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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 5th day of August, 1997.

In the Matter of the Application of	)
Fast Connections, Inc. for	)
Certificates of Service Authority to	)
Provide Basic Local Telecommunications	)
Service and Local Exchange Tele-	)
communications Service in Portions of	)
the State of Missouri and to Classify	)
Said Services as Competitive.	)

CASE NO. TA-97-196

# ORDER SUSPENDING TARIFF SHEET AND SETTING SCHEDULING CONFERENCE

Fast Connections, Inc. (Fast Connections) applied to the Missouri Public Service Commission on November 15, 1996, for certificates of service authority to provide basic local and local exchange telecommunications services within the state of Missouri, for classification as a competitive telecommunications company, and for waiver of certain statutes and Commission rules as authorized by statute. The Commission had approved an Interconnection Agreement between Fast Connections and Southwestern Bell Telephone Company (SWBT) on December 27, 1996, in Case No. TO-97-147. In its application for certification, Fast Connections requested a waiver of 4 CSR 240-2.060(4)(H) that requires the filing of a proposed tariff carrying a forty-five-day effective date.

The Commission issued an Order and Notice on November 20, directing parties wishing to intervene in the case to do so by December 23. On January 8, 1997, intervention was granted to MCI Telecommunications Corporation, SWBT, the Small Telephone Company Group, Fidelity Telephone Company and Bourbeuse Telephone Company. The Commission conducted a prehearing conference on February 20. The parties ultimately filed a

Stipulation and Agreement on March 11 and the Commission Staff (Staff) filed Suggestions in Support of the stipulation on March 20. Since the parties were in agreement and there were no requests for hearing the Commission granted the certificates without a hearing as permitted by <u>State ex rel. Rex Deffenderfer Enterprises</u>, <u>Inc. v. Public Service Commission</u>, 776 S.W.2d 494, 496 (Mo.App. 1989).

The Commission issued its Order Granting Certificate of Service Authority to Provide Basic Local and Local Exchange Telecommunications Service on April 9. The order granted the requested waiver of 4 CSR 240-2.060(4)(H) and, since the company already had an approved interconnection agreement with SWBT, directed Fast Connections to file tariff sheets for approval no later than May 19.

Fast Connections filed its proposed tariff sheets on May 19, with an effective date of June 18. This initial filing was based on the presumption that certain rule waivers would be granted that had not been requested in the certificate application and, consequently, were not included in the notice procedures or in the stipulation of the parties. In order to correct the problem Fast Connections initiated a separate case in which it requested the additional waivers, Case No. TO-97-516, which is still pending. Through the filing of substitute sheets, Fast Connections removed the extra waivers from the filing in this case. The effective date of the tariff sheets subject to this order has now been extended to August 7.

Staff filed a memorandum on July 29 recommending approval of the proposed tariff sheets submitted by Fast Connections on May 19, as amended. Staff's recommendation noted, among other things, the high cost of the prepaid services described by the tariff filing, and the toll-blocking features.

There are several cases involving the provision of prepaid basic local telecommunications services pending before the Commission. The Commission has expressed concern about the additional rule waivers requested by Fast Connections and other companies, and about protections needed for the targeted end users of this particular type of service. The Commission conducted hearings regarding the certification cases filed by Local Line America, Inc., Case No. TA-97-251, on July 16 and Comm South Companies, Inc., Case No. TA-97-203, on July 25. The process of Staff review is underway in Case No. TO-97-516 concerning Fast Connections' requests for additional waivers. None of these cases has been decided by the Commission.

The Commission has reviewed the tariff filing and Staff's recommendation, and has considered its pending cases and the need to make a well-reasoned policy decision regarding prepaid service providers. Commission finds that approval of Fast Connections's tariff sheets at this time would not be in the public interest. The Commission needs additional time to consider what protections, if any, should be provided for end users before providers are permitted to offer prepaid services. Accordingly, the tariff sheets filed by Fast Connections on May 19, as amended by substitute and replacement pages, shall be suspended for 120 days beyond the current effective date until December 5, unless otherwise ordered by the Commission. The issues involved in this tariff filing may be resolved by Commission action on pending prepaid services applications. Therefore, the Commission will not establish an expedited procedural schedule but will schedule an early prehearing conference for September 16. parties are not in conflict, the purpose of the prehearing conference will be solely to establish whatever procedural schedule the Commission determines necessary.

#### IT IS THEREFORE ORDERED:

1. That the following tariff sheets, submitted on May 19, 1997, by Fast Connections, Inc., as amended by substitute and replacement sheets, are suspended for a period of one hundred and twenty days beyond the current effective date to December 5, 1997, or until otherwise ordered by this Commission:

## P.S.C. MO Tariff No. 1

## Original Title Page through Original Sheet No. 36

- 2. That the Commission shall conduct a scheduling conference on Tuesday, September 16, 1997, at 2:00 p.m. in the Commission's hearing room on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri.
- 3. 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 before the prehearing or hearing at one of the following numbers: Consumer Services Hotline -1-800-392-4211 or TDD Hotline -1-800-829-7541.
  - 4. That this order shall become effective on August 5, 1997.

BY THE COMMISSION

Ceil July

Cecil I. Wright
Executive Secretary

(SEAL)

Zobrist, Chm., Crumpton, Murray, Lumpe and Drainer, CC., concur.

ALJ: Wickliffe