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December 16, 1998

Mr. Dale Hardy Roberts Secretary Missouri Public Service Commission 301 W. High Street, Room 530 Jefferson City, MO 65102

F/LEL DEC 1 6 1998 Missouri Public Vice Commission

RE: TA-99-47

Dear Mr. Roberts:

Enclosed for filing with the Commission is an original and 14 copies of :

OFFICE OF THE PUBLIC COUNSEL'S REPLY TO SWBT'S RESPONSE

Thank you for bringing this matter to the attention of the Commission.

ery truly yours,

Michael F. Dandino Senior Public Counsel

cc: Attorneys of Record



BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the application) Southwestern Bell Communications Services) Inc., d/b/a Southwestern Bell Long Distance) for a Certificate of Service Authority to provide Interexchange Telecommunications) Service within the State of Missouri File an Application for Authorization) To Provide In-Region InterLata Service) Originating in Missouri Pursuant to Section) 271 of the Telecommunications Act of) 1996)

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Case No TA-99-47

OFFICE OF THE PUBLIC COUNSEL'S REPLY TO SWBT'S RESPONSE

COMES NOW the Office of the Public Counsel and respectfully state the following to the Public Service Commission of the State of Missouri in reply to Southwestern Bell Telephone Company's Response to Public Counsel's Motion to Stay or in the alternative, Motion to Dismiss:

Public Counsel does not suggest that the PSC cannot place conditions on a certificate of service under Section 392.470, RSMo. Rather Public Counsel believes that the PSC cannot grant a certificate where the effectiveness of the certificate is conditional on the applicant receiving the legal authority to provide serviced under the certificate in another separate and independent proceeding. Here the applicant does not have the legal authority to provide service under the certificate. if gfrant4ed, the certificate does not provide authority to SWBLD since it has no lawful power to provide service under the certificate. SWBT must

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first be granted in region interlata service authority by the FCC prior to this affiliate having any legal ability to provide service in Missouri.

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- 2. The conditions referred to in Section 392.470, RSMo are conditions the PSC employs as regulatory measures.. The PSC imposes these conditions subsequently to the grant of authority that are regulatory directives. The company must follow those conditions after it has legal authority or else face loss or suspension of its certificate. The seven standard conditions SWBT refers to in footnote 1 at page 3 of its Response are conditions governing the conduct of the company, not its legal status. These conditions are enforcement mechanisms under which the PSC regulates and applies sanctions.
- 3. Public Counsel does not believe the conditional certificate granted in Kansas and Oklahoma should hold any evidentiary weight here. Public Counsel contends that it is unlawful and not in keeping with public policy to grant a certificate contingent on the ability of the applicant to meet the legal ability to provide the service designated in the certificate. Compare this to granting a CPA license, a law license or a medical license contingent on passing the exam and fulfilling the legal prerequisites.
- 4. The stay will not unduly prejudice SWBT or the customers in Missouri. If history is any guide, SWBT Section 271 application will not be approved in the near

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future. At a very minimum, the process is over 7 months away from a final FCC decision, but more likely over a year or more away.

WHEREFORE, Public Counsel asks the PSC to grant its motion.

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Respectfully submitted,

DEFICE OF THE PUBLIC COUNSEL

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CERTIFICATE OF SERVICE