



Missouri Public Service Commission

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May 31, 2000

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FILED 3

MAY 31 2000

Missouri Public
Service Commission

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

RE: Case No. TA-2000-685

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a STAFF RECOMMENDATION.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

[Handwritten signature of Bruce H. Bates]

Bruce H. Bates
Assistant General Counsel
(573) 751-7434
(573) 751-9285 (Fax)

BB/df
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³
MAY 31 2000
Missouri Public
Service Commission

In the Matter of the Application of)
Fidelity Networks, Inc. for a Certificate of)
Service Authority to Provide Competitive)
Intrastate, Interexchange and Non-)
Switched Local Exchange)
Telecommunications Service in the State)
of Missouri.)

Case No. TA-2000-685

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its *Recommendation* states:

1. In the attached *Memorandum*, which is labeled *Appendix A*, Staff recommends that the Missouri Public Service Commission ("Commission") grant Fidelity Networks, Inc. ("Applicant") a certificate to provide interexchange telecommunications services, as well as a certificate to provide local exchange telecommunications services, restricted to dedicated, private line services. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. (See Sections 392.430 and 392.440, RSMo 1994).

2. Staff also recommends that the Commission classify Applicant and its services as competitive. The Commission may classify a telecommunications provider or its services as competitive if the Commission determines it is subject to sufficient competition to justify a lesser

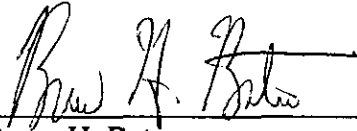
degree of regulation. (See Section 392.361.2, RSMo 1994.) All the services a competitive company provides must be classified as competitive. (See Section 392.361.3, RSMo 1994.)

3. Staff further recommends that the Commission approve the waivers listed in the Notice of Applications. The Commission may waive the application of its rules and certain statutes if the Commission determines that the waiver is consistent with the purposes of Chapter 392, RSMo. (See Sections 392.361.3 and 392.420, RSMo 1994, as well as Section 392.185, RSMo Cum.Supp. 1999.)

WHEREFORE Staff recommends that the Commission grant Applicant a certificate to provide interexchange telecommunications services, as well as a certificate to provide local exchange telecommunication services, restricted to dedicated, private line services. Staff also recommends that the Commission grant Applicant competitive classification, approve Applicant's proposed tariff, PSC MO NO. 1 with a proposed effective date of June 12, 2000, and approve the waivers listed in the Notice of Applications.

Respectfully submitted,

DANA K. JOYCE
General Counsel



Bruce H. Bates
Assistant General Counsel
Missouri Bar No. 35442

Attorney for the Staff of the
Missouri Public Service Commission
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Jefferson City, MO 65102
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel or parties of record as shown on the attached service list this 31st day of May 2000.



Bruce H. Bates

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No: TA-2000-685 File No: 200000974
Applicant: Fidelity Networks, Inc.

From: Sherri Murphy SM BN
Telecommunications Department

[Signature] 5/31/00 Utility Operations Division/Date
Wm K Haas 5/31/00 General Counsel's Office/Date

BW 5-31-00

Subject: Staff Recommendation for Approval of Certificate

Date: May 30, 2000

Date Assigned: April 26, 2000

Staff Deadline: June 1, 2000

The Telecommunications Department Staff (Staff) recommends the applicant be granted the following certificate(s), as indicated below, to be effective on the same date the tariff becomes effective:

- certificate to provide interexchange telecommunications services.
 - certificate to provide local exchange telecommunications services.*
- *local exchange authority should be restricted to dedicated, private line services.

Staff recommends the applicant and its services receive competitive classification. Furthermore, Staff recommends approval of the applicant's proposed tariff, PSC MO NO. 1, with a proposed effective date of June 12, 2000. In addition, Staff recommends approval of the waivers listed in the Notice.

Is there an attachment to this recommendation indicating any additional recommendations or special considerations? Yes No

RECEIVED
MAY 31 2000
1:05 PM
COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION

APPENDIX A

Application/Tariff Review Items

- No applications to intervene filed.

- Application contains the following:**
- Proper Secretary of State authorization
- Request for classification as a competitive telecommunications company.
- All requested waivers are listed in the Notice and all requested waivers have previously been granted to other competitive companies.

- Proposed tariff:**
- Complies with PSC rules and statutes applicable to applicant.
- If operator services offered, operator services requirements are included.
- Includes "interexchange" tariff text if offers private line service w/o requesting a local certificate.
- If ICB pricing proposed, only for private line.
- If ICB pricing is offered, tariff includes standardized ICB text.
- Rate structures or service offerings are similar to existing IXC offerings. (In addition, tariff does not geographically de-average).
- If promotional offering text is included, it is standardized promotion text.
- Waivers listed in tariff match those listed in application and Notice.

Services Offered in Initial Tariff

- | | |
|--|---|
| <input checked="" type="checkbox"/> 1+ | <input type="checkbox"/> Private Line |
| <input checked="" type="checkbox"/> 800/888/877 Services | <input checked="" type="checkbox"/> Debit Card |
| <input checked="" type="checkbox"/> Directory Assistance | <input checked="" type="checkbox"/> Travel Card |
| <input type="checkbox"/> Operator Assistance | <input type="checkbox"/> Other: |

Has proposed effective date been extended? Yes No

New effective date:

Have substitute tariff sheets been filed? Yes No

Date of substitute sheets: May 24, 2000 and May 30, 2000

| From | Initials | Date | Revised |
|----------------|-----------|--------------|---------|
| Sherrri Murphy | SM | May 30, 2000 | |
| Wm. Voight | <u>BV</u> | <u>5-30</u> | |
| Mr. VanEschen | _____ | _____ | |
| Mr. Henderson | _____ | _____ | |
| Legal | _____ | _____ | |

Attachment I

Fidelity Networks, Inc. (Fidelity) did not request a waiver of 4 CSR 240-35, the chapter that pertains to the reporting of bypass, in their application. Fidelity also did not include that Commission rule in its list entitled "Waiver of Rules and Regulation" in its proposed tariff. However, the Commission's Notice of Applications issued on May 2, 2000, includes 4 CSR 240-35 as a Commission rule which is ordinarily waived for competitive companies. The Staff recommends that the Commission approve only those waivers that Fidelity specifically requested in their application and included in their tariff.

On April 26, 2000, Fidelity filed a Motion for Expedited Consideration of Application and Tariffs. The Staff has no objection to Fidelity's request for expedited consideration and recommends that the Commission grant Fidelity a certificate of service authority to provide interexchange and local exchange at its earliest convenience and approve the proposed tariff.

Service List for
Case No. TA-2000-685
May 31, 2000

Office of the Public Counsel
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Jefferson City, MO 65102

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