



Missouri Public Service Commission

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June 15, 2000

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JUN 15 2000

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. TA-2000-663

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a STAFF RECOMMENDATION.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

[Handwritten signature of Nathan Williams]

Nathan Williams
Assistant General Counsel
(573) 751-8702
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NW/lb
Enclosure
cc: Counsel of Record

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

FILED³

JUN 15 2000

Missouri Public
Service Commission

In the Matter of the Application of Rock)
Port Telephone Company and Fiber Four)
Corporation to grant Rock Port Telephone)
Company d/b/a Rock Port Long Distance)
a Certificate of Service Authority to)
provide Interexchange and Local)
Exchange Telecommunications Service)
and for Authority to Transfer to Rock Port)
Telephone Company d/b/a Rock Port)
Long Distance Assets of Fiber Four)
Corporation Used to Provide Service to)
Customers of Fiber Four Corporation)
d/b/a Rock Port Long Distance.)

Case No. TA-2000-663

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation states:

1. Rock Port Telephone Company ("RPTC") and Fiber Four Corporation ("FFC") on April 18, 2000, filed a joint application seeking approval of transactions and authorities necessary to effectuate the transfer of the provisioning of interexchange telecommunications services to the customers of FFC d/b/a Rock Port Long Distance ("FFC d/b/a RPLD") from FFC d/b/a RPLD to RPTC d/b/a Rock Port Long Distance ("RPTC d/b/a RPLD"). Staff did not receive a copy of the fictitious name registration of Rock Port Telephone Company as Rock Port Long Distance (RPTC d/b/a RPLD) with the Missouri Secretary of State until June 13, 2000. Staff reviewed that document on June 14, 2000. Absent review of this document that is required by 4 CSR 240-2.060(1)(E), Staff could not make a favorable recommendation on the application. The effective date of the tariff filed for RPTC d/b/a RPLD in this case is June 23, 2000.

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2. RPTC is an incumbent local exchange carrier presently providing local exchange services in the State of Missouri. In this case it seeks a certificate of service authority to provide interexchange services under the alias "Rock Port Long Distance" (RPTC d/b/a RPLD). In addition, jointly with FFC, RPTC seeks approval of the transfer to RPTC d/b/a RPLD of the customers of FFC receiving interexchange telecommunications services pursuant to the temporary certificate of service authority this Commission issued to FFC d/b/a RPLD in Case No. TA-2000-27. RPTC and FFC also seek Commission approval of the transfer of assets related to FFC's provisioning of services to customers under its alias "Rock Port Long Distance." Finally, FFC seeks, contemporaneous with the transfer of customers to RPTC d/b/a RPLD, cancellation of its temporary certificate of service authority issued by the Commission for FFC d/b/a RPLD in Case No. TA-2000-27.

3. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Missouri Public Service Commission ("Commission") grant Rock Port Telephone Company d/b/a Rock Port Long Distance ("RPTC d/b/a RPLD") a certificate to provide interexchange telecommunications services and dedicated, private line local exchange services. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. (See §§ 392.430 and 392.440, RSMo 1994).

4. Staff also recommends that the Commission classify the foregoing services, but not the company, as competitive. The Commission may classify a telecommunications service as competitive if the Commission determines the service is subject to sufficient competition to justify a lesser degree of regulation. (See §392.361.2 RSMo 1994).

5. Although the Application lists waiver citations previously listed in Commission Notices of Application, the Staff recommends that the Commission approve the waivers as listed in substitute original sheet 2 of PSC Mo. No. 1 of the tariff filed in this case for RPTC d/b/a RPLD. These citations comport with the waivers now typically listed in Commission Notices of Application for authority to provide interexchange telecommunications services. The Commission may waive the application of its rules and certain statutes if the Commission determines that waiver is consistent with the purposes of Chapter 392 RSMo. (See §§ 392.361.3 and 392.420 RSMo 1994 and § 392.185 RSMo Supp. 1999).

6. The Staff recommends approval of the tariff filed by RPTC d/b/a RPLD, as substituted. The Commission is to review a tariff to assure the provisions thereof are both lawful and just and reasonable. See §§ 392.190 to 392.530, RSMo., generally and 392.200, RSMo. Supp. 1999, in particular.

7. The Staff recommends that the Commission approve the transfer to RPTC of the assets of FFC, including those customers receiving interexchange telecommunications services from FFC d/b/a RPLD, needed to effectuate the transfer of the provisioning of interexchange telecommunications services to present customers of FFC d/b/a RPLD to RPTC d/b/a RPLD. The applicants have complied with the requirement of §392.300.1, RSMo. 1996 and 4 CSR 240-2.060(7)(F), that they state the impact on the tax revenues of political subdivisions. The Commission is to approve a transfer of assets from a telecommunications company so long as the transfer is not detrimental to the public interest. See §392.300.1, RSMo. 1996, and 4 CSR 240-2.060(7)(D).

8. In Case No. TA-2000-27 the Commission granted FFC d/b/a RPLD temporary authority to provide interexchange telecommunications services and dedicated, private line local

exchange services. Because the legislature, through §392.410.6, RSMo. 1996, has given the Commission power to “issue a temporary certificate which shall remain in force not to exceed one year . . . pending the determination of an application for a certificate” and the Commission entered its order granting FFC d/b/a RPLD a temporary certificate effective July 30, 1999, the temporary certificate issued to FFC d/b/a RPLD will expire by operation of law on July 29, 2000. The Staff recommends the Commission enter an order, effective contemporaneously with the expiration or earlier Commission cancellation of the temporary certificate of authority to provide interexchange telecommunications services the Commission granted to FFC d/b/a RPLD in Case No. TA-2000-27, that 1) cancels the tariff the Commission approved for FFC d/b/a RPLD in Case No. TA-2000-27; 2) grants RPTC d/b/a RPLD a certificate of authority to provide interexchange telecommunications services; and 3) approves the transfer of assets from FFC to RPTC. The Commission has the authority to modify or alter a certificate of service authority after proper procedure. See §392.410.5, RSMo. Supp. 1999.

WHEREFORE, the Staff requests the Commission to issue an order that:

- 1) effective contemporaneously with the end, by Order or operation of law, of the temporary certificate of service authority of Fiber Four Corporation d/b/a Rock Port Long Distance to provide interexchange and dedicated, private line local exchange services authorized in Case No. TA-2000-27, grants Rock Port Telephone Company d/b/a Rock Port Long Distance (“RPTC d/b/a RPLD”) a certificate to provide interexchange telecommunications services and dedicated, private line local exchange services;
- 2) classifies the foregoing services, but not the company, as competitive;
- 3) approves the waivers as listed in substitute original sheet 2 of PSC Mo. No. 1 of the tariff filed in this case;

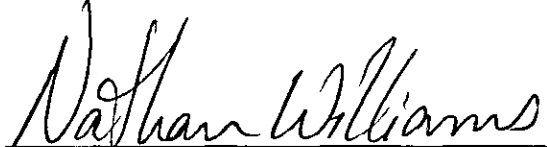
4) approves the tariff pages Rock Port Telephone Company d/b/a Rock Port Long Distance PSC Mo. No. 1, Original Sheets 1-42 to become effective on the date its certificate becomes effective;

5) effective contemporaneously with the end, by Order or operation of law, of the temporary certificate of service authority of Fiber Four Corporation d/b/a Rock Port Long Distance to provide interexchange and dedicated, private line local exchange services authorized in Case No. TA-2000-27, approves the transfer to RPTC of the assets of FFC, including those customers receiving interexchange telecommunications services from FFC d/b/a RPLD, needed to effectuate the transfer of the provisioning of interexchange telecommunications services to present customers of FFC d/b/a RPLD to RPTC d/b/a RPLD; and

6) effective contemporaneously with the end, by Order or operation of law, of the temporary certificate of service authority of Fiber Four Corporation d/b/a Rock Port Long Distance to provide interexchange and dedicated, private line local exchange services authorized in Case No. TA-2000-27, cancels the tariff approved by the Commission for Fiber Four Corporation d/b/a Rock Port Long Distance in Case No. TA-2000-27.

Respectfully submitted,

DANA K. JOYCE
General Counsel




Nathan Williams
Assistant General Counsel
Missouri Bar No. 35512

Attorney for the Staff of the
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 15th day of June 2000.



MEMORANDUM

RECEIVED
JUN 14 2000

To: Missouri Public Service Commission Official Case File
Tariff File No. 200000958 Case No. TA-2000-663
Rock Port Telephone Company d/b/a Rock Port Long Distance
Fiber Four Corporation

SM
2:00
COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION

From: Sherri Murphy *SM BW*
Telecommunications Department

[Signature] 6/14/00
Utility Operations Division/Date

[Signature] 6/14/00
General Counsel's Office/Date

Subject: Staff Recommendation to Approve Joint Application

Date: June 14, 2000

On April 18, 2000, Rock Port Telephone Company d/b/a Rock Port Long Distance (RPLD) and Fiber Four Corporation (FFC), filed a Joint Application. RPTC requests a certificate of service authority to provide interexchange and local exchange telecommunications service, designation of those services as competitive, and a waiver of certain Commission rules and statutes. RPLD and FFC request authority to transfer a portion of FFC's assets to RPLD and simultaneously cancel Fiber Four Corporation d/b/a Rock Port Long Distance's (FFC-RPLD's) temporary certificate of service authority and tariff which were approved in Case No. TA-2000-27. The temporary certificate was granted to FFC-RPLD on July 29, 1999, and is effective for up to one year.

The Commission issued its Order Directing Notice in Case No. TA-2000-663 on May 1, 2000, establishing a May 16, 2000 deadline for applications to intervene, requests for a hearing or comments. No parties filed in response to the Order.

Although RPLD requests statewide authority to provide interexchange and local exchange telecommunication service, RPLD proposes to provide service initially only to customers in the Rock Port, Watson and South Hamburg exchanges. RPLD has no pending or final judgments or decisions against it from any state or federal agency which involve customer service or rates. RPLD requests the same waivers as those granted to FFC-RPLD. However, the Commission has since updated its list of waivers ordinarily granted to interexchange and local exchange companies. The Telecommunications Department Staff (Staff) recommends that the Commission grant RPLD the waivers contained in its updated list of waivers.

Regarding the application for transfer of assets, FFC proposes to transfer a portion of its assets to RPLD. These assets include the name "Rock Port Long Distance", the customers of FFC-RPLD and the associated billed revenues and receivables. The Asset Purchase

Official Case File Memorandum

Case No. TA-2000-663

Page 2 of 2

Agreement is attached to the Joint Application as Appendix D. The proposed transfer of assets should have no impact on the tax revenues of the political subdivisions in which the structures, facilities and equipment of the companies are located. According to the Joint Application, RPLD will provide service under the same terms and conditions as are currently provided by FFC-RPLD. RPLD will, however, offer a lower per minute rate for one service. Affected customers will be notified of the transfer of assets by a direct mail notice which is attached to the Joint Application as Appendix C. The notice explains the procedure for customers to use if they want to switch to another carrier.

At the request of the Staff, RPLD filed a copy of its Registration of Fictitious Name from the Missouri Secretary of State's office on June 13, 2000. Also, at the request of the Staff, RPLD filed substitute tariff pages and extended the effective date to June 23, 2000. The Staff has no objections to the proposed tariff, as amended, and recommends the Commission approve the following tariff pages to become effective June 23, 2000:

Rock Port Telephone Company d/b/a Rock Port Long Distance PSC Mo. No. 1
Original Sheets 1-42

Staff also recommends that the Commission approve the proposed transfer of assets and cancel FFC-RPLD's temporary certificate of service authority and accompanying tariff simultaneously with the approval of RPLD's certificate and tariff.

**Service List for
Case No. TA-2000-663
June 15, 2000**

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