



Missouri Public Service Commission

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June 22, 2000

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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-2000-765

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,

Nathan Williams
Assistant General Counsel
(573) 751-8702
(573) 751-9285 (Fax)

NW/lb
Enclosure
cc: Counsel of Record

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

FILED²

JUN 22 2000

Missouri Public
Service Commission

In the Matter of the Application of First)
Fiber Corporation and Fiber Four)
Corporation to grant First Fiber)
Corporation d/b/a Iamo Long Distance a)
Certificate of Service Authority to provide)
Interexchange and Local Exchange)
Telecommunications Service and for)
Authority to Transfer to First Fiber)
Corporation d/b/a Iamo Long Distance)
Assets of Fiber Four Corporation Used to)
Provide Service to Customers of Fiber)
Four Corporation d/b/a Iamo Long)
Distance.)

Case No. TA-2000-765

STAFF RECOMMENDATION

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

1. First Fiber Corporation ("First Fiber") and Fiber Four Corporation ("FFC") on May 17, 2000, filed a joint application seeking orders necessary for them to effectuate the transfer of the provisioning of interexchange telecommunications services to the customers of Fiber Four Corporation d/b/a Iamo Long Distance ("FFC d/b/a ILD") from FFC d/b/a ILD to First Fiber Corporation d/b/a Iamo Long Distance ("First Fiber d/b/a ILD"). The Commission issued a Notice of Applications setting a June 7, 2000 intervention date and, subsequently issued an Order Directing Notice fixing a June 21, 2000 intervention date. No parties have intervened. The effective date of the tariff filed for First Fiber d/b/a ILD in this case is July 3, 2000.

2. Although incorporated in Iowa and registered in Missouri in 1996, the Staff has found no indication that First Fiber Corporation ("First Fiber") is presently providing any

telecommunications services in the State of Missouri under its corporate name or any fictitious name and, in response to inquiry by Staff, the company's attorney has represented that the company is not now providing any telecommunications services in the State of Missouri. In this case First Fiber seeks a certificate of service authority to provide interexchange services under the alias "Iamo Long Distance" (First Fiber d/b/a ILD). In addition, jointly with FFC, First Fiber seeks approval of the transfer to First Fiber d/b/a ILD of the customers of FFC receiving interexchange telecommunications services pursuant to the temporary certificate of service authority this Commission issued to FFC d/b/a ILD in Case No. TA-2000-25. First Fiber and FFC also seek Commission approval of the transfer of assets related to FFC's provisioning of services to customers under its alias "Iamo Long Distance." Finally, FFC seeks, contemporaneous with the transfer of customers to First Fiber d/b/a ILD, cancellation of its temporary certificate of service authority issued by the Commission for FFC d/b/a ILD in Case No. TA-2000-25.

3. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Missouri Public Service Commission ("Commission") grant to First Fiber Corporation d/b/a Iamo Long Distance ("First Fiber d/b/a ILD") a certificate to provide interexchange telecommunications services and dedicated, private line local exchange 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 §§ 392.430 and 392.440, RSMo 1994).

4. Staff also recommends that the Commission classify the company First Fiber Corporation d/b/a Iamo Long Distance ("First Fiber d/b/a ILD") 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 §392.361.2 RSMo 1994). All the services a competitive company provides must be classified as competitive. (See §392.361.3 RSMo 1994).

5. Although the Application lists the waiver citations the Commission previously granted to FFC d/b/a Iamo Long Distance, the Staff recommends that the Commission approve the waivers as listed in substitute original sheet 2 of PSC Mo. No. 1 of the tariff filed in this case for First Fiber d/b/a ILD. These citations comport with the waivers now typically listed in Commission Notices of Application for authority to provide interexchange telecommunications services. The Commission may waive the application of its rules and certain statutes if the Commission determines that waiver is consistent with the purposes of Chapter 392 RSMo. (See §§ 392.361.3 and 392.420 RSMo 1994 and § 392.185 RSMo Supp. 1999).

6. The Staff recommends approval of the tariff filed by First Fiber d/b/a ILD, as substituted. The Commission is to review a tariff to assure the provisions thereof are both lawful and just and reasonable. See §§ 392.190 to 392.530, RSMo., generally and 392.200, RSMo. Supp. 1999, in particular.

7. The Staff recommends that the Commission approve the transfer to First Fiber of the assets of FFC, including those customers receiving interexchange telecommunications services from FFC d/b/a ILD, needed to effectuate the transfer of the provisioning of interexchange telecommunications services to present customers of FFC d/b/a ILD to First Fiber d/b/a ILD. The applicants have complied with the requirement of §392.300.1, RSMo. 1996 and 4 CSR 240-2.060(7)(F), that they state the impact on the tax revenues of political subdivisions. The Commission is to approve a transfer of assets from a telecommunications company so long as the transfer is not detrimental to the public interest. See §392.300.1, RSMo. 1996, and 4 CSR 240-2.060(7)(D).

8. In Case No. TA-2000-25 the Commission granted FFC d/b/a ILD temporary authority to provide interexchange telecommunications services and dedicated, private line local exchange services. Because the legislature, through §392.410.6, RSMo. 1996, has given the Commission power to “issue a temporary certificate which shall remain in force not to exceed one year . . . pending the determination of an application for a certificate” and the Commission entered its order granting FFC d/b/a ILD a temporary certificate effective August 29, 1999, the temporary certificate issued to FFC d/b/a ILD will expire by operation of law on August 28, 2000. The Staff recommends the Commission enter an order, effective contemporaneously with the expiration or earlier Commission cancellation of the temporary certificate of authority to provide interexchange telecommunications services the Commission granted to FFC d/b/a ILD in Case No. TA-2000-25, that 1) cancels the tariff the Commission approved for FFC d/b/a ILD in Case No. TA-2000-25; 2) grants First Fiber d/b/a ILD a certificate of authority to provide interexchange telecommunications services; 3) classifies the First Fiber d/b/a ILD and its services as competitive and 4) approves the transfer of assets from FFC to First Fiber. The Commission has the authority to modify or alter a certificate of service authority after proper procedure. See §392.410.5, RSMo. Supp. 1999.

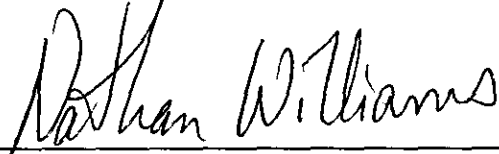
WHEREFORE, the Staff requests the Commission to issue an order that:

1) effective contemporaneously with the end, by Order or operation of law, of the temporary certificate of service authority of Fiber Four Corporation d/b/a Iamo Long Distance to provide interexchange and dedicated, private line local exchange services authorized in Case No. TA-2000-25, grants First Fiber Corporation d/b/a Iamo Long Distance (“First Fiber d/b/a ILD”) a certificate to provide interexchange telecommunications services and dedicated, private line local exchange services;

- 2) classifies the foregoing services and the company, as competitive;
- 3) approves the waivers as listed in substitute original sheet 2 of PSC Mo. No. 1 of the tariff filed in this case;
- 4) approves the tariff pages First Fiber Corporation d/b/a Iamo Long Distance PSC Mo. No. 1, Original Sheets 1-47 to become effective on the date its certificate becomes effective;
- 5) effective contemporaneously with the end, by Order or operation of law, of the temporary certificate of service authority of Fiber Four Corporation d/b/a Iamo Long Distance to provide interexchange and dedicated, private line local exchange services authorized in Case No. TA-2000-25, approves the transfer to First Fiber of the assets of FFC, including those customers receiving interexchange telecommunications services from FFC d/b/a ILD, needed to effectuate the transfer of the provisioning of interexchange telecommunications services to present customers of FFC d/b/a ILD to First Fiber d/b/a ILD; and
- 6) effective contemporaneously with the end, by Order or operation of law, of the temporary certificate of service authority of Fiber Four Corporation d/b/a Iamo Long Distance to provide interexchange and dedicated, private line local exchange services authorized in Case No. TA-2000-25, cancels the tariff approved by the Commission for Fiber Four Corporation d/b/a Iamo Long Distance in Case No. TA-2000-25.

Respectfully submitted,

DANA K. JOYCE
General Counsel

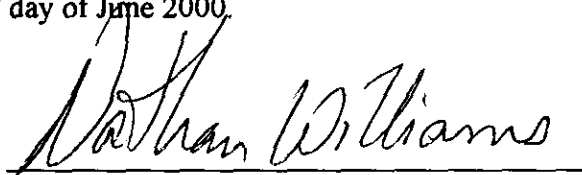


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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 22nd day of June 2000.



MEMORANDUM

RECEIVED

JUN 22 2000

DH 4:35pm
COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION

To: Missouri Public Service Commission Official Case File
Tariff File No. 200001054 Case No. TA-2000-765
First Fiber Corporation d/b/a Iamo Long Distance
Fiber Four Corporation

From: Sherri Murphy *SM BV*
Telecommunications Department

[Signature] 6/22/00
Utility Operations Division/Date

[Signature] 6/22/00 NW 6/22/00
General Counsel's Office/Date

Subject: Staff Recommendation to Approve Joint Application

Date: June 22, 2000

On May 17, 2000, First Fiber Corporation d/b/a Iamo Long Distance (First Fiber) and Fiber Four Corporation (FFC), filed a Joint Application. First Fiber requests a certificate of service authority to provide interexchange and local exchange telecommunications service, designation of those services and the company as competitive, and a waiver of certain Commission rules and statutes. First Fiber and FFC request authority to transfer a portion of FFC's assets to First Fiber and simultaneously cancel Fiber Four Corporation d/b/a Iamo Long Distance 's (FFC-Iamo's) temporary certificate of service authority and tariff which were approved in Case No. TA-2000-25. The temporary certificate was granted to FFC-Iamo on August 26, 1999, and is effective for up to one year.

On May 23, 2000, the Commission issued a Notice of Applications establishing a June 7, 2000 intervention deadline for Case No. TA-2000-765. On June 1, 2000, the Commission issued an Order Directing Notice which established a June 21, 2000, deadline for applications to intervene, requests for a hearing or comments. No parties filed in response to the Commission's Notice or Order.

Although First Fiber requests statewide authority to provide interexchange and local exchange telecommunication service, First Fiber proposes to provide service initially only to customers in the Westboro, Elmo, Clearmont and Burlington Junction exchanges. First Fiber has no pending or final judgments or decisions against it from any state or federal agency which involve customer service or rates. First Fiber requests the same waivers as those granted to FFC-Iamo. However, the Commission has since updated its list of waivers ordinarily granted to interexchange and local exchange companies. The Telecommunications Department Staff (Staff) recommends that the Commission grant First Fiber the waivers contained in its updated list of waivers.

Regarding the application for transfer of assets, FFC proposes to transfer a portion of its assets to First Fiber. These assets include the name "Iamo Long Distance," the customers of FFC-Iamo and the associated billed revenues and receivables. The Asset Purchase

Agreement is attached to the Joint Application as Appendix D. The proposed transfer of assets should have no impact on the tax revenues of the political subdivisions in which the structures, facilities and equipment of the companies are located. According to the Joint Application, First Fiber will provide service under the same rates, terms and conditions as are currently provided by FFC-Iamo. Affected customers will be notified of the transfer of assets by a direct mail notice which is attached to the Joint Application as Appendix C. The notice explains the procedure for customers to use if they want to switch to another carrier.

The Staff recommends that the Commission grant First Fiber Corporation d/b/a Iamo Long Distance a certificate of service authority to provide interexchange and local exchange telecommunications services and classify the company and its services as competitive.

At the request of the Staff, First Fiber filed a copy of its Registration of Fictitious Name from the Missouri Secretary of State's office on June 6, 2000. Also, at the request of the Staff, First Fiber filed substitute tariff pages on June 15, 2000. The Staff has no objections to the proposed tariff, as amended, and recommends the Commission approve the following tariff pages to become effective July 3, 2000:

First Fiber Corporation d/b/a Iamo Long Distance PSC Mo. No. 1
Original Sheets 1-47

Staff also recommends that the Commission approve the proposed transfer of assets and cancel FFC-Iamo's temporary certificate of service authority and accompanying tariff simultaneously with the approval of First Fiber's certificate and tariff.

**Service List for
Case No. TA-2000-765
June 22, 2000**

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