

BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION
Nashville, Tennessee
May 14, 1996

**IN RE: APPLICATION OF WORLDCOM, INC. D/B/A LDDS WORLDCOM
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY TO PROVIDE INTRASTATE
TELECOMMUNICATIONS SERVICES**

Docket No. 96-00780

INITIAL ORDER

This matter is before the Tennessee Public Service Commission upon the application of WorldCom, Inc. d/b/a LDDS WorldCom (hereinafter the "Applicant") for a Certificate of Public Convenience and Necessity ("Certificate") to become a Competing Telecommunications Service Provider as defined by T.C.A. §65-4-101(e). The Applicant has filed this application as a Competing Telecommunications Service Provider pursuant to Section 7 of Chapter 408 of the Public Acts of 1995, codified as T.C.A. §65-4-201(c). The Applicant seeks authority to operate statewide and to provide a full array of telecommunications services as would normally be provided by an incumbent local exchange telephone company. Applicant requests a Certificate to offer these services on a statewide basis but, in accordance with the limitations described in T.C.A. §65-4-201(d), Applicant does not, by this Application, seek authority to provide service to any customers located in areas served by incumbent local exchange carriers with fewer than 100,000 total access lines or by a telephone cooperative.

Notice of this Application has been served upon incumbent local exchange carriers and other interested parties.

The matter was heard May 14, 1996, in Nashville, Tennessee, before Ralph B. Christian II, Administrative Judge, at which time the following appearances were entered:

APPEARANCES:

H. LADON BALTIMORE, Attorney at Law, 3354 Perimeter Hill Drive, Suite 112, Nashville, Tennessee 37211-4129, appearing on behalf of the Applicant.

Claire Daly, Director, Legislative and Regulatory Affairs for Applicant testified in support of the application. No other witnesses testified. No parties opposed the application.

Based upon the application, the testimony and exhibits presented at the hearing and the entire record of this proceeding, I find that the requested certificate should be granted. In support of those decisions, I hereby make the following findings of fact and conclusions of law:

Applicant seeks authority to offer within its certificated area all legally allowed telecommunications services. Such services include, but are not limited to, those normally provided by an incumbent local exchange telephone company, local exchange and exchange access services, dedicated and switched access services and private line services.

The Applicant does not intend to provide service to customers located in areas served by an incumbent local exchange company with fewer than 100,000 access lines or by a telephone cooperative.

The Applicant is a Georgia corporation duly authorized to do business in Tennessee under the assumed corporate name of LDDS WorldCom. Applicant is the holder of Certificate of Authority (no. 00037180) to provide COCOT services in Tennessee and is also authorized to provide operator services and/or resale interexchange telecommunications

services in Tennessee (Docket No. 95-03308). Local service authority has previously been granted to Applicant in California, Connecticut, Florida, Illinois and Texas.

Ms. Daly testified that the Applicant will adhere to all applicable Commission policies, rules and orders. The Company will provide services either through the use of its facilities or through the resale of other common carriers, with resale being the initial method of offering services. Ms. Daly testified that Applicant is one of the four largest long distance telecommunications companies in the United States with annual revenues in excess of \$3 billion. Long distance telecommunications services are provided to business and residential services in every state, with services to points throughout the nation and to more than 200 countries. Applicant is one of only four companies with a national fiber optic network in the United States. Applicant has over 11,000 miles of fiber and 4,000 miles of microwave network, giving it ample ability to serve even the largest customers. Applicant has both domestic and international facilities, together with the capability of designing and integrating with satellite networks worldwide.

Based upon the facts as described in the application and exhibits and in the testimony of Ms. Daly, I find that the Applicant possesses sufficient managerial, financial and technical ability to provide the telecommunications services it proposes. Therefore, the Applicant meets the statutory criteria for the award of operating authority as a Competing Telecommunications Service Provider under T.C.A. §65-4-201(c).

In accordance with Section 16 of Chapter 408, Applicant has filed a small and minority-owned telecommunications businesses participation plan. The plan, attached to the

application, fulfills the statutory requirements of Section 16. Ms. Daly testified that the Applicant is committed to implementation of the plan.

Approval of the application will serve the public interest by creating greater competition in the intrastate telecommunications marketplace. In particular, the public will benefit both directly, through the use of competitive telecommunications services to be offered by the Applicant, and indirectly because the presence of the Applicant in the market will increase the incentives for other telecommunications services providers, including the incumbent local exchange carrier, to operate more efficiently, offer more innovative services, and improve the quality of service.

WHEREFORE, based upon the foregoing findings and conclusions, I find that the public convenience and necessity will be served by the issuance of a certificate to the Applicant.

IT IS THEREFORE ORDERED:

1. That the application of WorldCom, Inc. d/b/a LDDS WorldCom for a certificate of public convenience and necessity as a competing telecommunications service provider pursuant to Section 7 of Chapter 408 of the Public Acts of 1995, T.C.A. §65-4-201(c), to provide service statewide, except for those portions of any county served by an incumbent local exchange telephone company with fewer than 100,000 total access lines or by telephone cooperatives, is hereby **granted**;

2. That the Applicant is authorized to offer all of the services that may be provided by a Competing Telecommunications Service Provider, as that term is defined in Section 3 of


Chapter 408, T.C.A. §65-4-101(e); those services include, but are not limited to, toll, local exchange, access, private line, paging and enhances services;

3. That the Applicant may not provide service to customers served by an incumbent local exchange telephone company with fewer than 100,000 total access lines or by an a telephone cooperative, except in accordance with T.C.A. §65-4-201(d), or as authorized by federal law, or otherwise authorized by the Public Service Commission;

4. That the Applicant may commence service under its certificate once it has filed proper tariffs for service to be offered and such other information required by the Public Service Commission;

5. That any party aggrieved by the Commission's decision in this matter may file a Petition for Reconsideration with the Tennessee Public Service Commission within ten (10) days from and after the date of this Order.

6. That any party aggrieved by the Commission's decision in this matter may file a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.


RALPH B. CHRISTIAN, II
ADMINISTRATIVE JUDGE