STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 6th day of January, 1995.

| In the matter of the application of Integrated |) | |
|--|---|-------------------|
| Teletechnologies, Inc., d/a/ Itelecom, for a |) | |
| certificate of service authority to provide |) | CASE NO. TA-95-36 |
| intrastate interexchange telecommunications |) | |
| services |) | |

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

On August 4, 1994, Integrated Teletechnologies, Inc., d/b/a Itelecom, (Itelecom, or Applicant) applied to the Public Service Commission (Commission) for a certificate of service authority to provide intrastate interexchange telecommunications services within the state of Missouri and for classification as a competitive telecommunications company pursuant to §§ 392.361 and 392.440 RSMo Supp. 1993. Applicant also requested waiver of certain statutes and Commission rules as authorized by § 392.420 RSMo Supp. 1993. Itelecom's application was incomplete and, on October 11, 1994, the Commission directed the company to file the missing documentation by November 21, 1994. The documentation was supplied by November 17 and Applicant was included on the Commission's Notice and Schedule of Applicants issued December 6, 1994. That order directed parties wishing to intervene in the case to do so by December 21, 1994; there were no motions filed for permission to intervene or for hearing. Itelecom was also directed to file a proposed tariff, carrying a thirty-day effective date, reflecting the rates, rules, and regulations under which it proposes to offer services in Missouri.

Itelecom filed its proposed tariff on December 21, 1994, with an effective date of January 19, 1995. In addition to the rates, rules, and regulations it intends to use for providing services, the tariff also identifies Applicant as a competitive telecommunications provider, and indicates the statutory and regulatory requirements expected to be waived by the Commission. Itelecom is proposing to provide switched and dedicated telecommunications services including "1+", inbound 800 number, and automated travel card services.

On December 30, 1994, the Staff of the Commission (Staff) filed its Memorandum recommending approval of Company's application and proposed tariff. Staff stated that Applicant's proposed services are the same or equivalent to the services which were classified as competitive in Case No. TO-88-142, In re the investigation for the purpose of determining the classification of the services provided by interexchange telecommunications companies within the State of Missouri, 30 Mo. P.S.C. (N.S.) 16 (September 1989) and recommended that the Commission grant Applicant competitive status on that basis. Staff also recommended that Itelecom be granted waiver of certain statutes and Commission rules which have been waived for other competitive telecommunications companies.

Staff stated that it had reviewed the proposed tariff and concluded that it clearly and comprehensively describes the terms and conditions of the services to be offered, and that those services are within the scope of the certificate of authority requested. Staff concluded that the proposed tariff is consistent with service offerings currently available from other interexchange carriers and approved by the Commission and is in compliance with Commission rules and regulations.

Staff recommended that the tariff be approved for services on and after January 19, 1995.

The requirements of due process have been satisfied when interested persons have been given notice and an opportunity to be heard. Notice, in this case, was sent by the Commission on December 6, 1994, and interested parties were directed to intervene on or before December 21, 1994. Since no one has filed an application to intervene or request for hearing, the Commission determines that a hearing is not necessary and the Applicant may submit evidence in support of its application by verified statement. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo.App. 1989).

After reviewing Applicant's verified statement and Staff's recommendation, the Commission finds that Applicant is a Delaware corporation authorized to do business in the state of Missouri, with its principal office or place of business at 2600 Netherland Ave., #521, Riverdale, New York 10463. The Commission finds that Applicant has filed current financial information and a brief description of the type of service it proposes to provide, and has agreed to comply with all applicable rules and regulations of the Commission, and with any terms and conditions which the Commission may lawfully impose.

The Commission finds that additional competition in the intrastate interexchange market is in the public interest and a certificate of service authority should be granted to Applicant. The Commission also finds that the services Applicant proposes to offer are competitive, and that waiving the statutes and Commission rules set out below is reasonable and not detrimental to the public interest. Therefore, the Commission

concludes that Applicant should be classified as a competitive company pursuant to § 392.361 RSMo Supp. 1993.

The Commission determines that, pursuant to § 392.470 RSMo Supp. 1993, certain regulatory requirements should be imposed upon Applicant as a reseller of telecommunications services in Missouri. Applicant should be subject to the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) Applicant is required to comply with reasonable requests by Staff for financial and operating data to allow Staff to monitor the intraLATA toll market pursuant to § 386.320.3 RSMo (1986).
- Applicant is required to file tariffs containing rules and regulations applicable to customers, a description of the services provided, and a list of rates associated with those services pursuant to \$ 392.220 RSMo Supp. 1993, and 4 CSR 240-30.010.
- (3) Applicant's tariff filing must contain a preliminary section which states that Company is a competitive carrier and identifies the statutory and rule waivers granted it by the Commission.
- (4) Applicant is precluded from unjustly discriminating between and among its customers pursuant to \$\\$ 392.200 and 392.400 RSMo Supp. 1993.
- (5) Applicant is required by § 386.570 RSMo (1986), and § 392.360 RSMo Supp. 1993, to comply with all applicable rules of the Commission except those which have been specifically waived by this order.

- (6) Applicant is required to file a Missouri-specific annual report pursuant to §§ 392.210 and 392.390.1 RSMo Supp. 1993.
- (7) Applicant is required to comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs pursuant to § 392.390.3 RSMo Supp. 1993.
- (8) A copy of the jurisdictional report submitted to local exchange companies shall be submitted to the staff on a confidential basis within ten (10) days of the date on which it is submitted to the local exchange company.

The Commission finds that Itelecom's proposed tariff details the services, equipment, and pricing it proposes to offer, and that the proposed tariff is similar to those which have been approved for other Missouri certificated interexchange carriers providing similar services. The Commission further finds that the proposed tariff filed on December 21, 1994, should be approved for service on and after January 19, 1995.

IT IS THEREFORE ORDERED:

- 1. That Integrated Teletechnologies, Inc., d/b/a Itelecom, be granted a certificate of service authority to provide intrastate interexchange telecommunication services in the state of Missouri, subject to the conditions of certification set out above.
- 2. That Integrated Teletechnologies, Inc., d/b/a Itelecom, be classified as a competitive telecommunications company for which the following statutes and regulatory rules shall be waived:

<u>Statutes</u>

392.240(1) - ratemaking
392.270 - valuation of property (ratemaking)
392.280 - depreciation accounts
392.290 - issuance of securities
392.310 - stock and debt issuance
392.320 - stock dividend payment

392.330 - issuance of securities, debts and notes 392.340 - reorganization(s)

Commission Rules

| 4 | CSR | 240-10.020 | _ | depreciation fund income |
|---|-----|------------------|---|-----------------------------|
| 4 | CSR | 240-30.010(2)(C) | _ | rate schedules |
| 4 | CSR | 240-32.030(1)(B) | - | exchange boundary maps |
| 4 | CSR | 240-32.030(1)(C) | _ | record keeping |
| 4 | CSR | 240-32.030(2) | - | in-state record keeping |
| 4 | CSR | 240-32.050(3) | _ | local office record keeping |
| 4 | CSR | 240-32.050(4) | _ | telephone directories |
| | | 240-32.050(5) | _ | call intercept |
| 4 | CSR | 240-32.050(6) | _ | telephone number changes |
| 4 | CSR | 240-32.070(4) | - | public coin telephone |
| 4 | CSR | 240-33.030 | - | minimum charges rule |

- 3. That Integrated Teletechnologies, Inc., d/b/a Itelecom, shall file its PIU reports as set out above.
- 4. That the tariff filed by Integrated Teletechnologies, Inc., d/b/a Itelecom, on December 21, 1994, be approved for service on and after January 19, 1995. The tariff approved is:

P.S.C. Mo. No. 1.

5. That this order shall become effective on the 19th day of January, 1995.

BY THE COMMISSION

David L. Rauch

Executive Secretary

(SEAL)

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