BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of TCG Kansas City,) Inc. for Approval of Transfer of Assets and for) <u>Case</u> Certificate of Service Authority.)

Case No. TM-98-253

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ORDER GRANTING INTERVENTIONS AND SETTING EARLY PREHEARING CONFERENCE

TCG Kansas City, Inc. (TCG) filed an application on December 19, 1997 asking the Commission to approve a transfer of assets and grant TCG certificates of service authority to provide intrastate interexchange and basic local exchange telecommunications services. TCG wants to acquire all the assets of Kansas City Fiber Network, L.P. TCG also wants certification to provide basic local services in the 816 and 660 area code exchanges served by SWBT, GTE, and Sprint.

The Commission issued an Order and Notice on January 2, 1998 directing interested parties to file applications to intervene by February 2. The order also mentioned that TCG asked for competitive classification but failed to specify which statutes and rules it wanted the Commission to waive for its operations.

Southwestern Bell Telephone Company (SWBT) and Kansas City Power & Light Company (KCPL) filed applications to intervene on January 14 and 20 respectively. SWBT stated that it has a direct interest in the Commission's decision in this case because it provides basic local exchange services and will be in direct competition with this company if the certificate is granted. SWBT argues that no other party will adequately protect it's interests in this matter and that its intervention would be in the public interest because of SWBT's expertise and experience in the telecommunications industry.

KCPL stated that it owns the utility poles to which some of the fiber optic network being transferred is attached. KCPL says it has an interest in the network TCG is acquiring and that the transfer, if approved, could affect KCPL's contract with American Cablevision.

TCG filed a First Amended Application on January 29 listing the waivers it wishes to receive. TCG filed a Second Amended Application on February 3 advising the Commission that it will become a wholly owned subsidiary of AT&T. The merger will be between unregulated parent companies and therefore will not need Commission approval.

On February 5 TCG filed a Motion for a Protective Order asking for a more restrictive order than the Commission ordinarily issues. TCG stated that the standard protective order isn't adequate and that it wants an order that would permit only the Commission and Staff access to highly confidential or proprietary material filed in this case.

The Commission finds that the applications for intervention are in substantial compliance with Commission rules and that each of the applicants has an interest in this matter which is different from that of the general public. The Commission concludes that both requests for intervention should be granted. The Commission will schedule an early prehearing conference and the parties will be directed to file a proposed procedural schedule.

The Commission is not convinced that TCG needs the extremely restrictive protective order it has requested and is concerned with the possibility of multiple requests for this type of order should one be granted in this case. However, the parties will be permitted to argue the

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protective order issue on the record at the early prehearing conference. The Commission particularly requests the presence and input of the Office of the Public Counsel on this matter.

IT IS THEREFORE ORDERED:

That Southwestern Bell Telephone Company and Kansas City Power
& Light Company are granted intervention according to 4 CSR 240-2.075.

2. That the parties shall meet in a prehearing conference on March 10, 1998, at 9:00 a.m. in the Commission's hearing room on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri.

3. That the parties shall file a proposed procedural schedule no later than March 16, 1998.

4. That anyone wishing to attend the prehearing conference who has special needs as addressed by the Americans With Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days before the prehearing or hearing at one of the following numbers: Consumer Services Hotline - 1-800-392-4211 or TDD Hotline - 1-800-829-7541.

5. That this order shall become effective on February 27, 1998.

BY THE COMMISSION

Hoke Hredy Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

L. Anne Wickliffe, Deputy Chief Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1) (November 30, 1995) and Section 386.240, RSMo 1994.

(SEAL)

Dated at Jefferson City, Missouri, on this 27th day of February, 1998.

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COMMISSION COUNSEL PUBLIC SERVICE COMMISSION ĺ