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ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE
AUTHORITY AND ORDER APPROVING TARIFF

Z-Tel, Inc. (Z-Tel or Applicant) applied to the Public Service Commission on July 9, 1997, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 1994.¹ Z-Tel 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 Nevada corporation, with its principal office located at 4403 S.E. 16th Place, Suite #1, Cape Coral, Florida 33904.

The Commission issued a Notice of Applications and Opportunity to Intervene on July 22, directing parties wishing to intervene in the case to file their requests by August 6. 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

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

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.

Z-Tel filed a proposed tariff in conjunction with its application and filed substitute sheets on August 14. The tariff was filed with an effective date of August 25, which was later extended to August 30. Z-Tel's tariff describes the rates, rules, and regulations it intends to use, identifies Z-Tel as a competitive company, and lists the waivers requested. Z-Tel intends to provide interexchange telecommunications services including 1+ direct dial, 800 number services, and travel card services.

In its Memorandum filed on August 19, the Staff of the Commission stated that Applicant's proposed services are similar to existing IXC offerings. Staff recommended that the Commission grant Applicant 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 as amended to become effective on August 30.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and Applicant should be granted a certificate of service authority. The Commission finds that the services Applicant proposes to offer are competitive and Applicant should be classified as a competitive company. 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 Applicant should comply with the following regulatory requirements as reasonable and necessary conditions of certification:

- (1) Applicant 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) Applicant may not unjustly discriminate between its customers. §§ 392.200, RSMo Supp. 1996), 392.400.
- (4) Applicant must comply with all applicable rules of the Commission except those specifically waived by this order. §§ 386.570, 392.360.
- (5) Applicant must file a Missouri-specific annual report. §§ 392.210, 392.390.1.
- (6) Applicant must comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs. § 392.390.3.
- (7) Applicant 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 Z-Tel'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 proposed tariff filed on July 9 shall be approved as amended to become effective on August 30.

IT IS THEREFORE ORDERED:

1. That Z-Tel, 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 Z-Tel, 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 Z-Tel, Inc. on July 9 is approved as amended to become effective on August 30, 1997. The tariff approved is:

P.S.C. Mo. No. 1

4. That this order shall become effective on August 30, 1997.

BY THE COMMISSION



**Cecil L. Wright
Executive Secretary**

(S E A L)

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

ALJ: Hennessey