

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 14th
day of June, 1996.

In The Matter Of The Application Of Carr)
Square Tenant Corp. For Certificate Of) **CASE NO. TA-96-283**
Service Authority To Provide Shared Tenant)
Services Within The State Of Missouri.)

ORDER APPROVING CERTIFICATE OF SERVICE AUTHORITY
TO PROVIDE SHARED TENANT SERVICES

Carr Square Tenant Corporation (Carr Square) applied to the Public Service Commission on March 1, 1996, for a certificate of service authority to provide shared tenant services (STS) in Missouri under §§ 392.410 and .520 RSMo (1994)¹. Carr Square is a Missouri corporation, with its principal office at 1521 Carr, St. Louis, Missouri. Carr Square proposes to provide residential STS to approximately 182 apartments in the Carr Square multi-building housing complex. Tenants would have the option of subscribing to Carr Square's services or those of the local exchange company.

The Commission issued an Order and Notice on March 11, 1996, directing parties wishing to intervene in the case to do so by April 10, 1996. Southwestern Bell Telephone Company (SWBT) filed a timely request for intervention which was denied for failure to present adequate grounds for intervention on April 26, 1996. Since no one was granted intervention and no proper party requested a hearing, the Commission determines that no hearing is necessary. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo.App. 1989).

¹All statutory references are to Revised Statutes of Missouri 1994.

In its Memorandum filed May 17, 1996, the Staff of the Commission stated that Carr Square had provided adequate documentation to accompany its application and that Carr Square meets the requirements for STS set out by the Commission in previous cases. Specifically, Staff stated that Carr Square meets the standards of Case No. TO-86-53 (reported at 29 Mo. P.S.C. (N.S.) 373) and Case No. TA-95-125. Staff stated that Carr Square's proposed STS service area constitutes discrete private premises and recommended that the application for a certificate of service authority be approved.

Private STS is governed by § 392.520 RSMo which provides that STS providers shall be subject to the minimum regulation permitted by statute for competitive telecommunications services.

The statute specifically exempts STS providers from the tariff filing requirements of §§ 392.220, 392.230, § 392.370(4) and (5), and § 392.500. The statute also states that the Commission may exempt STS providers from § 392.390(1) and (3) and § 386.370. The Commission is of the opinion that Staff should prepare a standard list of statutory and regulatory exemptions which should be made available to STS providers. The standard list should include the mandated statutory exemptions cited above and should indicate which of the discretionary statutory exemptions should be granted, as well as which Commission rules, if any, should be waived.

When granting a certificate of service authority to provide shared tenant services the Commission must determine whether certification is in the public interest. § 392.440 RSMo. The Commission established 12 conditions for certification of STS providers in *Re Establishment of Appropriate Permanent Tariffs for the Provision of Shared Tenant Services*

(STS) Within Local Telephone Company Exchanges, 29 Mo. P.S.C. (N.S.) 373,
395 (1988):

1. The LEC will retain its provider of last resort obligation for all STS locations.
2. STS may only be provided to tenant premises which are located in an entire single building or less, unless a waiver of this condition is granted by the Commission. The definition of an entire single building is as approved in the interim tariffs in Case No. TC-84-233.
3. An LEC shall only provide one point of demarcation to an STS location regardless of the number of PBXs connected at the STS location.
4. The STS location shall consist of all tenant premises where STS is provided by the STS provider which meet the conditions of paragraph 2.
5. STS providers shall pay the flat trunk PBX access rate for access to the LEC system.
6. The STS conditions in this order shall apply to service to all nontransient tenants as described in this order.
7. Customer owned coin telephones shall access the local exchange telephone network through a separate access line under separate tariffs.
8. STS providers will comply with the filing requirements listed in this order and those which may additionally be ordered by the Commission.
9. The STS provider shall utilize a PBX which is registered with the Federal Communications Commission and riser cable and other facilities must conform to the specifications of the LEC.
10. STS providers shall provide the LEC 180 days notice that the STS provider will be providing service in a newly constructed building. If the 180 day notice is not provided, the STS provider shall be responsible for the incremental cost of any facilities in excess of the facilities requested by the STS provider which the LEC constructed in anticipation of providing service directly to the tenants of the new building. The STS provider will also provide the LEC the size and location of the STS tenants.
11. The STS provider shall contract with the LEC to allow the LEC the right-of-use to STS riser cable and other facilities necessary to provide service to any tenant at an STS location which requests service from the LEC.
12. STS providers who establish an STS arrangement in an existing building shall give notice to the LEC of the location of STS tenants at the time of connection to the LEC network.

The second condition, that STS premises be located in a single building or less, was developed to meet the "discrete private premises"

requirement of § 392.520 RSMo. The single building standard was revised in *GE Capital-Rescom, L.P.*, Case No. TA-95-125, Report and Order, issued October 27, 1995, (*aff'd*, May 29, 1996, Cole County Circuit Court, Case No. CV195-1522cc), where the Commission concluded that discrete private premises would be defined as premises where "(1) all buildings are located on either a continuous tract of land or upon adjacent and abutting tracts of land only separated by a public thoroughfare; (2) all buildings and land must be subject to common ownership interest or associated ownership interests; and (3) all buildings and land should be located in the same wire center". The Commission also stated in *GE Capital-Rescom* that it may review whether the requesting company has the experience, financial expertise, and technical expertise to provide adequate services to the public.

Having reviewed Carr Square's application and Staff's recommendation, the Commission finds that Carr Square has provided the documentation and met the other requirements of the *GE Capital-Rescom* case. The Commission finds that the premises described in the application meet the definition of discrete private premises established by the Commission, and that granting this application would be in the public interest. Therefore, the Commission finds that Carr Square Tenant Corporation should be granted a certificate of service authority to provide shared tenant services at the locations described in its application.

IT IS THEREFORE ORDERED:

1. That Carr Square Tenant Corporation be granted a certificate of service authority to provide shared tenant telecommunications services at the locations described in its application filed March 1, 1996.

2. That the certificate granted by this order applies only to the buildings and locations described in the application and does not extend to any other building or geographic location.

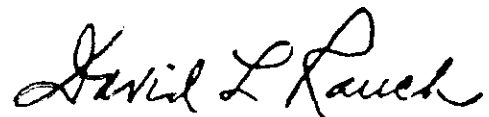
3. That Carr Square Tenant Corporation shall comply with the annual reporting requirements set out in *Re Establishment of Appropriate Permanent Tariffs for the Provision of Shared Tenant Services (STS) Within Local Telephone Company Exchanges*, 29 Mo. P.S.C. (N.S.) 373, 395 (1988).

4. That Carr Square Tenant Corporation shall comply with all the conditions for provision of STS set out in this order.

5. The Staff of the Commission shall prepare and file a standard list of exemptions for STS providers within thirty (30) days of the date of this order to include: the mandated statutory exemptions of §§ 392.220, 392.230, § 392.370(4) and (5), and § 392.500; any discretionary exemptions from statutory requirements which the Staff recommends that the Commission grant; any exemptions of Commission rules which the Staff recommends that the Commission grant.

6. That this order shall become effective on June 25, 1996.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

Zobrist, Chm., McClure, Kincheloe,
Crumpton, and Drainer, CC., Concur.

ALJ: Freeman