BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Reitz)
entals, Inc. d/b/a SouthWest TeleConnect)
for Approval of a Resale Agreement under) Case No. TO-2000-426
the Telecommunications Act of 1996.)

ORDER APPROVING RESALE AGREEMENT

Reitz Rentals, Inc. d/b/a SouthWest TeleConnect (SW TeleConnect) filed a petition with the Commission on January 14, 2000, for approval resale agreement (the Agreement) with Southwestern Bell under the provisions of Company (SWBT) the Telecommunications Act of 1996 (the Act). On January 27, 2000, the Commission issued notice of application and directed any party wishing to request a hearing or to participate without intervention to file its application no later than February 16, 2000. Further, SWBT was joined as a party and the Staff of the Missouri Public Service Commission (Staff) was directed to file a memorandum advising its position regarding this agreement by March 24, 2000. The January 27 order from the Commission also directed SW TeleConnect to file a pleading complying with Commission 4 CSR 240-2.060(1), which was filed on February 9, 2000.

No applications to intervene or to participate were filed. No comments or requests for hearing were filed. Staff filed a memorandum on March 1, 2000, recommending the Agreement be approved. 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 requested permission to participate or requested a hearing in this case, the Commission may grant the relief requested based on the verified application.

Discussion

The Commission, under the provisions of Section 252(e) of the Act, has authority to approve an interconnection or resale agreement negotiated between an incumbent local exchange company (LEC) and a new provider of basic local exchange service. The Commission may reject an interconnection or resale agreement only if the agreement is discriminatory or is inconsistent with the public interest, convenience and necessity.

Staff of the Missouri Public Service Commission (Staff) stated in its memorandum that the terms and rate of this Agreement are similar to those contained and approved in other interconnection or resale agreements, with a specific reference to Case No. TO-99-448, the interconnection agreement between The Phone Company and SWBT. The application stated that the Agreement was negotiated and entered into by SWBT and SW TeleConnect pursuant to Section 252(A)(1) of the federal Telecommunications Act. Further, the applicant stated that the Agreement was executed pursuant to the terms of the federal act, and that there are no outstanding issues between SWBT and SW TeleConnect that need assistance of mediation or arbitration.

Staff stated in its recommendation that the Agreement meets the limited requirements of the Act in that it does not appear to be discriminatory toward nonparties, and does not appear to be against the public interest, convenience or necessity. Staff recommended approval of the Agreement provided that all modifications to the Agreement be submitted to the Commission for approval. This condition has been applied in prior cases where the Commission has approved similar agreements.

Findings of Fact

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact.

The Commission has considered the application, the supporting documentation and Staff's recommendation. Based upon that review the Commission has reached the conclusion that the Agreement meets the requirements of the Act in that it does not unduly discriminate against a nonparty carrier, and implementation of the Agreement is not inconsistent with the public interest, convenience and necessity. The Commission finds that approval of the Agreement should be conditioned upon the parties submitting any modifications or amendments to the Commission for approval pursuant to the procedure set out below.

SW TeleConnect filed, along with its application, copies of the resale agreement with the pages numbered consecutively in the lowerright-hand corner. Therefore, the Commission will not require additional copies of the agreement to be filed.

Modification Procedure

This Commission's first duty is to review all resale and interconnection agreements, whether arrived at through negotiation or arbitration, as mandated by the Act. 47 U.S.C. § 252. In order for the Commission's role of review and approval to be effective, the Commission must also review and approve modifications to these agreements. The Commission has a further duty to make a copy of every resale and interconnection agreement available for public inspection.

47 U.S.C. § 252(h). This: duty is in keeping with the Commission's practice under its own rules of requiring telecommunications companies to keep their rate schedules on file with the Commission. 4 CSR 240-30.010.

The parties to each resale or interconnection agreement must maintain a complete and current copy of the agreement, together with all modifications, in the Commission's offices. Any proposed modification must be submitted for Commission approval, whether the modification arises through negotiation, arbitration, or by means of alternative dispute resolution procedures.

Modifications to an agreement must be submitted to the Staff for review. When approved the modified pages will be substituted in the Agreement, which should contain the number of the page being replaced in the lower right-hand corner. Staff will date-stamp the pages when they are inserted into the Agreement. The Telecommunications Staff will maintain the official record of the original agreement and all the modifications made in the Commission's tariff room.

The Commission does not intend to conduct a full proceeding each time the parties agree to a modification. Where a proposed modification is identical to a provision that has been approved by the Commission in another agreement, the modification will be approved once Staff has verified that the provision is an approved provision, and prepared a recommendation advising approval. Where a proposed modification is not contained in another approved agreement, Staff will review the modification and its effects and prepare recommendation advising the Commission whether the modification should be approved. The Commission may approve the modification based on the If the Commission chooses not to approve the Staff recommendation. modification, the Commission will establish a case, give notice to interested parties and permit responses. The Commission may conduct a hearing if it is deemed necessary.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

The Commission, under the provisions of Section 252(e)(1) of the federal Telecommunications Act of 1996, 47 U.S.C. 252(e)(1), is required to review negotiated interconnection or resale agreements. It may only reject a negotiated agreement upon a finding that its implementation would be discriminatory to a nonparty or inconsistent with the public interest, convenience and necessity under Section 252(e)(2)(A). Based upon its review of the Agreement between SW TeleConnect and SWBT, and its findings of fact, the Commission

concludes that the Agreement is neither discriminatory nor inconsistent with the public interest and should be approved.

IT IS THEREFORE ORDERED:

- 1. That the resale agreement between Reitz Rentals, Inc. d/b/a SouthWest TeleConnect and SouthWestern Bell Telephone Company filed on January 14, 2000 is approved.
- 2. That Staff of the Missouri Public Service Commission shall maintain a copy of the executed resale agreement in the tariff room.
- 3. That any changes or modifications to this Agreement shall be filed with the Commission for approval pursuant to the procedure outlined in this order.
 - 4. That this order shall become effective on March 27, 2000.
 - 5. That this case shall be closed after March 28, 2000.

BY THE COMMISSION

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(S E A L)

Shelly A. Register, Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1), (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 17th day of March, 2000.

RECEIVED

COMMISSION COUNSEL PUBLIC SERVICE COMMISSION