

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
October 11, 2000**

CASE NO: TA-2001-130

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Uncertified Copies:

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of K-Powernet,)
L.L.C., for Certificates of Service Authority) **Case No. TA-2001-130**
to Provide Interexchange and Nonswitched Local) **Tariff No. 200100244**
Exchange Telecommunications Services Within the)
State of Missouri.)

ORDER APPROVING INTEREXCHANGE AND NONSWITCHED LOCAL EXCHANGE
CERTIFICATES OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

K-Powernet, L.L.C. (K-Powernet) applied to the Missouri Public Service Commission (Commission) on September 1, 2000, for certificates of service authority to provide intrastate interexchange and nonswitched local exchange telecommunications services in Missouri under Sections 392.410-.450, RSMo 1994, and RSMo Supp. 1999.¹ K-Powernet asked the Commission to classify it as a competitive company and to waive certain statutes and rules as authorized by Sections 392.361 and 392.420. K-Powernet is an Oklahoma corporation with its principal office located at 360 West Dwain Willis Avenue, Post Office Box 577, Vinita, Oklahoma 74301.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on September 12, 2000, directing parties wishing to intervene to file their requests by September 27, 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

¹ All further statutory references are to the Revised Statutes of Missouri 1994 unless otherwise indicated.

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.

K-Powernet filed a proposed tariff in conjunction with its application and filed substitute sheets on September 13, 2000, and September 15, 2000. The tariff's effective date is October 16, 2000. K-Powernet's tariff describes the rates, rules, and regulations it intends to use, identifies K-Powernet as a competitive company, and lists the waivers requested. K-Powernet intends to provide inter-exchange and nonswitched local exchange telecommunications services including private line services.

In its memorandum filed on September 20, 2000, the Staff of the Commission (Staff) stated that K-Powernet's proposed services are similar to existing IXC offerings. Staff recommended that the Commission grant K-Powernet a certificate of interexchange service authority, and a certificate of service authority for local exchange telecommunications services on condition that this authority be restricted to providing dedicated private line services. Staff recommended that the Commission grant K-Powernet competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the Commission approve the proposed tariff as amended to become effective on October 16, 2000.

Although the Staff memorandum recommended that the Commission approve the waivers listed in the Notice of Applicants, there are two lists of waivers in that notice: the general list of waivers for

applicants for interexchange and nonswitched local exchange service authority and the specific waivers listed for K-Powernet. Although K-Powernet originally requested a list of waivers which differs from the general list of waivers, K-Powernet amended its application and requested the general list of waivers. The Commission issued an Order Directing Filing on October 3, 2000, instructing Staff to clarify which waivers it recommended be approved. Staff responded on October 3, 2000, indicating that it recommended approval of the waivers listed on the cover page of the application, as requested in K-Powernet's amended application, not the list of waivers originally requested by the company and listed under its heading in the notice.

The Commission finds that competition in the intrastate interexchange and nonswitched local exchange telecommunications markets is in the public interest and K-Powernet should be granted certificates of service authority. The Commission finds that the services K-Powernet proposes to offer are competitive and K-Powernet should be classified as a competitive company. 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 K-Powernet'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 nonswitched local exchange carriers. The Commission finds that the proposed tariff filed on September 1, 2000, shall be approved as amended to become effective on October 16, 2000.

IT IS THEREFORE ORDERED:

1. That K-Powernet, L.L.C., 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 K-Powernet, L.L.C., is granted a certificate of service authority to provide nonswitched local exchange telecommunications services in the state of Missouri limited to providing dedicated private line services, subject to all applicable statutes and Commission rules except as specified in this order.

3. That K-Powernet, L.L.C., is classified as a competitive telecommunications company. 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
392.270 - valuation of property (ratemaking)
392.280 - depreciation accounts
392.290 - issuance of securities
392.300.2 - acquisition of stock
392.310 - stock and debt issuance
392.320 - stock dividend payment
392.340 - reorganization(s)
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 K-Powernet, L.L.C., on September 1, 2000, under tariff number 200100244, is approved as amended to become effective on October 16, 2000. The tariff approved is:

P.S.C. MO No. 1
Original Sheet No. 1 through Original Sheet No. 20

5. That this order shall become effective on October 16, 2000.

6. That this case may be closed on October 17, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Vicky Ruth, Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 11th day of October, 2000.


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 11th day of Oct. 2000.





Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge