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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 18th
day of November, 1997.

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| In the Matter of the Application of |) | |
| Green Hills Communications, Inc., for |) | |
| a Certificate of Service Authority to |) | |
| Provide Local Exchange and Intrastate |) | <u>CASE NO. TA-98-157</u> |
| Interexchange Telecommunications |) | |
| Services to the Public Within the |) | |
| State of Missouri. |) | |

ORDER GRANTING INTERVENTION AND SUSPENDING TARIFF

On October 10, 1997, Green Hills Communications, Inc. (Green Hills) filed an application requesting a certificate of service authority to provide intrastate interexchange and local exchange telecommunications services in the State of Missouri. Green Hills is a wholly-owned subsidiary of Green Hills Telephone Corporation (Green Hills Corp.). The Commission issued a Notice of Applications and Opportunity to Intervene on October 28 which set a deadline of November 12 for intervention requests. Southwestern Bell Telephone Company (SWBT) filed an application to intervene on November 12.

In support of its application, SWBT states that Green Hills, if certificated, will provide certain services in direct competition with SWBT. SWBT also states that it has an interest in this case as Green Hill's plan may adversely affect the primary toll carrier (PTC) plan to which SWBT is a party, since Green Hills can be expected to serve the most profitable routes, and leave SWBT or other PTC plan participants with non-compensatory routes. Finally, SWBT contends that a number of issues are raised by Green Hill's application, as follows: (1) Whether Green Hill's

provision of the proposed services is governed by the PTC plan; (2) whether a corporate affiliate of a local exchange company operating as a secondary carrier under the PTC plan should be permitted to offer services in competition with the PTC; (3) if so, what effect such competition will have on the PTCs offering toll services in those areas; (4) whether Green Hills should be reclassified as a PTC by virtue of its venture into the interexchange business; and (5) whether affiliate transaction procedures similar to those required of SWBT should apply to Green Hills and its affiliate, Green Hills Corp.

The Commission is aware of at least two prior cases in which SWBT raised similar concerns. In Case No. TA-96-314, which involved Chariton Valley L.D. Corp. (Chariton L.D.), the company agreed to limit its request to interLATA interexchange service rather than intraLATA interexchange service, in response to SWBT's intervention request. The Commission granted Chariton L.D. a certificate to provide interLATA interexchange service, although SWBT continued to oppose the company's application. In Case No. TA-96-376, which involved Fiber Four Corporation (Fiber Four), SWBT withdrew its motion to intervene based upon a representation by Fiber Four that it and its parent corporation, Rock Port Telephone Company, had no short-term or long range plans to provide local or long distance service to any exchange where SWBT provides service. The Commission subsequently granted Fiber Four a certificate of service authority to provide intrastate interexchange and local exchange telecommunications services.

In the present case, Green Hills has not limited the services it seeks to offer, as did Chariton L.D., nor has SWBT withdrawn its intervention request, as it did in the case involving Fiber Four. Currently, the tariff filed by Green Hills contains an effective date of November 24. The Commission determines that it would be appropriate to

suspend the tariff sheets filed by Green Hills for a period of 120 days in order to allow time for a more thorough review of the issues. The Commission will therefore suspend the tariff sheets filed by Green Hills for a period of 120 days from the current effective date of November 24, 1997 to March 24, 1998. The Commission also finds that it would be appropriate to set an early prehearing conference for December 3. The parties should use the early prehearing conference to delineate and narrow the issues, and shall file a proposed procedural schedule by December 9.

IT IS THEREFORE ORDERED:

1. That the application to intervene filed by Southwestern Bell Telephone Company on November 12, 1997 is granted.

2. That the tariff filed by Green Hills Communications, Inc. on October 10, 1997 is suspended for a period of 120 days from November 24, 1997 to March 24, 1998.

3. That an early prehearing conference is scheduled for December 3, 1997 in the Commission's hearing room on the fifth floor of the Harry S Truman State Office Building, 301 W. High Street, Jefferson City, Missouri.

4. That anyone with special needs as addressed by the Americans With Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one of the following numbers: Consumer Services Hotline -- 1-800-392-4211, or TDD Hotline -- 1-800-829-7541.

5. That the parties shall file a proposed procedural schedule by December 9, 1997.

6. That this order shall become effective on November 24, 1997.

BY THE COMMISSION

A handwritten signature in dark 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., Crumpton,
Murray, and Drainer,
CC., Concur.

Bensavage, Regulatory Law Judge