

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 5th
day of January, 1996.

In re: The Application of Conetco)
Corporation d/b/a Communications)
Network Corporation for a Certificate)
of Authority to Provide Competitive)
Intrastate Telecommunications Service)
CASE NO. TA-96-158

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND
ORDER APPROVING TARIFF

Conetco Corporation d/b/a Communications Network Corporation
(Conetco) applied to the Public Service Commission on November 16, 1995,
for a certificate of service authority to provide intrastate interexchange
telecommunications services in Missouri under § 392.440 RSMo 1994¹.
Conetco asked the Commission to classify it as a competitive company and
waive certain statutes and rules as authorized by §§ 392.361 and 392.420.
Applicant is a New York corporation, with its principal office at 1 Penn
Plaza, Suite 4311, New York, New York 10119.

The Commission issued a Notice and Schedule of Applicants on
December 5, 1995, directing parties wishing to intervene in the case to do
so by December 20, 1995. Since no one requested a hearing or permission
to intervene, the Commission determines that no hearing is necessary.

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

State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo.App. 1989).

Conetco filed a proposed tariff at the time of its application, on November 16, 1995, and filed substitute sheets on January 2, 1996. The tariff originally bore an effective date of December 10, 1995, which was corrected to reflect the necessary 45 day period for tariffs filed at the time of the application. The effective date of the tariff was subsequently extended from January 2, 1996 to January 9, 1996 on December 27, 1995. Conetco's tariff describes the rates, rules, and regulations it intends to use, identifies Conetco as a competitive company, and lists the waivers requested. Conetco intends to provide interexchange telecommunications services including 1+, 800, and WATS services.

In its Memorandum filed January 3, 1996, the Staff of the Commission stated that Applicant's proposed services are the same or equivalent to those 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). Staff recommended that the Commission grant Applicant a certificate of service authority, competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the Commission approve the tariff as amended, effective January 9, 1996.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and

Applicant should be granted a certificate of service authority. The Commission finds that the services Applicant proposes to offer are competitive and Applicant should be classified as a competitive company. The Commission is of the opinion that waiving the statutes and Commission rules set out in Ordered Paragraph 2 is reasonable and not detrimental to the public interest.

The Commission determines, by authority of § 392.470, that Applicant should comply with the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) Applicant must comply with reasonable requests by Staff for financial and operating data to allow Staff to monitor the intraLATA toll market. § 386.320.3.
- (2) Applicant must file tariffs containing rules and regulations applicable to customers, a description of the services provided, and a list of rates associated with those services in accordance with 4 CSR 240-30.010 and § 392.220.
- (3) Applicant may not unjustly discriminate between its customers. §§ 392.200, 392.400.
- (4) Applicant must comply with all applicable rules of the Commission except those specifically waived by this order. §§ 386.570, 392.360.
- (5) Applicant must file a Missouri-specific annual report. §§ 392.210, 392.390.1.

- (6) Applicant must comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs. § 392.390.3.
- (7) Applicant must submit to the staff, on a confidential basis, a copy of the jurisdictional report it submits to local exchange companies. The report must be submitted within ten (10) days of the date on which it is submitted to the local exchange company.

The Commission finds that Conetco's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange carriers. The Commission finds that the proposed tariff filed on November 16, 1995, and amended on January 2, 1996, should be approved, effective January 9, 1996.

IT IS THEREFORE ORDERED:

1. That Conetco Corporation d/b/a Communications Network Corporation be 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 Conetco Corporation d/b/a Communications Network Corporation be classified as a competitive telecommunications company. The following statutes and regulatory rules shall be waived:

Statutes

- 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 240-30.040(1) - Uniform System of Accounts
- 4 CSR 240-30.040(2) - Uniform System of Accounts
- 4 CSR 240-30.040(3) - Uniform System of Accounts
- 4 CSR 240-30.040(5) - Uniform System of Accounts
- 4 CSR 240-30.040(6) - Uniform System of Accounts
- 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
- 4 CSR 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
- 4 CSR 240-33.040(5) - financing fees

3. That the tariff filed by Conetco Corporation d/b/a Communications Network Corporation on November 16, 1995, be approved as amended, effective January 9, 1996. The tariff approved is:

P.S.C. Mo. No. 1

4. That this order shall become effective on January 9, 1996.

BY THE COMMISSION

David L Rauch

David Rauch
Executive Secretary

(SEAL)

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