel, Inc. be granted waiver of certain statutes and Commission rules which have been previously waived for other competitive telecommunications companies. Staff did not recommend waiver of 4 CSR 240-33.040(5) - (Financing Fee).

Staff stated that it had reviewed the proposed tariff and concluded that it clearly and comprehensively describes the terms and conditions of the services to be offered, and that those services are within the scope of the certificate of authority requested. Staff concluded that the proposed tariff, as amended, is consistent with service offerings currently available from other interexchange carriers and approved by the Commission and is in compliance with Commission rules and regulations. Staff recommended that the tariff be approved for services on and after August 29, 1994.

The requirements of due process have been satisfied when interested persons have been given notice and an opportunity to be heard. Notice, in this

case, was sent by the Commission on June 3, 1994, and interested parties were directed to intervene on or before June 20, 1994. Since no one has filed an application to intervene or request for hearing, the Commission determines that a hearing is not necessary and the Applicant may submit evidence in support of its application by verified statement. *State ex re. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

After reviewing Applicant's verified statement and Staff's recommendation, the Commission finds that Applicant is a Nevada corporation authorized to do business in the state of Missouri with its principal office or place of business at 4299 MacArthur Blvd., Suite 105, Newport Beach, California 92660. The Commission finds that Applicant has filed current financial information and a brief description of the type of service it proposes to provide, and has agreed to comply with all applicable rules and regulations of the Commission, and with any terms and conditions which the Commission may lawfully impose.

The Commission finds that additional competition in the intrastate interexchange market is in the public interest and a certificate of service authority should be granted to Applicant. The Commission also finds that the services Applicant proposes to offer are competitive, and that waiving the statutes and Commission rules set out below is reasonable and not detrimental to the public interest. Therefore, the Commission concludes that Applicant should be classified as a competitive company pursuant to Section 392.361, RSMo Supp. 1993.

The Commission determines that, pursuant to Section 392.470, RSMo Supp. 1993, certain regulatory requirements should be imposed upon Applicant as a reseller of telecommunications services in Missouri. Applicant should be

subject to the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) Applicant is required to comply with reasonable requests by Staff for financial and operating data to allow Staff to monitor the intraLATA toll market pursuant to Section 386.320.3 RSMo (1986).
- (2) Applicant is required to file tariffs containing rules and regulations applicable to customers, a description of the services provided, and a list of rates associated with those services pursuant to Section 392.220 RSMo Supp. 1993, and 4 CSR 240-30.010.
- (3) Applicant's tariff filing must contain a preliminary section which states that Company is a competitive carrier and identifies the statutory and rule waivers granted it by the Commission.
- (4) Applicant is precluded from unjustly discriminating between and among its customers pursuant to Sections 392.200 and 392.400, RSMo Supp. 1993.
- (5) Applicant is required by Sections 386.570 RSMo (1986), and 392.360, RSMo Supp. 1993, to comply with all applicable rules of the Commission except those which have been specifically waived by this order.
- (6) Applicant is required to file a Missouri-specific annual report pursuant to Sections 392.210 and 392.390.1, RSMo Supp. 1993.
- (7) Applicant is required to comply with jurisdictional reporting requirements as set out in each local exchange company's

access services tariffs pursuant to Section 392.390.3, RSMo Supp. 1993.

- (8) A copy of the jurisdictional report submitted to local exchange companies shall be submitted to the staff on a confidential basis within ten (10) days of the date on which it is submitted to the local exchange company.

The Commission finds that Mo-Tel, Inc.'s proposed tariff details the services, equipment, and pricing it proposes to offer, and that the proposed tariff is similar to those which have been approved for other Missouri certificated interexchange carriers providing similar services. The Commission further finds that the proposed tariff filed on July 6, 1994, and amended on August 8, 1994, should be approved for service on and after August 29, 1994.

IT IS THEREFORE ORDERED:

1. That Mo-Tel, Inc. be granted a certificate of service authority to provide intrastate interexchange telecommunication services in the state of Missouri, subject to the conditions of certification set out above.

2. That Mo-Tel, Inc. be classified as a competitive telecommunications company for which the following statutes and regulatory rules shall be waived:

Statutes

- 392.240(1) - 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
- 392.330 - issuance of securities, debts and notes
- 392.340 - reorganization(s)

Commission Rules

- | | |
|------------------------|-------------------------------|
| 4 CSR 240-10.020 | - depreciation fund income |
| 4 CSR 240-30.010(2)(C) | - rate schedules |
| 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 |

3. That Mo-Tel, Inc. shall file its PIU reports as set out above.

4. That the tariff filed by Mo-Tel, Inc. on July 6, 1994, and amended on August 8, 1994, be approved for service on and after August 29, 1994.

The tariff approved is:

P.S.C. MO. No. 1.

5. That this order shall become effective on the 29th day of August, 1994.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Kinchloe,
and Crumpton, CC., Concur.
Perkins, C., Absent.