

10/11/00

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Application of Reitz )  
Rentals, Inc., d/b/a SouthWest TeleConnect, )  
for a Certificate of Authority to Provide )  
Basic Local Telecommunications Service in ) Case No. TA-2000-396  
Missouri, and for Competitive Classification )  
and for Waiver of Statutory Provisions and )  
Rules. )

ORDER GRANTING CERTIFICATE TO PROVIDE  
BASIC LOCAL TELECOMMUNICATIONS SERVICES

Procedural History

Reitz Rentals, Inc., d/b/a SouthWest TeleConnect (SouthWest or Applicant), applied to the Commission on December 29, 1999, for a certificate of service authority to provide competitive basic local telecommunications services on a resold basis in the state of Missouri pursuant to Section 392.455, RSMo Supp. 1999. SouthWest requested competitive classification and an order waiving certain Commission rules and statutory provisions pursuant to the federal Telecommunications Act of 1996. SouthWest seeks to provide its services throughout all exchanges currently served by the incumbent local exchange telecommunications companies of Southwestern Bell Telephone Company (SWBT), Sprint/United Telephone Company (Sprint), and GTE Midwest, Inc. (GTE).

Applicant is a Texas corporation registered to transact business in Missouri, with its principal offices located at 7000 Cameron Road, Suite 200, Austin, Texas 78752-2828. Applicant

seeks classification as a competitive company and waiver of certain statutes and rules as authorized by Sections 392.361 and 392.420, RSMo.<sup>1</sup>

The Commission issued a notice and schedule of applicants on January 4, 2000, directing interested parties wishing to intervene to do so by February 3, 2000. SWBT filed a timely application to intervene on January 10, 2000. The Commission granted intervention in an order issued on March 15, 2000.

Applicant, SWBT and the Staff of the Missouri Public Service Commission (Staff) entered into and filed a Stipulation and Agreement (Agreement), which is included with this order as Attachment 1, on April 10, 2000. In the Agreement, the parties waived their rights to present testimony, cross-examine witnesses, present oral argument or briefs, and to seek rehearing or judicial review. The Staff filed Suggestions in Support of the Stipulation and Agreement on April 17, 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 requested a hearing in this case, the Commission may grant the relief requested based on the application.

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<sup>1</sup> All statutory references are to the Revised Statutes of Missouri, 1994, unless otherwise indicated.

## Discussion

Applicant seeks certification to provide basic local exchange telecommunications services on a facilities-based and resold basis in portions of Missouri that are currently served by SWBT, GTE and Sprint. Applicant is not asking for certification in any area that is served by a small incumbent local exchange provider. SouthWest proposes to provide service in the exchanges currently served by SWBT, GTE and Sprint as listed in those companies' Missouri local exchange tariffs. SouthWest states that it intends to provide local exchange services on a resale basis, including local calling ("dial tone") and access to 911 emergency and toll free number services. SouthWest also intends to offer custom calling services such as call waiting, call forwarding, three-way calling, speed dial, call return, caller ID, and non-published number service. Service will be available on a full-time basis, 24 hours a day, seven days a week.

Applicant is requesting that its basic local services be classified as competitive and that the application of certain statutes and regulatory rules be waived.

### **A. Requirements of 4 CSR 240-2.060(4)**

Commission Rule 4 CSR 240-2.060(4) requires a foreign corporation applying for certification to provide telecommunications services in Missouri to include in its application a certificate from the Missouri Secretary of State showing that it is authorized to do business in Missouri, a description of the types of service it intends

to provide, a description of the exchanges where it will offer service, and a proposed tariff with at least a 45-day effective date.

The Applicant has requested a temporary waiver of the tariff filing requirements. No party to this proceeding has objected. Under the Stipulation and Agreement the parties have agreed that any certificate granted in this case be effective when the Applicant's tariff becomes effective. The parties have agreed that at such time as the facts necessary for the development of tariffs become known that the SouthWest will submit its tariff for Commission approval with a minimum 45-day effective date.

## **B. Basic Local Service Certification**

Section 392.455, RSMo Supp. 1999, sets out the requirements for granting certificates to provide basic local telecommunications service to new entrants. A new entrant must: (1) possess sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service; (2) demonstrate that the services it proposes to offer satisfy the minimum standards established by the Commission; (3) set forth the geographic area in which it proposes to offer service and demonstrate that such area follows exchange boundaries of the incumbent local exchange telecommunications company and is no smaller than an exchange; and (4) offer basic local telecommunications service as a separate and distinct service. In addition, the Commission must give due consideration to equitable access for all Missourians to affordable telecommunications services, regardless of where they live or their income.

Applicant submitted as Exhibit B to its application a copy of its financial qualifications. SouthWest also described its sources of capital investment. Exhibit C to its application describes the telecommunications experience of its management. These materials demonstrate that the Applicant has sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service.

Applicant wishes to be certificated to offer services in all the exchanges presently served by SWBT, GTE and Sprint as described in the basic local exchange tariffs of those companies.

Applicant represents that it will provide services that meet the minimum basic local service standards required by the Commission, including quality of service and billing standards. Applicant states that it will offer basic local telecommunications service as a separate and distinct service and will provide equitable access, as determined by the Commission, for all Missourians within the geographic area in which it will offer basic local services in compliance with Section 392.455, RSMo Supp. 1999.

Based on the application and its review, Staff concluded that:

1. SouthWest possesses sufficient technical, financial, and managerial resources to provide basic local exchange services.
2. SouthWest has identified the geographic area in which it proposes to offer its services and the area follows exchange boundaries of incumbent local exchange companies and is no smaller than an exchange.
3. SouthWest will provide basic local exchange service as a separate and distinct service.
4. SouthWest has demonstrated that the services it proposes to offer satisfy the minimum service standards established

by the Commission and that it will comply with those minimum standards.

5. SouthWest will provide equitable access to affordable telecommunications services for all Missourians, regardless of where they live or their income.

### C. Competitive Classification

The Commission may classify a telecommunications provider as a competitive company if the Commission determines it is subject to sufficient competition to justify a lesser degree of regulation. Section 392.361.2, RSMo. In making that determination, the Commission may consider such factors as market share, financial resources and name recognition, among others. In the Matter of the Investigation for the Purpose of Determining the Classification of the Services Provided by Interexchange Telecommunications Companies Within the State of Missouri, 30 Mo. P.S.C. (N.S.) 16 (1989); In the Matter of Southwestern Bell Telephone Company's Application for Classification of Certain Services as Transitionally Competitive, 1 Mo. P.S.C. 3d 479, 484 (1992). The Commission has found that whether a service is competitive is a subject for case-by-case examination and that different criteria may be given greater weight depending upon the service being considered. *Supra*, 1 Mo. P.S.C. 3rd at 487. In addition, all the services a competitive company provides must be classified as competitive. Section 392.361.3, RSMo.

The Applicant has requested, and Staff has agreed, that SouthWest should be classified as a competitive telecommunications company. The Staff has also agreed that Applicant's switched exchange access services may be classified as a competitive service,

) conditioned upon certain limitations on Applicant's ability to charge for its access services. Specifically, Staff proposes that if SouthWest later provides access services, Applicant's originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for the incumbent local exchange carrier(s) within whose service area(s) Applicant seeks to operate, unless otherwise authorized by the Commission pursuant to Sections 392.220, RSMo Supp. 1999, and 392.230.

SouthWest states that it will comply with all applicable statutes and Commission rules, regulations, decisions, and orders governing the provision of its proposed services. SouthWest did, however, request the waiver of the following statutes and Commission rules: Sections 392.210.2, 392.270, 392.280, 392.290.1, 392.300.2, 392.310, 392.320, 392.330, RSMo Supp. 1999, and 392.340, 4 CSR 240-10.020, 4 CSR 240-30.040, and 4 CSR 240-35. Staff recommended that the requested waivers be granted.

#### **D. Proposed Tariff**

As noted above, the Applicant has requested a temporary waiver of the tariff filing requirements.

#### **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:

- A. The Commission finds that competition in the basic local exchange telecommunications market is in the public interest.
- B. The Commission finds that Applicant has met the requirements of 4 CSR 240-2.060(4) for applicants for certificates of service authority to provide telecommunications services or requested an appropriate waiver.
- C. The Commission finds that Applicant meets the statutory requirements for provision of basic local telecommunications services and has agreed to abide by those requirements in the future. The Commission determines that granting Applicant a certificate of service authority to provide basic local exchange telecommunications services is in the public interest. Applicant's certificate shall become effective when its tariff becomes effective.
- D. The Commission finds that Applicant is a competitive company and should be granted waiver of the statutes and rules set out in the ordered paragraph below.
- E. The Commission finds that Applicant's certification and competitive status should be expressly conditioned upon the continued applicability of Section 392.200, RSMo Supp. 1999, and on the requirement that access services rates will be no greater than the lowest Commission-approved corresponding access rates in effect for the incumbent local exchange carrier(s) within whose service area(s) the Applicant offers its service, unless



) authorized by the Commission pursuant to Sections 392.220, RSMo Supp. 1999, and 392.230.

F. The Commission finds that a temporary waiver of the requirement to file a tariff under 4 CSR 240-2.060(4)(H) as requested, shall be granted; provided, however, this case shall not be held open pending the filing of tariffs.

### Conclusions of Law

The Missouri Public Service Commission has reached the following conclusions of law:

) The Commission has the authority to grant certificates of service authority to provide telecommunications service within the state of Missouri. Applicant has requested certification under Sections 392.420 - .440, and Sections 392.410 and .455, RSMo Supp. 1999, which permit the Commission to grant a certificate of service authority where it is in the public interest. Sections 392.361 and .420 authorize the Commission to modify or suspend the application of its rules and certain statutory provisions for companies classified as competitive or transitionally competitive.

) The federal Telecommunications Act of 1996 and Section 392.455, RSMo Supp. 1999, were designed to institute competition in the basic local exchange telecommunications market in order to benefit all telecommunications consumers. See Section 392.185, RSMo Supp. 1999. Based upon the Commission's review of the applicable law, the application and the Staff recommendation, and upon its findings of fact, the Commission concludes that the application should be approved

with the conditions suggested by Staff and stipulated to by the parties.

**IT IS THEREFORE ORDERED:**

1. That Reitz Rentals, Inc., d/b/a SouthWest TeleConnect, is granted a certificate of service authority to provide basic local telecommunications services in the state of Missouri, subject to the conditions of certification set out in this order and to all applicable statutes and Commission rules except as specified in this order. The certificate of service authority shall become effective when the company's tariff becomes effective.

2. That Reitz Rentals, Inc., d/b/a SouthWest TeleConnect, is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

Statutes

- 392.210.2 - uniform system of accounts
- 392.270 - valuation of property (ratemaking)
- 392.280 - depreciation accounts
- 392.290.1 - 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

Commission Rules

- 4 CSR 240-10.020 - depreciation fund income
- 4 CSR 240-30.040 - uniform system of accounts
- 4 CSR 240-35 - reporting of bypass and customer-specific arrangements

3. That the certification and competitive status herein awarded to Reitz Rentals, Inc., d/b/a SouthWest TeleConnect, are expressly conditioned upon the continued applicability of

) Section 392.200, RSMo Supp. 1999, and on the requirement that any increases in switched access service rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1999, and 392.230, rather than Sections 392.500 and 392.510.

4. That the request by Reitz Rentals, Inc., d/b/a SouthWest TeleConnect, for a temporary waiver of 4 CSR 240-2.060(4)(H) regarding its tariff filing is granted. Within 30 days of the effective date of an order approving an interconnection agreement with an underlying carrier, the company shall submit its tariffs for Commission approval. Such tariffs shall have a minimum 45-day effective date and the company shall serve written notice upon the parties to this case of the tariff filing, and shall provide copies of the tariffs to such parties upon request. When filing its initial basic local tariff, the company shall also file and serve the parties to this case a written disclosure of all interconnection agreements that affect its Missouri service areas; a disclosure of all portions of its Missouri service areas for which it does not have an interconnection agreement with the incumbent local exchange carrier; and its explanation of why such an interconnection agreement is unnecessary in any such areas.

5. That this order shall become effective on May 9, 2000.

6. That this case may be closed on May 10, 2000.

BY THE COMMISSION



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Keith Thornburg, 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 27th day of April, 2000.

BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

FILED<sup>2</sup>

APR 10 2000

Missouri Public  
Service Commission

In the matter of the Application of )  
Reitz Rentals, Inc. d/b/a SouthWest )  
TeleConnect for Certificate of Service ) Case No. TA-2000-396  
Authority to Provide Basic Local )  
Telecommunications Service in Missouri, )  
for Competitive Classification, and for )  
Waiver of Statutory Provisions and Rules )

STIPULATION AND AGREEMENT

Reitz Rentals, Inc. d/b/a SouthWest TeleConnect (Applicant or SouthWest TeleConnect) initiated this proceeding on December 29, 1999, by filing an Application requesting certificate of service authority to provide basic local telecommunications services in those portions of Missouri that are currently served by Southwestern Bell Telephone Company (SWBT), GTE Midwest, Incorporated (GTE) and Sprint Missouri, Inc. d/b/a Sprint (Sprint).

The Missouri Public Service Commission (Commission) has granted the timely application to intervene of Southwestern Bell Telephone Company (SWBT).

A. Standards and Criteria

1. For purposes of this Stipulation and Agreement, the parties agree that applications for local exchange and basic local exchange service authority in exchanges served by "large" local exchange companies (LECs)<sup>1</sup> should be processed in a manner similar to that in which applications for interexchange authority are currently handled.

2. In determining whether SouthWest TeleConnect's application for certificate of service authority should be granted, the Commission should consider Applicant's technical, financial and managerial resources and abilities to provide basic local telecommunications service. Applicant must

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<sup>1</sup>Large LECs are defined as LECs who serve 100,000 or more access lines §386.020 RSMo. Supp. 1999. In Missouri, the current large LECs are SWBT, GTE and Sprint.

demonstrate that the basic local services it proposes to offer satisfy the minimum standards established by the Commission, including but not limited to the filing and maintenance of basic local service tariffs with the Commission in the same manner and form as the Commission requires of incumbent local exchange telecommunications companies (ILECs) with which applicant seeks to compete. Further, Applicant agrees to meet the minimum basic local service standards, including quality of service and billing standards, as the Commission requires of the ILECs with which applicant seeks to compete. Notwithstanding the provisions of §392.500 RSMo. (1994), as a condition of certification and competitive classification, Applicant agrees that, unless otherwise ordered by the Commission, SouthWest TeleConnect's originating and terminating access rates will be no greater than the lowest Commission approved corresponding access rates in effect for the large ILEC(s) within whose service areas Applicant seeks authority to provide service. Further, Applicant agrees to offer basic local telecommunications service as a separate and distinct service and has sufficiently identified the geographic service area in which it proposes to offer basic local service. Such area follows exchange boundaries of the ILECs in the same area and is no smaller than an exchange. Finally, Applicant agrees to provide equitable access to affordable telecommunications services, as determined by the Commission, for all Missourians within the geographic area in which it proposes to offer basic local service, regardless of residence or income. See §392.455 RSMo. Supp. 1999.

3. The parties acknowledge that the Commission is currently examining the extent to which competitive LEC (CLEC) switched access rates should be regulated in Case No. TO-99-596. SouthWest TeleConnect will comply with any applicable Commission order regarding intrastate CLEC switched access rates, and the parties acknowledge that SouthWest TeleConnect can comply with any such order notwithstanding any contrary terms contained in this Stipulation.

4. SouthWest TeleConnect submitted its application without a tariff and seeks a temporary waiver of 4 CSR 240-2.060(4)(H). SouthWest TeleConnect agrees to file its initial tariff in this certification docket and serve all parties thereto with written notice at the time the initial tariff is submitted to afford them an opportunity to participate in the tariff approval process. Copies of the tariff will be provided by Applicant to such parties immediately upon request. Any service authority shall be regarded as conditional and shall not be exercised until such time as a tariff for service has become effective. When filing its initial basic local tariff, SouthWest TeleConnect shall also file and serve a written disclosure of all resale and/or interconnection agreements which affect its Missouri service areas, all portions of its Missouri service areas for which it does not have a resale and/or interconnection agreement with the incumbent local exchange carrier, and its explanation of why such a resale and/or interconnection agreement is unnecessary for such areas.

5. SouthWest TeleConnect has, pursuant to §392.420 RSMo., requested that the Commission waive the application of the following statutory provisions and rules to its basic local telecommunications services, and the parties agree that the Commission should grant such request provided that §392.200 RSMo. should continue to apply to all of SouthWest TeleConnect's services:

STATUTORY PROVISIONS

§392.210.2  
 §392.270  
 §392.280  
 §392.290.1  
 §392.300.2  
 §392.310  
 §392.320  
 §392.330  
 §392.340

COMMISSION RULES

4 CSR 240-10.020  
 4 CSR 240-30.040  
 4 CSR 240-35

6. In negotiating the remaining provisions of this Stipulation and Agreement, the parties employed the foregoing standards and criteria, which are intended to meet the requirements of existing law and §§392.450 and 392.455 RSMo. regarding applications for certificates of local exchange service authority to provide basic local telecommunications service

B. SouthWest TeleConnect Certification

7. SouthWest TeleConnect hereby agrees that its application should be deemed amended to include by reference the terms and provisions described in paragraphs 2-5 above.

8. Based upon its verified Application, as amended by this Stipulation and Agreement, SouthWest TeleConnect asserts, and no party makes a contrary assertion, that there is sufficient evidence from which the Commission can find and conclude that SouthWest TeleConnect:

- A. possesses sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service, including exchange access service;
- B. proposes and agrees to offer basic local services that satisfy the minimum standards established by the Commission;
- C. has sufficiently identified the geographic area in which it proposes to offer basic local service and such area follows exchange boundaries of the incumbent local exchange telecommunications companies in the same areas, and such area is no smaller than an exchange;
- D. will offer basic local telecommunications service as a separate and distinct service;
- E. has agreed to provide equitable access to affordable telecommunications services, as determined by the Commission, for all Missourians within the geographic area in which it proposes to offer basic local service, regardless of where they live or their income; and
- F. has sought authority which will serve the public interest.



9. SouthWest TeleConnect asserts, and no party opposes, that SouthWest TeleConnect's application and request for authority to provide basic local telecommunications services should be granted. All services authorized herein should be classified as competitive telecommunications services provided that the requirements of §392.200 RSMo. continue to apply, and SouthWest TeleConnect shall remain classified as a competitive telecommunications company. SouthWest TeleConnect asserts, and no party opposes, that such services will be subject to sufficient competition by the services of the ILECs to justify a lesser degree of regulation of SouthWest TeleConnect's services consistent with the protection of ratepayers and the promotion of the public interest. Such classification should become effective upon the tariffs for the services becoming effective. Such authority should be conditional, not to be exercised until such time as tariffs for those services have been filed (together with the written disclosure as stipulated above) and have become effective. The Commission's Order should state the foregoing conditions substantially as follows:

The service authority and service classification herein granted are subject to the requirements of §392.200 RSMo. and are conditional and shall not be exercised until such time as tariffs for services have become effective.

The parties agree that Applicant's switched exchange access services may be classified as competitive services. The parties further agree that Applicant's intrastate switched exchange access services are subject to §392.200 RSMo. Any increases in intrastate switched access service rates above the maximum switched access service rates as set forth in paragraph 2 herein shall be cost justified and shall be made pursuant to §§392.220 and 392.230 RSMo. and not §§392.500 and 392.510 RSMo.

The Commission's Order should state the foregoing conditions substantially as follows:

The service authority and service classification for switched exchange access granted herein is expressly conditioned on the continued applicability of §392.200 RSMo. and the requirement that any increases in switched access service rates above the maximum switched access service rates set forth herein shall be cost justified and shall

be made pursuant to §392.220 and 392.230 RSMo. and not §392.500 and 392.510 RSMo.

10. SouthWest TeleConnect's request for a temporary waiver of 4 CSR 240-2.060(4)(H), which requires applications to include a proposed tariff with a 45-day effective date, is not opposed by the parties and should be granted. SouthWest TeleConnect and Southwestern Bell Telephone Company entered a resale agreement which was recently approved by the Commission (Case No. TO-2000-426, Order Approving Resale Agreement 3/17/2000). SouthWest TeleConnect does not yet have approved resale and/or interconnection agreements with Sprint and GTE, although a resale agreement with Sprint Missouri was filed with the Commission on April 4, 2000. Applicant agrees that at such time as all facts necessary for the development of tariffs become known, it will submit tariffs in this docket, with a minimum 45-day proposed effective date, to the Commission for its approval, together with the written disclosure as stipulated above. SouthWest TeleConnect shall serve notice to all parties and participants in this docket of the filing of its tariffs at the time they are filed with the Commission and serve them with the aforesaid written disclosure and shall upon request immediately provide any party with a copy of those tariffs. The Commission's Order should state these obligations as conditions to the waiver of 4 CSR 240-2.060(4)(H), substantially as follows:

Applicant's request for temporary waiver of 4 CSR 240-2.060(4)(H) is hereby granted for good cause in that applicant does not yet have approved resale and/or interconnection agreements with Sprint and GTE, and applicant's resale agreement with SWBT was only recently approved. When applicant submits its tariffs in this docket to the Commission, such tariffs shall have a minimum of a 45-day effective date and the applicant shall serve written notice upon the parties hereto of such submittal, and shall provide copies of such tariffs to such parties immediately upon request. When filing its initial basic local tariff in this docket, the applicant shall also file and serve upon the parties hereto a written disclosure of: all resale and/or interconnection agreements which affect its Missouri service areas; all portions of its Missouri service areas for which it does not have a resale and/or interconnection agreement with the incumbent local exchange carrier; and its explanation of why such a resale and/or interconnection agreement is unnecessary for any such areas.

11. SouthWest TeleConnect's request for waiver of the application of the following rules and statutory provisions as they relate to the regulation of Applicant's services should be granted:

STATUTORY PROVISIONS

COMMISSION RULES

§392.210.2  
§392.270  
§392.280  
§392.290.1  
§392.300.2  
§392.310  
§392.320  
§392.330  
§392.340

4 CSR 240-10.020  
4 CSR 240-30.040  
4 CSR 240-35

12. This Stipulation and Agreement has resulted from extensive negotiations among the signatories and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation in total, then this Stipulation shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The Stipulations herein are specific to the resolution of this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings.

13. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties and participants waive, with respect to the issues resolved herein: their respective rights pursuant to §536.070(2) and §536.080.1 RSMo. 1994, to present testimony, to cross examine witnesses, and to present oral argument or written briefs; their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2 RSMo. 1994; and their respective rights to seek rehearing pursuant to §386.500 RSMo. 1994 and to seek judicial review pursuant to §386.510 RSMo. 1994. The parties agree to cooperate with the Applicant and with each other in presenting

this Stipulation for approval to the Commission and shall take no action, direct or indirect, in opposition to the request for approval of SouthWest TeleConnect's application made herein.

14. The Staff may submit a Staff Recommendation concerning matters not addressed in this Stipulation. In addition, if requested by the Commission, the Staff shall have the right to submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each party of record and participant herein shall be served with a copy of any memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of Staff's memorandum, a responsive memorandum which shall also be served on all parties and participants. All memoranda submitted by the parties shall be considered privileged in the same manner as settlement discussions under the Commission's rules, shall be maintained on a confidential basis by all parties and participants, and shall not become a part of the record of this proceeding or bind or prejudice the party submitting such memorandum in any future proceeding or in this proceeding whether or not the Commission approves this Stipulation and Agreement. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to the Stipulation and Agreement, whether or not the Commission approves and adopts this Stipulation and Agreement.

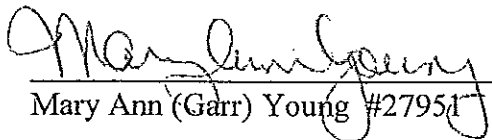
The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other parties and participants with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure.

15. The Office of Public Counsel, while not a signatory to this Stipulation and Agreement, has been contacted with regard to its filing and has offered no objection.

16. Finally, SouthWest TeleConnect will comply with all applicable Commission rules and regulations except those which are specifically waived by the Commission.

WHEREFORE, the signatories respectfully request the Commission to issue its Order approving the terms of this Stipulation and Agreement and issue its Order granting authority and classification as requested by SouthWest TeleConnect, subject to the conditions described above, at its earliest convenience.

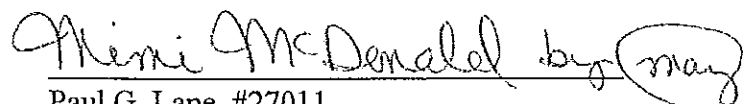
Respectfully submitted,

  
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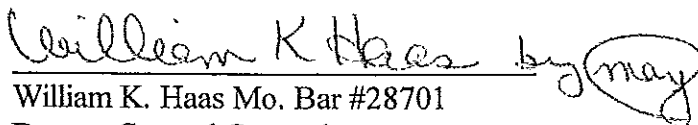
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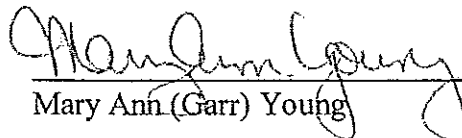
  
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FOR: Staff of the Missouri  
Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the parties of record listed below, on this 10<sup>th</sup> day of April 2000.

  
Mary Ann (Garr) Young

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