STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 21st day of May, 1993.

In the matter of the application of GTE)
North Incorporated, GTE Missouri, GTE)
Systems of Missouri and GTE of Eastern)
Missouri for waiver of 4 CSR 240-32.100(3).

ORDER APPROVING WAIVER

On February 16, 1993, GTE North Incorporated, GTE Missouri, GTE Systems of Missouri, and GTE of Eastern Missouri (collectively hereinafter GTE) filed a waiver request from the requirement in 4 CSR 240-32.100(6) (rule) of filing a plan setting targets to satisfy 4 CSR 240-32.100(2) within three (3) years. In support of its waiver request, GTE states that it is not physically possible to satisfy the rule within three (3) years as it has over one hundred (100) central offices that have not been converted to digital technology which will be required to be converted to digital technology pursuant to the rule. GTE asserts that in order to be in compliance with the rule in three (3) years, it will have to convert over thirty (30) central offices a year. GTE states that it is physically impossible to convert thirty (30) offices per year, not counting the other deployment and plant that would be needed to meet the minimum service requirements. GTE further asserts that it is not reasonable for it to expend the manpower requirements needed to produce a modernization plan that cannot be implemented in a three (3) year time period. GTE states that it will file five (5)- and seven (7)- year plans, as required by the rule, and an additional plan which GTE considers optimal in light of its individual business circumstances.

On May 12, 1993, the Staff of the Missouri Public Service Commission (Staff) filed a memorandum in this proceeding recommending that the Commission grant GTE a waiver from the rule's requirement to file a three (3) year plan. In support of its recommendation, Staff states that even though it does not agree that converting thirty (30) central offices a year is unreasonable, GTE should be granted the waiver as GTE has over 28,000 four-party lines to upgrade to single-party lines. The Staff states that it will not only be extremely difficult

to convert over 28,000 lines within three (3) years, but also impractical.

Upon review of the filings and the Staff's recommendation in this proceeding, the Commission finds that GTE should be granted a waiver from the provision of 4 CSR 240-32.100(6) to file a plan setting targets to satisfy 4 CSR 240-32.100(2) within three (3) years, as it will be, at the least, difficult for GTE to upgrade over 28,000 four-party lines to single-party lines.

IT IS THEREFORE ORDERED:

- 1. That the waiver request submitted on February 16, 1993 by GTE North Incorporated, GTE Missouri, GTE Systems of Missouri, and GTE of Eastern Missouri from 4 CSR 240-32.100(6) requiring the submission of a plan setting targets to satisfy 4 CSR 240-32.100(2) within three (3) years be, and is, hereby granted.
 - 2. That this order shall become effective on the date hereof.

BY THE COMMISSION

Brent Stewart Executive Secretary

(SEAL)

Mueller, Chm., McClure, Kincheloe and Crumpton, CC., Concur. Perkins, C., Absent.

