STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY September 28, 2000

CASE NO: TX-2001-73

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Enclosed find certified copy of an Order of Rulemaking in the above-numbered case(s).

Sincerely,

Hale Hardy Roberts

Secretary/Chief Regulatory Law Judge

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 28th day of September, 2000.

In the Matter of Proposed New Rules on Prepaid Calling Cards

Case No. TX-2001-73

ORDER FINDING NECESSITY FOR RULEMAKING

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On August 8, 2000, the Staff of the Missouri Public Service Commission (Staff) filed a motion opening a case to consider the necessity of a rule governing the use of prepaid calling cards in the state of Missouri. Staff states that, in particular, certain carriers are advertising low per-minute prepaid calling card rates and failing to mention various "surcharges" which will also be applied to calls made via prepaid calling cards. Staff contends that a rulemaking is necessary to curb this and similar abuses.

The statutory authority for the proposed Commission rule is Section 386.040, RSMo 1994, which vests the Commission with "all powers necessary or proper to enable it to carry out fully and effectually all the purposes of this chapter."

Pursuant to Section 563.016, RSMo Supp. 1999, a state agency is required to find, based upon substantial evidence on the record, that a proposed rule is necessary to carry out the purposes of the statute that granted the rulemaking authority. Based on the record, the Commission finds that the proposed rulemaking is necessary to carry out the purposes of Section 392.200.1, RSMo. Supp. 1999, in that the application of undisclosed "surcharges" to calls made under a prepaid calling card is not just and reasonable.

IT IS THEREFORE ORDERED:

- 1. That the Staff of the Missouri Public Service Commission is authorized to proceed with the necessary procedures of the Commission and applicable procedures of administrative rulemaking and may file a proposed rule in this case for the Commission's consideration.
 - 2. That this order shall become effective on October 8, 2000.

BY THE COMMISSION

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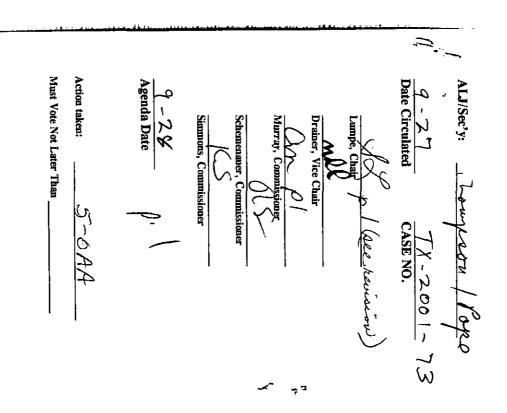
Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Lumpe, Ch., Drainer, Murray, Schemenauer, and Simmons, CC., concur.

Thompson, Deputy Chief Regulatory Law Judge



STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 28th day of Sept. 2000.

Dale Hardy Roberts

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Secretary/Chief Regulatory Law Judge