

P-449/NA-93-127 ORDER GRANTING PERMANENT AUTHORITY

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Marshall Johnson	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner

In the Matter of the
Application of Enhanced
Telemanagement, Inc. for a
Certificate of Authority to
Resell CENTRON Services in US
West Service Area

ISSUE DATE: January 10, 1994
DOCKET NO. P-449/NA-93-127
ORDER GRANTING PERMANENT
AUTHORITY

PROCEDURAL HISTORY

On January 19, 1993, the Commission issued its ORDER AUTHORIZING RESALE OF CENTRON SERVICE in Docket No. P-999/CI-90-235. In its Order, the Commission found that under specified conditions, the resale of U S West Communications, Inc.'s (USWC)'s CENTRON service was in the public interest. The Commission directed Enhanced Telemanagement, Inc. (ETI), then a holder of an interim certificate of authority to resell CENTRON, to apply for permanent authority. See Order at page 18, Ordering Paragraph 4.

On January 29, 1993, U S West Communications, Inc. (USWC) filed a motion for reconsideration of the Commission's January 19, 1993 Order in the 235 Docket.

On February 23, 1993, ETI submitted an application for permanent territorial authority to resell CENTRON service on an "individual case based" (ICB) pricing basis. The Company's application was assigned to the current docket: P-449/NA-93-127.

On March 23, 1993, the Minnesota Department of Public Service (the Department) filed a report and recommendations regarding ETI's application. The Department noted that since ETI was not a franchised local exchange carrier it could not request "territorial" authority. On the merits of ETI's application, the Department recommended that the Commission grant ETI permanent authority to resell CENTRON services and deny the Company's ICB pricing proposal.

On March 25, 1993, ETI filed a revised tariff absent the ICB language.

On April 1, 1993, the Department filed an addendum to its March 23, 1993 report acknowledging ETI's removal of the ICB language from its tariff.

On July 15, 1993, the Commission issued its ORDER DENYING MOTION FOR RECONSIDERATION in Docket No. P-999/CI-90-235. This Order, which affirmed most of its initial conclusions, effectively postponed the 30 day compliance date to 30 days from the July 15, 1993 Order.

On December 21, 1993, the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

I. BACKGROUND

In the Commission's January 19, 1993 Order in the 235 Docket, the Commission found that CENTRON resale in general, whether or not provided with auxiliary or incidental services, is required by the public convenience and necessity in U S West Communications, Inc.'s (USWC's) exchanges provided that it does not produce adverse impacts on USWC's general ratepayers, i.e. that any contribution that it prevents USWC from experiencing is recovered from CENTRON resellers. Order at page 19, Ordering Paragraph 2.

The January 19, 1993 Order deferred quantification of the adverse impact upon ratepayers and selection of CENTRON rates adequate to neutralize that adverse impact for consideration in the first docket in which the Commission conducts a comprehensive review of USWC's rates, i.e. to a general rate case proceeding or to a proceeding reviewing a proposed Incentive Plan for the Company. Order at page 19, Ordering Paragraph 3.

The Commission clarified that its Order (the January 19, 1993 Order in the 235 Docket) simply found that CENTRON resale was in the public interest (under certain conditions) but did not grant ETI or any other CENTRON reseller authority to resell CENTRON. The Commission stated that to obtain a permanent certificate of authority to resell CENTRON, ETI and any other CENTRON reseller desiring permanent authority to resell CENTRON would have to petition the Commission for that authority as required by Minn. Stat. § 237.16 (1992).

II. EVALUATION OF ETI'S PETITION FOR PERMANENT AUTHORITY

ETI's application for permanent authority was filed as directed by the January 19, 1993 Order, and has been reviewed by the Commission pursuant to Minn. Stat. § 237.16, subd. 4 (1992). The statute states in part:

No company shall ... operate any line, plant or system, or any extension thereof, or acquire ownership or control thereof, either directly or indirectly, without first obtaining from the commission a determination that the present or future public convenience and necessity require or will require such....[e.g. operation or acquisition of control],.... (Emphasis added.)

The Commission made the general finding in the January 13, 1993 Order (Docket No. P-999/CI-90-235) that the public convenience and necessity requires the provision of resold Centron service under certain conditions. In this docket, the Commission considers a narrower question, i.e. whether the public convenience requires the resale of Centron by this particular company, ETI. In making such a determination, the Commission has considered the company's demonstrated technical and managerial expertise to provide reliable service, its financial capacity to provide reliable service, its ability to respond to consumer complaints promptly and efficiently, and its commitment and ability to fulfil its regulatory responsibilities.

On the basis of the experience Minnesota consumers and the Commission have had with ETI during the Company's years as a provider of limited telecommunications services in Minnesota, including the resale of CENTRON on an interim basis, the Commission finds that the Company has adequate capacity to provide the services it has been authorized to provide and has been a reasonably responsible participant in the Minnesota regulatory process. In addition, the Commission has thoroughly reviewed ETI's revised tariff and finds that it is acceptable.

Accordingly, the Commission will grant ETI permanent authority to resell CENTRON services, limited, of course, to USWC's exchanges as indicated in the Commission's previous Orders in the 235 Docket. To further clarify the scope of this Order, ETI's authority is subject to the conditions enumerated in those Orders.¹ As a telephone company, ETI will be required to comply with all statutes and Commission rules applicable to a telephone company of its size and will fulfill all the responsibilities that local exchange companies (LECs) or independent local exchange companies (ILECs) have toward their customers. In addition, ETI will be required to file and update its tariffs or price lists and change its tariffs or price list in compliance with the statutes and rules applicable to a telephone company of its size.

¹ See Ordering Paragraphs 6 and 7 of the Commission's January 13, 1993 Order in Docket No. P-999/CI-90-235.

Related Dockets

As part of its application for authority to resell CENTRON, ETI requested that the following ETI-related dockets be closed: Docket Nos. P-449/M-89-178; P-449/M-89-1084; P-449/M-90-23; P-449/C-89-1026; and P-438, 449/C-89-517. The Department recommended that each of these dockets be closed.

After reviewing all of the above-listed miscellaneous (M) and complaint (C) dockets, the Commission finds that it is appropriate to close these dockets. The Commission will issue a separate closing Order in each of these dockets.

ORDER

1. Enhanced Telecommunications, Inc. (ETI) is hereby granted permanent authority to resell CENTRON in USWC's exchanges, subject to the conditions enumerated in previous Orders in Docket No. P-999/CI-90-235.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)