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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 17th
day of September, 1998.

In the Matter of the Application of Quintelco,)
Inc. for a Certificate of Service Authority to)
Provide Basic Local Telecommunications Service) Case No. TA-98-325
in Portions of the State of Missouri and to)
Classify Agreementid Services and the Company)
as Competitive.)
)

ORDER GRANTING CERTIFICATE TO PROVIDE
BASIC LOCAL TELECOMMUNICATIONS SERVICES

Quintelco, Inc. (Quintelco) applied to the Commission on February 2, 1998, for a certificate of service authority to provide basic local exchange telecommunications services in Missouri under Sections 392.420 - .440, RSMo 1994¹, and Sections 392.410 and .450, RSMo Supp. 1997. Quintelco 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. Quintelco is a Delaware corporation with principal offices at 1 Blue Hill Plaza, Pearl River, New York 10965.

The Commission issued a notice and schedule of applicants on February 18, directing parties wishing to intervene in the case to do so by March 20. The Commission granted permission to intervene to Southwestern Bell Telephone Company (SWBT) on April 3.

The parties filed a proposed procedural schedule on May 4 which stated that the parties would file a stipulation and agreement in lieu

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

of a procedural schedule. The Stipulation and Agreement (Agreement), which is attached to this order as Attachment 1, was filed on May 18, and the Staff of the Commission (Staff) filed Suggestions in Support of the Agreement on June 19. Staff made an additional filing of Suggestions in Support on August 4, but filed a Notice on September 10 stating that the August 4 filing was made in error and that the two sets of Suggestions were substantially similar and Staff's position consistent.

In the Agreement the parties waived their rights to present testimony, cross-examine witnesses, present oral argument or briefs, and to seek rehearing or judicial review. 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 requested a hearing in this case, the Commission may grant the relief requested based on the verified application.

Quintelco, which was certificated to provide intrastate interexchange services in Missouri in Case No. TA-98-111, wishes certification to provide basic local exchange telecommunications services as a non-facilities-based reseller in all the exchanges currently served by SWBT. Quintelco is not asking for certification in any area that is served by a small incumbent local exchange provider.

A. Requirements of 4 CSR 240-2.060(4)

Commission rule 4 CSR 240-2.060(4) requires a foreign corporation applying for certification to provide telecommunications services to include in its application a certificate from the Secretary of State showing it is authorized to do business in Missouri, a description of the

types of service it intends to provide, a description of the exchanges where it will offer service, and a proposed tariff with a 45-day effective date. Quintelco has provided all the required documentation except for the proposed tariff. The company requested a temporary waiver of 4 CSR 240-2.060(4)(H) because it was not party to an approved interconnection agreement with SWBT at the time of application. By terms of the Agreement, the company agreed to submit to the Commission for approval a proposed tariff with a minimum 45-day effective date, to file the tariff in Case No. TA-98-325, and to give notice of the tariff filing to all parties. Along with that filing Quintelco has agreed to provide a written disclosure of all interconnection agreements it has entered into which affect its Missouri service areas.

Quintelco and SWBT filed a Resale Agreement for approval in Case No. TO-98-240. That Agreement was approved by the Commission on March 20 and there is now no obstacle to Quintelco's filing its basic local tariff.

B. Basic Local Service Certification

Section 392.455, RSMo Supp. 1997, sets out the requirements for granting certificates to provide basic local telecommunications service to new entrants. A new entrant must: (1) possess sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service; (2) demonstrate that the services it proposes to offer satisfy the minimum standards established by the Commission; (3) set forth the geographic area in which it proposes to offer service and demonstrate that such area follows exchange boundaries of the incumbent local exchange telecommunications company and is no smaller than an exchange; and (4) offer basic local telecommunications service

as a separate and distinct service. In addition, the Commission must give due consideration to equitable access for all Missourians to affordable telecommunications services, regardless of where they live or their income.

Quintelco submitted Appendix C with its application which lists the names and qualifications of its management team. In addition to academic credentials, the team members have experience in various areas of the telecommunications industry including marketing, product development, network support, billing, and management. Quintelco submitted as Appendix D the Form 10K of its parent corporation, Quintel Entertainment, Inc., on whose finances it will rely for the development of its basic local services. The Form 10K was submitted to the Federal Securities and Exchange Commission and reflects Quintel Entertainment, Inc.'s financial position as of November 30, 1996. The parties agreed that Quintelco possesses sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service.

Quintelco stated in its application that it will comply with all applicable Commission rules and meet all relevant service standards, including quality of service and tariff filing and maintenance. Since Quintelco will be providing resold services, the quality of its services will be at least equivalent to those offered by SWBT. The parties agreed that Quintelco proposes to offer basic local services that satisfy the minimum standards established by the Commission.

Quintelco set out in Appendix B a list of the exchanges in which it proposes to offer service. The parties agreed that Quintelco has sufficiently identified the geographic area in which it proposes to offer

basic local service and that the area follows incumbent local exchange company exchange boundaries and is no smaller than an exchange.

Quintelco has agreed to offer basic local telecommunications service as a separate and distinct service and to provide equitable access, as determined by the Commission, for all Missourians within the geographic area in which it will offer basic local services in compliance with Section 392.455(5), RSMo Supp. 1997.

C. Competitive Classification

The Commission may classify a telecommunications provider as a competitive company if the Commission determines it is subject to sufficient competition to justify a lesser degree of regulation. § 392.361.2. In making that determination the Commission may consider such factors as market share, financial resources and name recognition, among others. In the Matter of 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 (1989); In the Matter of Southwestern Bell Telephone Company's Application for Classification of Certain Services as Transitionally Competitive, 1 Mo. P.S.C. 3d 479, 484 (1992). In addition, all the services a competitive company provides must be classified as competitive. § 392.361.3. The Commission has found that whether a service is competitive is a subject for case-by-case examination and that different criteria may be given greater weight depending upon the service being considered. *Id.* at 487.

The parties have agreed that Quintelco should be classified as a competitive telecommunications company. The parties have also agreed that Quintelco's switched exchange access services may be classified as

a competitive service, conditioned upon certain limitations on Quintelco's ability to charge for its access services. Quintelco has agreed that, unless otherwise ordered by the Commission, its originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect at the date of certification for the large incumbent LECs within those service areas in which Quintelco seeks to operate. The parties have agreed that the grant of service authority and competitive classification to Quintelco should be expressly conditioned on the continued applicability of Section 392.200, RSMo Supp. 1997, and on the requirement that any increases in switched access services rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1997, and 392.230, rather than Sections 392.500 and 392.510.

The parties agreed that waiver of the following statutes is appropriate: Sections 392.210.2, 392.270, 392.280, 392.290.1, 392.300.2, 392.310, 392.320, 392.330, RSMo Supp. 1997, and 392.340. The parties also agreed that application of these Commission rules could be waived: 4 CSR 240-10.020, 4 CSR 240-30.040, and 4 CSR 240-35.

Findings of Fact

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact:

- A. The Commission finds that competition in the basic local exchange telecommunications market is in the public interest.

- B. The Commission finds that Quintelco has met the requirements of 4 CSR 240-2.060(4) for applicants for certificates of service authority to provide telecommunications services with the exception of the filing of a tariff with a 45-day effective date.
- C. The Commission finds that Quintelco has demonstrated good cause to support a temporary waiver of the tariff filing requirement and the waiver shall be granted. However, Quintelco is now party to an approved Interconnection Agreement and will be directed to file its basic local telecommunications tariff.
- D. The Commission finds that Quintelco meets the statutory requirements for provision of basic local telecommunications services and has agreed to abide by those requirements in the future. The Commission determines that granting Quintelco a certificate of service authority to provide basic local exchange telecommunications services is in the public interest. Quintelco's certificate shall become effective when its tariff becomes effective.
- E. The Commission finds that Quintelco is a competitive company and should be granted waiver of the statutes and rules set out in the ordered paragraph below.
- F. The Commission finds that Quintelco's certification and competitive status should be expressly conditioned upon the continued applicability of Section 392.200, RSMo Supp. 1997, and on the requirement that any increases in switched access services rates above the maximum switched access service

rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1997, and 392.230, rather than Sections 392.500 and 392.510.

Conclusions of Law

The Missouri Public Service Commission has reached the following conclusions of law.

The Commission has the authority to grant certificates of service authority to provide telecommunications service within the state of Missouri. Quintelco has requested certification under Sections 392.420 - .440, and Sections 392.410 and .450, RSMo Supp. 1997 which permit the Commission to grant a certificate of service authority where it is in the public interest. Sections 392.361 and .420 authorize the Commission to modify or suspend the application of its rules and certain statutory provisions for companies classified as competitive or transitionally competitive.

The federal Telecommunications Act of 1996 and Section 392.455, RSMo Supp. 1997, were designed to institute competition in the basic local exchange telecommunications market in order to benefit all telecommunications consumers. See Section 392.185, RSMo Supp. 1997.

The Commission has the legal authority to accept a Stipulation and Agreement as offered by the parties as a resolution of the issues raised in this case, pursuant to Section 536.060, RSMo Supp. 1997. Based upon the Commission's review of the applicable law and Stipulation and Agreement of the parties, and upon its findings of fact, the Commission concludes that the Stipulation and Agreement should be approved.

IT IS THEREFORE ORDERED:

1. That the Stipulation and Agreement of the parties, filed on May 18, 1998, is approved.

2. That Quintelco, Inc. is granted a certificate of service authority to provide basic local exchange telecommunications services in the state of Missouri, subject to the conditions of certification set out above and to all applicable statutes and Commission rules except as specified in this order. The certificate of service authority shall become effective when the company's tariff becomes effective.

3. That Quintelco, Inc. is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

Statutes

392.210.2 - uniform system of accounts
392.270 - valuation of property (ratemaking)
392.280 - depreciation accounts
392.290.1 - issuance of securities
392.300.2 - acquisition of stock
392.310 - stock and debt issuance
392.320 - stock dividend payment
392.340 - reorganization(s)
392.330, RSMo Supp. 1997 - issuance of securities,
debts and notes

Commission Rules

4 CSR 240-10.020 - depreciation fund income
4 CSR 240-30.040 - uniform system of accounts
4 CSR 240-35 - reporting of bypass and
customer-specific arrangements

4. That the request for waiver of the filing of 4 CSR 240-2.060(4)(H) which requires the filing of a 45-day tariff is granted.

5. That Quintelco, Inc. shall file tariff sheets with a minimum 45-day effective date reflecting the rates, rules, regulations and the

services it will offer within 30 days after the effective date of this order. The tariff shall be filed in Case No. TA-98-325 and shall include a listing of the statutes and Commission rules waived above.

6. That Quintelco, Inc. shall give notice of the filing of the tariffs described above to all parties or participants. In addition, Quintelco, Inc. shall file a written disclosure of all interconnection agreements which affect its Missouri service areas, all portions of Missouri service areas for which it does not have an interconnection agreement, and an explanation of why no interconnection agreement is necessary for those areas.

7. That Quintelco, Inc.'s certification and competitive status are expressly conditioned upon the continued applicability of Section 392.200, RSMo Supp. 1997, and on the requirement that any increases in switched access service rates above the maximum switched access service rates set forth in the agreement must be cost-justified pursuant to Sections 392.220, RSMo Supp. 1997, and 392.230, rather than Sections 392.500 and 392.510.

8. That this Order shall become effective on September 29, 1998.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Crompton, Drainer, Murray
and Schemenauer, CC., concur.
Lumpe, Ch., absent.

Wickliffe, Deputy Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED
MAY 18 1998
MISSOURI
PUBLIC SERVICE COMMISSION

In the Matter of the Application of Quintelco,)
Inc. for a Certificate of Service Authority to)
Provide Basic Local Telecommunications Service) Case No. TA-98-325
in Portions of the State of Missouri and to)
Classify Said Services and the Company as)
Competitive)

STIPULATION AND AGREEMENT

1. Quintelco, Inc. (hereinafter "Quintelco") initiated this proceeding on February 2, 1998, by filing an application for a certificate of service authority to provide basic local telecommunications services throughout Missouri.
2. The Commission has granted the timely application to intervene of SWBT. GTE, the "Small Telephone Company Group"¹, Bourbeuse Telephone Company and Fidelity Telephone ("Fidelity") did not seek and have not been granted intervention in this proceeding.
3. For purposes of this Stipulation and Agreement, the parties agree that the application for basic local exchange authority in exchanges served by "large" local exchange companies (LEC)² should be processed in a manner similar to that in which applications for interexchange and local exchange authority are currently handled.

¹The following companies comprise the "Small Telephone Company Group": BPS Telephone Company, Cass County Telephone Company, Citizens Telephone Company of Higginsville, Missouri Inc., Craw-Kan Telephone Cooperative, Inc., Ellington Telephone Company, Farber Telephone Company, Goodman Telephone Company, Inc., Granby Telephone Company, Grand River Mutual Telephone Corporation, Green Hills Telephone Corporation, Holway Telephone Company, KLM Telephone Company, Kingdom Telephone Company, Lathrop Telephone Company, Le-Ru Telephone Company, Mark Twain Rural Telephone Company, McDonald County Telephone Company, Miller Telephone Company, New Florence Telephone Company, New London telephone Company, Orchard Farm Telephone Company, Oregon Farmers Mutual Telephone Company, Ozark Telephone Company, Rock Port Telephone Company, Seneca Telephone Company, Steelville Telephone Exchange, Inc. and Stoutland Telephone Company.

²The large LECs are currently Southwestern Bell Telephone Company, GTE and Sprint-United.

4. In determining whether Quintelco's application for a certificate of basic local service authority should be granted, the Commission should consider Quintelco's technical, financial and managerial resources and abilities to provide basic local exchange telecommunications services. Quintelco must demonstrate that the basic local services that it proposes to offer satisfy the minimum standards established by the Commission including, but not limited to, the Applicant agreeing to file and maintain a basic local service tariff with the Commission in the same manner and form as the Commission requires of telecommunications companies with which the Applicant seeks to compete. Quintelco agrees to meet the minimum basic local service standards, including quality of service and billing standards, as the Commission requires of the incumbent local exchange telecommunications companies with which the Applicant seeks to compete. Notwithstanding the provisions of Section 392.500 RSMo., as a condition of certification and competitive classification, Quintelco agrees that, unless otherwise ordered by the Commission, its originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates for the large incumbent LEC(s) for each service area within which the Applicant seeks authority to provide service.³ Further, Quintelco agrees to offer basic local telecommunications service as a separate and distinct service and must sufficiently identify the geographic service area in which it proposes to offer basic local service. Such area must follow the exchange boundaries of the incumbent local exchange telecommunications companies in the same area and must be no smaller than an exchange. Finally, Applicant agrees to provide equitable access to affordable

³For the Applicant, this places an effective cap at Southwestern Bell's access rates.

telecommunications services, as determined by the Commission for all Missourians within the geographic area in which it proposes to offer basic local service, regardless of residence or income.⁴

5. Quintelco requested a waiver of its initial tariff filing. Applicant has entered into a resale agreement with SWBT, approved by the Commission in Case No. TO-98-240 on March 23, 1998, and is currently in the process of negotiating an interconnection agreement with SWBT as well. Applicant requests a temporary waiver of 4CSR 240.2.060(4)(H).⁵ Quintelco agrees to file its initial tariff in the certification docket and to serve all parties thereto with written notice at the time the initial tariff is submitted to afford them an opportunity to participate in the tariff approval process. Copies of the tariff will be provided by Quintelco to such parties immediately upon request. Any service authority shall be regarded as conditional and shall not be exercised until such time as the tariff for services has become effective. When filing its initial basic local tariff, Quintelco shall also file and serve a written disclosure of its interconnection agreements which affect its Missouri service areas and all portions of its Missouri service areas for which it does not have an interconnection agreement with SWBT, with its explanation of why such an interconnection agreement is unnecessary for such areas.

6. Pursuant to Section 392.420 RSMo., the parties agree that it is appropriate for the Commission to waive the application of any or all of the following statutory provisions and rules for basic local telecommunications services, provided that Section 392.200, RSMo. should

⁴See Section 392.45 RSMo.

⁵Good cause for failure to file proposed tariffs with the Application must be shown. The lack of an approved interconnection agreement (47 USC 252) constitutes good cause.

continue to apply to all Quintelco's services:

STATUTORY PROVISIONS

392.210.2
392.270
392.280
392.290.1
392.300.2
392.310
392.320
392.330
392.340

COMMISSION RULES

4 CSR 240-10.020
4 CSR 240-30.040
4 CSR 240-35

7. In negotiating the remaining provisions of this Stipulation and Agreement, the parties have employed the foregoing standards and criteria, which are intended to meet the requirements of existing law and Sections 392.450 and 392.455, RSMo., regarding applications for certificates of service authority to provide basic local telecommunications services.

Quintelco's Certification

8. Quintelco has submitted as Exhibit B to its Application a listing of a specific exchanges in which it seeks authority to provide basic local telecommunications services. The exchanges identified are those currently served by SWBT. Quintelco hereby agrees that its original Application should be deemed further amended as required to include by reference the terms and provisions described in paragraphs 4 through 6 hereinabove, and paragraph 11 below, to the extent that its original Application might be inconsistent therewith.

9. Based upon its verified Application, as amended by this Stipulation and Agreement, Quintelco asserts, and no party makes a contrary assertion, that there is sufficient evidence upon which the Commission should find and conclude that Quintelco:

- A. possesses sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications services;
- B. proposes and agrees to offer basic local services that will satisfy the minimum standards established by the Commission;
- C. has sufficiently identified the geographic area in which it proposes to offer basic local service and such area follows exchange boundaries of the incumbent local exchange telecommunications companies in the same areas, and such area is no smaller than an exchange;
- D. will offer basic local telecommunications services as a separate and distinct service;
- E. has agreed to provide equitable access to affordable telecommunication services as determined by the Commission, for all Missourians within the geographic area in which it proposes to offer basic local service, regardless of where they live or their income;
- F. has sought authority which will serve the public interest.

10. Quintelco asserts that no party opposes that Quintelco's application and request for authority to provide basic local services (including exchange access services) should be granted. All services authorized herein should be classified as competitive telecommunications services (provided that the requirements of Section 392.200, RSMo., continue to apply) and Quintelco shall be classified as a competitive telecommunications company. Quintelco asserts, and no party opposes, that such services will be subject to sufficient competition by the services of the incumbent LECs to justify a lesser degree of regulation for

Quintelco services consistent with the protection of ratepayers and the promotion of the public interest. Such classification should become effective upon the tariff for their services becoming effective. Such authority should be conditional, not to be exercised until such time as the tariff for those services have been filed (together with the written discourse as stipulated above) and have become effective. The Commission's Order should state the foregoing conditions substantially as follows:

"The service authority and service classification herein granted are subject to the requirements of Section 392.200 and are conditional and shall not be exercised until such time as tariffs for services have become effective."

The parties agree that the Applicant's non-facilities based exchange access services may be classified as competitive services. The parties further agree that the Applicant's non-facilities based exchange access services are subject to Section 392.220 and 392.230, and not Sections 392.500 and 392.510. The Commission's order should state the foregoing conditions substantially as follows:

"The service authority and service classification for non-facilities based exchange access is expressly conditioned on the continued applicability of Section 392.200 and the requirement that any increases in non-facilities based access service rates above the maximum switched access service rates set forth herein shall be cost-justified and be made pursuant to Sections 392.220 and 392.230 and not Sections 392.500 and 392.510."

11. Quintelco's request for a temporary waiver of 4 CSR 240-2.060(4)(H), which requires applications to include a proposed tariff with a 45-day effective date, is not opposed by the parties. It should be granted because although Quintelco has initiated negotiations with SWBT, Quintelco does not yet have an approved interconnection agreement with SWBT, or any

of the large incumbent LECs. Quintelco agrees that at such time as all facts necessary for the development of tariffs become known, it will submit a tariff in this docket, with a minimum 45-day proposed effective date, to the Commission for its approval together with the written disclosure as stipulated above. Quintelco shall serve notice to all parties and participants in this docket of the filing of its tariff at the time it is filed with the Commission, and serve them with the aforesaid written disclosure and shall upon request immediately provide any party with a copy of those tariffs. The Commission's Order should state these obligations as conditions to the temporary waiver of 4 CSR 240-2.060(4)(H), substantially as follows:

"The Applicant's request for temporary waiver of 4 CSR 240-2.060(4)(H) is hereby granted for good cause in that Applicant does not yet have an approved interconnection agreement with SWBT within whose service areas it seeks authority to provide service; provided, when Applicant submits its tariff in this docket to the Commission such tariff shall have a minimum 45-day effective date and the Applicant shall serve written notice upon the parties hereto of such submittal, and shall provide copies of such tariff to such parties immediately upon request. When filing its initial basic local tariff in this docket, the Applicant shall also file and serve upon the parties hereto a written disclosure of all interconnection agreements which affect its Missouri service area and all portions of its Missouri service areas for which it does not have an interconnection agreement with SWBT with its explanation of why such interconnection agreement is unnecessary for any such areas."

12. Quintelco's request for waiver of the application of the following rules and statutory provisions as they relate to the regulation of Quintelco's new services should be granted:

STATUTORY PROVISIONS

392.210.2
392.270
392.280
392.290.1
392.300.2
392.310
392.320
392.330
392.340

COMMISSION RULES

4 CSR 240-10.020
4 CSR 240-30.040
4 CSR 240-35

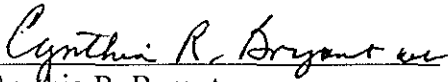
13. This Stipulation and Agreement has resulted from extensive negotiations among the signatories and the terms hereof are independent. In the event the Commission does not adopt this Stipulation in total, then this Stipulation and Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings.

14. In the event that the Commission accepts the specific terms of this Stipulation and Agreement, the parties and participants waive, with respect to the issues resolved herein, their respective rights pursuant to Section 536.080.1, RSMo., to present testimony, to cross-examine witnesses, and to present oral argument or written briefs; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo.; and their respective rights to seek rehearing pursuant to Section 386.500, RSMo; and to seek judicial review pursuant to Section 386.510 RSMo., the parties agree to cooperate with the Applicant and with each other in presenting this Stipulation and Agreement for approval to the Commission and shall take no action, direct or indirect, in opposition to the request for approval of Quintelco's application made herein.

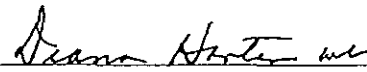
15. The Staff may submit a Staff Recommendation concerning matters not addressed in this Stipulation. In addition, if requested by the Commission, the Staff shall have the right to submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each party of record and participant herein shall be served with a copy of any such memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of Staff's memorandum, a responsive memorandum which shall also be served on all parties and participants. All memoranda submitted by the parties shall be considered privileged in the same manner as settlement discussions under the Commission's rules, shall be maintained on a confidential basis by all parties and participants, and shall not become a part of the record of this proceeding or bind or prejudice the party submitting such memorandum in any future proceeding or in this proceeding whether or not the Commission approves this Stipulation and Agreement. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to the Stipulation and Agreement whether or not the Commission approves and adopts this Stipulation and Agreement. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other parties and participants with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. The Staff's oral explanation shall be subject to public disclosure.

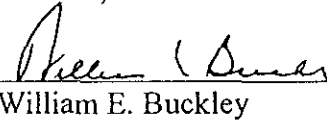
WHEREFORE, the signatories respectfully request the Commission to issue its Order approving the terms of this Stipulation and Agreement and issue its Order granting authority and classification as requested by Quintelco, subject to the conditions described above, as expeditiously as possible.

Respectfully submitted,

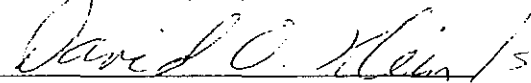

Cynthia R. Bryant
Assistant General Counsel
Missouri Bar No. 47937

Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-7431
573-751-9285 (Fax)


Anthony K. Conroy/Diana Harter
Southwestern Bell Telephone Company
Missouri Bar No. 35199
Missouri Bar No. 31424
Attorney for Southwestern Bell
Telephone Company
One Bell Center, Room 3510
St. Louis, MO 63101
314-235-6060
314-331-2193 (Fax)


William E. Buckley
Attorney at Law
Missouri Bar No. 16639

Attorney for Quintelco, Inc.
Gallop, Johnson & Neuman, L.C.
Interco Corporate Tower
101 South Hanley
St. Louis, MO 63105
314-862-1200
314-862-1219 (Fax)


David O. Klein
Attorney at Law

Attorney for Quintelco, Inc.
Klein, Zelman, Rothermel & Dichter, LLP
485 Madison Avenue, 15th Floor
New York, NY 10022
212-935-6020
212-753-8101 (Fax)

CERTIFICATE OF SERVICE

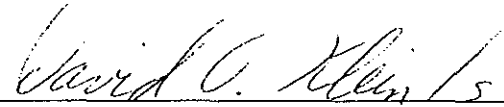
I hereby certify that a true and correct copy of the foregoing document has been delivered to counsel for all parties of record by depositing same in the United States mail, first class postage prepaid this 20th day of April, 1998 to:

Michael Dandino
Office of Public Counsel
Post Office Box 7800
Jefferson City, MO 65102

Dan Joyce
Missouri Public Service Commission
301 W. High Street, Room 530
Jefferson City, MO 65102

Anthony K. Conroy
Southwestern Bell Telephone Company
One Bell Center, Room 3510
St. Louis, MO 63101

William E. Buckley
Gallop, Johnson & Neuman, L.C.
Interco Corporate Tower
101 South Hanley
St. Louis, MO 63105


David O. Klein

RECEIVED

SEP 17 1998

COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION