

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Petition for Waiver on)
Behalf of Sprint Communications Company) Case No. CE-2009-0099
L.P., Pursuant To Section 392.420, RSMo.,)
as Amended by HB 1779)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff), through Counsel, and submits this Staff Recommendation to the Missouri Public Service Commission (Commission). For this Recommendation, Staff respectfully states the following:

1. On September 16, 2008, Sprint Communications Company L.P., (Sprint), filed a Petition For Waiver On Behalf Of Sprint Communications Company L.P. Sprint petitions the Commission for a waiver of the application and enforcement of certain statutes and rules, pursuant to Section 392.420, RSMo, as amended by HB 1779, effective August 28, 2008.
2. Section 392.420 as amended provides “for all existing alternative local exchange telecommunications companies, the commission shall waive, at a minimum, the application and enforcement of its quality of service and billing standards rules, as well as the provisions of subsection 2 of section 392.210, subsection 1 of section 392.240, and sections 392.270, 392.280, 392.290, 392.300, 392.310, 392.320, 392.330, and 392.340.”
3. While Sprint’s Petition does not reference Section 392.245.5 (8), as amended by HB 1779, the statute states “all alternative local exchange telecommunications companies shall not be required to comply with customer billing rules, network engineering and maintenance rules, and rules requiring the recording and submitting of service objectives or surveillance levels established by the commission [.]”

4. Sprint is an “alternative local exchange telecommunications company” as defined by 386.020 (1) RSMo (Supp. 2007), and requests waiver of the application and enforcement of the following statutes and Commission rules: Section 392.210, subsection 2; Section 392.240, subsection 1; Section 392.280; Section 392.290; Section 392.300; Section 392.310; Section 392.320; Section 392.330; Section 392.340; 4 CSR 240-3.550 (4), (5)(A), and (5)(C); 4 CSR 240-32.060; 4 CSR 240-32.070; 4 CSR 240-32.080; 4 CSR 240-33.040 (1), (2), (3), (5), (10); 4 CSR 240-33.045; 4 CSR 240-33.080 (1); and 4 CSR 240-33.130 (1), (4), and (5).
5. With the exception of 4 CSR 240-3.550 (5)(C), the waivers requested by Sprint are within the cited statute sections, quality of service and billing standards rules, engineering and maintenance rules, or service objectives and surveillance levels rules contemplated by 392.420 and 392.245.5 (8), as amended. See Attachment A, Memorandum by John Van Eschen, Staff Telecommunications Utility Regulatory Manager.
6. In Staff’s opinion, 4 CSR 240-3.550 (5)(C) is not a quality of service or billing standards rule, however, it has been routinely waived for competitively classified local exchange companies.
7. The Staff has no objection to waiving 4 CSR 240-3.550 (5)(C) for an alternative local exchange telecommunications company as Sprint, and if waived by the Commission, recommends Sprint be directed to continue listing in its tariffs the exchanges where it offers basic local exchange telecommunications service.
8. To date, Sprint is compliant with its assessment, Missouri Universal Service Fund, Relay Missouri, and annual report obligations.

WHEREFORE, the Staff recommends the Missouri Public Service Commission 1) grant the waivers requested by Sprint, as listed in the Petition and paragraph four (4) above; 2) direct Sprint to update its tariff sheets to list the granted waivers; and 3) direct Sprint to continue listing in its tariffs the exchanges where it offers basic local exchange telecommunications service.

Respectfully submitted,

/s/ Jennifer Hernandez

Jennifer Hernandez
Legal Counsel
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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was hand-delivered or mailed, postage prepaid to all counsel of record on this 20th day of October, 2008.

/s/ Jennifer Hernandez

Memorandum

To: Official Case File
Case No. CE-2009-0099
Sprint Communications Company L.P.

Through: General Counsel

From: John Van Eschen
Telecommunications Department

Date: October 17, 2008

Subject: Request for Waivers

Sprint Communications Company L.P. (Company), an alternative local exchange telecommunications company, has filed a Petition for Waiver pursuant to Section 392.420, RSMo, as amended by House Bill 1779, effective August 28, 2008. The Commission Staff (Staff) has no objections to the requested waivers identified in the Company's filing. This memorandum further explains Staff's review of the filing.

Two separate sections of the new legislation, Section 392.420 and 392.245.5(8), provide the genesis for waiving various statutes and Commission rules for telecommunications companies. Both sections are slightly different in terms of the circumstances surrounding their applicability. In addition both sections have slightly different descriptions of the types of rules covered by their provisions.

Section 392.420 RSMo authorizes the Commission, in connection with the issuance or modification of a certificate or service authority, to entertain a petition to suspend or modify the application of its rules and certain statutes. This section further provides that in the case of an application for a certificate of service authority to provide basic local telecommunications service filed by an alternative local exchange telecommunications company, and for all existing alternative local exchange telecommunications companies, the Commission shall waive, at a minimum, the application and enforcement of its quality of service and billing standards rules, and certain enumerated statutes. Where an alternative local exchange telecommunications company is authorized to provide local exchange telecommunications services in an incumbent local exchange telecommunications company's territory an incumbent may opt into all or some of the statutory and commission rule waivers by filing a notice of election with the Commission.

Section 392.245.5(8) RSMo indicates an incumbent local exchange telecommunications company with classification as a competitive company and all alternative local exchange telecommunications companies shall not be required to comply with customer billing rules, network engineering and maintenance rules, and rules requiring the recording and submitting of service objectives or surveillance levels

established by the Commission. This section does not address any statutes as described and identified in Section 392.420 RSMo.

The Staff does not object to the waiver of the rules described in Section 392.245.5(8). The Staff recommends the grant of these waivers under the first sentence of Section 392.420 because they are consistent with other provisions of and the purposes of Chapter 392. In support of its filing, the Company states it is an alternative local exchange telecommunications company. The Company is requesting waivers of the following Commission rules and Missouri statutes:

Commission Rules (4 CSR 240-)	Brief Description
3.550 (4) and (5)(A) and (5)(C)	Held order records, Quality of service reports, exchange boundary maps in tariffs.
32.060	Engineering and maintenance
32.070	Quality of Service
32.080	Service objectives and surveillance levels
33.040(1) through (3) and (5) through (10)	Billing and payment standards
33.045	Clear identification and placement of charges on bills
33.080(1)	Clearly identify company name & toll free number on bill
33.130(1), (4) and (5)	Operator service billing-related requirements

Missouri Statutes	Brief description of Commission's authority
392.210(2)	Prescribe a system of accounts
392.240(1)	Determine reasonableness of rates
392.270	Determine valuation of property
392.280	Determine depreciation rates/accounts
392.290	Establish regulations regarding issuance of stocks, bonds and other indebtedness
392.300	Transfer of property and ownership of stock
392.310	Approval of issuing stocks, bonds and other indebtedness
392.320	Certificate of Commission to be recorded—stock dividends
392.330	Account for disposition of proceeds of all sales of stocks, bonds, notes and other indebtedness
392.340	Reorganization

With the exception of 4 CSR 240-3.550(5)(C) the specific waivers requested by the Company comply with the type of waivers contemplated by Sections 392.245.5(8) or 392.420 RSMo. In Staff's opinion Commission rule 4 CSR 240-3.550(5)(C) is not a quality of service rule or a billing standards rule and therefore should not be considered one of the waivers contemplated by Section 392.420 RSMo. Nevertheless this rule was routinely previously waived for competitively classified local exchange companies. Although this rule has subsequently been slightly revised, Staff has no objections to waiving this rule for an alternative local exchange telecommunications company. If

granted, the Company's tariff should still list the exchanges where the company offers basic local exchange telecommunications service. If an incumbent local exchange company subsequently requests waiver of 4 CSR 240-3.550(5)(C) Staff anticipates recommending the Commission deny the request.

Staff has investigated and concluded the Company is currently compliant in obligations relating to the Commission's assessment, Missouri universal service fund, Relay Missouri and the submission of an annual report.

Staff recommends the Commission grant to the company all of the waivers listed above and direct the Company to list these waivers in the Company's tariff.

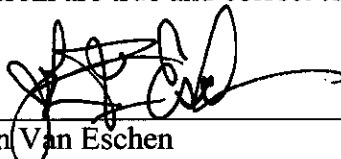
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Behalf of Sprint Communications) Case No. CE-2009-0099
Company L.P. Pursuant to Section)
392.420, RSMo as amended by HB 1779

AFFIDAVIT OF John Van Eschen

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

John Van Eschen, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in preparing the accompanying memorandum and that the facts therein are true and correct to the best of his knowledge and belief.



John Van Eschen

Subscribed and affirmed before me this 17th day of October 2008.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



NOTARY PUBLIC