

DT 00-164

TTI NATIONAL, INC.

**Request for Authority to Provide Toll Services to Customers
of Minimum Rate Pricing, Inc., Discount Call Rating, Inc.,
and Request for Waiver**

**Order Approving Transfer of Customer Base and
Forbearance of Customer Notification**

O R D E R N O. 23,623

January 22, 2001

On July 26, 2000, TTI National, Inc, (TTI) filed a petition with the New Hampshire Public Utilities Commission (Commission) requesting authority to transfer the subscribers of National Tele-Communications, Parcel Consultants, Inc., Minimum Rate Pricing, Inc., and Discount Call Rating, Inc. (collectively, Minimum Rate Pricing or MRP) to TTI's customer base without first obtaining each subscriber's authorization and verification.

TTI, a wholly owned subsidiary of WorldCom, Inc., is authorized in New Hampshire to provide intrastate interexchange telecommunication services pursuant to Authorization No. IXC 05397. Parcel Consultants, Inc. D/B/A Minimum Rate Pricing and Discount Call Rating, Inc. are registered competitive toll providers in New Hampshire pursuant to Authorization No.(s) IXC 13897 and IXC 23497, respectively. Neither National Tele-Communications nor

Minimum Rate Pricing, Inc. are authorized in New Hampshire to provide telecommunication services.

With the petition, TTI included a copy of the Petition for Waiver, dated April 11, 2000, filed by MCI, Inc. (MCIWorldCom) on behalf of TTI at the Federal Communications Commission (FCC). The Waiver Petition requests a limited waiver of the FCC's authorization and verification rules (47 CFR §§64.1150) to enable TTI to transfer subscribers of MRP customer base without first obtaining subscribers' authorization and verification. The FCC granted MCIWorldCom's request on June 26, 2000 in FCC Docket No. 94-129.

The Waiver Petition was precipitated by Minimum Rate Pricing, Inc., Parcel Consultants, Inc., National Telecommunications, Inc. and Discount Call Rating, Inc., each filing in the United States Bankruptcy Court (the Court) for the District of New Jersey under Chapter 11 of the bankruptcy code. As a result of the diminishing value of its assets, MRP elected to sell most of its assets pursuant to section 363 of the Bankruptcy Code, 11 U.S.C. §363, at a public auction. The Court in its order (Sale Order) authorized the sale of substantially all of MRP's assets including, without limitation, MRP's customer base to TTI as its bid for the assets was determined to be not only the highest but also the

best offer. The Bankruptcy Court's Sale Order also approved a management agreement that provided for TTI through its designated provider, Asset Recovery Services, Inc., to manage the MRP customer base pending federal and state regulatory approval.

TTI anticipates that, upon securing all regulatory approvals, the transaction will be consummated including the transfer of MRP's customers to TTI. In the event that TTI is not successful in obtaining all regulatory approvals, TTI will not close on the sale. Therefore, the management of MRP customers would revert to MRP, an entity which lacks both personnel and financial capacity to serve the customer base. TTI anticipates that the long distance service of MRP customers would be interrupted as a result of this action. Accordingly, TTI seeks permission to effect a seamless transition of long distance service for the affected MRP customers.

As part of the transition, TTI and MRP will jointly provide notification to each of MRP's customer that MRP will no longer provide pre-subscribed long distance services; all "1+" calls that were previously serviced by MRP will be completed by TTI beginning 30 days after receipt of MRP's letter; customers will continue to receive long distance

service, upon the transfer, at rates, terms and conditions comparable to or better than the rates and services of their service with MRP; and each customer is under no obligation to take service from TTI, in effect, each customer is free to select another company to transmit their long distance calls. TTI will also provide the former MRP customers with an 800 number to assist them and will also assume any fee charged by the local phone company as a result of the change to TTI. TTI also requests that the Commission not cancel MRP's certificates of authority to provide telecommunication in New Hampshire prior to closing of the sale by TTI.

We find TTI's acquisition of the assets of MRP in the public interest. The system to be transferred consists of MRP's tangible and intangible assets encompassing, *inter alia*, customer base, computerized billing systems and collection rights.

We further acknowledge TTI's request that MRP's certificates of authority to provide telecommunication in New Hampshire not be cancelled pending TTI closing on the sale. We will grant that request and will require TTI/Worldcom to notify us when the sale is closed. This will allow the administrative process to effectuate the withdrawal of the certificates of authority.

Based upon the foregoing, it is hereby

ORDERED, that TTI National, Inc.'s request for authority to provide toll services to customers of National Tele-Communications, Parcel Consultants, Inc., Minimum Rate Pricing, Inc., and Discount Call Rating, Inc., pending TTI National, Inc.'s closure on the sale, is hereby APPROVED; and it is

FURTHER ORDERED, that TTI's request for forbearance from the customers' notification, and 14-day free carrier change opportunity requirements of Order No. 23,234, is hereby APPROVED; and it is

FURTHER ORDERED, TTI shall file tariff pages encompassing the services provided by MRP, pursuant to which it will provide service to those former customers of MRP who choose TTI as their default carrier; and it is

FURTHER ORDERED, TTI provide notice to this Commission regarding the date the sale is closed; and it is

FURTHER ORDERED, that the Petitioner shall file a compliance tariff with the Commission in accordance with N.H. Admin. Rules, Puc 1603.02(b).

By order of the Public Utilities Commission of New
Hampshire this twenty-second day of January, 2001.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Getz
Executive Director and Secretary