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May 31, 2000

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

FILED²

MAY 31 2000

Missouri Public
Service Commission

Re: 2nd Century Communications, Inc.
Case No. TA-2000-323

Dear Judge Roberts:

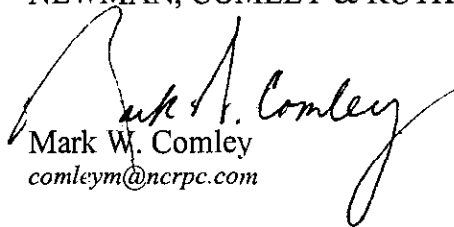
Enclosed for filing in the referenced matter please find the original and eight copies of a Unanimous Stipulation and Agreement.

Please bring this filing to the appropriate members of your staff. Thank you very much for your attention.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:


Mark W. Comley
comleym@ncrpc.com

MWC:ab

Enclosure

cc: Erin Swansiger
Leo J. Bub
Bruce Bates
Michael F. Dandino

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

MAY 31 2000

Missouri Public
Service Commission

In the Matter of the Application of)
)
2ND CENTURY COMMUNICATIONS, INC.)
)
for a Certificate of Service Authority)
to Provide Basic Local)
Telecommunication Services)
in the State of Missouri and to)
Classify Such Services and the Company)
As Competitive)

Case No. TA-2000-323

UNANIMOUS STIPULATION AND AGREEMENT

2ND CENTURY COMMUNICATIONS, INC. (hereinafter "2ND CENTURY" or "Applicant") initiated this proceeding on November 9, 1999 by filing an Application requesting certificate of service authority to provide basic local exchange and local exchange services in exchanges currently served by Southwestern Bell Telephone Company, and GTE of the Midwest, Inc. (GTE).

Southwestern Bell Telephone Company (SWB) applied to intervene in this matter and its application was granted.

A. STANDARDS AND CRITERIA

1. The parties employed the following standards and criteria, which are intended to meet the requirements of existing law, particularly Sections 392.450 and 392.455, RSMo. Cum Supp. 1999 regarding applications for certificates of local exchange service authority to provide or resell basic local telecommunications service, in negotiating the provisions of this Unanimous Stipulation and Agreement (referred to hereafter for brevity as the "Stipulation").

2. For purposes of this Stipulation, the parties agree that applications for local exchange and basic local exchange service authority in exchanges served by "large" local exchange companies

(LECs)¹ should be processed in a manner similar to that in which applications for interexchange authority are currently handled.

3. In determining whether 2ND CENTURY's application for certificate of service authority should be granted, the Commission should consider 2ND CENTURY's technical, financial and managerial resources and abilities to provide basic local telecommunications service. 2ND CENTURY must demonstrate that the basic local services 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 applicant seeks to compete. Further, 2ND CENTURY must agree 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, 2ND CENTURY 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 for the large incumbent LEC(s) within those service area(s) applicant seeks authority to provide service. Further, 2ND CENTURY agrees to offer basic local telecommunications service as a separate and distinct service and must sufficiently identify the geographic service area in which it proposes to offer basic local service. Such area must follow exchange boundaries of the incumbent local exchange telecommunications companies in the same area and must be no smaller than an exchange. Finally, 2ND CENTURY agrees to provide

¹Large LECs are defined as LECs who serve 100,000 or more access lines. Section 386.020 RSMo. Supp. 1999. In Missouri, the current large LECs are SWBT, GTE and Sprint.

equitable access, 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, to affordable telecommunications services. See Section 392.455 RSMo Cum. Supp. 1999.

4. 2ND CENTURY submitted its application without a tariff and seeks a temporary waiver of 4 CSR 240-2.060(4)(H).² 2ND CENTURY has agreed to file its initial tariff(s) in the certification docket and 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 2ND CENTURY 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, 2ND CENTURY shall also file and serve a written disclosure of all interconnection agreements that affect its Missouri service areas, and, where applicable, a written disclosure of all portions of its Missouri service areas for which it does not have an interconnection agreement with the incumbent local exchange carrier and an explanation of why such an interconnection agreement is unnecessary for such areas.

5. 2ND CENTURY has, pursuant to §392.420 RSMo. 1994 requested that the Commission waive the application of certain statutory provisions and rules. Since the filing of its application, several rules of the Commission had been revised and 2ND CENTURY requested leave to amend its application to reflect those rule revisions. The parties hereto have no objection to Applicant's motion for leave to amend. 2ND CENTURY's application as amended requests the Commission to waive any or all of the following statutory provisions and rules to basic local telecommunications services, and the parties agree that the Commission should grant such request provided that Section

²Good cause for failure to file proposed tariffs with the Application must be shown. The lack of an approved interconnection agreement (47 USC §252) constitutes good cause.

392.200 RSMo should continue to apply to all of 2ND CENTURY's services:

STATUTORY PROVISIONS

§392.210.2
§392.270
§392.280
§392.290
§392.300.2
§392.310
§392.320
§392.330
§392.340

COMMISSION RULES

4 CSR 240-10.020
4 CSR 240-30.010(2)(C)
4 CSR 240-30.040(1), (2)
4 CSR 240-33.030
4 CSR 240-35

B. 2ND CENTURY CERTIFICATION

6. 2ND CENTURY hereby agrees that its application should be deemed amended to include by reference the terms and provisions described in paragraphs 2-4 hereinabove.

7. Based upon its verified application, as amended, 2ND CENTURY asserts, and no party makes a contrary assertion, that there is sufficient evidence from which the Commission can find and conclude that 2ND CENTURY:

- a. possesses sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service and local exchange telecommunications service, including exchange access service;
- b. proposes and agrees to offer basic local services that 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;³

- d. will offer basic local telecommunications service as a separate and distinct service;
- e. has agreed to provide equitable access for all Missourians 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, to affordable telecommunications services;⁴
- f. has sought authority which will serve the public interest.

8. 2ND CENTURY asserts, and no party opposes, that 2ND CENTURY's application and request for authority to provide basic local telecommunications services and local exchange telecommunications services (including exchange access service) should be granted. All services authorized herein should be classified as competitive telecommunications services provided that the requirements of Section 392.200 continue to apply, and 2ND CENTURY shall remain classified as a competitive telecommunications company. 2ND CENTURY 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 of 2ND CENTURY's services consistent with the protection of ratepayers and the promotion of the public interest. Such classification should become effective upon the tariffs for the 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

³ The identification of specific geographic areas within which 2ND CENTURY proposes to offer service as referred to in this paragraph shall not be construed to foreclose 2ND CENTURY from 1) petitioning the Commission pursuant to Section 392.200.4 RSMo. for authority to serve an area smaller than an exchange; and 2) offer customer specific pricing pursuant to Section 392.200.8, RSMo.

⁴ The agreement in Paragraph 7. e. of this Stipulation is without prejudice to 2ND CENTURY's right to appear, after proper application and in accord with Commission rules and regulations, in any rulemaking proceeding or other proceeding regarding the Commission's considerations of equitable access under Section 392.455.(5), RSMo. Furthermore, such agreement should not be construed as an admission or conclusion by 2ND CENTURY that Section 392.455.(5), RSMo. creates new or specific duties or obligations on telecommunications companies to provide equitable access.

stipulated above) and have become effective. The Commission's Order should state the foregoing conditions 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. Any increases in switched access service rates above the maximum switched access service rates as set forth in paragraph 3 herein shall be cost-justified and be made pursuant to Sections 392.220 and 392.230 and not 392.500 and 392.510. The Commission's order should state the foregoing conditions as follows:

"The service authority and service classification for switched exchange access granted herein 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 pursuant to Sections 392.220 and 392.230 and not Sections 392.500 and 392.510."

9. 2ND CENTURY's request for a 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 at the time of its application, it did not yet have approved interconnection agreements with any underlying carriers. 2ND CENTURY agrees that within thirty (30) days of an order approving an interconnection agreement with an underlying carrier, 2ND CENTURY 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. 2ND CENTURY shall serve notice to all parties and participants in this docket of the filing of its tariffs at the time that they are filed with the Commission together with the aforesaid written disclosure and shall

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

"Applicant's request for temporary waiver of 4 CSR 240-2.060(4)(H) is hereby granted. Within thirty (30) days of the effective date of an order approving its interconnection agreement with and underlying carrier, Applicant shall submit its tariffs for Commission approval. Such tariffs shall have a minimum of a 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 that affect its Missouri service areas; and where applicable all portions of its Missouri service areas for which it does not have an interconnection agreement with the incumbent local exchange carrier; and its explanation of why such an interconnection agreement is unnecessary for any such areas."

10. 2ND CENTURY's request for waiver of the application of the following rules and statutory provisions as they relate to the regulation of 2ND CENTURY's services should be granted:

STATUTORY PROVISIONS

§392.210.2
§392.270
§392.280
§392.290
§392.300.2
§392.310
§392.320
§392.330
§392.340

COMMISSION RULES

4 CSR 240-10.020
4 CSR 240-30.010(2)(C)
4 CSR 240-30.040(1), (2)
4 CSR 240-33.030
4 CSR 240-35

11. Finally, 2ND CENTURY will comply with all applicable Commission rules and

regulations except those which specifically are waived by the Commission.

12. This Stipulation 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 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 all stipulations are made without prejudice to the rights of the signatories to take other positions in other proceedings.

13. In the event the Commission accepts the specific terms of this Stipulation, the parties and participants waive, with respect to the issues resolved herein the following rights: their respective rights pursuant to §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 §536.080.2, RSMo 1994; and their respective rights to seek rehearing pursuant to §386.500 RSMo 1994 and to seek judicial review pursuant to §386.510, RSMo 1994. The parties agree to cooperate with the Applicant and with each other in presenting this Stipulation for approval to the Commission and shall take no action, direct or indirect, in opposition to the request for approval of the 2ND CENTURY application made herein.

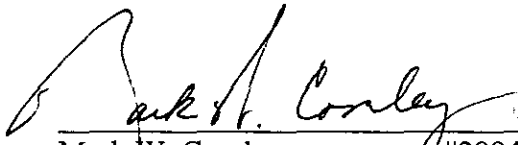
14. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that Staff shall, to the extent reasonably practicable, provide the other Parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any protective order issued in this case.

15. The Staff shall file suggestions or a memorandum in support of this Stipulation and the other Parties shall have the right to file responsive suggestions or prepared testimony.

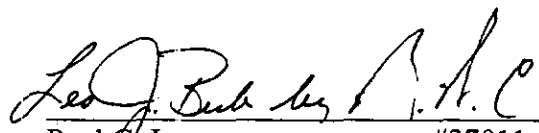
16. The Office of the Public Counsel is a signatory to this Stipulation for the sole purpose of stating that it has no objection to this Stipulation.

WHEREFORE, the signatories respectfully request the Commission to issue its Order approving the terms of this Stipulation and issue its Order granting authority and classification as requested by 2ND CENTURY, subject to the conditions described above.


Respectfully submitted,


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