

In the Matter of the Investigation Into )

DOCKET NO. 88-049-18

the Reasonableness of the Rates and )

Charges of the MOUNTAIN STATES )

ORDER ON OBJECTION TO WITHDRAWAL

TELEPHONE AND TELEGRAPH )

OF MCI AND TEL AMERICA; PETITION FOR

COMPANY. )

ORDER TO SHOW CAUSE; AND MOTION TO

REOPEN FOR INTERVENTIONS.

ISSUED: September 24, 1998

By the Commission:

The above-entitled matter having come on regularly for hearing before the Public Service Commission (Commission) on Tuesday, September 15, 1998, at the hour of 9:00 a.m., on the Objection to Withdrawal of MCI and Tel America; Petition for Order to Show Cause; and Motion to Reopen for Interventions filed by the Committee of Consumer Services (Committee), which pleading was supported by the Division of Public Utilities (Division), the Committee appearing through counsel, Laurie Noda, Assistant Attorney General, the Division appearing through counsel Michael Ginsberg, Assistant Attorney General, and U S West Communications, Inc. (U S West), appearing through counsel David J. Jordan and Gregory B. Monson, Tel America appearing through counsel Jerry D. Fenn, and MCI Telecommunications appearing through counsel, William J. Evans, and no other parties appearing in person or through counsel, and the Commission having heard the arguments and statements of counsel, and being fully advised in the premises, hereby makes its decision as follows.

With regard to the issues raised in the hearing:

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED

- 1) denies the request to reopen the time for intervention in order to allow different parties to intervene;
- 2) declines the opportunity to retain the services of a lawyer or law firm to present evidence or make legal arguments on why the Tax Reform Act of 1986 (TRA) was an extraordinary and unforeseen circumstance;
- 3) denies the request to defer further legal arguments on the TRA until all matters and claims regarding the settlement by MCI and Tel America have been resolved, however the Commission does reschedule the hearing on the TRA issue from September 15, 1998, to Wednesday, October 7, 1998, at the hour of 10:00 a.m.;
- 4) with regard to the settlement agreements involving MCI, Tel America, and AT&T, at this time the Commission neither approves nor rejects the settlement agreements, however the Commission recognizes and asserts that it has jurisdiction and authority over the settlement agreements;

5) with regard to the issues of making the settlement agreements public, the interpretation of their effects, or the participation by others in the settlement agreements, the Commission defers those issues to a more appropriate time after further notice and briefings; and

6) with regard to the Objection to Withdrawal of MCI and Tel America, the Commission recognizes that as a practical matter it cannot force those parties to continue to prosecute their claims or the legal arguments contained therein and therefore relieves MCI, Tel America, and AT&T of the burden of further participation in this matter if they so desire; however, since the Commission has not approved or rejected the settlement agreements, an order approving or disapproving the withdrawal is inappropriate at this time.

DATED at Salt Lake City, Utah, this 24th day of September, 1998.

/s/ Stephen F. Mecham, Chairman

(SEAL) /s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary