

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of )  
Matrix Telecom, Inc. and Global Crossing )  
Telecommunications, Inc., Global )  
Crossing Local Services, Inc., and Global )  
Crossing Telemanagement, Inc., for )  
Expedited Approval of the Transfer of )  
Certain Assets and a Waiver of Applicable )  
Anti-slamming Regulations )

Case No. TM-2005-0324

**STAFF RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission and for its status recommendation states:

1. On March 24, 2005, Matrix Telecom, Inc., Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc., and Global Crossing Telemanagement, Inc., filed an application requesting approval of a transaction in which Matrix would acquire certain assets and the Small Business Group customer base from the Global Crossing companies. The Applicants also request the waiver of anti-slamming regulations.

2. The transfer of assets is governed by Section 392.300 RSMo. (2000). Applicable case law provides that the Commission may “not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest.” *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz*, 596 S.W. 2d 466,468 (Mo. App. E.D. 1980), citing to *State ex rel. City of St. Louis v. Public Serv. Comm’n of Mo.*, 73 S.W. 2d 392,400 (Mo. banc 1934).

3. In the attached Memorandum, which is labeled Appendix A, the Staff recommends approval of the transaction. The Staff opines that this transaction will not be detrimental to the public interest.

4. The Commission's anti-slamming regulation, 4 CSR 240-33.150 (4), as amended, provides:

(4) Changes in subscriber carrier selections as a result of merger or consolidation or the sale, assignment, lease or transfer of assets.

(A) A telecommunications carrier may submit or execute a change in a subscriber's provider of telecommunications service on behalf of the subscriber without obtaining authorization and verification in accordance with the procedures prescribed in 4 CSR 240-33.150(2) and 4 CSR 240-33.150(3) when such change is a result of merger or consolidation or the sale, assignment, lease or transfer of assets approved by the commission.

(B) A telecommunications carrier will notify all subscribers of such change through a notice in each subscriber's bill at least thirty (30) days prior to the effective date of the change.

(C) A telecommunications carrier will notify all subscribers of the right to switch to another service provider.

Therefore, waiver of the anti-slamming regulation is not necessary if the Commission approves this transfer of assets and if subscribers are properly notified.

4. The draft Subscriber Notification filed by the Applicants on November 2, 2005, complies with this regulation.

WHEREFORE, the Staff recommends that the Commission approve the proposed transfer of assets and customers, and direct the applicants to send customer notice in each subscriber's bill at least 30 days prior to the effective date of the change.

Respectfully submitted,

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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 7<sup>th</sup> day of November 2005.

/s/ William K. Haas  
William K. Haas