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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 1st
day of July, 1994.

In the matter of the application of Quest)
Telecommunications, Inc. for a certificate)
of service authority to provide interexchange) CASE No. TA-94-283
telecommunications services within the State)
of Missouri.)

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY

On March 15, 1994, Quest Telecommunications, Inc., d/b/a QTI, Inc. (Applicant) applied to the Missouri Public Service Commission (Commission) for a certificate of service authority to provide intrastate interexchange telecommunication service 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. Applicant requested waiver of certain Commission rules which are not routinely waived. Waiver of those provisions will be discussed individually. The Commission issued its Order and Notice on March 25, 1994, ordering parties wishing to intervene in the case to do so by April 25, 1994. There were no motions filed for permission to intervene or for hearing.

On June 23, 1994, the Staff of the Commission (Staff) filed its memorandum recommending approval of Company's application and approving most of the waivers requested by Applicant. 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). Staff recommended that the Commission grant Applicant

competitive status. The Staff, in its recommendation, discussed the additional waivers Applicant had requested, specifically, 4 CSR 240-30.040, 4 CSR 240-33.040, and 4 CSR 240-33.070. Staff had no objection to the waiver of 4 CSR 240-30.040(1)-(3) and 4 CSR 240-30.040(5)-(6). Staff recommended that the Commission refuse to waive 4 CSR 240.30.040(4) which requires the filing of annual reports with the Commission. Staff stated that the filing of annual reports is necessary for monitoring company operations.

Staff had no objection to the waiver of 4 CSR 240.33.040(5) regarding finance fees and states that this provision has been waived for other interexchange companies. Staff opposed the waiver of any other section of 4 CSR 240-33.040 or 4 CSR 240-33.070, stating that, although these provisions may not apply to the debit card service Applicant is proposing to provide, those provisions could affect services Applicant might offer in the future.

The Commission finds that Applicant is a Delaware corporation authorized to do business in the state of Missouri, with its principal office or place of business at 242 Falcon Drive, Forest Park, Georgia 30050. 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 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 March 25, 1994, and interested parties were directed to intervene on or before April 25, 1994. Since no proper party or governmental entity has filed an application to intervene, and there have been no requests for hearing, the Commission determines that a hearing is not necessary and that the Applicant may submit evidence in support of its

application by verified statement. State ex rel. 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 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 recommended by the Commission Staff and 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 rules 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 Section 386.570, RSMo (1986), and Section 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 also finds that Applicant should file appropriate tariffs within thirty (30) days of the effective date of this order. The certificate of service authority to be granted by this order will become effective only upon the Commission's approval of these tariffs.

IT IS THEREFORE ORDERED:

1. That Quest Telecommunications, Inc., d/b/a QTI, Inc. be granted a certificate of service authority to provide intrastate interexchange telecommunication services in the state of Missouri. This certificate of service

authority is subject to the conditions of certification set out above and shall not become effective until the Commission approves Quest Telecommunications, Inc., d/b/a QTI, Inc.'s tariffs.

2. That Quest Telecommunications, Inc., d/b/a QTI, 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	- Income on depreciation fund investment.
4 CSR 240-30.010(2)(C)	- Posting exchange rates at central offices.
4 CSR 240-30.040(1-3), (5-6)	- Uniform System of Accounts.
4 CSR 240-32.030(1)(B)	- Exchange boundary maps.
4 CSR 240-32.030(1)(C)	- Record of access lines.
4 CSR 240-32.030(2)	- Records kept within state.
4 CSR 240-32.050(3-6)	- Telephone directories.
4 CSR 240-32.070(4)	- Coin telephones.
4 CSR 240-33.030	- Inform customers of lowest priced service.
4 CSR 240-33.040(5)	- Finance fee.

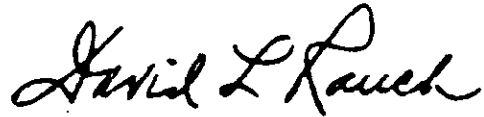
3. That the request by Quest Telecommunications, Inc., d/b/a QTI, Inc. for waiver of Commission rules 4 CSR 240-30.040(4), 4 CSR 240-33.040(1)-(4), 4 CSR 240-33.040(6)-(8), and 4 CSR 240-33.070 be denied.

4. That Quest Telecommunications, Inc., d/b/a QTI, Inc. shall file tariffs within thirty (30) days of the effective date of this order and that the tariffs shall identify Company as a competitive company and identify each statute or regulation waived by this order.

5. That Quest Telecommunications, Inc., d/b/a QTI, Inc. shall file its PIU reports as set out above.

6. That this order shall become effective on the 13th day of July, 1994.

BY THE COMMISSION

A handwritten signature in cursive script, reading "David L. Rauch".

David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins
and Crumpton, CC., concur.
Kincheloe, C., absent.