

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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|--|---|---------------------------|
| In the Matter of the Application of PF.Net, |) | |
| LLC, for a Certificate of Service Authority |) | |
| to Provide Intrastate Interexchange and Non- |) | <u>Case No. TA-99-603</u> |
| switched Local Exchange Telecommunications |) | Tariff No. 9901000 |
| Services to the Public Within the State of |) | |
| Missouri and for Competitive Classification. |) | |

ORDER APPROVING INTEREXCHANGE AND NON-SWITCHED LOCAL EXCHANGE

CERTIFICATE OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

PF.Net, LLC (PF.Net) applied to the Public Service Commission on June 22, 1999, for a certificate of service authority to provide intrastate interexchange and non-switched local exchange telecommunications services in Missouri under Section 392.410 - .450, RSMo 1994,¹ and RSMo Supp. 1998. PF.Net asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by Sections 392.361 and 392.420. PF.Net is a Delaware corporation, with its principal office located at 1701 Broadway Street, Suite 358, Vancouver, Washington 98663.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on June 29, directing parties wishing to intervene to file their requests by July 29. Subsequently, the Commission posted a Correction Notice in the July 6 Notice of Applications clarifying the authority being sought by PF.Net and correcting the intervention deadline to July 14.

¹ All statutory references are to the Revised Statutes of Missouri 1994 unless otherwise indicated.

The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has asked permission to intervene or requested a hearing, the Commission may grant the relief requested based on the verified application.

PF.Net filed a proposed tariff in conjunction with its application with an effective date of August 6. PF.Net's tariff describes the rates, rules, and regulations it intends to use, identifies PF.Net as a competitive company, and lists the waivers requested. PF.Net intends to provide interexchange and non-switched local exchange telecommunications services, including private line services.

In its Memorandum filed on July 20, the Staff of the Commission (Staff) stated that PF.Net's proposed services are similar to existing interexchange telecommunications offerings. Staff recommended that the Commission grant PF.Net a certificate of interexchange service authority and a certificate of service authority for local exchange telecommunications service on condition that this authority be restricted to providing dedicated, non-switched local exchange private line services. Staff recommended that the Commission grant PF.Net competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the Commission approve the proposed tariff to become effective on August 6.

The Commission finds that competition in the intrastate interexchange and non-switched local exchange telecommunications markets is in the public interest and PF.Net should be granted certificates of service authority. The Commission finds that the services PF.Net proposes to offer are competitive and PF.Net should be classified as a competitive company. The Commission finds that waiving the statutes and Commission rules set out in the ordered paragraph below is reasonable and not detrimental to the public interest.

The Commission finds that PF.Net's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange and local exchange carriers. The Commission finds that the proposed tariff filed on June 22, should be approved to become effective on August 6.

IT IS THEREFORE ORDERED:

1. That PF.Net, LLC is granted a certificate of service authority to provide intrastate interexchange telecommunications services in the state of Missouri, subject to all applicable statutes and Commission rules except as specified in this order.

2. That PF.Net, LLC is granted a certificate of service authority to provide local exchange telecommunications services in the state of Missouri limited to providing dedicated, non-switched local exchange private line services, subject to all applicable statutes and Commission rules except as specified in this order.

3. That PF.Net, LLC is classified as a competitive telecommunications company. Application of 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
392.340 - reorganization(s)
392.330, RSMo Supp. 1998 - issuance of securities,
debts and notes

Commission Rules

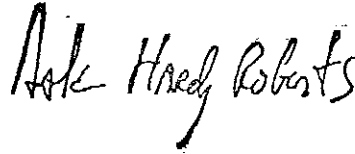
4 CSR 240-10.020 - depreciation fund income
4 CSR 240-30.010(2)(C) - rate schedules
4 CSR 240-30.040 - Uniform System of Accounts
4 CSR 240-32.030(1)(B) - exchange boundary maps
4 CSR 240-32.030(1)(C) - record-keeping
4 CSR 240-32.030(2) - in-state record-keeping
4 CSR 240-32.050(3) - local office record-keeping
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

4. That the tariff filed by PF.Net, LLC on June 22, 1999, and assigned Tariff File No. 9901000, is approved to become effective on August 6, 1999. The tariff approved is:

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5. That this order shall become effective on August 6, 1999.
6. That this case may be closed on August 9, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Nancy Dippell, Senior Regulatory
Law Judge, by delegation of
authority pursuant to 4 CSR
240-2.120(1) (November 30, 1995)
and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 26th day of July, 1999.

RECEIVED

JUL 26 1993

COMPENSATION COUNSEL
PUBLIC SERVICE COMMISSION