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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 24th
day of August, 1999.

In the Matter of the Application of RSL COM)
U.S.A., Inc., and One Step Billing, Inc.,) Case No. TM-99-580
for an Order Approving a Transfer of Assets.)

ORDER APPROVING TRANSFER OF ASSETS

On May 28, 1999, RSL COM U.S.A., Inc., (RSL) and One Step Billing, Inc. (OSB), filed an application pursuant to 4 CSR 240-2.060(5)(H) requesting approval of a transfer of assets from OSB to RSL. Specifically, RSL is acquiring OSB's customer base.

OSB was authorized to provide interexchange telecommunications services in Missouri by order of the Commission dated June 24, 1997, in Case No. TA-97-495. RSL was authorized to provide interexchange telecommunications services on May 19, 1997, in Case No. TA-97-426. Prior to entering their Asset Purchase Agreement, OSB resold the telecommunication services of RSL to its customers. OSB has determined to cease its operations and entered the agreement with RSL on December 9, 1998. The agreement is attached to the application.

According to the application, RSL will acquire (a) the right to provision all of OSB's customers; (b) the right to receive payments from the customers, and (c) the right, title and interests in and to the names "One Step Billing" and "OSB"; and (d) OSB's accounts receivable. RSL does not intend to use the names it is acquiring. The transaction will

not change the underlying carrier for the customers. OSB customers will become RSL customers and will be invoiced by RSL under RSL's name. OSB and RSL requested retroactive approval of the transaction.

OSB stated in the application that it intended by the application to relinquish its certificate to provide telecommunications services in the State of Missouri upon the Commission's approval. The application further stated that services would be provided pursuant to "existing tariffs"; that the impact on tax revenues of Missouri political subdivisions as a result of the transaction would be negligible since no physical property was being relocated; and that RSL had no pending or final judgments or decisions against it from any state or federal agency which involve customer service or rates. RSL committed to notifying existing OSB customers concerning the transfer to avoid any confusion.

The applicants indicated that the transaction would serve the public interest because it would enable increased economies of scale for RSL allowing it to compete more effectively, and, asserted that enhanced competition would lead to lower prices and more products and services for the public. Applicants also believed OSB customers would benefit by being able to continue to receive high-quality telecommunications service at affordable rates without interruption. The application summarily described RSL's ownership, management and financial resources that would continue to be applied in Missouri.

On August 10, 1999, the Commission's Staff filed its Memorandum stating that Staff had no objections to the proposed transaction and recommending the Commission's approval with certain express requirements.

Staff verified that RSL intends to add OSB's services and rates to its tariff. Staff stated that retroactive approval of the transfer of assets is not allowed under Section 392.300, RSMo 1994, and recommended that the transfer and acquisition of assets be approved on a prospective basis only. Specifically, Staff recommended that the Commission issue its order to: 1) approve the transfer of OSB assets to RSL (prospectively); 2) direct RSL to make the necessary tariff filing to add OSB's services and rates to the RSL tariff within 30 days from the effective date of the Commission's order; 3) direct the applicants to notify the Commission upon completion of the transaction; and 4) cancel OSB's certificate of service authority and accompanying tariff.

The Commission has reviewed the application and Staff's recommendation and finds that the proposed transfer of assets will have no adverse impact on the Missouri customers of OSB or RSL. The Commission finds that the transaction is not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

1. That the application by RSL COM U.S.A., Inc., and One Step Billing, Inc., for approval of a transfer of assets is approved as of the effective date of this order.

2. That RSL COM U.S.A., Inc., and One Step Billing, Inc., are authorized to take any and all actions necessary to effect the transfer of assets authorized by this order.

3. That RSL COM U.S.A., Inc., verify to the Commission that existing OSB customers have been notified concerning the transfer to avoid any confusion.

4. That RSL COM U.S.A., Inc., file tariff sheets to incorporate the services and rates of One Step Billing, Inc., into its tariff within 30 days from the effective date of this order.

5. That RSL COM U.S.A., Inc., and One Step Billing, Inc., shall file a notification with the Commission stating that the transfer of assets has been closed, that the requirements in this order have been satisfied, and that the certificate and tariff of One Step Billing, Inc., may be canceled.

6. That this order shall become effective on September 3, 1999.

BY THE COMMISSION

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Thornburg, Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION