STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 15th day of May, 1997.

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In the Matter of the Application of Network) Enhanced Technologies, Inc., for a Certificate of) Service Authority to Provide Interexchange Tele-) communications Services.)

Case No. TA-97-434

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

Network Enhanced Technologies, Inc. (NET or Applicant) applied to the Missouri Public Service Commission on April 3, 1997, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under § 392.440, RSMo 1994¹. NET asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by §§ 392.361 and 392.420. Applicant is a California corporation, with its principal office at 12340 Santa Monica Boulevard, Room 300, Los Angeles, California 90025.

The Commission issued a Notice of Applications and Opportunity to Intervene on April 15 directing parties wishing to intervene in the case to file their requests by April 29. Since no one requested a hearing or permission to intervene, the Commission determines that no hearing is necessary. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

¹All statutory references are to Revised Statutes of Missouri 1994 or to the 1996 Supplement.

NET filed a proposed tariff at the time of its application, on April 3, and filed substitute sheets on April 30. The tariff's effective date is May 19. NET's tariff describes the rates, rules, and regulations it intends to use, identifies NET as a competitive company, and lists the waivers requested. NET intends to provide interexchange telecommunications services including 1+ direct dial, 800 number, and debit card services.

In its Memorandum filed May 7, the Staff of the Commission stated that Applicant's proposed services are the same or equivalent to those classified as competitive in Case No. TO-88-142, In re the investigation for the purpose of determining the classification of the services provided by interexchange telecommunications companies within the State of Missouri, 30 Mo. P.S.C. (N.S.) 16 (September 1989). 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 tariff as amended, to become effective on May 19.

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. 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.

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

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- 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 § 392.220.
- (3) Applicant may not unjustly discriminate between its customers.§§ 392.200, 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 NET'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 April 3 and amended on April 30 should be approved to become effective on May 19.

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IT IS THEREFORE ORDERED:

1. That Network Enhanced Technologies, 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 Network Enhanced Technologies, 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	-	valuation of property (ratemaking)
392.280		depreciation accounts
392.290	-	issuance of securities
392.310	-	stock and debt issuance
392.320	-	stock dividend payment
392.330	-	issuance of securities, debts and notes
392.340		reorganization(s)

Commission Rules

-		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 Network Enhanced Technologies, Inc. on April 3, 1996, is approved as amended, effective May 19, 1996. The tariff approved is:

P.S.C. Mo. No. 1

4. That this order shall become effective on May 19, 1996.

BY THE COMMISSION

Ceil July 10-

Cecil I. Wright Executive Secretary

(SEAL)

Zobrist, Chm., Crumpton and Drainer, CC., concur.

ALJ: Wickliffe