

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of the tariff of VarTec Telecom,)
Inc., formerly known as Vartec National, Inc.,) CASE NO. TO-94-4
d/b/a VarTec Telecom, Inc., designed to reflect)
its change of name.)

ORDER APPROVING TARIFF

On July 2, 1993, VarTec Telecom, Inc. (VarTec) submitted a new tariff, P.S.C. Mo. No. 2, to cancel and replace its current tariff, P.S.C. Mo. No. 1. The purpose of the tariff filing is to reflect the proper name of the corporation and delete references to its former name, and to introduce four new services. VarTec began its operations in Missouri as VarTec National, Inc., d/b/a VarTec Telecom, Inc., but on August 3, 1992 sought and received approval of the Missouri Secretary of State to change its name to VarTec Telecom, Inc.

The four new services proposed by VarTec are Home Direct Service, Business 800 Service, Enhanced Service, and Preferred Service, and are described as follows:

(1) Home Direct Service would allow a customer to complete calls to a predesignated number from any touch-tone telephone through an "800" number and a personal identification number. A non-recurring account setup fee of \$10.00 would apply, and the customer would also be charged a monthly recurring fee of \$1.00, and usage rates of \$.25 per minute for daytime calling and \$.20 per minute for evening, night, and weekend calling;

(2) Business 800 Service would allow inward calling from predesignated numbering plan areas (NPA's) to the customer's telephone. The customer would incur a monthly recurring charge of \$5.00, and usage rates of \$.1395 to \$.1995, depending on the time of day. The customer could also request custom route features which would block calls from specific NPAs, or would provide time of day routing. A customer subscribing to the custom routing

features would be charged an initial setup fee of \$30.00, plus a \$.03 surcharge per call blocked or routed;

(3) Enhanced Service is a "1+" service intended for either residential or business customers who are presubscribed to VarTec. Usage rates for Enhanced Service would vary from \$.0425 to \$.4345 per minute for intraLATA calls, and from \$.0475 to \$.3753 per minute for interLATA calls, depending on the distance and time of day of the call;

(4) Preferred Service is a "1+" service intended primarily for business customers who may or may not be presubscribed to VarTec. Preferred Service would offer flat rates of \$.1890 per minute for daytime calling, and \$.1690 per minute for evening, night, and weekend calling. Preferred Service would also offer Account Code Reporting at a monthly rate of \$10.00.

On July 21, 1993, the Staff of the Public Service Commission (Staff) filed a memorandum recommending approval of VarTec's tariff submission. Staff states that it has examined VarTec's tariff filing and has no objections, and recommends approval with an effective date of August 2, 1993. Staff notes that the proposed tariff is essentially unchanged from the current tariff, and that VarTec is not proposing to change any of the current rates or services. On July 16, 1993, VarTec provided a substitute sheet at Staff's request, which removed an example of the formula used to determine mileage. The formula, unchanged from the current tariff, contained a mathematical error. Staff also notes that the four proposed new services are similar to services being offered by other competitive telecommunications companies.

The Commission finds that the Staff's recommendation is appropriate, that the tariff submission and the rates subsumed under the tariff submission are just and reasonable. Further, the Commission concludes that replacing Var-Tec's current tariff with a tariff which reflects its name change will promote clarity

and avoid confusion, and that the new services being offered by VarTec are of a similar nature to services offered by other telecommunications companies.

IT IS THEREFORE ORDERED:

1. That the following tariff filing submitted by VarTec Telecom, Inc. on July 2, 1993, and July 16, 1993, be hereby approved to become effective August 2, 1993:

P.S.C. Mo. No. 2 Replacing P.S.C. Mo. No. 1 Tariff.

2. That this Order shall become effective on August 2, 1993.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

Elaine E. Bensavage, Hearing Examiner, by delegation of authority under Commission Directive of July 28, 1989, pursuant to Section 386.240, RSMo 1986.

Dated at Jefferson City, Missouri,
on this 28th day of July, 1993.