

**MEMORANDUM**

FILED

MAY 20 1998

MISSOURI  
PUBLIC SERVICE COMMISSION

TO: Missouri Public Service Commission Official Case File  
Case No. TA-98-380  
Green Hills Area Cellular Telephone Company Incorporated,  
d/b/a Green Hills Telecommunications Services

FROM: Lisa Mahaney *lm*  
Telecommunications Department *WJ*

Wes Handman  
Utility Operations Division/Date

Penny G Baker 5/26/98 WJP  
General Counsel's Office/Date

SUBJECT: Staff Recommendation to Approve Certificate of Service Authority to  
Provide Basic Local Exchange Telecommunications Services and for  
Designation as a Competitive Telecommunications Company

DATE: May 15, 1998

On March 9, 1998, Green Hills Area Cellular Telephone Company Incorporated, d/b/a Green Hills Telecommunications Services (GHTS) submitted an application for certificate of service authority to provide basic local exchange telecommunications services. On March 17, 1998, the Commission issued a Notice of Applications establishing April 16, 1998 as the deadline for parties wishing to file an application for intervention. No parties filed for intervention.

GHTS requests classification as a competitive telecommunications company and proposes to provide facilities-based basic local telecommunications service, and resold basic local, local exchange and exchange access telecommunications service in portions of Missouri that are currently served by GTE Midwest Inc. (GTE), and United Telephone Company of Missouri d/b/a Sprint (Sprint). GHTS is currently negotiating an interconnection agreement with GTE; after its approval, GHTS will negotiate an interconnection agreement with Sprint. GHTS requested a temporary waiver from 4 CSR 240-2.060(4)(h) which requires applicants to file a draft tariff. GHTS submitted copies of its certificate of corporate good standing from the Missouri Secretary of State, Registration of Fictitious Name, a statement of the qualifications and experience of GHTS' senior management team, GHTS' Articles of Incorporation, and a listing of the specific GTE and Sprint exchanges within which GHTS proposes to offer service.

GHTS requested waiver of the following Commission rules and statutes:

392.210.2	uniform system of accounts
392.270	valuation of property
392.280	depreciation accounts
392.290.1	issuance of securities
392.300.2	acquisition of stock
392.310	stock and debt issuance

392.320	stock dividend payment
392.330	issuance of securities, debt and notes
392.340	reorganization
4 CSR 240-10.020	depreciation fund income
4 CSR 240-30.040	uniform system of accounts
4 CSR 240-35	reporting of bypass and customer-specific arrangements

The requested waivers are the same as those ordinarily waived by the Commission for competitive basic local exchange carriers. Therefore, the Telecommunications Department Staff (Staff) recommends that the Commission waive the requested statutes and rules.

The Financial Analysis Dept. has reviewed the application and its memo is attached. The Staff recommends the Commission grant GHTS a certificate of service authority to provide basic local, local exchange, and exchange access telecommunications services with the following conditions:

- 1) that GHTS' originating and terminating access rates will be no greater than the lowest Commission approved corresponding access rates in effect at the date of certification for the large incumbent local exchange company within whose service area GHTS seeks authority to provide service.
- 2) that the certificate be subject to the conditions stated above and that the certificate become effective when the company's tariff becomes effective.

The Staff is unaware of any other filing which affects or which would be affected by this filing. GHTS has not filed any proposed interconnection agreements with this Commission.

Attachment

cc Director - Utility Operations Division  
Director - Advisory & Public Affairs Division  
Director - Utility Services Division  
General Counsel  
Manager, Telecommunications Department  
Attorney for Applicant - W.R. England, III  
Office of the Public Counsel

# MEMO

**To:** Lisa Mahaney  
Telecommunications Department

**From:** John Kiebel *JK*  
Financial Analysis Department

**Subject:** Application for Certificate of Service Authority

**Date:** April 29, 1998

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MO PSC Case No. TA-98-380

## Financial Analysis Department Comments

We have reviewed the financial information as submitted by Green Hills Area Cellular Telephone Co.(Company) in their Application TA-98-380. This financial information is the responsibility of the Company's management and is provided by them. The responsibility of the Financial Analysis Department is to review the financial information as provided by the Company in the Application. We plan and perform the review to ascertain that the Company meets the minimum financial standard.

Our analysis indicates that Green Hills Area Cellular Telephone Co. does meet the minimum standard of cash or equivalent working capital of at least four (4) months operating expenses inclusive of interest expense and taxes.

We believe that our review provides a reasonable basis for the opinion expressed above.