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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 6th  
day of October, 1998.

In the Matter of the Application of Suretel, )  
Inc. for a Certificate of Service Authority )  
to Provide Basic Local Telecommunications ) Case No. TA-98-568  
Service in Portions of the State of Missouri )  
and for Classification of Said Services as )  
Competitive. )

**ORDER GRANTING CERTIFICATE TO PROVIDE  
BASIC LOCAL TELECOMMUNICATIONS SERVICES**

**Procedural History**

Suretel, Inc. (Suretel) applied to the Commission on June 19, 1998, for a certificate of service authority to provide basic local exchange telecommunications services in Missouri under Sections 392.361, 392.420, and 392.430 RSMo 1994<sup>1</sup>, Sections 392.410 and 392.450, RSMo Supp. 1997, the Federal Telecommunications Act of 1996 and 4 CSR 240-2.060. Suretel asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by Sections 392.361 and 392.420. Suretel is an Oklahoma corporation with principal offices located at 5 North McCormick, Oklahoma City, Oklahoma 73127.

The Commission issued a notice and schedule of applicants on June 30, directing interested parties wishing to intervene to do so by

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<sup>1</sup> All statutory references are to Revised Statutes of Missouri 1994 unless otherwise indicated.

July 30. The Commission granted permission to intervene to Southwestern Bell Telephone Company (SWBT) on August 24.

The parties filed a Stipulation and Agreement (Agreement) which is included with this order as Attachment 1 on September 10. The Staff of the Commission (Staff) filed Suggestions in Support of the Agreement on September 29. In the Agreement, the parties waived their rights to present testimony, cross-examine witnesses, present oral argument or briefs, and to seek rehearing or judicial review. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has requested a hearing in this case, the Commission may grant the relief requested based on the verified application.

### **Discussion**

Suretel seeks certification to provide basic local exchange telecommunications services in portions of Missouri that are currently served by SWBT, GTE Midwest Incorporated (GTE) and Sprint Missouri, Inc. (Sprint). Suretel is not asking for certification in any area that is served by a small incumbent local exchange provider. Suretel proposes to operate in all of the exchanges described in Appendix B to its application. Suretel is requesting that its basic local services be classified as competitive and that the application of certain statutes and regulatory rules be waived.

#### **A. Requirements of 4 CSR 240-2.060(4)**

Commission rule 4 CSR 240-2.060(4) requires a foreign corporation applying for certification to provide telecommunications services to include in its application a certificate from the Secretary of State showing it is authorized to do business in Missouri, a description of the types of service it intends to provide, a description of the exchanges where it will offer service, and a proposed tariff with a 45-day effective date. Suretel has provided all the required documentation except for the proposed tariff. The company requested a temporary waiver of 4 CSR 240-2.060(4)(H) until it has entered into an interconnection agreement with the underlying local exchange carrier and that agreement has been approved by the Commission. The company agreed to submit to the Commission for approval a proposed tariff with a minimum 45-day effective date once it is party to the appropriate interconnection agreement. Suretel will file the tariff in this case and give notice of the tariff filing to all the parties. Along with that filing, Suretel has agreed to provide a written disclosure of all interconnection agreements it has entered into which affect its Missouri service areas.

Suretel is party to a resale agreement with SWBT which was approved by the Commission on August 13, 1998 in Case No. TO-98-548. To date, the agreement has not been submitted to Staff as directed by the Commission's order. However, since the agreement has been approved, there is no longer any obstacle to Suretel's filing basic local tariffs. The Commission will direct Suretel and SWBT to submit a copy of the finalized agreement and direct Suretel to file its tariff.

## **B. Basic Local Service Certification**

Section 392.455, RSMo Supp. 1997, sets out the requirements for granting certificates to provide basic local telecommunications service to new entrants. A new entrant must: (1) possess sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service; (2) demonstrate that the services it proposes to offer satisfy the minimum standards established by the Commission; (3) set forth the geographic area in which it proposes to offer service and demonstrate that such area follows exchange boundaries of the incumbent local exchange telecommunications company and is no smaller than an exchange; and (4) offer basic local telecommunications service as a separate and distinct service. In addition, the Commission must give due consideration to equitable access for all Missourians to affordable telecommunications services, regardless of where they live or their income.

Suretel submitted as Appendix D to its application certain financial documentation including its balance sheet showing assets and liabilities as of December 31, 1997 and 1996. Appendix C to the application lists the names and qualifications of Suretel's management team. In addition to academic credentials, the team members have experience in various areas of the telecommunications industry including network construction and maintenance, financial management, and regulatory matters. The parties agreed that Suretel possesses sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service.

Suretel has agreed to provide services that will meet the minimum basic local service standards required by the Commission, including

quality of service and billing standards. The parties agreed that Suretel proposes to offer basic local services that satisfy the minimum standards established by the Commission.

Suretel wishes to be certificated to offer services in all the exchanges presently served by SWBT, GTE and Sprint. Currently, Suretel will be providing service in the SWBT exchanges listed in Appendix B to the application. The parties agreed that Suretel has sufficiently identified the geographic area in which it proposes to offer basic local service and that the area follows ILEC exchange boundaries and is no smaller than an exchange.

Suretel has agreed to offer basic local telecommunications service as a separate and distinct service and to provide equitable access, as determined by the Commission, for all Missourians within the geographic area in which it will offer basic local services in compliance with Section 392.455(5), RSMo Supp. 1997.

### **C. Competitive Classification**

The Commission may classify a telecommunications provider as a competitive company if the Commission determines it is subject to sufficient competition to justify a lesser degree of regulation. § 392.361.2. In making that determination, the Commission may consider such factors as market share, financial resources and name recognition, among others. In the matter of 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 (1989); In the matter of Southwestern Bell Telephone Company's application for classification of certain services as transitionally competitive, 1 Mo. P.S.C. 3d 479, 484 (1992). In addition, all the

services a competitive company provides must be classified as competitive. § 392.361.3. The Commission has found that whether a service is competitive is a subject for case-by-case examination and that different criteria may be given greater weight depending upon the service being considered. *Id.* at 487.

The parties have agreed that Suretel should be classified as a competitive telecommunications company. The parties have also agreed that Suretel's switched exchange access services may be classified as a competitive service, conditioned upon certain limitations on Suretel's ability to charge for its access services. Suretel has agreed that, unless otherwise ordered by the Commission, its originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect at the date of certification for the large incumbent LECs within those service areas in which Suretel seeks to operate. The parties have agreed that the grant of service authority and competitive classification to Suretel should be expressly conditioned on the continued applicability of Section 392.200, RSMo Supp. 1997, and on the requirement that any increases in switched access services rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1997, and 392.230, rather than Sections 392.500 and 392.510.

The parties agreed that waiver of the following statutes is appropriate: Sections 392.210.2, 392.270, 392.280, 392.290.1, 392.300.2, 392.310, 392.320, 392.330, RSMo Supp. 1997, and 392.340. The parties also agreed that application of these Commission rules could be waived: 4 CSR 240-10.020, 4 CSR 240-30.040, and 4 CSR 240-35.

## **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:

- A. The Commission finds that competition in the basic local exchange telecommunications market is in the public interest.
- B. The Commission finds that Suretel has met the requirements of 4 CSR 240-2.060(4) for applicants for certificates of service authority to provide telecommunications services with the exception of the filing of a tariff with a 45-day effective date.
- C. The Commission finds that Suretel has demonstrated good cause to support a temporary waiver of the tariff filing requirement and the waiver shall be granted.
- D. The Commission finds that Suretel meets the statutory requirements for provision of basic local telecommunications services and has agreed to abide by those requirements in the future. The Commission determines that granting Suretel a certificate of service authority to provide basic local exchange telecommunications services is in the public interest. Suretel's certificate shall become effective when its tariff becomes effective.
- E. The Commission finds that Suretel is a competitive company and should be granted waiver of the statutes and rules set out in the ordered paragraph below.

F. The Commission finds that Suretel's certification and competitive status should be expressly conditioned upon the continued applicability of Section 392.200, RSMo Supp. 1997, and on the requirement that any increases in switched access services rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1997, and 392.230, rather than Sections 392.500 and 392.510.

### **Conclusions of Law**

The Missouri Public Service Commission has reached the following conclusions of law:

The Commission has the authority to grant certificates of service authority to provide telecommunications service within the state of Missouri. Suretel has requested certification under Sections 392.420 - .440, and Sections 392.410 and .450, RSMo Supp. 1997, which permit the Commission to grant a certificate of service authority where it is in the public interest. Sections 392.361 and .420 authorize the Commission to modify or suspend the application of its rules and certain statutory provisions for companies classified as competitive or transitionally competitive.

The federal Telecommunications Act of 1996 and Section 392.455, RSMo Supp. 1997, were designed to institute competition in the basic local exchange telecommunications market in order to benefit all telecommunications consumers. See Section 392.185, RSMo Supp. 1997.

The Commission has the legal authority to accept a Stipulation and Agreement as offered by the parties as a resolution of the issues raised in this case, pursuant to Section 536.060, RSMo Supp. 1997. Based



upon the Commission's review of the applicable law and Stipulation and Agreement of the parties, and upon its findings of fact, the Commission concludes that the Stipulation and Agreement should be approved.

**IT IS THEREFORE ORDERED:**

1. That the Stipulation and Agreement of the parties, filed on September 10, 1998, is approved.

2. That Suretel Inc. is granted a certificate of service authority to provide basic local exchange telecommunications services in the state of Missouri, subject to the conditions of certification set out above and to all applicable statutes and Commission rules except as specified in this order. The certificate of service authority shall become effective when the company's tariff becomes effective.

3. That Suretel Inc. is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

**Statutes**

392.210.2 - uniform system of accounts  
392.270 - valuation of property (ratemaking)  
392.280 - depreciation accounts  
392.290.1 - issuance of securities  
392.300.2 - acquisition of stock  
392.310 - stock and debt issuance  
392.320 - stock dividend payment  
392.340 - reorganization(s)  
392.330, RSMo Supp. 1997 - issuance of securities,  
debts and notes

**Commission Rules**

4 CSR 240-10.020 - depreciation fund income  
4 CSR 240-30.040 - uniform system of accounts  
4 CSR 240-35 - reporting of bypass and  
customer-specific arrangements

4. That the request for waiver of the filing of 4 CSR 240-2.060(4)(H) which requires the filing of a 45-day tariff is granted.

5. That Suretel shall file a copy of the agreement approved in Case No. TO-98-548 with the Staff of the Missouri Public Service Commission, with the pages numbered seriatim in the lower right-hand corner no later than October 16, 1998. The parties shall also file a notice in the official case file advising the Commission that the agreement has been submitted to Staff as required.

6. That Suretel Inc. shall file tariff sheets with a minimum 45-day effective date reflecting the rates, rules, regulations and the services it will offer within 30 days after the effective date of this order. The tariff shall be filed in Case No. TA-98-568 and shall include a listing of the statutes and Commission rules waived above.

7. That Suretel Inc. shall give notice of the filing of the tariffs described above to all parties or participants. In addition, Suretel Inc. shall file a written disclosure of all interconnection agreements which affect its Missouri service areas, all portions of Missouri service areas for which it does not have an interconnection agreement, and an explanation of why no interconnection agreement is necessary for those areas.

8. That Suretel Inc.'s certification and competitive status are expressly conditioned upon the continued applicability of Section 392.200, RSMo Supp. 1997, and on the requirement that any increases in switched access service rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1997, and 392.230, rather than Sections 392.500 and 392.510.

9. That this order shall become effective on October 16, 1998.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge

( S E A L )

Lumpe, Ch., Murray and Drainer, CC., concur.  
Crumpton and Schemenauer, CC., absent.

Woodruff, Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED

SEP 10 1998

In the Matter of the Application of )  
Suretel, Inc. for a Certificate of )  
Service Authority to provide Basic )  
Local Telecommunications Service in )  
portions of the State of Missouri )  
and to classify said services and )  
the company as competitive. )

Missouri Public  
Service Commission

Case No. TA-98-568

**STIPULATION AND AGREEMENT**

1. Suretel, Inc. (hereinafter "Suretel" or "Applicant") initiated this proceeding on June 19, 1998, by filing an Application requesting a certificate of service authority to provide prepaid local telecommunications service in portions of the State of Missouri and to classify said service and the company as competitive.

2. The Commission issued an Order and Notice establishing an intervention deadline, and on July 9, 1998, Southwestern Bell Telephone Company (SWBT<sup>1</sup>) filed a timely application to intervene.

3. For purposes of this Stipulation and Agreement, the parties agree that applications for basic local exchange authority in exchanges served by "large" local exchange companies (LECs)<sup>1</sup> should be processed in a manner similar to that in which applications for interexchange and local exchange authority are currently handled.

4. In determining whether Suretel's application for a certificate of service authority should be granted, the Commission should consider Suretel's technical, financial and managerial resources and abilities to provide basic local telecommunications services. Suretel must demonstrate

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<sup>1</sup> Large LECs are defined as LECs who serve 100,000 or more access lines. Section 386.020, RSMo Supp. 1997. In Missouri, the current large LECs are Southwestern Bell Telephone Company, GTE Midwest Incorporated and Sprint Missouri, Inc.

that the basic local services that it proposes to offer satisfy the minimum standards established by the Commission, including but not limited to the Applicant agreeing to file and maintain basic local service tariff(s) with the Commission in the same manner and form as the Commission requires of incumbent local exchange telecommunications companies with which the Applicant seeks to compete. Further, Suretel agrees to meet the minimum basic local service standards, including quality of service and billing standards, as the Commission requires of the incumbent local exchange telecommunications companies with which the Applicant seeks to compete. Notwithstanding the provisions of Section 392.500, RSMo 1994, as a condition of certification and competitive classification, Suretel agrees that, unless otherwise ordered by the Commission, its originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect at the date of certification for the large incumbent LEC(s) for each service area within which the Applicant seeks authority to provide service.<sup>2</sup> Further, Suretel agrees to offer basic local telecommunications service as a separate and distinct service. Suretel must sufficiently identify the geographic service area in which it proposes to offer basic local service. Such area must follow the exchange boundaries of the incumbent local exchange telecommunications companies in the same area and must be no smaller than an exchange. Finally, Applicant agrees to provide equitable access to affordable telecommunications services, as determined by the Commission, for all Missourians within the geographic area in which it proposes to offer basic local service, regardless of residence or income.<sup>3</sup>

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<sup>2</sup> For the applicant, this places an effective cap at the access rates charged by Southwestern Bell Telephone Company.

<sup>3</sup> See Section 392.455, RSMo. Supp. 1997.

5. Suretel has submitted its application without tariffs and seeks a temporary waiver of 4 CSR 240-2.060(H).<sup>4</sup> Applicant has completed negotiations with SWBT and executed a Resale Agreement, but that Resale Agreement has not yet been approved by the Commission.<sup>5</sup> Suretel agrees to file its initial tariff(s) in the certification docket and to serve all parties thereto with written notice at the time the initial tariff(s) are submitted to afford them an opportunity to participate in the tariff approval process. Copies of the tariff(s) will be provided by Suretel to such parties immediately upon request. Any service authority shall be regarded as conditional and shall not be exercised until such time as tariff(s) for services have become effective. When filing its initial basic local tariff(s), Suretel shall also file and serve a written disclosure of all resale or interconnection agreements which affect its Missouri service areas and all portions of its Missouri service areas for which it does not have an interconnection agreement with the incumbent local exchange carrier with its explanation of why such an interconnection agreement is unnecessary for such areas.

6. Pursuant to Section 392.420 RSMo, Suretel has requested that the Commission waive the application of any or all of the following statutory provisions and rules for basic local telecommunications services, and the parties agree that the Commission should grant such request provided that Section 392.200, RSMo Supp. 1997, should continue to apply to all of Suretel's services:

STATUTORY PROVISIONS

COMMISSION RULES

Section 392.210.2

4 CSR 240-10.020

Section 392.270

4 CSR 240-30.040

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<sup>4</sup>Good cause for failure to file proposed tariffs with the Application must be shown. The lack of an approved interconnection agreement (47 U.S.C. 252) constitutes good cause.

<sup>5</sup>The Resale Agreement was filed with the Commission on June 4, 1998, and was assigned Case No. TO-98-548.

Section 392.280  
Section 392.290.1  
Section 392.300.2  
Section 392.310  
Section 392.320  
Section 392.330  
Section 392.340

4 CSR 240-35

7. In negotiating the remaining provisions of this Stipulation and Agreement, the parties have employed the foregoing standards and criteria, which are intended to meet the requirements of existing law and Sections 392.450 and 392.455, RSMo Supp. 1997, regarding applications for certificates of service authority to provide basic local telecommunications services.

**Suretel's Certification**

8. Suretel has submitted as Appendix B to its Application a listing of the specific exchanges in which it seeks authority to provide basic local telecommunication services. The exchanges identified are those currently served by SWBT. Suretel hereby agrees that its original Application should be deemed further amended as required to include by reference the terms and provisions described in paragraphs 4 through 6 hereinabove and paragraph 11 below to the extent that its original Application might be inconsistent therewith.

9. Based upon its verified Application, as amended by this Stipulation and Agreement, Suretel asserts, and no party makes a contrary assertion, that there is sufficient evidence from which the Commission should find and conclude that Suretel:

- A. possesses sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications services;
- B. proposes and agrees to offer basic local services that will satisfy the minimum

standards established by the Commission;

- C. has sufficiently identified the geographic area in which it proposes to offer basic local service and such area follows exchange boundaries of the incumbent local exchange telecommunications companies in the same areas, and such area is no smaller than an exchange;
- D. will offer basic local telecommunications services as a separate and distinct service;
- E. has agreed to provide equitable access to affordable telecommunication services as determined by the Commission, for all Missourians within the geographic area in which it proposes to offer basic local service, regardless of where they live or their income; and
- F. has sought authority which will serve the public interest.

10. Suretel asserts and no party opposes, that Suretel's application and request for authority to provide basic local services (including exchange access services) should be granted. All services authorized herein should be classified as competitive telecommunications services provided that the requirements of Section 392.200, RSMo 1997, continue to apply, and Suretel shall be classified as a competitive telecommunications company. Suretel asserts, and no party opposes, that such services will be subject to sufficient competition by the services of the incumbent LECs to justify a lesser degree of regulation for Suretel's services consistent with the protection of ratepayers and the promotion of the public interest. Such classification should become effective upon the tariffs for their services becoming effective. Such authority should be conditional, not to be exercised until such time as tariffs for those services have been filed (together with the written disclosure as stipulated above) and have become effective. The Commission's Order should state the foregoing conditions



substantially as follows:

“The service authority and service classification herein granted are subject to the requirements of Section 392.200 and are conditional and shall not be exercised until such time as tariffs for services have become effective.”

The parties agree that the Applicant’s switched exchange access services may be classified as competitive services. The parties further agree that the Applicant’s switched exchange access services are subject to Section 392.200, RSMo. Any increases in switched access service rates above the maximum switched access service rates as set forth in paragraph 4 herein shall be cost-justified and be made pursuant to Sections 392.220 and 392.230, and not Sections 392.500 and 392.510. The Commission’s order should state the foregoing conditions substantially as follows:

“The service authority and service classification for switched exchange access is expressly conditioned on the continued applicability of Section 392.200 and the requirement that any increases in switched access service rates above the maximum switched access service rates set forth herein shall be cost-justified and be made pursuant to Sections 392.220 and 392.230 and not Sections 392.500 and 392.510.”

11. Suretel’s request for a temporary waiver of 4 CSR 240-2.060(4)(H), which requires applications to include a proposed tariff with a 45-day effective date, is not opposed by the parties and should be granted because, although Suretel has completed negotiations with SWBT, the Commission has not approved the resale agreement between Suretel and SWBT. Suretel agrees that at such time as all facts necessary for the development of tariffs become known, it will submit tariffs in this docket, with a minimum 45-day proposed effective date, to the Commission for its approval together with the written disclosure as stipulated above. Suretel shall serve notice to all parties and participants in this docket of the filing of its tariffs at the time they are filed with the Commission, and

serve them with the aforesaid written disclosure and shall upon request immediately provide any party with a copy of those tariffs. The Commission's order should state these obligations as conditions to the temporary waiver of 4 CSR 240-2.060(4)(H), substantially as follows:

"The Applicant's request for temporary waiver of 4 CSR 240-2.060(4)(H) is hereby granted for good cause in that Applicant does not yet have an approved interconnection agreement with the incumbent local exchange carriers within whose service areas it seeks authority to provide service; provided, when Applicant submits its tariffs in this docket to the Commission such tariffs shall have a minimum 45-day effective date and the Applicant shall serve written notice upon the parties hereto of such submittal, and shall provide copies of such tariffs to such parties immediately upon request. When filing its initial basic local tariff in this docket, the Applicant shall also file and serve upon the parties hereto a written disclosure of all interconnection agreements which affect its Missouri service area and all portions of its Missouri service areas for which it does not have an interconnection agreement with the incumbent local exchange carrier with its explanation of why such interconnection agreement is unnecessary for any such areas."

12. Suretel's request for waiver of the application of the following rules and statutory provisions as they relate to the regulation of Suretel's new services should be granted:

STATUTORY PROVISIONS

COMMISSION RULES

Section 392.210.2  
Section 392.270  
Section 392.280  
Section 392.290.1  
Section 392.300.2  
Section 392.310  
Section 392.320  
Section 392.330  
Section 392.340

4 CSR 240-10.020  
4 CSR 240-30.040  
4 CSR 240-35

13. This Stipulation and Agreement has resulted from extensive negotiations among the signatories and the terms hereof are interdependent. In the event the Commission does not adopt this

Stipulation in total, then this Stipulation and Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings.

14. In the event that the Commission accepts the specific terms of this Stipulation and Agreement, the parties and participants waive, with respect to the issues resolved herein, their respective rights pursuant to Section 536.080.1, RSMo 1994, to present testimony, to cross-examine witnesses, and to present oral argument or written briefs; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo 1994; and their respective rights to seek rehearing pursuant to Section 386.500, RSMo 1994; and to seek judicial review pursuant to Section 386.510, RSMo 1994. The parties agree to cooperate with the Applicant and with each other in presenting this Stipulation and Agreement for approval to the Commission and shall take no action, direct or indirect, in opposition to the request for approval of Suretel's application made herein.

15. The Staff may submit a Staff Recommendation concerning matters not addressed in this Stipulation. In addition, if requested by the Commission, the Staff shall have the right to submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each party of record and participant herein shall be served with a copy of any such memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of Staff's memorandum, a responsive memorandum which shall also be served on all parties and participants. All memoranda submitted by the parties shall be considered privileged in the same manner as settlement discussions under the Commission's rules, shall be maintained on a confidential basis by all parties and participants, and shall not become a part of the record of this proceeding or

bind or prejudice the party submitting such memorandum in any future proceeding or in this proceeding whether or not the Commission approves this Stipulation and Agreement. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to the Stipulation and Agreement whether or not the Commission approves and adopts this Stipulation and Agreement. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other parties and participants with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. The Staff's oral explanation shall be subject to public disclosure.

16. The Office of Public Counsel, while not a signatory to this Stipulation and Agreement, has been contacted with regard to this filing and has offered no objection.

WHEREFORE, the signatories respectfully request the Commission to issue its Order approving the terms of this Stipulation and Agreement and issue its Order granting authority and classification as requested by Suretel, subject to the conditions described above, as expeditiously as possible.

Respectfully submitted,

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OCT 06 1993

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