

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of the application of Henry L. Giese)
d/b/a Knobview Telephone Company for a certificate)
of public convenience and necessity to resell long)
distance telephone communications service throughout)
the State of Missouri.)

CASE NO. TA-91-243

APPEARANCES: Harry L. Giese, Box 1055, St. James, Missouri 65559
for Knobview Telephone Company.

HEARING

EXAMINER: C. Gene Fee

REPORT AND ORDER

On January 4, 1991, Harry L. Giese, d/b/a Knobview Telephone Company (Applicant) filed its verified application for a certificate of service authority authorizing it to provide intrastate interexchange telecommunications services.

The Commission issued its Order and Notice on May 10, 1991, directing its Executive Secretary to send notice of this application. An application to intervene was filed by Southwestern Bell Telephone Company under the belief that the Applicant's method of service would be similar to a method of service previously prohibited by the Commission. As a result of the Applicant's response that it would subscribe to the appropriate access services from the appropriate local exchange company, Southwestern Bell Telephone Company withdrew its Motion For Hearing. No other applications to intervene or motions to schedule a hearing were filed. After numerous discussions with the Applicant as well as suggested modifications, the Public Service Commission Staff filed its Memorandum recommending approval of the application on December 9, 1991.

Findings of Fact

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact.

Pursuant to Section 392.440, RSMo Cum. Supp. 1990, Applicant requests authority to provide intrastate interexchange telecommunications services in the State of Missouri.

The requirement of a hearing has been fulfilled when all those having a desire to be heard are offered such an opportunity. In this case, notice was sent by the Executive Secretary of the Commission to any persons or entities known to the Telecommunications Department of the Public Service Commission to be rendering identical or similar services within the service area proposed by this application, as well as to each telephone company rendering local exchange service in Missouri. Interested persons or entities were directed to intervene on or before June 10, 1991. No proper party or governmental entity seeks to intervene and neither the Staff nor the Office of Public Counsel requested a hearing, the Commission determines that an oral hearing is not necessary and 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).

The Commission finds that Applicant is an individual authorized to do business in the state of Missouri, with its principal office or place of business located at St. James, Missouri. The Commission further 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 any terms and conditions which the Commission may impose. By memorandum filed herein Staff recommends that the Commission grant Applicant a certificate of service authority. Certain perceived irregularities in the Applicant's proposed method of service have been resolved to the satisfaction of the Commission Staff and the local exchange carrier serving the Applicant's service area.

Based upon the verified statements of Applicant and the recommendations of Staff, the Commission finds that Applicant is qualified to perform the service proposed. Pursuant to Sections 392.440 and 392.530, RSMo Cum. Supp. 1990, the Commission will assume that additional competition in the intraLATA and interLATA toll markets is in the public interest. The Commission does not deem it necessary to determine a public need for each reseller's services as the market would eliminate any reseller for which there is no public need. Consequently, pursuant to Section 392.440, RSMo Cum. Supp. 1990, the Commission finds that it is in the public interest to grant Applicant a certificate of service authority to provide intrastate interexchange telecommunications services.

Applicant proposes to provide the following service(s): interexchange service to residential and business customers in Crawford and Phelps Counties limited to intraLATA service between the three exchanges of Cuba, St. James and Steelville, basic 1+ message toll service with all operator assisted traffic being defaulted to the local exchange carrier.

Pursuant to Section 392.470, RSMo Cum. Supp. 1990, the Commission determines that certain regulatory requirements should be imposed upon resellers authorized to provide telecommunications services in Missouri. Since the Applicant proposes to operate as a reseller of telecommunications services in this state, the Commission finds that the following regulatory requirements should be imposed upon Applicant as reasonable and necessary conditions of certification:

- (1) Applicant is required to comply with reasonable requests by the Staff for financial and operating data to allow the Staff to monitor the intraLATA toll market pursuant to Section 386.320.3, RSMo Cum. Supp. 1990;
- (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 the services pursuant to Section 392.220, RSMo Cum. Supp. 1990, and 4 CSR 240-30.010;

- (3) Applicant is precluded from unjustly discriminating between and among its customers pursuant to Section 392.200, RSMo Cum. Supp. 1990, and Section 392.400, RSMo Cum. Supp. 1990;
- (4) Applicant is required by Sections 386.570, RSMo 1986, and 392.360, RSMo Cum. Supp. 1990 to comply with all applicable rules of the Commission except those which are specifically waived by the Commission pursuant to Section 392.420, RSMo Cum. Supp. 1990;
- (5) Applicant is required to file a Missouri-specific annual report pursuant to Section 392.210, RSMo Cum. Supp. 1990, and Section 392.390.1, RSMo Cum. Supp. 1990;
- (6) Applicant is required, until the Commission orders otherwise, to submit to the Staff on a confidential basis, quarterly reports showing its percentage of interstate use and intrastate interLATA and intraLATA use pursuant to Section 392.390.3, RSMo Cum. Supp. 1990;
- (7) Pursuant to Section 392.390.3, RSMo Cum. Supp. 1990, Applicant is required to comply with the jurisdictional reporting requirements as set out in each local exchange company's access services tariff.

Finally, the Commission finds that Applicant should file appropriate tariffs within thirty (30) days of the effective date of this Report and Order. The certificate to be granted herein will become effective only upon approval by the Commission of these tariffs.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

Applicant proposes to provide service to the public as an intrastate interexchange telecommunications company subject to the Commission's jurisdiction pursuant to Chapters 386 and 392, RSMo Cum. Supp. 1990.

Based upon the verified application of Applicant and the recommendation of its Staff, the Commission has found that Applicant has complied with the Commission's standards pertaining to applications requesting authority to provide intrastate interexchange telecommunications services and is qualified to perform said services. The Commission concludes that additional competition in the intrastate interexchange market is in the public interest and a certificate of service authority should be granted.

IT IS THEREFORE ORDERED:

1. That Henry L. Giese d/b/a Knobview Telephone Company be granted hereby a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri. This certificate of service authority is subject to the conditions of certification set out herein and shall not become effective until the Commission approves Applicant's tariffs.
2. That Henry L. Giese d/b/a Knobview Telephone Company shall file tariffs within thirty (30) days of the effective date of this Report and Order.
3. That nothing contained herein shall be construed as a finding by the Commission of the value for ratemaking purposes of the properties herein involved, nor as an acquiescence in the values placed upon said properties by the Applicant.
4. That Henry L. Giese d/b/a Knobview Telephone Company shall file with the Commission's Staff on a quarterly basis reports showing its percentage of interstate use and intrastate interLATA and intraLATA use. The first such report shall be filed in the next quarterly period following the effective date of this Report and Order and quarterly thereafter on a confidential basis, unless otherwise ordered by the Commission.

5. That this Report and Order shall become effective on the 31st day of December, 1991.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

Mueller, Rauch, McClure and
Perkins, CC., Concur.
Steinmeier, Chm., Absent.

Dated at Jefferson City, Missouri,
on this 18th day of December, 1991.