STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 1st day of April, 1994.

In the matter of Alma Telephone Company's modernization plans pursuant to CSR 240-32.100.

CASE NO. TO-94-131

ORDER APPROVING STIPULATION AND AGREEMENT

On October 22, 1993, the Commission established this case for the proceedings concerning Alma Telephone Company's (Alma) modernization plans pursuant to 4 CSR 240-32.100. On November 30, 1993, the Commission granted intervention to AT&T Communications of the Southwest, Inc. (AT&T).

On February 24, 1994, Alma, AT&T, the Staff of the Commission (Staff), and the Office of the Public Counsel (Public Counsel) filed a Stipulation and Agreement (Stipulation) in this matter. The Stipulation (Attachment A to this Order and incorporated herein by reference) states that Alma provides, and shall continue to provide the minimum necessary elements for basic local and interexchange telecommunications service as prescribed in the modernization rule, with the exception of providing equal access.

The Stipulation also states that Alma will send a letter to interexchange carriers by June 30, 1995, informing them of the date Alma intends to provide equal access and that Alma will provide equal access no later than December 31, 1995. The Stipulation further specifies that Alma will comply with the requirements of the Federal Communications Commission Report and Order released March 19, 1985, in CC Docket No. 78-72, Phase III. In addition, the parties agree that if Alma fulfills the terms of the Stipulation, Alma will be providing basic service by December 31, 1995. Furthermore, the Stipulation states that the Stipulation should be accepted as Alma's three-year plan and that the requirement for Alma to file five and seven-year modernization plans should be waived.

The Commission has reviewed Alma's filings and the Stipulation in this matter. The Commission finds that Alma currently provides most elements of basic

service, except equal access, and that Alma intends to provide equal access no later than December 31, 1995. The Commission also finds that the provision for Alma to continue to provide the minimum necessary elements for basic service is beneficial for purposes of protecting the public interest in the future. Furthermore, the fact that Alma will be providing basic service as required by 4 CSR 240-32.100 within three years of the filing date specified by the modernization rule is good cause for Alma to be granted a waiver from the requirement to file five and seven-year modernization plans. Thus, the Commission finds that the Stipulation is just and reasonable. The Commission also determines that the Stipulation should be considered Alma's three-year modernization plan.

The Commission may approve a stipulation of the issues in a case if it finds that the stipulation is just and reasonable. The Commission has so found and thus determines that the Stipulation in this case should be approved.

IT IS THEREFORE ORDERED:

- 1. That the Stipulation and Agreement filed in this case (Attachment A) is hereby approved and adopted.
- 2. That the Stipulation and Agreement approved in Ordered Paragraph 1 shall be considered as Alma Telephone Company's three-year modernization plan as required by 4 CSR 240-32.100.
- 3. That Alma Telephone Company is hereby granted a waiver of the requirement to file five and seven-year modernization plans pursuant to 4 CSR 240-32.100.
- 4. That Alma Telephone Company shall submit a copy of the letter to interexchange carriers required by the Stipulation and Agreement approved in Ordered Paragraph 1 to the Telecommunications Department of the Commission.
- 5. That Alma Telephone Company shall submit written notification to the Telecommunications Department of the Commission upon full implementation of equal access.

6. That this Order shall become effective of April 12, 1994.

BY THE COMMISSION

David L. Rauch Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins, Kincheloe and Crumpton, CC., Concur.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of Alma Telephone)
Company's Modernization Plans) Case No. TO-94-131
Pursuant to 4 CSR 240-32.100)

STIPULATION AND AGREEMENT

Based on documentation filed by Alma Telephone Company ("Alma"), the signatories--the Office of the Public Counsel ("OPC"), the Staff of the Missouri Public Service Commission ("the Staff"), Alma and AT&T Communications of the Southwest--agree and stipulate as follows:

- 1. Alma provides, and shall continue to provide, the minimum necessary elements for basic local and interexchange telecommunications service ("basic service") as prescribed in 4 CSR 240-32.100 ("the Modernization Rule"), with the exception of providing equal access.
- 2. Alma agrees to send a letter to interexchange carriers by June 30, 1995, informing them of the date Alma intends to provide customers with equal access. Alma shall provide equal access by December 31, 1995, or earlier if practicable considering business conditions in Alma's service area and Alma's capital constraints. Alma shall comply with the requirements of the Federal Communications Commission Report and Order released March 19, 1985, in CC Docket No. 78-72, Phase III.
- 3. OPC and the Staff agree that if Alma fulfills the terms of paragraphs 1 and FILED 2, Alma will provide basic service by December 31, 1995.

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- 4. Given Alma's intent to provide basic service within three years of the filing date specified by the Modernization Rule, the parties do not foresee any benefit from requiring Alma to file three-, five- and seven-year modernization plans as provided in the Modernization Rule.
- 5. If the Missouri Public Service Commission ("the Commission") accepts the specific terms of this Stipulation and Agreement, the signatories waive their respective rights
- a. to call, examine or cross-examine witnesses, pursuant to § 536.070(2): RSMo 1986;
- b. to present oral argument and written briefs, pursuant to § 536.080.1 **RSMo** 1986;
- c. to have the Commission read any transcript resulting from this proceeding, pursuant to § 536.080.2 RSMo 1986; and
- d. to judicial review, pursuant to § 386.510 RSMo 1986.
- 6. Nothing in this stipulation shall constitute an agreement by the parties as to the reasonableness of the amount or value for ratemaking purposes of any specific planned or completed expenditure made by Alma in providing basic service. Further, nothing in this Stipulation and Agreement shall be construed to authorize a change in Alma's rates. However, a subsequent ratemaking proceeding involving Alma may permit the Commission to consider the ratemaking consequences of any such expenditure made or incurred by Alma in providing basic service.
- 7. The provisions of this Stipulation and Agreement represent a negotiated settlement, have resulted from negotiations among the signatories and are interdependent. In the event the Commission does not approve this Stipulation and Agreement in total, it shall be void and no party shall be bound, prejudiced or in any way affected by any of the

agreements or provisions hereof in any future proceeding, in any proceeding currently pending under a separate docket, or in this proceeding.

8. The Staff shall have the right to explain to the Commission confidentially its rationale for entering into this Stipulation and Agreement, and to provide to the Commission whatever further explanation the Commission requests. Any rationales advanced by the Staff are its own and are not acquiesced in or otherwise adopted by the other signatories hereto. The Staff's explanation shall not become part of the record of this proceeding and shall not bind or prejudice the Staff in any future proceeding. In the event the Commission does not approve this Stipulation and Agreement, the Staff's explanation shall not bind or prejudice the Staff in this proceeding.

WHEREFORE, the signatories respectfully request that the Commission issue an order that--

- 1. approves this Stipulation and Agreement;
- 2. accepts this Stipulation and Agreement as Alma's three-year modernization plan; and,
- waives the requirement that Alma file five- and seven-year modernization 3. plans.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL ALMA TELEPHONE COMPANY

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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 following service list this 24th day of February, 1993.

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