STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY June 29, 2000

CASE NO: TA-2000-765

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

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Missouri Public Service Commission
P.O. Box 360
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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Ask Hard Roberts

Secretary/Chief Regulatory Law Judge

Uncertified Copy:

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 29th day of June, 2000.

In the Matter of the Application of First Fiber)
Corporation and Fiber Four Corporation to Grant)
First Fiber Corporation a Certificate of)
Service Authority to Provide Interexchange)
and Local Exchange Telecommunications)
Case No. TA-2000-765
Services and for Authority to Transfer a)
Portion of the Assets of Fiber Four Corporation)
Used to Provide Service to Customers of IAMO)
Long Distance to First Fiber Corporation)
d/b/a IAMO Long Distance

ORDER APPROVING INTEREXCHANGE AND NON-SWITCHED LOCAL EXCHANGE CERTIFICATES OF SERVICE AUTHORITY, ORDER APPROVING TARIFF, AND ORDER APPROVING TRANSFER OF ASSETS AND CANCELLATION OF CERTIFICATE

PROCEDURAL HISTORY OF THE INTEREXCHANGE AND LOCAL EXCHANGE PORTION OF THE APPLICATION

First Fiber Corporation d/b/a IAMO Long Distance (First Fiber) applied to the Missouri Public Service Commission (Commission) on May 17, 2000, for an order that (a) grants First Fiber a certificate of service authority to provide interexchange and local exchange telecommunications services in Missouri pursuant to Chapter 392 of the Missouri Revised Statutes; (b) designates First Fiber and the interexechange telecommunications services to be provided by First Fiber as competitive telecommunications services; and (c) waives certain Commission rules and statutory provisions pursuant to Section



392.420, RSMo. Supp. 1999¹, in relation to First Fiber's provision of interexchange telecommunications services. First Fiber is an Iowa corporation, with its principal office located at 104 Crooks Street, P. O. Box 368, Coin, Iowa 51636.

The Commission issued a notice of applications for intrastate certificates of service authority and opportunity to intervene on May 23, 2000, directing parties wishing to intervene to file their requests by June 7, 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.

First Fiber filed a proposed tariff in conjunction with its application and filed substitute sheets on June 15, 2000. The tariff's original effective date was June 23, 2000. The effective date was extended by First Fiber on June 15, 2000, to July 3, 2000. First Fiber's tariff describes the rates, rules, and regulations it intends to use, identifies First Fiber as a competitive company, and lists the waivers requested. First Fiber intends to provide interexchange and non-switched local exchange telecommunications services. First Fiber's local exchange authority shall be limited to

¹ All references herein to sections of the Revised Statutes of Missouri (RSMo), unless otherwise specified, are to the revision of 1994.

the provisioning of dedicated, non-switched local exchange private line services.

Procedural History of the Transfer of Assets Portion of the Application

In the same application, Fiber Four Corporation (FFC), a Missouri corporation, joined with First Fiber (jointly, Applicants) in requesting the Commission to issue an order (a) granting the Applicants authority to transfer a portion of the assets of FFC, described in the asset purchase agreement attached to the application, including the name "IAMO Long Distance" (ILD), the customers of ILD, and ILD's associated billed revenues and receivables, to First Fiber pursuant to Section 392.300; and (b) simultaneously canceling the certificate of service authority and existing tariff of FFC, granted by the Commission on August 26, 1999, in case number TA-2000-25, and approving the new tariff of First Fiber filed with the Applicants' joint application.

The Commission entered an order directing notice of this part of the application on June 1, 2000, directing parties wishing to intervene to file their requests by June 23, 2000. No party intervened in this portion of the application.

Common Procedural History

Applicants stated that the Missouri Secretary of State requires that FFC cancel its registration of the fictitious name "IAMO Long Distance" prior to or simultaneously with First Fiber's registration of the same name. Further, Applicants stated that FFC needed to use the fictitious name "IAMO Long Distance" until the transfer of assets to First Fiber is complete. Thus, Applicants stated that they could

not transfer the registration of the fictitious name "IAMO Long Distance" from FFC to First Fiber until the Commission has approved the transfer of assets requested in the Applicants' joint application. Applicants stated that they would transfer the registration of the fictitious name of "IAMO Long Distance" from FFC to First Fiber upon the approval of its application in this case and would, in addition, provide the Commission with a copy of the said transferred registration at that time.

However, on June 6, 2000, the Applicants filed the registration of fictitious name, dated June 2, 2000, which they received from the Secretary of State. The registration of fictitious name showed that First Fiber will be doing business as ILD.

In its memorandum filed on June 22, 2000, the Staff of the Commission (Staff) stated that, although First Fiber requested statewide authority to provide interexchange and local exchange telecommunication service, First Fiber proposed to provide service initially only to customers in the Westboro, Elmo, Clearmont and Burlington Junction exchanges. Staff stated that First Fiber had no pending actions or final judgments or decisions against it from any state or federal agency which involved customer service or rates. Staff stated that First Fiber requested the same waivers as those However, Staff noted, the Commission has since granted to FFC. updated its list of waivers ordinarily granted to interexchange and local exchange companies. Staff recommended that the Commission grant First Fiber the waivers contained in its updated list of waivers.

Regarding the application for transfer of assets, Staff stated that FFC proposed to transfer a portion of its assets to First Fiber. These assets included the name "IAMO Long Distance," the customers of FFC, and the associated billed revenues and receivables. Staff stated that the asset purchase agreement was attached to the joint application as Appendix D. Staff was of the opinion that 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. Staff noted that according to the joint application, First Fiber will provide service under the same rates, terms and conditions as are currently provided by FFC.

Staff stated that affected customers would be notified of the transfer of assets by a direct mail notice which was attached to the joint application as Appendix C. The notice, Staff said, explained the procedure for customers to use if they want to switch to another carrier.

The Staff recommended that the Commission grant First Fiber a certificate of service authority to provide interexchange and local exchange telecommunications services and classify the company and its services as competitive.

Staff stated that at its request, 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 stated that it had no objections to the proposed tariff, as amended, and recommended that the Commission approve the following tariff pages

to become effective July 3, 2000: First Fiber Corporation d/b/a IAMO Long Distance P.S.C. Mo. No. 1, Original Sheets 1-47.

Staff also recommended that the Commission approve the proposed transfer of assets and cancel FFC's temporary certificate of service authority and accompanying tariff simultaneously with the approval of First Fiber's certificate and tariff. Staff stated that the transfer of assets was not detrimental to the public interest.

Findings

The Commission finds that competition in the intrastate interexchange and non-switched local exchange telecommunications markets is in the public interest and First Fiber should be granted a certificate of service authority. The Commission finds that the services First Fiber proposes to offer are competitive and First Fiber's services should be classified as competitive. 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 First Fiber's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange and non-switched local exchange carriers. The Commission finds that the proposed tariff filed on May 17, 2000 shall be approved as amended to become effective on July 3, 2000.

The Commission has reviewed the application, the Staff's recommendation, and the official case file. The Commission finds that

approval of the transfer is not detrimental to the public interest and the authority requested should be granted.

IT IS THEREFORE ORDERED:

- 1. That First Fiber Corporation d/b/a IAMO Long Distance 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 First Fiber Corporation d/b/a IAMO Long Distance is granted a certificate of service authority to provide local exchange telecommunications services in the state of Missouri limited to providing dedicated, non-switched local exchange private line services, subject to all applicable statutes and Commission rules except as specified in this order.
- 3. That First Fiber Corporation d/b/a IAMO Long Distance and its services are classified as competitive. Application of the following statutes and regulatory rules shall be waived:

Statutes

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

Commission Rules

- 4 CSR 240-10.020 depreciation fund income
- 4 CSR 240-30.010(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
- 4. That the tariff filed by First Fiber Corporation d/b/a IAMO Long Distance on May 17, 2000, and as amended by substitute tariff sheets filed June 15, 2000, under tariff number 200001054, is approved as amended to become effective on July 3, 2000. The tariff approved is:

First Fiber Corporation d/b/a IAMO Long Distance P.S.C. Mo. No. 1 Original Sheets 1 - 47

- 5. That the application for approval of transfer filed on May 17, 2000, by First Fiber Corporation d/b/a IAMO Long Distance and Fiber Four Corporation d/b/a IAMO Long Distance is approved and that the parties are authorized to take any and all actions necessary to effect the transfer of assets as described in the asset purchase agreement attached to their joint application and as authorized by this order.
- 6. That First Fiber Corporation d/b/a IAMO Long Distance and Fiber Four Corporation d/b/a IAMO Long Distance shall report to the Missouri Public Service Commission within ten (10) business days of the completion of the approved transfer that such has been accomplished.
- 7. That the certificate of service authority and existing tariff of Fiber Four Corporation d/b/a IAMO Long Distance, granted by the

Missouri Public Service Commission on August 26, 1999, in case number TA-2000-25, is canceled.

- 8. That nothing in this order shall be considered a finding by the Missouri Public Service Commission of the value for ratemaking purposes of the transactions herein involved.
- 9. That the Missouri Public Service Commission reserves the right to consider any ratemaking treatment to be afforded the transactions herein involved in a later proceeding.
 - 10. That this order shall become effective on July 11, 2000.

BY THE COMMISSION

Hoke Hard Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Drainer, Murray, Schemenauer, and Simmons, CC., concur Lumpe, Ch., absent

Hopkins, Senior Regulatory Law Judge

ALIBER'Y: Hopkins (Mills)/ Boyce
Lifsec'y: Hopkins (Mills) Boyce 6-26 CASE NO.
Shon (sligent) Lumpe, Chair
Drainer, Vice Chair
Murray, Commissioner
Schemenauer, Commissioner V
Simmons, Commissioner
6-29 Agenda Date
4000
Action taken:

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 29th day of June 2000.

Hole Hole Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge