STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY December 19, 2000

CASE NO: TA-2000-830

Office of the Public Counsel

P.O. Box 7800 Jefferson City, MO 65102

Cathleen A. Martin, Esq.
Newman, Comley & Ruth, P.C.
601 Monroe Street, Suite 301

601 Monroe Street, Suite 301 Jefferson City, MO 65102-0537 **General Counsel**

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

Russell M. Blau/Alexander M. Stokas, Esq.

Swidler Berlin Shereff Friedman, LLP 3000 K Street, NW, Suite 300

Washington, DC 20007-5116

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

Sincerely,

Hake Hardy Roberts

Secretary/Chief Regulatory Law Judge

OF THE STATE OF MISSOURI

In the Matter of the Application of)		
Cypress Communications Operating Company,)		
Inc. for a Certificate of Service)		
Authority to Provide Interexchange and)	Case No.	TA-2000-830
Local Exchange Telecommunications Services)		
within the State of Missouri and to)		
Classify Said Services as Competitive)		

ORDER APPROVING INTEREXCHANGE AND NONSWITCHED LOCAL EXCHANGE CERTIFICATES OF SERVICE AUTHORITYAND ORDER APPROVING TARIFF

Cypress Communications Operating Company, Inc. (Cypress) applied to the Missouri Public Service Commission (Commission) on June 19, 2000, for certificates of service authority to provide intrastate interexchange and nonswitched local exchange telecommunications services in Missouri under Sections 392.410-.450, RSMo 1994, and RSMo Supp. 1999. Cypress asked the Commission to classify it as a competitive company and to waive certain statutes and rules as authorized by Sections 392.361 and 392.420. Cypress is a Delaware corporation with its principal office located at 15 Piedmont Center, Suite 100, Atlanta, Georgia 30305.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on June 27, 2000, directing parties wishing to intervene to file their requests by July 15, 2000. The requirement for a hearing is met when

the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. State ex rel.

Rex Deffenderfer Enterprises, Inc. v. Public Service Commission,

776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has asked permission to intervene or requested a hearing, the Commission may grant the relief requested based on the application.

Cypress filed a proposed tariff in conjunction with its application and filed substitute sheets on August 8, November 27 and December 7, 2000. The tariff's effective date is December 22, 2000. Cypress' tariff describes the rates, rules, and regulations it intends to use, identifies Cypress as a competitive company, and lists the waivers requested. Cypress intends to provide interexchange and nonswitched local exchange telecommunications services including 1+, 800/888/877 Services, Directory Assistance and Private Line services.

In its memorandum filed on December 15, 2000, the Staff of the Commission (Staff) stated that Cypress' proposed services are similar to existing IXC offerings. Staff recommended that the Commission grant Cypress a certificate of interexchange service authority, and a certificate of service authority for local exchange telecommunications services on condition that this authority be restricted to providing dedicated private line services. Staff recommended that the Commission grant Cypress competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the

¹ All further statutory references are to the Revised Statutes of Missouri 1994 unless otherwise indicated.

Commission approve the proposed tariff as amended to become effective on December 22, 2000.

The Commission finds that competition in the intrastate interexchange and nonswitched local exchange telecommunications markets is in the public interest and Cypress should be granted certificates of service authority. The Commission finds that the services Cypress proposes to offer are competitive and Cypress should be classified as a competitive company. The Commission finds that waiving the statutes and Commission rules set out in the ordered paragraph below is reasonable and not detrimental to the public interest.

The Commission finds that Cypress' proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange and nonswitched local exchange carriers. The Commission finds that the proposed tariff filed on June 19, 2000, shall be approved as amended to become effective on December 22, 2000.

IT IS THEREFORE ORDERED:

- 1. That Cypress Communications Operating Company, Inc. is granted a certificate of service authority to provide intrastate interexchange telecommunications services in the state of Missouri, subject to the conditions of certification set out above.
- 2. That Cypress Communications Operating Company, Inc. is granted a certificate of service authority to provide nonswitched local exchange telecommunications services in the state of Missouri limited to providing dedicated private line services, subject to all

applicable statutes and Commission rules except as specified in this order.

3. That Cypress Communications Operating Company, Inc. is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

<u>Statutes</u>

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392.210.2 - uniform system of accounts
392.240.1 - rates-rentals-service & physical connections
392.270 - valuation of property (ratemaking)
392.280 - depreciation accounts
392.290 - issuance of securities
392.300.2 - acquisition of stock
392.310 - stock and debt issuance
392.320 - stock dividend payment
392.340 - reorganization(s)
392.330, RSMo Supp. 1999 - issuance of securities,
debts and notes
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Commission Rules

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4 CSR 240-10.020 - depreciation fund income
4 CSR 240-30.010(2)(C) - posting of tariffs
4 CSR 240-30.040 - uniform system of accounts
4 CSR 240-33.030 - minimum charges
4 CSR 240-35 - reporting of bypass and customer-specific arrangements
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4. That the tariff filed by Cypress Communications Operating Company, Inc. on June 19, 2000, under tariff number 200001179, is approved as amended to become effective on December 22, 2000. The tariff approved is:

P.S.C. Mo. No. 1

5. That this order shall become effective on December 22, 2000.

6. That this case may be closed on December 23, 2000.

BY THE COMMISSION

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

Ask Hard Roberts

(SEAL)

Shelly A. Register Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 19th day of December, 2000.

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 19th day of December 2000.

At Head Blanks

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge