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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 11th
day of September, 1997.

In the Matter of the Application of WorldCom)
Technologies, Inc. for a Certificate of Authority) Case No. TA-98-16
to Provide Competitive Interexchange, Intrastate)
Telecommunications Services Within the State of)
Missouri.)
)

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE
AUTHORITY AND ORDER APPROVING TARIFF

WorldCom Technologies, Inc. (formerly MFS Intelenet, Inc. and hereinafter referred to as WorldCom) applied to the Public Service Commission on July 11, 1997, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 1994.¹ WorldCom 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. Applicant is a Delaware corporation, with its principal office located at 515 East Amite Street, Jackson, Mississippi 39201.

The Commission issued a Notice of Applications and Opportunity to Intervene on August 5, directing parties wishing to intervene in the case to file their requests by August 20. 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.

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

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 in this case, the Commission may grant the relief requested based on the verified application.

WorldCom filed a proposed tariff in conjunction with its application with an effective date of September 6, later extended to September 13. WorldCom's tariff describes the rates, rules, and regulations it intends to use, identifies WorldCom as a competitive company, and lists the waivers requested. WorldCom intends to provide interexchange telecommunications services including 1+ direct dial, 800 number, directory assistance, operator services, debit card, and travel card services. The company filed substitute sheets on September 3.

In its Memorandum filed on September 5 the Staff of the Commission stated that WorldCom's proposed services are similar to existing IXC offerings. Staff recommended that the Commission grant WorldCom a certificate of service authority, competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the Commission approve the proposed tariff to become effective on September 13. In an attachment to its Memorandum Staff pointed out that WorldCom is also proposing to offer switched service pricing on an individual case basis (ICB) to the state of Missouri, its agencies, and funded institutions in response to an Invitation to Bid. See WorldCom's tariff, Missouri P.S.C. No. 1, Original Page 133 and Original Page 134. Staff stated that offering identical services to different parties at different rates is ordinarily prohibited discriminatory pricing. State, municipal, and federal contracts are excepted from the discriminatory pricing rule under Section 392.220(3), RSMo Supp. 1996.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and WorldCom should be granted a certificate of service authority. The Commission finds that the services WorldCom proposes to offer are competitive and WorldCom should be classified as a competitive company. The Commission is of the opinion that waiving the statutes and Commission rules set out in Ordered Paragraph 2 is reasonable and not detrimental to the public interest.

The Commission determines, by authority of Section 392.470, that WorldCom should comply with the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) WorldCom must comply with reasonable requests by Staff for financial and operating data to allow Staff to monitor the intraLATA toll market. § 386.320.3.
- (2) Applicant must file tariffs containing rules and regulations applicable to customers, a description of the services provided, and a list of rates associated with those services in accordance with 4 CSR 240-30.010 and Section 392.220, RSMo Supp. 1996.
- (3) WorldCom may not unjustly discriminate between its customers. §§ 392.200, RSMo Supp. 1996, 392.400.
- (4) WorldCom must comply with all applicable rules of the Commission except those specifically waived by this order. §§ 386.570, 392.360.
- (5) WorldCom must file a Missouri-specific annual report. §§ 392.210, 392.390.1.

(6) WorldCom must comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs. § 392.390.3.

(7) WorldCom must submit to the staff, on a confidential basis, a copy of the jurisdictional report it submits to local exchange companies. The report must be submitted within ten (10) days of the date on which it is submitted to the local exchange company.

The Commission finds that WorldCom's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange carriers. The Commission finds that the ICB pricing provisions for contracts with the state of Missouri, its agencies, and funded institutions fall under the exception set out in Section 392.220(3) RSMo Supp. 1996. The Commission finds that the proposed tariff filed on July 11 should be approved to become effective on September 13.

IT IS THEREFORE ORDERED:

1. That WorldCom Technologies, 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 WorldCom Technologies, Inc. is classified as a competitive telecommunications company. The following statutes and regulatory rules shall be waived:

Statutes

392.240(1) - ratemaking
392.270 - valuation of property (ratemaking)
392.280 - depreciation accounts

392.290 - issuance of securities
392.310 - stock and debt issuance
392.320 - stock dividend payment
392.340 - reorganization(s)
392.330, RSMo Supp. 1996 - 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

3. That the tariff filed by WorldCom Technologies, Inc. on July 11, 1997, is approved to become effective on September 13, 1997. The tariff approved is:

Missouri P.S.C. No. 1

4. That this order shall become effective on September 13, 1997.

BY THE COMMISSION



**Cecil I. Wright
Executive Secretary**

(S E A L)

Lumpe, Ch., Crumpton,
Drainer and Murray, CC.,
concur.

ALJ: Wickliffe