## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 7th day of October, 1997.

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In the Matter of the Application of ConnectAmerica, )
Inc., for a Certificate of Service to Provide Intra- ) Case No. TA-98-67
state Interexchange Telecommunications Services in )
the State of Missouri. )

# ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

ConnectAmerica, Inc. applied to the Public Service Commission on August 13, 1997, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 1994<sup>1</sup>. ConnectAmerica 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. ConnectAmerica is a corporation, with its principal office Delaware located at 1841 Centre Point Drive, Suite 135, Naperville, Illinois 60563.

The Commission issued a Notice of Applications and Opportunity to Intervene on August 19, directing parties wishing to intervene in the case to file their requests by September 3. 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. <u>State ex rel.</u> <u>Rex Deffenderfer Enterprises, Inc. v. Public Service Commission</u>, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has asked permission to intervene

<sup>&</sup>lt;sup>1</sup> All statutory references are to the Revised Statutes of Missouri 1994 unless otherwise indicated.

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

ConnectAmerica filed a proposed tariff in conjunction with its application and filed substitute sheets on September 26. The tariff's effective date was October 1 and was extended to October 8. ConnectAmerica's tariff describes the rates, rules, and regulations it intends to use, identifies ConnectAmerica as a competitive company, and lists the waivers requested. ConnectAmerica intends to provide interexchange telecommunications services including 1+ direct dial, 800 number services, directory assistance, and travel card services.

In its Memorandum filed on September 29, the Staff of the Commission stated that ConnectAmerica's proposed services are similar to existing IXC offerings. Staff recommended that the Commission grant ConnectAmerica 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 October 8.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and ConnectAmerica should be granted a certificate of service authority. The Commission finds that the services ConnectAmerica proposes to offer are competitive and ConnectAmerica 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.

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

- (1) ConnectAmerica 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) ConnectAmerica 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) ConnectAmerica may not unjustly discriminate between its customers. §§ 392.200, RSMo Supp. 1996, 392.400.
- (4) ConnectAmerica must comply with all applicable rules of the Commission except those specifically waived by this order.
   §§ 386.570, 392.360.
- (5) ConnectAmerica must file a Missouri-specific annual report. §§ 392.210, 392.390.1.
- (6) ConnectAmerica must comply with jurisdictional reporting requirements as set out in each local exchange company's access services tariffs. § 392.390.3.
- (7) ConnectAmerica 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 days of the date on which it is submitted to the local exchange company.

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The Commission finds that ConnectAmerica'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 August 13 shall be approved as amended to become effective on October 8.

# **IT IS THEREFORE ORDERED:**

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

### <u>Statutes</u>

392.240(1	) - ratemaking		
392.270	<ul> <li>valuation of property (ratemaking)</li> </ul>		
392.280	- depreciation accounts		
392.290	- issuance of securities		
392.310	- stock and debt issuance		
392.320	<ul> <li>stock dividend payment</li> </ul>		
392.340	<ul> <li>reorganization(s)</li> </ul>		
392.330,	RSMo Supp. 1996 - issuance of securities,		
	debts and notes		

#### Commission Rules

4 4 4 4	CSR 240-10.020 CSR 240-30.010(2)(C) CSR 240-30.040 CSR 240-32.030(1)(B) CSR 240-32.030(1)(C) CSR 240-32.030(2)	- - -	depreciation fund income rate schedules Uniform System of Accounts exchange boundary maps record-keeping in-state record-keeping
	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

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3. That the tariff filed by ConnectAmerica, Inc. on August 13, 1997, is approved as amended to become effective on October 8, 1997. The tariff approved is:

### P.S.C. Mo. No. 1

4. That this order shall become effective on October 8, 1997.

# **BY THE COMMISSION**

Cecil Julyo

Cecil I. Wright Executive Secretary

(SEAL)

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

Hennessey, Regulatory Law Judge