### SECOND REGULAR SESSION

# **HOUSE BILL NO. 2365**

## 99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BERRY.

D. ADAM CRUMBLISS, Chief Clerk

## AN ACT

To repeal section 386.020, RSMo, and to enact in lieu thereof one new section relating to utilities.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 386.020, RSMo, is repealed and one new section enacted in lieu 2 thereof, to be known as section 386.020, to read as follows:

386.020. As used in this chapter, the following words and phrases mean:

2 (1) "Alternative local exchange telecommunications company", a local exchange 3 telecommunications company certified by the commission to provide basic or nonbasic local 4 telecommunications service or switched exchange access service, or any combination of such 5 services, in a specific geographic area subsequent to December 31, 1995;

6 (2) "Alternative operator services company", any certificated interexchange 7 telecommunications company which receives more than forty percent of its annual Missouri 8 intrastate telecommunications service revenues from the provision of operator services pursuant 9 to operator services contracts with traffic aggregators;

(3) "Basic interexchange telecommunications service" includes, at a minimum, two-way
 switched voice service between points in different local calling scopes as determined by the
 commission and shall include other services as determined by the commission by rule upon
 periodic review and update;

(4) "Basic local telecommunications service", two-way switched voice service within
a local calling scope as determined by the commission comprised of any of the following
services and their recurring and nonrecurring charges:

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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(a) Multiparty, single line, including installation, touchtone dialing, and any applicablemileage or zone charges;

(b) Assistance programs for installation of, or access to, basic local telecommunications
 services for qualifying economically disadvantaged or disabled customers or both, including, but
 not limited to, lifeline services and link-up Missouri services for low-income customers or
 dual-party relay service for the hearing impaired and speech impaired;

(c) Access to local emergency services including, but not limited to, 911 service
 established by local authorities;

25 (d) Access to basic local operator services;

26 (e) Access to basic local directory assistance;

27 (f) Standard intercept service;

(g) Equal access to interexchange carriers consistent with rules and regulations of the
 Federal Communications Commission;

30 (h) One standard white pages directory listing.

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Basic local telecommunications service does not include optional toll-free calling outside a local calling scope but within a community of interest, available for an additional monthly fee or the offering or provision of basic local telecommunications service at private shared-tenant service locations;

(5) "Cable television service", the one-way transmission to subscribers of video
 programming or other programming service and the subscriber interaction, if any, which is
 required for the selection of such video programming or other programming service;

(6) "Carrier of last resort", any telecommunications company which is obligated to offer
basic local telecommunications service to all customers who request service in a geographic area
defined by the commission and cannot abandon this obligation without approval from the
commission;

(7) "Commission", the "Public Service Commission" hereby created;

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(8) "Commissioner", one of the members of the commission;

45 (9) "Competitive telecommunications company", a telecommunications company which

46 has been classified as such by the commission pursuant to section 392.245 or 392.361;
47 (10) "Competitive telecommunications service", a telecommunications service which

48 has been classified as such by the commission pursuant to section 392.245 or to section 392.361,

49 or which has become a competitive telecommunications service pursuant to section 392.370;

50 (11) "Corporation" includes a corporation, company, association and joint stock 51 association or company;

(12) "Customer-owned pay telephone", a privately owned telecommunications device
that is not owned, leased or otherwise controlled by a local exchange telecommunications
company and which provides telecommunications services for a use fee to the general public;

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(13) "Effective competition" shall be determined by the commission based on:

(a) The extent to which services are available from alternative providers in the relevantmarket;

(b) The extent to which the services of alternative providers are functionally equivalentor substitutable at comparable rates, terms and conditions;

60 (c) The extent to which the purposes and policies of chapter 392, including the 61 reasonableness of rates, as set out in section 392.185, are being advanced;

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(d) Existing economic or regulatory barriers to entry; and

63 (e) Any other factors deemed relevant by the commission and necessary to implement64 the purposes and policies of chapter 392;

65 (14) "Electric plant" includes all real estate, fixtures and personal property operated, controlled, owned, used or to be used for or in connection with or to facilitate the generation, 66 transmission, distribution, sale or furnishing of electricity for light, heat or power; [and] any 67 68 conduits, ducts or other devices, materials, apparatus or property for containing, holding or carrying conductors used or to be used for the transmission of electricity for light, heat or power; 69 70 and electric vehicle charging stations, except when the entity owning, operating, 71 controlling, or managing those stations does not own, operate, control, or manage other 72 equipment that would otherwise constitute an electric plant;

73 (15) "Electrical corporation" includes every corporation, company, association, joint 74 stock company or association, partnership and person, their lessees, trustees or receivers 75 appointed by any court whatsoever, other than a railroad, light rail or street railroad corporation generating electricity solely for railroad, light rail or street railroad purposes or for the use of its 76 77 tenants and not for sale to others, owning, operating, controlling or managing any electric plant 78 except where electricity is generated or distributed by the producer solely on or through private 79 property for railroad, light rail or street railroad purposes or for its own use or the use of its 80 tenants and not for sale to others;

81 (16) "Exchange", a geographical area for the administration of telecommunications
82 services, established and described by the tariff of a telecommunications company providing
83 basic local telecommunications service;

84 (17) "Exchange access service", a service provided by a local exchange 85 telecommunications company which enables a telecommunications company or other customer 86 to enter and exit the local exchange telecommunications network in order to originate or 87 terminate interexchange telecommunications service;

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88 (18) "Gas corporation" includes every corporation, company, association, joint stock 89 company or association, partnership and person, their lessees, trustees or receivers appointed by 90 any court whatsoever, owning, operating, controlling or managing any gas plant operating for 91 public use under privilege, license or franchise now or hereafter granted by the state or any 92 political subdivision, county or municipality thereof;

93 (19) "Gas plant" includes all real estate, fixtures and personal property owned, operated, 94 controlled, used or to be used for or in connection with or to facilitate the manufacture, 95 distribution, sale or furnishing of gas, natural or manufactured, for light, heat or power;

96 (20) "Heating company" includes every corporation, company, association, joint stock 97 company or association, partnership and person, their lessees, trustees or receivers, appointed by 98 any court whatsoever, owning, operating, managing or controlling any plant or property for 99 manufacturing and distributing and selling, for distribution, or distributing hot or cold water, steam or currents of hot or cold air for motive power, heating, cooking, or for any public use or 100 101 service, in any city, town or village in this state; provided, that no agency or authority created by 102 or operated pursuant to an interstate compact established pursuant to section 70.370 shall be a 103 heating company or subject to regulation by the commission;

104 (21) "High-cost area", a geographic area, which shall follow exchange boundaries and 105 be no smaller than an exchange nor larger than a local calling scope, where the cost of providing 106 basic local telecommunications service as determined by the commission, giving due regard to 107 recovery of an appropriate share of joint and common costs as well as those costs related to 108 carrier of last resort obligations, exceeds the rate for basic local telecommunications service 109 found reasonable by the commission;

110 (22) "Incumbent local exchange telecommunications company", a local exchange telecommunications company authorized to provide basic local telecommunications service in 111 112 a specific geographic area as of December 31, 1995, or a successor in interest to such a company;

113 (23) "Interconnected voice over internet protocol service", service that:

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(a) Enables real-time, two-way voice communications;

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(b) Requires a broadband connection from the user's location; 116 (c) Requires internet protocol-compatible customer premises equipment; and

117 (d) Permits users generally to receive calls that originate on the public switched 118 telephone network and to terminate calls to the public switched telephone network;

119 (24) "Interexchange telecommunications company", any company engaged in the 120 provision of interexchange telecommunications service;

121 (25) "Interexchange telecommunications service", telecommunications service between 122 points in two or more exchanges;

(26) "InterLATA", interexchange telecommunications service between points in different
 local access and transportation areas;

(27) "IntraLATA", interexchange telecommunications service between points within the
 same local access and transportation area;

(28) "Light rail" includes every rail transportation system in which one or more rail vehicles are propelled electrically by overhead catenary wire upon tracks located substantially within an urban area and are operated exclusively in the transportation of passengers and their baggage, and including all bridges, tunnels, equipment, switches, spurs, tracks, stations, used in connection with the operation of light rail;

132 (29) "Line" includes route;

(30) "Local access and transportation area" or "LATA", contiguous geographic area
approved by the U.S. District Court for the District of Columbia in United States v. Western
Electric, Civil Action No. 82-0192 that defines the permissible areas of operations for the Bell
Operating companies;

(31) "Local exchange telecommunications company", any company engaged in the
provision of local exchange telecommunications service. A local exchange telecommunications
company shall be considered a "large local exchange telecommunications company" if it has at
least one hundred thousand access lines in Missouri and a "small local exchange
telecommunications company" if it has less than one hundred thousand access lines in Missouri;
(32) "Local exchange telecommunications service", telecommunications service between

143 points within an exchange;

144 (33) "Long-run incremental cost", the change in total costs of the company of producing 145 an increment of output in the long run when the company uses least cost technology, and 146 excluding any costs that, in the long run, are not brought into existence as a direct result of the 147 increment of output. The relevant increment of output shall be the level of output necessary to 148 satisfy total current demand levels for the service in question, or, for new services, demand levels 149 that can be demonstrably anticipated;

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(34) "Municipality" includes a city, village or town;

(35) "Nonbasic telecommunications services" shall be all regulated telecommunications services other than basic local and exchange access telecommunications services, and shall include the services identified in paragraphs (d) and (e) of subdivision (4) of this section. Any retail telecommunications service offered for the first time after August 28, 1996, shall be classified as a nonbasic telecommunications service, including any new service which does not replace an existing service;

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(36) "Noncompetitive telecommunications company", a telecommunications company
other than a competitive telecommunications company or a transitionally competitive
telecommunications company;

(37) "Noncompetitive telecommunications service", a telecommunications service other
 than a competitive or transitionally competitive telecommunications service;

(38) "Operator services", operator-assisted interexchange telecommunications service
by means of either human or automated call intervention and includes, but is not limited to,
billing or completion of calling card, collect, person-to-person, station-to-station or third number
billed calls;

(39) "Operator services contract", any agreement between a traffic aggregator and a
 certificated interexchange telecommunications company to provide operator services at a traffic
 aggregator location;

(40) "Person" includes an individual, and a firm or copartnership;

(41) "Private shared tenant services" includes the provision of telecommunications and information management services and equipment within a user group located in discrete private premises as authorized by the commission by a commercial-shared services provider or by a user association, through privately owned customer premises equipment and associated data processing and information management services and includes the provision of connections to the facilities of local exchange telecommunications companies and to interexchange telecommunications companies;

(42) "Private telecommunications system", a telecommunications system controlled by
a person or corporation for the sole and exclusive use of such person, corporation or legal or
corporate affiliate thereof;

(43) "Public utility" includes every pipeline corporation, gas corporation, electrical
corporation, telecommunications company, water corporation, heat or refrigerating corporation,
and sewer corporation, as these terms are defined in this section, and each thereof is hereby
declared to be a public utility and to be subject to the jurisdiction, control and regulation of the
commission and to the provisions of this chapter;

(44) "Railroad" includes every railroad and railway, other than street railroad or light rail, by whatsoever power operated for public use in the conveyance of persons or property for compensation, with all bridges, ferries, tunnels, equipment, switches, spurs, tracks, stations, real estate and terminal facilities of every kind used, operated, controlled or owned by or in connection with any such railroad;

(45) "Railroad corporation" includes every corporation, company, association, joint stock
 company or association, partnership and person, their lessees, trustees or receivers appointed by
 any court whatsoever, owning, holding, operating, controlling or managing any railroad or

railway as defined in this section, or any cars or other equipment used thereon or in connectiontherewith;

(46) "Rate", every individual or joint rate, fare, toll, charge, reconsigning charge,
switching charge, rental or other compensation of any corporation, person or public utility, or any
two or more such individual or joint rates, fares, tolls, charges, reconsigning charges, switching
charges, rentals or other compensations of any corporation, person or public utility or any
schedule or tariff thereof;

(47) "Resale of telecommunications service", the offering or providing of
 telecommunications service primarily through the use of services or facilities owned or provided
 by a separate telecommunications company, but does not include the offering or providing of
 private shared tenant services;

(48) "Service" includes not only the use and accommodations afforded consumers or patrons, but also any product or commodity furnished by any corporation, person or public utility and the plant, equipment, apparatus, appliances, property and facilities employed by any corporation, person or public utility in performing any service or in furnishing any product or commodity and devoted to the public purposes of such corporation, person or public utility, and to the use and accommodation of consumers or patrons;

(49) "Sewer corporation" includes every corporation, company, association, joint stock company or association, partnership or person, their lessees, trustees or receivers appointed by any court, owning, operating, controlling or managing any sewer system, plant or property, for the collection, carriage, treatment, or disposal of sewage anywhere within the state for gain, except that the term shall not include sewer systems with fewer than twenty-five outlets;

(50) "Sewer system" includes all pipes, pumps, canals, lagoons, plants, structures and
appliances, and all other real estate, fixtures and personal property, owned, operated, controlled
or managed in connection with or to facilitate the collection, carriage, treatment and disposal of
sewage for municipal, domestic or other beneficial or necessary purpose;

219 (51) "Street railroad" includes every railroad by whatsoever type of power operated, and 220 all extensions and branches thereof and supplementary facilities thereto by whatsoever type of 221 vehicle operated, for public use in the conveyance of persons or property for compensation, 222 mainly providing local transportation service upon the streets, highways and public places in a 223 municipality, or in and adjacent to a municipality, and including all cars, buses and other rolling 224 stock, equipment, switches, spurs, tracks, poles, wires, conduits, cables, subways, tunnels, 225 stations, terminals and real estate of every kind used, operated or owned in connection therewith 226 but this term shall not include light rail as defined in this section; and the term "street railroad" 227 when used in this chapter shall also include all motor bus and trolley bus lines and routes and 228 similar local transportation facilities, and the rolling stock and other equipment thereof and the

appurtenances thereto, when operated as a part of a street railroad or trolley bus local transportation system, or in conjunction therewith or supplementary thereto, but such term shall not include a railroad constituting or used as part of a trunk line railroad system and any street railroad as defined above which shall be converted wholly to motor bus operation shall nevertheless continue to be included within the term street railroad as used herein;

(52) "Telecommunications company" includes telephone corporations as that term is used in the statutes of this state and every corporation, company, association, joint stock company or association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, owning, operating, controlling or managing any facilities used to provide telecommunications service for hire, sale or resale within this state;

(53) "Telecommunications facilities" includes lines, conduits, ducts, poles, wires, cables,
crossarms, receivers, transmitters, instruments, machines, appliances and all devices, real estate,
easements, apparatus, property and routes used, operated, controlled or owned by any
telecommunications company to facilitate the provision of telecommunications service;

(54) "Telecommunications service", the transmission of information by wire, radio,
optical cable, electronic impulses, or other similar means. As used in this definition,
"information" means knowledge or intelligence represented by any form of writing, signs,
signals, pictures, sounds, or any other symbols. Telecommunications service does not include:

(a) The rent, sale, lease, or exchange for other value received of customer premises
equipment except for customer premises equipment owned by a telephone company certificated
or otherwise authorized to provide telephone service prior to September 28, 1987, and provided
under tariff or in inventory on January 1, 1983, which must be detariffed no later than December
31, 1987, and thereafter the provision of which shall not be a telecommunications service, and
except for customer premises equipment owned or provided by a telecommunications company
and used for answering 911 or emergency calls;

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(b) Answering services and paging services;

(c) The offering of radio communication services and facilities when such services and
 facilities are provided under a license granted by the Federal Communications Commission
 under the commercial mobile radio services rules and regulations;

(d) Services provided by a hospital, hotel, motel, or other similar business whose
principal service is the provision of temporary lodging through the owning or operating of
message switching or billing equipment solely for the purpose of providing at a charge
telecommunications services to its temporary patients or guests;

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(f) Cable television service:

264 (g) The installation and maintenance of inside wire within a customer's premises;

(e) Services provided by a private telecommunications system;

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265 (h) Electronic publishing services;

(i) Services provided pursuant to a broadcast radio or television license issued by theFederal Communications Commission; or

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(j) Interconnected voice over internet protocol service;

(55) "Telephone cooperative", every corporation defined as a telecommunications company in this section, in which at least ninety percent of those persons and corporations subscribing to receive local telecommunications service from the corporation own at least ninety percent of the corporation's outstanding and issued capital stock and in which no subscriber owns more than two shares of the corporation's outstanding and issued capital stock;

(56) "Traffic aggregator", any person, firm, partnership or corporation which furnishes
a telephone for use by the public and includes, but is not limited to, telephones located in rooms,
offices and similar locations in hotels, motels, hospitals, colleges, universities, airports and
public or customer-owned pay telephone locations, whether or not coin operated;

(57) "Transitionally competitive telecommunications company", an interexchange
 telecommunications company which provides any noncompetitive or transitionally competitive
 telecommunications service, except for an interexchange telecommunications company which
 provides only noncompetitive telecommunications service;

(58) "Transitionally competitive telecommunications service", a telecommunications
service offered by a noncompetitive or transitionally competitive telecommunications company
and classified as transitionally competitive by the commission pursuant to section 392.361 or
392.370;

(59) "Water corporation" includes every corporation, company, association, joint stock company or association, partnership and person, their lessees, trustees, or receivers appointed by any court whatsoever, owning, operating, controlling or managing any plant or property, dam or water supply, canal, or power station, distributing or selling for distribution, or selling or supplying for gain any water;

(60) "Water system" includes all reservoirs, tunnels, shafts, dams, dikes, headgates,
pipes, flumes, canals, structures and appliances, and all other real estate, fixtures and personal
property, owned, operated, controlled or managed in connection with or to facilitate the
diversion, development, storage, supply, distribution, sale, furnishing or carriage of water for
municipal, domestic or other beneficial use.

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