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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 2nd  
day of October, 1997.

In the Matter of the Application of MFS Intelenet )  
of Missouri, Inc., for a Certificate of Service ) Case No. TA-96-374  
Authority to Provide Basic Local Exchange and )  
Local Exchange Services. )  
)

**ORDER APPROVING TARIFF**

The Commission granted to MFS Intelenet of Missouri, Inc. (MFS Intelenet) a certificate of service authority to provide basic local and local exchange telecommunications services in Missouri by Report and Order issued on February 28, 1997. The order, which took effect on March 11, directed the company to file tariff sheets reflecting the rates, rules, regulations it will use and the services it will offer, and provided that MFS Intelenet's certificate would become effective concurrent with the effective date of the company's proposed tariffs. The February 28 Report and Order temporarily waived the filing of a 45-day tariff as required by 4 CSR 240-2.060(4)(H) until MFS Intelenet entered into a Commission-approved interconnection agreement that enabled it to provide basic local exchange services, and ordered MFS Intelenet to file tariff sheets for approval no later than 30 days after the Commission approves the required interconnection agreement(s).

MFS Intelenet filed the required tariff sheets on August 13, with an effective date of September 12. On September 3, the company extended

the effective date to September 19, and on September 9, the company extended the effective date to September 24.

On September 12, the company completely substituted the previously filed tariff sheets with a new tariff, with an effective date of September 19. Several pages of this filing were replaced by MFS Intelenet on September 17. On September 18, MFS Intelenet extended the effective date of the new tariff to October 4. The company added four tariff sheets to its filing on September 23.

The Commission's Staff reviewed the tariff sheets and filed a memorandum on September 25 recommending that the Commission approve them as amended by the substitute and additional sheets. Staff stated that MO. P.S.C. No. 2 applies to resold Single Line and Multi Line services as well as to facilities-based Single Line, Multi Line, Basic Trunk, Direct Inward Dial (DID) Trunk, Intelenet Full Service T-1, Inward Business Line, Inward Digital Trunk and Inteletrex services. Staff also stated that, initially, MFS Intelenet intends to offer services to business customers only, but that MFS Intelenet intends to offer service to residential customers in the future, as well. Staff noted that MFS Intelenet's additional sheets, filed on September 23, comply with the intraLATA toll dialing parity plan that the Commission approved for MFS Intelenet on September 12. Staff recommended that the Commission approve the tariff as substituted on September 12 and revised on September 23.

The Commission has reviewed the tariff sheets, the Staff's recommendation, and the pleadings in this case and the other related cases discussed above. The Commission finds that the tariff sheets conform to the Commission's Report and Order of February 28 and should be approved as amended to become effective on October 4. The Commission concludes that

the conditions stated in the February 28 Report and Order for MFS Intelenet's certificate of service authority to provide basic local and local exchange telecommunications service will be fulfilled at the time MO. P.S.C. No. 2 takes effect.

### **Effect of Merger and Reorganization Approved in Case No. TA-98-15**

MFS Intelenet filed an application together with several other companies on July 11 seeking authority from the Commission to reorganize their corporate structure and operations, and to complete transactions related to the reorganization, in Case No. TA-98-15 (the reorganization case). On September 30 in the reorganization case, the Commission approved the parties' proposal to merge MFS Intelenet into WorldCom Technologies, Inc. (WorldCom Tech), with WorldCom Tech as the surviving entity. This order also permits the parties to transfer control of WorldCom Tech to MFS Communications Company, Inc. (MFS Communications), and to have WorldCom Tech operate as MFS Communications' wholly-owned subsidiary. The Commission did not authorize the parties to transfer MFS Intelenet's conditional certificate of service of authority to provide basic local and local exchange telecommunications service to WorldCom Tech. Rather, the Commission determined that WorldCom Tech may provide basic local and local exchange services only if it either files a new application for a certificate of service authority or files an appropriate pleading in this case establishing its compliance with the requirements for basic local service providers set out in Section 392.455, RSMo Supp. 1996. MFS Intelenet may have already been merged into WorldCom Tech by the effective date of this order, because the parties to the reorganization case informed the Commission that they intend to close the necessary transactions on September 30.

While MFS Intelenet has not submitted an interconnection agreement to the Commission for approval, MFS Communications did obtain the Commission's approval for its interconnection agreement with Southwestern Bell Telephone Company (SWBT) in Case No. TO-97-27 (the interconnection agreement case) on October 18, 1996. The MFS Communications interconnection agreement with SWBT states that the terms of the agreement apply not only to MFS Communications, but also to its operating subsidiaries in Missouri. MFS Intelenet was a subsidiary of MFS Communications at the time the interconnection agreement was reached.

On September 11, the Commission approved MFS Intelenet's 1+ IntraLATA Toll Dialing Parity Implementation Plan (plan), in Case No. TO-97-254. The Commission approved the plan but found that MFS Intelenet is not required by law to implement the plan until it begins to provide facilities-based services, noting that MFS Intelenet intends to offer resold services prior to offering switched services. The Commission ordered MFS Intelenet to immediately implement its plan upon providing basic local telecommunications services to Missouri customers using its own switch, to submit a proposed customer notice to the Commission for approval within 15 days after it begins to providing facilities-based service to its customers, and to mail the notice, once approved, to its customers in a separate mailing. In the reorganization case, the Commission found that WorldCom Tech will need to file an appropriate pleading in Case No. TO-97-254 to reflect the merger of MFS Intelenet into WorldCom Tech.

The Commission therefore finds that the tariff sheets authorize MFS Intelenet to provide basic local and local exchange telecommunications service, but does not authorize WorldCom Tech or any other company to offer

such services. The Commission finds that MFS Intelenet may no longer exist as a legal entity or may cease to exist as such in the near future. The Commission therefore concludes that it is appropriate to condition its approval of the tariff sheets upon the continued existence of MFS Intelenet, in light of the impending merger of MFS Intelenet into WorldCom Tech.

**THEREFORE, IT IS ORDERED:**

1. That the substitute tariff sheets filed by MFS Intelenet of Missouri, Inc. on September 12, 1997, as revised on September 23, 1997, are approved as amended to become effective on October 4, 1997. The tariff sheets approved are:

**MO. P.S.C. No. 2**

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Preface - Original Title Page through Original Page No. 8  
Section 1 - Original Title Page through Original Page No. 6  
Section 2 - Original Title Page through Original Page No. 47  
Section 3 - Original Title Page through Original Page No. 3  
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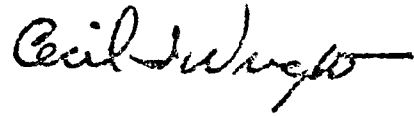
2. That the tariff referenced in Ordered Paragraph 1 is approved conditioned upon the continued existence of MFS Intelenet of Missouri, Inc., and that neither WorldCom Technologies, Inc. nor any other company besides MFS Intelenet of Missouri, Inc. may provide services pursuant to this tariff.

3. That the certificate of service authority granted to MFS Intelenet of Missouri, Inc. On February 28, 1997, to provide basic

local and local exchange telecommunications service shall take effect on October 4, 1997.

4. That this order shall become effective on October 2, 1997.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read "Cecil I. Wright", with a long horizontal flourish extending to the right.

**Cecil I. Wright  
Executive Secretary**

( S E A L )

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

Randles, Regulatory Law Judge