

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

REC
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Bunder

CASE NO. TR-88-180

In the matter of United Telephone
Company of Missouri for authority
to decrease rates for Billing and
Collection Service in its Missouri
Intrastate Access Tariff.

APPEARANCES: David K. Knowles, General Attorney and J. Richard Smith,
Vice President and General Counsel, 5454 West 110th Street,
Overland Park, Kansas 66211.

Edward J. Cadieux, Attorney at Law, 100 South 4th Street, Suite 1200,
St. Louis, Missouri 63102, for MCI Telecommunications Corporation.

Joni K. Ott, First Assistant Public Counsel, P. O. Box 7800,
Jefferson City, Missouri 65102, for the Office of the Public
Counsel.

Thomas M. Byrne, Assistant General Counsel, P. O. Box 360,
Jefferson City, Missouri 65102, for the Staff of the Missouri
Public Service Commission.

HEARING

EXAMINER: C. Gene Fee

REPORT AND ORDER

On November 30, 1987, United Telephone Company of Missouri (Company)
submitted revised tariff sheets designed to decrease charges for Billing and
Collection Service in its Missouri Intrastate Access Tariff. These revised tariffs
have been suspended and will become effective October 29, 1988, unless otherwise
ordered by the Commission.

Findings of Fact

The Missouri Public Service Commission, having considered all of the
competent and substantial evidence upon the whole record, makes the following
findings of fact:

Pursuant to the Commission's order, a prehearing conference was convened on September 6, 1988, to be immediately followed by hearing. As the result of negotiations conducted during the prehearing conference, the parties have entered into a Stipulation and Agreement in proposed disposition of all issues. The Stipulation and Agreement which delineates the matters of agreement between the signatory parties, and adequately sets forth the factual and procedural matters, is attached hereto as Appendix A, and is incorporated herein by reference.

Conclusions

The Missouri Public Service Commission has arrived at the following conclusions:

United Telephone Company of Missouri is a public utility subject to the jurisdiction of the Commission pursuant Chapters 386 and 392, RSMo 1986. The Company's revised tariffs which are the subject matter of this proceeding, were suspended pursuant to the authority vested in this Commission by Section 392.230, RSMo 1986.

For ratemaking purposes, the Commission may accept a Stipulation and Agreement in settlement of any or all contested matters submitted by the parties. The Commission is of the opinion that the matters of agreement between the parties in this case are reasonable and proper and should be accepted.

It is, therefore,

ORDERED: 1. That the Stipulation and Agreement entered into between United Telephone Company, the Staff of the Missouri Public Service Commission, the Office of the Public Counsel and MCI Telecommunications Corporation in Case No. TR-88-180 as described herein, is hereby accepted and adopted in disposition of all matters in this proceeding.

ORDERED: 2. That for purposes of implementing the Stipulation and Agreement entered into in this proceeding, the revised tariffs herein suspended are

by disapproved and the Company is authorized to file in lieu thereof tariffs consistent with the Stipulation and Agreement.

ORDERED: 3. That the tariffs to be filed for Commission approval pursuant to this Report and Order, may be effective for service rendered on and after the 1st day of October, 1988.

ORDERED: 4. That this Report and Order shall become effective on the 30th day of September, 1988.

BY THE COMMISSION

Harvey G. Hubbs
Harvey G. Hubbs
Secretary

(S E A L)

Steinmeier, Chm., Musgrave, Mueller,
Hendren and Fischer, CC., Concur.

Dated at Jefferson City, Missouri,
this 27th day of September, 1988.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of United Telephone)	
Company of Missouri for authority)	
to decrease rates for Billing and)	Case No. TR-88-180
Collection Service in its Missouri)	
Intrastate Access Tariff.)	

STIPULATION AND AGREEMENT

On November 30, 1987, United Telephone Company of Missouri (United) submitted for Commission approval proposed tariff sheets containing rates designed to decrease charges for Billing and Collection Service in its Missouri Intrastate Access Tariff. These proposed tariffs bore an effective date of January 1, 1988.

On December 30, 1987, the Commission issued a Suspension Order suspending the tariffs to April 29, 1988. On April 26, 1988, the Commission issued an order which further suspended the tariffs to October 29, 1988, and which established a procedural schedule for this docket. In addition, on July 1, 1988 the Commission issued an order granting the application to intervene filed by MCI Telecommunications Corporation (MCI).

In accordance with the procedural schedule established by the Commission, Commission Staff witness John B. Van Eschen prefiled his direct testimony, and United witness Rachael LaBounty prefiled her direct and rebuttal testimony.

On September 6, 1988, the Commission Staff, the Office of the Public Counsel, United and MCI met at a prehearing conference. As a result of negotiations conducted at that prehearing conference, the parties have agreed to a resolution of this case. As a consequence the parties hereby stipulate and agree as follows:

1. That the Commission shall approve United's proposal to reduce its rates for Billing and Collection Services to the rates contained in its filing of November 30, 1987. Tariffs implementing this change shall be filed by United and shall be effective on and after October 1, 1988.

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2. That, except under the circumstances hereinafter specified, United agrees it will not request additional changes in its Missouri intrastate Billing and Collection Services rates prior to January 1, 1991. The circumstances under which United may propose changes in said rates prior to January 1, 1991, are as follows:

- a. In any general rate case or complaint proceeding in which United's rates are at issue; and
- b. In the event United obtains pricing flexibility for its Missouri intrastate Billing and Collection Services through pursuit of classification of its services as "competitive" or "transitionally competitive" in accordance with Chapter 392, RSMo 1987 Supp.; provided however, that this provision shall not be construed in any manner as an admission or acquiescence by any party concerning the lawfulness or reasonableness of any aspect of a filing by United for the purpose of classifying its Missouri intrastate services.

3. That except as expressly provided herein, this Stipulation and Agreement shall in no manner act to restrict any party in the exercise of its legal and administrative rights and remedies concerning United's Missouri intrastate Billing Collection Services.

4. That the prefiled direct testimony of Staff witness John B. Van Eschen and the prefiled direct and rebuttal testimony of United witness Rachael LaBounty shall be received into evidence without the necessity of said witnesses taking the stand.

5. That this Stipulation and Agreement represents a negotiated settlement for the sole purpose of disposing of Case No. TR-88-180, and none of the parties to this Stipulation and Agreement shall be prejudiced by or bound by the stipulations contained herein

in any future proceeding, or in this proceeding, in the event the Commission does not approve all of the stipulations contained herein.

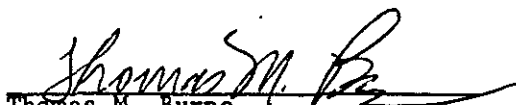
6. That none of the parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking principle or any method of cost of service determination or cost allocation underlying any of the rates provided for in this document.

7. That in the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive their rights to cross-examine the witnesses named in paragraph three (3) with respect to their prefiled testimony and exhibits.

8. That in the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive (1) their respective rights to present oral argument and written briefs, pursuant to Section 536.080(1) RSMo 1986; (2) their rights pertaining to the reading of the transcript by the Commission, pursuant to Section 536.080(2) RSMo 1986; and (3) their rights to judicial review, pursuant to Section 386.510 RSMo 1986.

9. That the agreements in this Stipulation and Agreement have resulted from extensive negotiations among the signatory parties and are interdependent. In the event the Commission does not approve and adopt the terms of this Stipulation and Agreement in total, this Stipulation and Agreement shall be void, and no party shall be bound by any of the agreements or provisions hereof.

Respectfully submitted,


Thomas M. Byrne
Assistant General Counsel

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
314-751-4873


Joni K. Ott
First Assistant Public Counsel

Office of Public Counsel
P. O. Box 7800
Jefferson City, MO 65102
314-751-5563

David K. Knowles (by TS)
David K. Knowles
J. Richard Smith
United Telephone Company
5454 West 110th Street
Overland Park, KS 66211
913-345-7915

Edward J. Cadieux (by TS)
Edward J. Cadieux
MCI Telecommunications Corporation
100 South 4th Street
Suite 1200
St. Louis, MO 63102
314-342-8964

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed to all parties of record on this 19th day of September, 1988.

Thomas M. By