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STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 17th day of February, 1999.

In the Matter of the Investigation) of GTE Midwest, Inc.'s Proposed Sale) or Exchange of 105 Exchanges in the) State of Missouri.

Case No. TO-99-262

ORDER DENYING REHEARING

On December 9, 1998, the Office of the Public Counsel (Public Counsel) filed its motion for an investigation of GTE Midwest regarding its proposed sale of 105 exchanges in the state of Missouri. Public Counsel suggested this type of investigation was necessary because of, inter alia, "concerns about the future quality of service and customer service afforded the customers in these areas."

The Commission issued an Order Denying Application and Closing Case on January 21, 1999 in which it found first that Public Counsel had failed to cite the authority under which relief was requested and second that Public Counsel was seeking relief on an issue which is not yet ripe.

On January 29, Public Counsel filed its motion for rehearing in which it largely restated the issues which it first raised in its initial motion to open the docket. Inasmuch as Public Counsel has not provided any information which was not included in its original motion, the Commission will deny Public Counsel's request for rehearing. The Commission stated in its Order Denying Application and Closing Case that if GTE were to propose to sell any of its Missouri properties the

Commission would subject such a transaction to close scrutiny. In fact, in a related case, the Commission has advised both its own Staff and the Public Counsel that if any evidence of poor service in GTE exchanges exists that evidence should be brought forward, forthwith. However, the Commission has no authority to investigate a transaction which has not yet taken place or a filing which does not exist. Public Counsel's application remains moot and its application for rehearing must be denied.

IT IS THEREFORE ORDERED:

- 1. That the Motion for Rehearing filed by the Office of the Public Counsel on January 29, 1999 is denied.
 - 2. That this order shall become effective on February 17, 1999.

BY THE COMMISSION

Hole Hold Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Lumpe, Ch., Murray, Schemenauer and Drainer, CC., concur Crumpton, C., absent

Roberts, Chief Regulatory Law Judge

