(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF MCImetro ACCESS TRANSMISSION SERVICE, INC.  FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE SERVICE AS A COMPETITIVE LOCAL CARRIER. | )  )  )  )  )  )  )  ) | CASE NO. MCM-T-97-1  ORDER NO. 27307 |

On August 1, 1997, MCImetro Access Transmission Service, Inc. (MCImetro) filed an Application with the Commission for a Certificate of Public Convenience and Necessity for authority to provide local exchange service in Idaho.  MCImetro is a wholly-owned subsidiary of MCI Telecommunications Corporation that is currently providing interexchange long distance service in Idaho.

The Company proposes, initially, to resell local telecommunication exchange services, but plans to offer a broader range of facilities-based exchange and access services as its customer base grows.  MCImetro is applying to provide service in U S WEST’s and GTE’s service areas.  It does not yet have interconnection agreements with U S WEST or GTE, but has submitted all of the information required in Order No. 26665 (the Commission’s Procedural Order).

According to the illustrative tariff that MCImetro has filed, the Company plans to offer local exchange service and exchange access service.  Included in the services are two-way lines/ trunks, direct inward/outward dialing options, local calling, operator assisted services, directory assistance, dual party relay, and 911 emergency services.  It may also offer local services by using the switching/transport capacity of other existing telecommunications providers.  The Company will not offer access to 900 services.

On September 17, 1997, the Commission issued a Notice of Modified Procedure soliciting comments in response to MCImetro’s Application.  The only party to file comments was the Commission Staff.  Staff noted that MCImetro requested an exemption from the requirement listed in Order No. 26665 to submit evidence of an escrow account if a company requires advance deposits by its customers.  MCImetro requested a waiver of this requirement until it begins providing service in Idaho and noted that it has the financial capability to pay any liability for return of deposits in Idaho.  Staff recommends approval of this waiver.

The Staff’s Consumer Assistance Division also noted areas of concern regarding MCI’s interexchange service, identifying several areas of specific concern including: billing, marketing practices and selection (including “slamming”).  Staff urges the Commission to take note of the consent decree MCI entered into with the Federal Communications Commission regarding slamming allegations that ultimately involved a voluntary payment of $30,000 to the U.S. Treasury by MCI and an agreement to provide additional customer protections against slamming.  Staff does not feel, however, that its concerns regarding MCI’s interexchange operations within Idaho were sufficient reasons to deny MCImetro’s Application for a certificate to provide local exchange service.  Staff will monitor MCImetro’s performance, however, and will expect MCImetro to be responsive to its customers’ concerns and to fully cooperate with the Staff in investigating complaints.

After Staff filed its comments, MCI met with Staff to discuss various issues, including its dispute resolution procedures, verification process for out bound telemarketing and its relationship with resellers of its services.  Staff was assured of MCI’s intent to address concerns raised and to fully cooperate with the Staff in both its interexchange and local services environment.

Following the filing of Staff’s comments, MCImetro asked that its Application be put on voluntary hold until the Company had the opportunity to meet with Staff and address Staff’s concerns.

MCImetro filed an illustrative tariff with the Commission.  Staff has begun working with MCImetro to resolve several minor problems contained in the tariff.  Staff recommends that the Commission grant MCImetro’s Application for a Certificate of Public Convenience and Necessity with the understanding that MCI cannot offer services in Idaho until it has filed a tariff that complies with the Commission’s requirements.

FINDINGS

We hereby grant MCImetro’s Application for a Certificate of Public Convenience and Necessity.  In so doing, we note that no party opposed MCImetro’s Application in this case.  Consequently, we hereby approve MCImetro’s Application subject to the requirement that it submit a tariff complying with Commission Order No. 26665 as well as copies of its agreements with GTE and U S WEST prior to commencement of service within the state of Idaho.  MCImetro shall submit its final tariff (in full compliance with Order No. 26665) no later than February 13, 1998, or its Certificate of Public Convenience and Necessity shall be revoked.

O R D E R

IT IS HEREBY ORDERED that MCImetro’s Application for a Certificate of Public Convenience and Necessity, as subject to the terms and conditions set forth in this Order, is granted.

THIS IS A FINAL ORDER.  Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No.  MCI-T-97-1 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this Case No.  MCI-T-97-1.  Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration.  See Idaho Code § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this                  day of January 1998.

                                                                                                                                      DENNIS S. HANSEN, PRESIDENT

                                                                                           RALPH NELSON, COMMISSIONER

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

vld/O:MCM-T-97-1.bp

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

January 8, 1998