

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 26th
day of July, 1996.

In the Matter of the Application)
of Econophone, Inc. for a Certificate)
of Service Authority to Provide) CASE NO. TA-96-432
Interexchange Telecommunications)
Services.)

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND
ORDER APPROVING TARIFF

Econophone, Inc. (Econophone) applied to the Public Service Commission on June 12, 1996, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under § 392.440 RSMo 1994¹. Econophone asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by §§ 392.361 and 392.420. Applicant is a New York corporation, with its principal office located at 1450 37th Street, Brooklyn, New York 11218.

The Commission issued a Notice of Applications and Opportunity to Intervene on June 25, 1996, directing parties wishing to intervene in the case to do so by July 10, 1996. Since no one requested a hearing or permission to intervene, the Commission determines that no hearing is necessary. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo.App. 1989).

¹All statutory references are to Revised Statutes of Missouri 1994.

Econophone filed a proposed tariff at the time of its application, on June 12, 1996, and filed substitute sheets on July 12, 1996. The tariff's effective date is July 28, 1996. Econophone's tariff describes the rates, rules, and regulations it intends to use, identifies Econophone as a competitive company, and lists the waivers requested. Econophone intends to provide interexchange telecommunications services including 1+, 800, and debit card services.

In its Memorandum filed July 17, 1996, the Staff of the Commission stated that Applicant's proposed services are the same or equivalent to those 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). 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 that the Commission approve the tariff as amended, effective July 28, 1996.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and Applicant should be granted a certificate of service authority. The Commission finds that the services Applicant proposes to offer are competitive and Applicant should be classified as a competitive company. The Commission is of the opinion that waiving the statutes and Commission

rules set out in Ordered Paragraph 2 is reasonable and not detrimental to the public interest.

The Commission determines, by authority of § 392.470, that Applicant should comply with the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) Applicant must comply with reasonable requests by Staff for financial and operating data to allow Staff to monitor the intraLATA toll market. § 386.320.3.
- (2) Applicant must file tariffs containing rules and regulations applicable to customers, a description of the services provided, and a list of rates associated with those services in accordance with 4 CSR 240-30.010 and § 392.220.
- (3) Applicant may not unjustly discriminate between its customers. §§ 392.200, 392.400.
- (4) Applicant must comply with all applicable rules of the Commission except those specifically waived by this order. §§ 386.570, 392.360.
- (5) Applicant must file a Missouri-specific annual report. §§ 392.210, 392.390.1.
- (6) Applicant must comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs. § 392.390.3.
- (7) Applicant must submit to the staff, on a confidential basis, a copy of the jurisdictional report it submits to local

exchange companies. The report must be submitted within ten (10) days of the date on which it is submitted to the local exchange company.

The Commission finds that Econophone'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 filed on June 12, 1996, and amended on July 12, 1996, should be approved, effective July 28, 1996.

IT IS THEREFORE ORDERED:

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

2. That Econophone, Inc. be classified as a competitive telecommunications company. 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

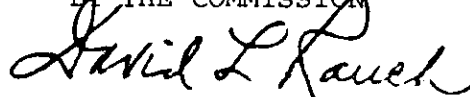
4 CSR 240-10.020	- depreciation fund income
4 CSR 240-30.010(2)(C)	- rate schedules
4 CSR 240-30.040(1)	- Uniform System of Accounts
4 CSR 240-30.040(2)	- Uniform System of Accounts
4 CSR 240-30.040(3)	- Uniform System of Accounts
4 CSR 240-30.040(5)	- Uniform System of Accounts
4 CSR 240-30.040(6)	- 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 tariff filed by Econophone, Inc. on June 12, 1996, be approved as amended, effective July 28, 1996. The tariff approved is:

P.S.C. Mo. No. 1

4. That this order shall become effective on July 28, 1996.

BY THE COMMISSION



(SEAL)

David Rauch
Executive Secretary

Zobrist, Chm., McClure,
Kincheloe, Crumpton and Drainer,
CC., Concur.

ALJ: Bensavage