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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of the Application of ExOp of |) | |
|---|---|--------------------|
| Missouri, Inc. for a Certificate of Service |) | |
| Authority to Provide Interexchange and |) | |
| Nonswitched Local Exchange Telecommunications |) | Case No. TA-99-139 |
| Service in Portions of the State of Missouri |) | |
| and to Classify Said Services and the Company |) | |
| as Competitive. |) | |

ORDER APPROVING INTEREXCHANGE AND NON-SWITCHED LOCAL EXCHANGE CERTIFICATES OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

Exop of Missouri, Inc. (Exop) applied to the Public Service Commission on October 5, 1998, for certificates of service authority to provide intrastate interexchange and non-switched local exchange telecommunications services in Missouri under § 392.410-.450, RSMo 1994 and RSMo Supp. 1997¹. Exop asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by §§ 392.361 and 392.420. On October 30, 1998, Exop submitted a Motion to Clarify Requested Waivers. In its Motion, Exop indicates that it requests waiver of the statutes and Commission rules which are, according to the Notice of Application, ordinarily waived, and that it also requests waiver of § 392.210.2 (Uniform System of Accounts), § 392.300.2 (Acquisition of Stock), and 4 CSR 240-35 (Reporting of By-Pass). Applicant is a Missouri corporation, with its principal office located at 303 North Jefferson, Kearney, Missouri 64060.

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

The Commission issued a Notice of Applications and Opportunity to Intervene on October 20, 1998, directing parties wishing to intervene to file their requests by November 4, 1998. 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.

ExOp filed a proposed tariff in conjunction with its application and filed substitute sheets on November 3, 1998. The tariff's effective date is November 19, 1998. ExOp's tariff describes the rates, rules, and regulations it intends to use, identifies ExOp as a competitive company, and lists the waivers requested. ExOp intends to provide interexchange and non-switched local exchange telecommunications services including 1+, 800/888/877 Services, Directory Assistance, Operator Services and Private Line Services.

In its Memorandum filed on November 9, 1998 the Staff of the Commission stated that Applicant's proposed services are similar to existing IXC offerings. Staff noted that ExOp's application does not contain a copy of its Articles of Incorporation and Certificate of Incorporation from the Missouri Secretary of State. Instead, ExOp incorporated these documents by reference to Case No. TA-97-193. Staff indicated that it has no objection to ExOp incorporating these documents by reference as this is permitted pursuant to 4 CSR 240-2.060(4)(E). Staff noted that the additional waivers requested by ExOp have been granted previously by the Commission for competitive interexchange

telecommunications companies in other cases. Staff recommended that the Commission grant Applicant a certificate of interexchange service authority, and a certificate of service authority for local exchange telecommunication services, on condition that this authority be restricted to providing dedicated, non-switched local exchange private line services. Staff recommended that the Commission grant Applicant competitive status, and waiver of the requested statutes and rules as noted above. Staff recommended that the Commission approve the proposed tariff as amended to become effective on November 19, 1998.

The Commission finds that competition in the intrastate interexchange and non-switched local exchange telecommunications markets is in the public interest and Applicant should be granted certificates of service authority. The Commission finds that the services Applicant proposes to offer are competitive and Applicant 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 ExOp'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 non-switched local exchange carriers. The Commission finds that the proposed tariff filed on October 5, 1998 shall be approved as amended to become effective on November 19, 1998.

IT IS THEREFORE ORDERED:

1. That ExOp of Missouri, Inc. is granted a certificate of service authority to provide intrastate interexchange telecommunications

services in the state of Missouri, subject to the conditions of certification set out above.

- 2. That ExOp of Missouri, Inc. 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 ExOp of Missouri, 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 |
|---------------|--|
| 392.240(1) | - ratemaking |
| 392.270 | valuation of property (ratemaking) |
| 392.280 | - depreciation accounts |
| 392.290 | - 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 | 240-30.010(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 | CSR | 240-35 | - | reporting of by-pass |
| | | | | |

4. That the tariff filed by ExOp of Missouri, Inc. on October 5, 1998, is approved as amended to become effective on November 19, 1998. The tariff approved is:

P.S.C. Mo. No. 1

- 5. That this order shall become effective on November 19, 1998.
- 6. That this case shall be closed on November 30, 1998.

BY THE COMMISSION

Ask Hred Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Vicky Ruth, 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 19th day of November, 1998.