

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 21st
day of March, 1995.

In the matter of the application of)
Coastal Telecom Limited Company, for)
a certificate of service to provide)
intrastate telecommunications)
services within the State of Missouri)
CASE NO. TA-95-215

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND
ORDER APPROVING TARIFF

On January 20, 1995, Coastal Telecom Limited Company (Coastal or Applicant) applied to the Public Service Commission (Commission) for a certificate of service authority to provide intrastate interexchange telecommunications services within the state of Missouri and for classification as a competitive telecommunications company pursuant to §§ 392.361 and 392.440 RSMo 1994. Applicant also requested waiver of certain statutes and Commission rules as authorized by § 392.420 RSMo 1994. The Commission issued its Notice and Schedule of Applicants on February 7, 1995, directing parties wishing to intervene in the case to do so by February 22, 1995. There were no motions filed for permission to intervene or for hearing. Coastal was also directed to file a proposed tariff, carrying a thirty-day effective date, reflecting the rates, rules, and regulations under which it proposes to offer services in Missouri.

Coastal filed its proposed tariff on February 24, 1995, with an effective date of March 27, 1995, and filed substitute sheets on March 3 and 10, 1995. In addition to the rates, rules, and regulations it intends to use for providing services, the tariff also identifies Applicant as a

competitive telecommunications provider, and indicates the statutory and regulatory requirements expected to be waived by the Commission. Coastal is proposing to provide interexchange telecommunications services including "1+" and 800 number services.

On March 14, 1995, the Staff of the Commission (Staff) filed its Memorandum recommending approval of Company's application and proposed tariff. Staff stated that Applicant's proposed services are the same or equivalent to the services which were classified as competitive in Case No. TO-88-142, *In re 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 (September 1989) and recommended that the Commission grant Applicant competitive status on that basis. Staff also recommended that Coastal be granted waiver of certain statutes and Commission rules which have been waived for other competitive telecommunications companies. Applicant requested waiver of 4 CSR 240-32.060(5) but that rule has not previously been waived for other competitively classified companies and its waiver is not recommended in this case.

Staff stated that it had reviewed the proposed tariff and substitute sheets and concluded that the tariff clearly and comprehensively describes the terms and conditions of the services to be offered, and that those services are within the scope of the certificate of authority requested. Staff concluded that the proposed tariff, as amended, is consistent with service offerings currently available from other interexchange carriers and approved by the Commission and is in compliance with Commission rules and regulations. Staff recommended that the tariff, as amended, be approved for services on and after March 27, 1995.

The requirements of due process have been satisfied when interested persons have been given notice and an opportunity to be heard. Notice, in this case, was sent by the Commission on February 7, 1995, and interested parties were directed to intervene on or before February 22, 1995. Since no one has filed an application to intervene or request for hearing, the Commission determines that a hearing is not necessary and the Applicant may submit evidence in support of its application by verified statement. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo.App. 1989).

After reviewing Applicant's verified statement and Staff's recommendation, the Commission finds that Applicant is a Missouri corporation, with its principal office or place of business at 2 Riverway, Suite 800, Houston, Texas 77056. The Commission finds that Applicant has filed current financial information and a brief description of the type of service it proposes to provide, and has agreed to comply with all applicable rules and regulations of the Commission, and with any terms and conditions which the Commission may lawfully impose.

The Commission finds that additional competition in the intrastate interexchange market is in the public interest and a certificate of service authority should be granted to Applicant. The Commission also finds that the services Applicant proposes to offer are competitive, and that waiving the statutes and Commission rules set out below is reasonable and not detrimental to the public interest. Therefore, the Commission concludes that Applicant should be classified as a competitive company pursuant to § 392.361 RSMo 1994.

The Commission determines that, pursuant to § 392.470 RSMo 1994, certain regulatory requirements should be imposed upon Applicant as a

reseller of telecommunications services in Missouri. Applicant should be subject to the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) Applicant is required to comply with reasonable requests by Staff for financial and operating data to allow Staff to monitor the intraLATA toll market pursuant to § 386.320.3 RSMo 1994.
- (2) Applicant is required to file tariffs containing rules and regulations applicable to customers, a description of the services provided, and a list of rates associated with those services pursuant to § 392.220 RSMo 1994, and 4 CSR 240-30.010.
- (3) Applicant's tariff filing must contain a preliminary section which states that Company is a competitive carrier and identifies the statutory and rule waivers granted it by the Commission.
- (4) Applicant is precluded from unjustly discriminating between and among its customers pursuant to §§ 392.200 and 392.400 RSMo 1994.
- (5) Applicant is required by § 386.570 RSMo 1994 and § 392.360 RSMo 1994, to comply with all applicable rules of the Commission except those which have been specifically waived by this order.
- (6) Applicant is required to file a Missouri-specific annual report pursuant to §§ 392.210 and 392.390.1 RSMo 1994.
- (7) Applicant is required to comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs pursuant to § 392.390.3 RSMo 1994.

- (8) A copy of the jurisdictional report submitted to local exchange companies shall be submitted to the staff on a confidential basis within ten (10) days of the date on which it is submitted to the local exchange company.

The Commission finds that Coastal's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to those which have been approved for other Missouri certificated interexchange carriers providing similar services. The Commission further finds that the proposed tariff filed on February 24, 1995, and amended on March 3 and 10, 1995, should be approved for services on and after March 27, 1995.

IT IS THEREFORE ORDERED:

1. That Coastal Telecom Limited Company be granted a certificate of service authority to provide intrastate interexchange telecommunication services in the state of Missouri, subject to the conditions of certification set out above.

2. That Coastal Telecom Limited Company be classified as a competitive telecommunications company for which the following statutes and regulatory rules shall be waived:

Statutes

392.240(1)	- ratemaking
392.270	- valuation of property (ratemaking)
392.280	- depreciation accounts
392.290	- issuance of securities
392.310	- stock and debt issuance
392.320	- stock dividend payment
392.330	- issuance of securities, debts and notes
392.340	- reorganization(s)

Commission Rules

4 CSR 240-10.020	- depreciation fund income
4 CSR 240-30.010(2) (C)	- rate schedules
4 CSR 240-32.030(4) (B)	- exchange boundary maps

4 CSR 240-32.030(1) (C)	- record keeping
4 CSR 240-32.030(2)	- in-state record keeping
4 CSR 240-32.050(3)	- local office record keeping
4 CSR 240-32.050(4)	- telephone directories
4 CSR 240-32.050(5)	- call intercept
4 CSR 240-32.050(6)	- telephone number changes
4 CSR 240-32.070(4)	- public coin telephone
4 CSR 240-33.030	- minimum charges rule

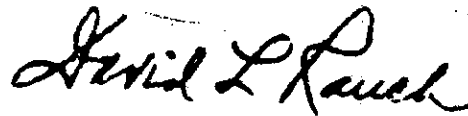
3. That Coastal Telecom Limited Company shall file its PIU reports as set out above.

4. That the tariff filed by Coastal Telecom Limited Company on February 24, 1995, be approved, as amended, for services on and after March 27, 1995. The tariff approved is:

P.S.C. Mo. No. 1

5. That this order shall become effective on March 27, 1995.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

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