

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

In Re: Application of MCI, Inc., for Grant of the)
Authority Necessary for the Transfer of Assets of)
MCI Network Services, Inc., to MCI) Case No. TO-2006-0140
Communications Services, Inc.)

STAFF RECOMMENDATION

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

1. In an Order issued in this case on November 17, 2005, the Commission approved the transfer of assets from MCI Network Services, Inc., to MCI Communications Services, Inc.

2. On April 5, 2006, MCI Network Services, Inc., filed a pleading stating that it surrenders its certificate of service authority to provide interexchange telecommunications services, that is inactive and has no customers in Missouri as a result of the transaction approved in this case, and that the Commission may cancel its tariffs.

3. In Case No. TA-84-82, the Commission granted MCI Telecommunications Corporation authority to provide intrastate interLATA toll telecommunications services. In Case No. TA-98-138, the Commission granted MCI Telecommunications Corporation a certificate authority to provide private pay telephone service. In Case No. TM-99-588, the Commission approved the change of name of MCI Telecommunications Corp. to MCI WorldCom Network Services, Inc. In Case No. TN-2006-0014, the Commission recognized the name change of MCI WorldCom Network Services, Inc., to MCI Network Services, Inc.

4. The Commission has the authority to cancel a telecommunications corporation certificate pursuant to Section 392.410, RSMo 2000 which provides:

Any certificate of service authority may be altered or modified by the commission after notice and hearing, upon its own motion or upon Request of the person or company affected.

However, the Commission need not hold a hearing, if, after proper notice and opportunity to intervene, no party requests such a hearing. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W. 2d 494 (Mo. App. 1989).

5. In the attached Memorandum, labeled Appendix A, the Staff states its believe that - - since MCI Network Services has no customers - - the requested cancellation is not detrimental to the public interest.

WHEREFORE, the Staff recommends that the Commission cancel MCI Network Services, Inc.'s certificate of service authority to provide interexchange telecommunications services and the accompanying tariff, PSC Mo. No. 1, and its certificate of service authority to provide private pay telephone services.

Respectfully submitted,

/s/ William K. Haas

William K. Haas
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Missouri Bar No. 28701

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 20th day of April 2006.

/s/ William K. Haas

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. TO-2006-0140
MCI Network Service, Inc.

From: Sherri Kohly
Telecommunications Department

William L. Voight 04/18/06
Utility Operations Division/Date

William K. Haas 04/18/06
General Counsel's Office/Date

Subject: Staff Recommendation to Cancel Certificate of Service Authority and Accompanying
Tariff

Date: April 18, 2006

On April 5, 2006, MCI Network Services, Inc. (MCI Network), filed its Surrender of Certificate of Service Authority to Provide Intrastate Interexchange Telecommunications Services. The Commission issued an Order directing staff to file a recommendation regarding the cancellation no later than April 20, 2006.

On November 17, 2005, the Commission approved the transfer of MCI Network's assets to MCI Communications Services, Inc. According to MCI's April 5, 2006 pleading, MCI Network is inactive and has no customers in Missouri as a result of the transfer. Therefore, MCI Networks wishes to surrender its certificate and cancel its tariffs. Since MCI Networks has no customers, Staff believes the requested cancellation is not detrimental to the public interest.

The Staff has no objections to MCI Network's request and recommends that the Commission issue an order to cancel MCI Network Services, Inc.'s certificate of service authority to provide interexchange telecommunications services and the accompanying tariff, PSC Mo. No. 1. The Staff is unaware of any other filing which affects or which would be affected by this proposal.

- The Company is not delinquent in filing an annual report and paying the PSC assessment.
 The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.
(No annual report Unpaid PSC assessment. Amount owed:)

VERIFICATION

STATE OF MISSOURI)
)
COUNTY OF COLE)

Comes now Sherri L. Kohly, employee of the Staff of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that the affiant has read the accompanying pleading and memorandum, and that the facts therein are true and correct to the best of her knowledge.

Sherri L. Kohly

Sherri L. Kohly
Affiant

Subscribed and affirmed before me this 20th day of April 2006. I am commissioned as a notary public within the County of Cole, State of Missouri, and my commission expires on June 7, 2008.

Carla K. Schnieders

NOTARY PUBLIC

