

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 12th day
of April, 2005.

Staff of the Missouri Public Service)	
Commission,)	
)	
Complainant,)	
)	
v.)	
)	
BPS Telephone Company,)	
)	
Respondent.)	

Case No. TC-2002-1076

ORDER APPROVING STIPULATION AND AGREEMENT

Syllabus: This order approves the Stipulation and Agreement resolving the Staff of the Commission's over-earnings complaint against BPS Telephone Company.

Background

The Staff of the Commission filed a complaint against BPS Telephone Company alleging that the company had annual over-earnings of \$852,419. BPS proposed a revenue reduction of \$376,204. On March 11, 2005, Staff, BPS and the Office of the Public Counsel filed a Stipulation and Agreement, agreeing to an earnings reduction of \$460,000. Having been granted intervention by the Commission, Southwestern Bell Telephone, L.P., d/b/a SBC Missouri, filed a letter stating that it does not oppose the agreement.

The Stipulation and Agreement

Based on a revenue reduction of \$460,000, the parties agreed that BPS would provide expanded one-way calling for its customers in Bernie, Parma and Steele, Missouri.

Customers in Bernie would be able to call numbers in Parma and Malden, Missouri at no extra charge. Customers in Parma would likewise be able to call numbers in Bernie, Risco, New Madrid, Lilbourn and Essex. Customers in Steele would be able to call numbers in Caruthersville, Hornersville and Deering. The expanded local calling will cost BPS approximately \$379,993 in lost revenue. Additionally, the parties agreed that BPS would reduce its intrastate access rates, resulting in an \$80,000 reduction of the company's revenues. The parties also agreed that BPS would implement certain depreciation rates filed with the agreement as Attachment C. Although SBC did not join in the Stipulation and Agreement, it does not oppose the agreement.

Discussion

The Commission has the legal authority to accept a stipulation and agreement as offered by the parties as a resolution of issues raised in this case.¹ The Commission notes that every decision and order in a contested case shall be in writing and, except in default cases or cases disposed of by stipulation, consent order or agreed settlement, shall include findings of fact and conclusions of law.² Consequently, the Commission need not make findings of fact or conclusions of law in this order.

Commission rule 4 CSR 240-2.115 (2)(C) states that if no party objects to the Stipulation and Agreement, the Commission may treat the agreement as unanimous. Because SBC has indicated that it does not oppose the agreement, the Commission will treat the agreement as unanimous.

The Commission has reviewed the facts of this case and the Stipulation and Agreement and finds that the agreement is reasonable. The Commission will therefore

¹ Section 536.060, RSMo 2000.

² Section 536.090, RSMo 2000.

approve the agreement, direct that the parties to the agreement comply with its terms and direct BPS to file tariff sheets, in a separate case, reflecting the terms of the agreement.

IT IS THEREFORE ORDERED:

1. That the unanimous Stipulation and Agreement, filed on March 11, 2005, and entered into by the Staff of the Commission, BPS Telephone Company, and the Office of the Public Counsel is approved. A copy of the agreement is attached as Attachment A.

1. That all parties to the Stipulation and Agreement are ordered to comply with its terms.

2. That BPS Telephone Company shall file with the Commission tariff sheets, in a separate case, reflecting the terms of the agreement.

3. That this order shall become effective on April 22, 2005.

4. That this case may be closed on April 23, 2005.

BY THE COMMISSION

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Davis, Chm., Murray, Gaw,
Clayton, and Appling, CC., concur.

Jones, Regulatory Law Judge