

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 4th day of November, 2004.

In the Matter of an Investigation into the Effects)
of the Bankruptcy of Telecommunications Carriers) **Case No. TW-2003-0063**
in the State of Missouri.)

ORDER CLOSING CASE

The Missouri Public Service Commission opened this case on August 15, 2002, in the wake of the bankruptcy filing by MCI WorldCom, Inc., and almost all of its active, domestic subsidiaries on July 21, 2002.^[1] This was reported at the time as the largest single bankruptcy filing in the history of the United States. The Commission opened this non-contested case, first, to monitor the progress of MCI WorldCom through Chapter 11 and, second, to track the increasing number of bankruptcy filings by certificated telecommunications carriers operating in the state of Missouri. These bankruptcies necessarily raised questions as to the ability of the carriers involved to meet their obligations to their customers.

The Commission charged its Staff with principal responsibility for this matter. Staff was directed to compile and maintain a list of bankrupt telecommunications carriers operating in Missouri. For each such carrier, Staff was directed to provide certain specific information. Staff was directed to file a copy of this list in this case and to update it as needed, but not more often than once monthly. During the course of this matter, Staff filed 21 status reports, including its recommendation of September 16, 2004. Several of these reports were accompanied by updates to the list of bankrupt carriers; these documents are publicly available to interested persons over the Internet on the Commission's EFIS system.

The Commission also made MCI WorldCom and its bankrupt subsidiaries parties to this case, directed them to prepare and appear for an on-the-record presentation on October 9,

2002, and further directed the filing of quarterly status reports. MCI filed seven quarterly reports and a final report. On April 29, 2004, having emerged from Chapter 11, MCI moved that it and its subsidiaries be dismissed from this case.

The Commission's Staff was also directed, in the order establishing this case, to file its recommendations, if any, for proposed Commission procedures in future telephone corporation bankruptcies within 60 days after the final status report is filed by WorldCom, Inc., and its subsidiaries. On September 16, 2004, Staff filed its Memorandum and Recommendation. Therein, Staff advised the Commission to close this case because a newly promulgated regulation will become effective on November 30, 2004, that requires certificated carriers to provide bankruptcy information to the Commission. Staff states that the "new rule . . . obviates the need for Staff to make mandatory separate filings that contain status updates derived from untimely third party sources within the industry." Staff also belatedly responded to MCI WorldCom's motion for dismissal and recommended that it be granted. Staff further explained that its new rule, in addition to imposing a bankruptcy-reporting requirement on certificated carriers, also "outlines a procedure for transfer of customers and transfer of assets and disposal of telecommunication facilities located at the premises of another telecommunications company."

No other party has responded to Staff's Memorandum and Recommendation and the interval for doing so has passed. The Commission will grant Staff's request and close this case. The closing of this case will necessarily end Staff's obligation to file monthly Status Reports and will also end the obligations of MCI WorldCom and its subsidiaries in this case.

IT IS THEREFORE ORDERED:

1. That this case shall be closed as on November 30, 2004.
2. That this order shall become effective on November 30, 2004.

BY THE COMMISSION

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Gaw, Ch., Murray, Davis, and
Appling, CC., concur.
Clayton, C., absent.

Thompson, Deputy Chief Regulatory Law Judge

[1] Eight of WorldCom, Inc.'s subsidiaries seeking bankruptcy protection -- Intermedia Communications, Inc., TTI National, Inc., Brooks Fiber Communications of Missouri, Inc., MCI WORLDCOM Communications, Inc., MCI WORLDCOM Network Services, Inc., MCImetro Access Transmission Services, LLC, Metropolitan Fiber Systems of St. Louis, Inc., and Teleconnect Long Distance Services & Systems Co., -- are certificated to provide telecommunications services in the state of Missouri. Metropolitan Fiber Systems of Kansas City, Missouri, Inc., another WorldCom, Inc., subsidiary that is certificated to provided telecommunications service in the state of Missouri, is not listed in bankruptcy documents.