

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Joint Application of Sprint )  
Communications Company, L.P. and STi )  
Prepaid, LLC for Authority to Transfer )  
Certain Assets )

Case No. TO-2008-0413  
Tariff File No. TX-2009-0114

**STAFF RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation states:

1, On June 27, 2008, STi Prepaid, LLC and Sprint Communications Company, L.P. filed a joint application for authority to transfer to STi Prepaid all of Sprints assets related to the provision of prepaid calling card services.

2. On August 12, 2008, STi submitted tariff sheets (Tariff File No. YX-2009-0114) to amend its tariff to add Sprint's prepaid calling card service plans to its tariff. The tariff sheets bear a proposed effective date of September 11, 2008. STi submitted substituted sheets on August 13, 2008.

3. In the attached Memorandum, labeled Appendix A, the Staff recommends approval of the transfer. The transfer of assets is governed by Section 392.300 RSMo (2000). Applicable case law provides that the Commission may "not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest." *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz*, 596 S.W. 2d 466, 468 (Mo. App. E.D. 1980), citing to *State ex rel. City of St. Louis v. Public Serv. Comm'n of Mo.*, 73 S.W. 2d 392, 400 (Mo. banc 1934).

4. The Staff agrees with STi that customer notice is not required in this case because Sprint's prepaid calling card services do not have a dedicated customer base. The Application

states that a user of a Sprint-branded card that calls the toll-free access number and enters the PIN to make a prepaid call will be informed that STi and not Sprint is now the service provider.

WHEREFORE, the Staff recommends the Commission approve the transfer of assets and approve STi's tariff sheets effective September 11, 2008.

Respectfully submitted,

/s/ William K. Haas

William K. Haas

Deputy General Counsel

Missouri Bar No. 28701

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Missouri Public Service Commission

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### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 18<sup>th</sup> day of August 2008.

/s/ William K. Haas

## Memorandum

To: Missouri Public Service Commission Official Case File  
Case No. TO-2008-0413      Tariff File No. YX-2009-0014

From: Lisa Mahaney, Telecommunications Department  
William Voight      8/15/08      William K. Haas      8/15/08  
Utility Operations Division/Date      General Counsel's Office/Date

**Subject: Staff Recommendation for Application Seeking Commission Approval of  
Competitive Company Transaction**

Date: 8/15/08

**The Telecommunications Department Staff (Staff) recommends the Commission** (check, as applicable):

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> <b>Approve Merger</b><br>4 CSR 240-3.525                       | <input type="checkbox"/> <b>Approve Consolidation</b><br>4 CSR 240-3.525                             | <input checked="" type="checkbox"/> <b>Approve Sale of Assets</b><br>4 CSR 240-3.520 |
| <input type="checkbox"/> <b>Approve Name Change</b><br>4 CSR 240-3.545(20)              |  |  |
| <input type="checkbox"/> <b>Cancel Certificate(s) &amp; Tariff(s)</b><br>392.410.5 RSMo | <input checked="" type="checkbox"/> <b>Approve Certificate(s) &amp; Tariff(s)</b><br>4 CSR 240-3.510 |  |

According to Commission rule 4 CSR 240-2.060 and the rule(s) specifically cited above, competitively classified companies are required to provide information in applications to merge, consolidate or sell/transfer assets. Based on the information provided to Staff, Staff does not believe this particular transaction will be detrimental to the public interest for the following reason(s) (check all that apply):

- ☒ This transaction solely involves competitively classified companies.
- ☐ Customers have/will receive advance notice.
- ☒ Customers can switch to another provider.
- ☒ Customers will continue to receive service at the same rates, terms and conditions.
- ☐ Other:

The following chart summarizes this transaction.

Companies Involved in Transaction	Customer Served By ("X", if applicable)		Sale of Assets ("X", if applicable)		Certificates* (If applicable, indicate "C" to cancel, "A" to approve)			Tariffs* (If applicable, indicate Tariff PSC MO Nos.)	
	Before	After	Seller	Buyer	IXC	Local	Basic Local	Cancel	Approve
Sprint Communications Company L.P.	X		X						
STi Prepaid LLC		X		X					No. 1

\*See attachment to Staff recommendation for further details associated with approving certificates or tariffs.

#### Merger, Consolidation, Sell or Transfer Assets

Will affected customers be switched to a different company?

☐ No

☒ Yes

☐ Customers have been notified. **There are no customers of record to be notified because only prepaid card services are being transferred.**

☐ Customers will be notified at least 30 days prior to being switched to a different company.  
(4 CSR 240-3.525)

#### Company Name Change Notification

☐ Company has notified its customers of the name change.

☐ Staff recommends the Commission order the Company to notify its customers at or before the next billing cycle of the name change and file a copy of the notice with the Commission.

Does this transaction involve a company in bankruptcy? ☐ Yes ☒ No

If yes, a copy of the bankruptcy order is attached.

#### Competitive Company Transaction Review Items

##### Administrative:

- ☒ Application solely involves competitively classified companies.
- ☒ No applications to intervene filed.

Noteworthy Transaction Application Requirements of 4 CSR 240-3.520 and 4 CSR 240-3.525:

- ☒ Will have no impact on tax revenues pursuant to 4 CSR 240-3.520(F) or 4 CSR 240-3.525(F)
- ☒ Appropriate Secretary of State authorization has been submitted for any applicant (or if previously submitted, reference to prior case number). Case No.

*Missouri corporations:* A Certificate of Good Standing.

*Foreign corporations:* Authorization to do business in Missouri.

*If business conducted under a fictitious name:* A copy of registration of the fictitious name.

- ☒ No pending or final judgments/decisions described in 4 CSR 240-2.060(1)(K).  
☐ A statement that no annual report or assessment fees are overdue for any applicant.

**Are there additional recommendations or special considerations?**

☐ No

☒ Yes

If yes, explain in an attachment.

- ☒ The Company is not delinquent in filing an annual report and paying the PSC assessment.  
☐ The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.  
(☐ No annual report ☐ Unpaid PSC assessment. Amount owed:    )

## Attachment to Staff Recommendation

Is this transaction requesting the approval of tariffs? ☐ No ☒ Yes  
(If yes, see below. Attach additional sheets, if necessary.)

Applicant:

☒ No objection to tariff taking effect No. 1 9/11/08 Effective Date

Staff recommends the applicant and its services receive competitive classification. In addition, Staff recommends approval of the waivers normally granted to competitively classified companies (392.210.2, 392.240.1, 392.270, 392.280, 392.290, 392.300.2, 392.310, 392.320, 392.330, 392.340, 4 CSR 240-10.020, 4 CSR 240-30.040, and 4 CSR 240-3.550(5)(C) (this last rule only applies to companies providing basic local telecommunications service).

### Tariff review items (applicable for all competitively classified companies):

☒ The tariff complies with requirements reviewed by Staff for any competitive telecommunications company tariff filing.

### Attachment to TO-2008-0413

Staff recommends the following tariff sheets should become effective September 11, 2008:

PSC Mo. No. 1 First Revised Sheet No. 1  
PSC Mo. No. 1 First Revised Sheet No. 3  
PSC Mo. No. 1 Original Sheet Nos. 56 through 64

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**AFFIDAVIT OF LISA MAHANEY**

STATE OF MISSOURI            )  
  ) ss:  
COUNTY OF COLE            )

Lisa Mahaney, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying memorandum, and that the facts therein are true and correct to the best of her knowledge and belief.

  
\_\_\_\_\_  
Lisa Mahaney

Subscribed and affirmed before me this 15<sup>th</sup> day of August 2008.



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942086

  
\_\_\_\_\_  
NOTARY PUBLIC