

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: WORKNET COMMUNICATIONS, INC.	DOCKET NOS. TCU-00-32 WRU-00-43-3419
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ORDER APPROVING APPLICATION AND GRANTING WAIVERS

(Issued September 5, 2000)

On June 5, 2000, WorkNet Communications, Inc. (Worknet), filed an application for issuance of a certificate of public convenience and necessity, pursuant to Iowa Code § 476.29 (1999), stating its intention to provide resold and facilities-based local exchange services throughout the state of Iowa. The application has been identified as Docket No. TCU-00-32. WorkNet requests waivers of 199 IAC 22.3(1), publishing a directory, 199 IAC 18.2, keeping its records in Iowa, and 199 IAC 16.5, keeping its records according to the Uniform System of Accounts. The waivers have been identified as WRU-00-43-3419. In addition, WorkNet has provided the qualifications of its company officers and financial statements.

Iowa Code § 476.29(2) (1999) provides that the local exchange carrier shall not be denied a certificate if the Utilities Board (Board) finds that the applicant "possesses the technical, financial, and managerial ability to provide the service it proposes to render and the board finds the service is consistent with public interest."

The Board has reviewed the information provided and finds that WorkNet has demonstrated the necessary technical, financial, and managerial ability to provide local exchange service.

WorkNet requested a waiver of 199 IAC 16.5(2), which requires it to keep its records according to the uniform system of accounts. WorkNet states that it employs an accounting system in accordance with generally accepted accounting principles (GAAP). The Board finds that this waiver should be granted, since records kept in accordance with GAAP accounting is acceptable for a competitive local exchange service provider.

WorkNet requested that the Board waive 199 IAC 18.2, which requires that WorkNet keep its records in Iowa. The Board will grant this waiver with the understanding that WorkNet intends to maintain its records at its corporate headquarters in St. Louis, Missouri, and agrees to make them available to the Board when required.

WorkNet also requested the Board waive 199 IAC 22.3(1), requiring it to independently publish a directory. The Board will grant this waiver since WorkNet does not have a sufficient number of customers to warrant publishing a directory. The Board though will require WorkNet to have its customers listed in the telephone directories of the incumbent telephone company in the exchanges where it provides service.

WorkNet also states that its service area will mirror the service territory of incumbent local exchange carriers and concurs in those maps. Iowa Code

§ 476.29(4) requires that each certificate define the service territory in which land-line local telephone service will be provided, and authorizes the Board to promulgate rules establishing requirements for filing maps showing the service territory. Subrule 199 IAC 22.20(3) requires that all utilities have on file with the Board maps, which show exchange boundaries. The Board finds that WorkNet must clarify in which exchanges it proposes to provide service, and concurrence in the exchange boundaries of incumbent local exchange carriers.

WorkNet has not filed proposed tariffs for Board approval setting out the service and rates for providing local exchange service. The Board finds that a certificate should not be issued to WorkNet until it has approved tariffs, a statement that it will support a 2-PIC methodology for dialing parity, and a statement clarifying which exchange maps it intends to adopt.

IT IS THEREFORE ORDERED:

1. The application for a certificate of public convenience and necessity filed by WorkNet Communications, Inc., on June 5, 2000, is granted, subject to the requirements that follow.
2. At the time WorkNet files proposed tariffs with the Board, it must give notice to all affected local exchange carriers. Upon approval of tariffs to reflect the prices, terms, and conditions of local exchange service in Iowa offered by WorkNet, concurrence in local exchange maps, and a statement that it will provide a 2-PIC methodology for dialing parity for all customers, the Board will issue a certificate of

public convenience and necessity allowing WorkNet to provide local exchange service in Iowa.

3. The request for waivers of 199 IAC 16.5(2), 199 IAC 18.2 and 199 IAC 22.3(1) are granted as described in this order. WorkNet shall have its customers listed in the telephone directory of the incumbent local exchange carrier.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 5th day of September, 2000.