

CURTIS, BAMBURG, OETTING, BRACKMAN & CROSSEN

A PROFESSIONAL CORPORATION

130 SOUTH BEMISTON, SUITE 200

ST. LOUIS, MISSOURI 63105

(314) 725-8788

THOMAS B. CURTIS
HAROLD B. BAMBURG
WILLIAM J. OETTING
PAUL BRACKMAN
DAVID F. CROSSEN
CHARLES M. SCHMIDT
LELAND B. CURTIS
KENNETH J. HEINZ
DAVID P. OETTING
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MO. PUBLIC SERVICE COMMISSION

March 31, 1987

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ROBERT A. HUTTON, JR.
CARL J. LUMLEY

CARL V. HIMBECK
WILLIAM STIX
HAROLD P. HEITMANN
THOMAS E. ALLEN
OF COUNSEL
*ALSO LICENSED IN
ILLINOIS

Harvey G. Hubbs, Secretary
Missouri Public Service Commission
Truman State Office Building - 5th Floor
301 West High Street
Jefferson City, Missouri 65102

Re: Case No. AO-87-48

Dear Mr. Hubbs:

Enclosed for filing in the above-referenced case please find the original and fourteen copies of MCI Telecommunications Corporation's Application to Intervene. Thank you for your attention to this matter.

Very truly yours,

Carl J. Lumley

CJL/mk
Enclosures
cc: All parties of record.

FILED

APR 2 1987

PUBLIC SERVICE COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the investigation of)
the revenue effects upon Missouri) Case No. AO-87-48
utilities of the Tax Reform Act of 1986.)

MCI TELECOMMUNICATIONS CORPORATION'S
APPLICATION TO INTERVENE

Comes now MCI Telecommunications Corporation (MCI) and for its application for an order allowing it to intervene in the above-entitled proceeding states to the Missouri Public Service Commission (the Commission) as follows:

1. MCI is a telecommunications corporation duly organized and existing under and by virtue of the laws of the State of Delaware, authorized to do business in the State of Missouri as a foreign corporation. Its principal Missouri offices are currently located at One Centerre Plaza, Suite 1500, St. Louis, Missouri 63101. It is an authorized provider of intrastate interLATA and intraLATA telecommunications services in Missouri under certificates granted and tariffs approved by the Commission, as well as an authorized provider of interstate telecommunications services under a certificate granted and tariffs approved by the Federal Communications Commission.

2. All communications and pleadings in this docket should be directed to:

Leland B. Curtis
Carl J. Lumley
Curtis, Bamberg, Oetting, Brackman & Crossen, P.C.
130 S. Bemiston, Suite 200
Clayton, Missouri 63105

C.K. Casteel, Jr.
Senior Attorney
MCI Telecommunications Corporation
Southwest Division
One Centerre Plaza, Suite 1500
St. Louis, Missouri 63101

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PUBLIC SERVICE COMMISSION

3. This proceeding involves the Commission's investigation into the revenue effects upon Missouri utilities of the Tax Reform Act of 1986. MCI did not seek to intervene at the time the Commission established this

docket because, as a competitive telecommunications services provider, its rate of return is not regulated by the Commission and no order promulgated in this proceeding would be directed to MCI. Additionally, to the extent that MCI would be directly affected by any order reducing the rates of rate-regulated telecommunications companies, MCI assumed that any rate reductions which resulted from this proceeding would utilize existing rate design and thus, apply "across-the-board". Recently, however, MCI has learned that some of the telecommunication companies may be considering rate reductions which might not be applied uniformly across existing rate structures and thus, could alter existing rate design.

4. MCI is interested in this proceeding with respect to rate reductions by local exchange companies (LECs) because MCI pays approximately 50% of its cost of doing business in the form of access charges to such companies. MCI suggests that any LEC rate reduction implemented without a hearing which does not apply rate reductions "across-the-board" through the existing rate structures would be per se unreasonable and unlawful.

5. MCI is also interested in this proceeding to the extent that AT&T Communications, with which MCI competes directly, may be required to reduce its rates. Similarly, MCI suggests that any AT&T rate reduction implemented without a hearing which does not apply "across-the-board", or which would exceed AT&T's current range of banded rates, would be unreasonable and unlawful.

6. MCI's interests in this proceeding are limited to the rate reductions for LECs and AT&T. If the Commission in the future decides to divide this proceeding into company-specific dockets, MCI would only wish to participate in the telecommunications cases.

7. MCI's interests as a payer of access charges and competitor in the telecommunications industry are

different from those of the general public. Furthermore, MCI's intervention in this proceeding is in the public interest because of MCI's interest in enhancing competition and because of its expertise in the telecommunications industry.

WHEREFORE, MCI Telecommunications Corporation respectfully requests the Missouri Public Service Commission to issue its order allowing MCI to intervene in this proceeding.

Respectfully submitted,

CURTIS, BAMBURG, OETTING,
BRACKMAN & CROSSEN, P.C.

Leland B. Curtis
Leland B. Curtis, #20550
Carl J. Lumley, #32869
130 S. Bemiston, Suite 200
St. Louis, Missouri 63105
(314) 725-8788

C.K. Casteel, Jr.
C.K. Casteel, Jr., #27244
Senior Attorney
Southwest Division
MCI Telecommunications Corp.
One Centerre Plaza, Suite 1500
St. Louis, Missouri 63101
(314) 342-7354

Attorneys for MCI Telecommuni-
cations Corporation.

STATE OF MISSOURI)
) S.S.
COUNTY OF ST. LOUIS)

I, Leland B. Curtis, first being duly sworn hereby state upon my oath that I am counsel for applicant MCI Telecommunications Corporation, that I am authorized to file the foregoing Application to Intervene on its behalf, and that the foregoing Application to Intervene is true and correct to the best of my knowledge, information and belief.

Leland B. Curtis
Leland B. Curtis

Subscribed and sworn to before me, a notary public, on this 26th day of March, 1987.

Carl J. Lumley
Notary Public

CERTIFICATE OF SERVICE BY MAIL

A copy of the foregoing was served on the person(s) below named this 31st day of March, 1987 by placing same in a postage prepaid envelope and by depositing in the U.S. Mail:

See attached.

CEJ

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY, MISSOURI

CASE NO. AO-87-48

Robert C. Johnson, Attorney, 720 Olive Street, 24th Floor, St. Louis, MO 63101
J.B. Schnapp & Robin E. Fulton, Attorneys, 135 E. Main St., Fredericktown, MO 63645
Robert Lehr, Attorney at Law, 1100 Main, Suite 1405, Kansas City, MO 64105
Donald Johnstone, Drazen-Brubaker & Assoc., 605 Old Ballas Road., Suite 100, P.O. Box 12710, St. Louis, MO 63141
Paul W. Phillips, U.S. Department of Energy, 1000 Independence Ave., S.W., Room 6D-033, Washington, D.C. 20585
Stuart Conrad, Attorney, 2600 Mutual Benefit Life Bldg., 2345 Grand Ave., Kansas City, MO 64108
Paul Agathen, Attorney, Union Electric Company, P.O. Box 149, St. Louis, MO 63166
Francis J. Hruby, Attorney, Anheuser-Busch, Inc., One Busch Place, St. Louis, MO 63118
Steven L. Kitchen, Vice President-Finance, The Kansas Power & Light Co., 818 Kansas Ave., P.O. Box 889, Topeka, KS 66601
Joseph P. Coven, Sr. Attorney, United Telephone Company of Missouri, 6666 West 110th Street, Overland Park, KS 66211
H. Edward Skinner, Ivester, Henry, Skinner & Camp, 212 Center Street, Suite 900, Little Rock, AR 72201
Gary W. Duffy, W.R. England, James Swearingen, Attorneys, PO Box 456, Jefferson City, MO 65102
J.E. Harrison, Asst. Treasurer, Missouri-American Water Co., 2707 Pembroke Lane, St. Joseph, MO 64505
John Eckert, Vice President, Consolidated Water Services, Inc., 1000 N. Madison, P.O. Box 329, Greenwood, IN 46142
L.D. Abbott, Vice President-Revenue Requirements, General Telephone Company of the Midwest, 11 Eleventh Ave., Grinnell, IA 50112
Mark G. English, Attorney, Kansas City Power & Light Co., 1330 Baltimore Ave., Kansas City, MO 63101
Michael A. Meyer, Attorney, Southwestern Bell Telephone Co., 100 N. Tucker Blvd., St. Louis, MO 63101
R.C. Jaudes, Exec. V.P.-Finance, Laclede Gas Co., 720 Olive, St. Louis, MO 63101
Richard T. Ciottono, Vice President and General Counsel, St. Louis County Water Co., 535 N. New Ballas Road, St. Louis, MO 63141
Bob Perkins, Vice President, Tel Central of Jefferson City, 120 E. Fifth Street, Jefferson City, MO 65101
Richard W. French, First Asst. Public Counsel, P.O. Box 7800, Jefferson City, MO 65102
Gerald Hill, Dir. Rates, General Waterworks Management & Service Co., 950 Havenford Road, Bryn Mawr, PA 19010
Gerald McNetve Jr., Assoc. Gen. Counsel, Laclede Gas Co., 720 Olive St., St. Louis, MO 63101
F.I. McKenzie, Secretary, Associated Natural Gas Co., P.O. Box 628, Rlytheville, AR 72316
Regulatory Relations, AT&T, 101 Madison Street, Jefferson City, MO 65101
Enclosed find certified copy of ORDER in the above-numbered case.

Sincerely,

Harvey G. Hubbs
Secretary

uncertified:

John Low, Manager, West Fork Project, ASARCO, Inc., P.O. Box 116, Bunker, MO 63629
Richard Wrench, Treasurer, Great River Gas Co., P.O. Box 967, Keokuk, IA 52632
Timothy M. Rush, Mgr., Rates & Market Research, St. Joseph Light & Power Co., 520 Francis Street, St. Joseph, MO 64502
Jack Krokroskia, Vice President of Mining, Doe Run Co., Box 500, Viburnum, MO 65566