

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

June 20, 2000

CASE NO: TA-2000-663

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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**

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 20th day of June, 2000.

In the Matter of the Application of Rock Port Telephone Company and Fiber Four Corporation to Grant Rock Port Telephone Company a Certificate of Service Authority to Provide Interexchange and Local Exchange Telecommunications Services and for Authority to Transfer a Portion of the Assets of Fiber Four Corporation Used to Provide Service to Customers of Rock Port Long Distance to Rock Port Telephone Company d/b/a Rock Port Long Distance.)
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) Case No. TA-2000-663
) Tariff No. 200000958
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ORDER APPROVING INTEREXCHANGE AND NON-SWITCHED LOCAL EXCHANGE CERTIFICATES OF SERVICE AUTHORITY, ORDER APPROVING TARIFF, AND ORDER APPROVING TRANSFER OF ASSETS AND CANCELLATION OF CERTIFICATE

Rock Port Telephone Company (Rock Port) applied in a joint application to the Missouri Public Service Commission (Commission) on April 18, 2000, for certificates of service authority to provide intrastate interexchange and non-switched local exchange telecommunications services in Missouri under Section 392.410-.450, RSMo 1994, and RSMo Supp. 1999¹. Rock Port asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by Sections 392.361 and 392.420, RSMo. Rock Port is a Missouri corporation, with its principal office located at 107 Opp Street, P. O. Box 147, Rock Port, Missouri 64482.

The Commission issued a notice of applications for intrastate certificates of service authority and opportunity to intervene on May 1, 2000, directing parties wishing to intervene to file their requests by May 16, 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 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.

Rock Port filed a proposed tariff in conjunction with its application and filed substitute sheets on May 31, 2000. The tariff's original effective date was June 2, 2000. The effective date was extended by Rock Port on May 26, 2000, to June 23, 2000. Rock Port's tariff describes the rates, rules, and regulations it intends to use, identifies Rock Port as a competitive company, and lists the waivers requested. Rock Port intends to provide interexchange and non-switched local exchange telecommunications services.

In addition, Fiber Four Corporation (Fiber Four), also a Missouri corporation, joined in the application with Rock Port (collectively, Applicants) in requesting the Commission issue an order (a) granting the Applicants authority to transfer a portion of the assets of Fiber Four, described in the asset purchase agreement attached to the application, including the name "Rock Port Long Distance" (RPLD), the

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

customers of RPLD, and RPLD's associated billed revenues and receivables to Rock Port pursuant to Section 392.300; and (b) simultaneously canceling the certificate of service authority and existing tariff of Fiber Four d/b/a RPLD, granted by the Commission on July 29, 1999, in case number TA-2000-27, and approving the new tariff of Rock Port d/b/a RPLD filed with the Applicants' joint application.

Applicants stated that the Missouri Secretary of State requires that Fiber Four cancel its registration of the fictitious name "Rock Port Long Distance" prior to or simultaneously with Rock Port's registration of the same name. Further, Applicants stated that Fiber Four needs to use the fictitious name "Rock Port Long Distance" until the transfer of assets is complete. Thus, Applicants stated that they cannot transfer the registration of the fictitious name "Rock Port Long Distance" from Fiber Four to Rock Port until the Commission has approved the transfer of assets requested in the Applicants' joint application. However, on June 13, 2000, the Applicants filed the registration of fictitious name, dated June 7, 2000, which they received from the Secretary of State. The registration of fictitious name showed that Rock Port Telephone Company will be doing business as Rock Port Long Distance.

In its memorandum filed on June 15, 2000, the Staff of the Commission (Staff) stated, regarding the certification portion of the application, that although Rock Port requested statewide authority to provide interexchange and local exchange telecommunication service, Rock Port proposed to provide service initially only to customers in the Rock Port, Watson, and South Hamburg exchanges. According to

Staff, Rock Port has no pending or final judgments or decisions against it from any state or federal agency which involve customer service or rates. Staff stated that Rock Port requested the same waivers as those granted to Fiber Four. However, Staff noted, the Commission has since updated its list of waivers which are ordinarily granted to interexchange and local exchange companies. Staff further recommended that the Commission grant Rock Port the waivers contained in the updated list of waivers. Staff recommended that the Commission grant Rock Port a certificate to provide interexchange telecommunications services and dedicated, private line local exchange services. Staff recommended that the Commission grant Rock Port competitive status to its services, but not to Rock Port itself. The Staff further recommended the waiver of the statutes and rules listed in recommendation. Staff recommended that the Commission approve the proposed tariff as amended to become effective on June 23, 2000.

The Commission finds that competition in the intrastate interexchange and non-switched local exchange telecommunications markets is in the public interest and Rock Port should be granted a certificate of service authority. The Commission finds that the services Rock Port proposes to offer are competitive and Rock Port's services should be classified as competitive. 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 Rock Port'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 non-switched local exchange carriers. The Commission finds that the proposed tariff filed on April 18, 2000 shall be approved as amended to become effective on June 23, 2000.

Regarding the portion of the application concerning transfer of assets, Staff stated that Fiber Four proposes to transfer a portion of its assets to Rock Port. These assets, Staff noted, include the name RPLD, the customers of Fiber Four, and the associated billed revenues and receivables. The Staff concluded that the proposed transfer of assets should have no impact on the tax revenues of the political subdivisions in which the structures, facilities, and equipment of the Applicants are located. Staff notes that Rock Port will provide service under the same terms and conditions as are currently provided by Fiber Four. Staff pointed out, however, that Rock Port will offer a lower per minute rate for one service. Affected customers, Staff explained, will be notified of the transfer of assets by a direct mail notice. The notice, Staff said, explains the procedures for customers to use if they want to switch to another carrier.

The Commission has reviewed the application, the Staff's recommendation, and the official case file. The Commission finds that approval of the transfer is not detrimental to the public interest and the authority requested should be granted.

IT IS THEREFORE ORDERED:

1. That Rock Port Telephone Company 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 Rock Port Telephone Company is granted a certificate of service authority to provide local exchange telecommunications services in the state of Missouri limited to providing dedicated, non-switched local exchange private line services, subject to all applicable statutes and Commission rules except as specified in this order.

3. That the services of Rock Port Telephone Company are classified as a competitive telecommunications services. 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 Rock Port Telephone Company on April 18, 2000, and as amended by substitute tariff sheets filed May 31,

2000, under tariff number 200000958, is approved as amended to become effective on June 23, 2000. The tariff approved is:

Rock Port Telephone Company d/b/a Rock Port Long Distance PSC MO
No. 1

Original Sheets 1 - 42

5. That the application for approval of transfer filed on April 18, 2000, by Rock Port Telephone Company and Fiber Four Corporation is approved and that the parties are authorized to take any and all actions necessary to effect the transfer of assets as described in the asset purchase agreement attached to their joint application and as authorized by this order.

6. That Rock Port Telephone Company and Fiber Four Corporation shall report to the Missouri Public Service Commission within ten (10) business days of the completion of the approved transfer that such has been accomplished.

7. That the certificate of service authority and existing tariff of Fiber Four d/b/a Rock Port Long Distance, granted by the Missouri Public Service Commission on July 29, 1999, in case number TA-2000-27, is canceled.

8. That nothing in this order shall be considered a finding by the Missouri Public Service Commission of the value for ratemaking purposes of the transactions herein involved.

9. That the Missouri Public Service Commission reserves the right to consider any ratemaking treatment to be afforded the transactions herein involved in a later proceeding.

10. That this order shall become effective on June 30, 2000.

BY THE COMMISSION

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive style with a large initial 'D'.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Hopkins, Senior Regulatory Law Judge

Att/Sec'y: Hopkins/Boyer

Date Circulated 6-16 TH-2000-663
CASE NO.

DL p3
Lampe, Chair

DL
Draimer, Vice Chair

DL
Murray, Commissioner

DL
Schemenauer, Commissioner

KS
Simmons, Commissioner

6-20
Agenda Date

Action taken: 5-0-AS

Must Vote Not Later Than _____

**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 20th day of June, 2000.

Dale Hardy Roberts
Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

