

Mark P. Johnson 816,460,2424 mjohnson@sonnenschein.com 4520 Main Street Suite 1100 Kansas City, MO 64111 816.460.2400 816.531.7545 fax www.sonnenschein.com

Chicago Kansas City Los Angeles New York San Francisco Short Hills, N.J. St. Louis Washington, D.C. West Palm Beach

September 5, 2003

Via Federal Express

Mr. Dale H. Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 100 Jefferson City, Missouri 65102-0360



SEP 0 8 2003

Missouri Public Service Commission

RE: In the Matter of the Application of Granite Telecommunications, LLC for a Certificate of Service Authority to Provide Intrastate Resold Interexchange Services and Resold and Facilities-Based Basic Local and Local Exchange Telecommunications Services, and for Designation as a Competitive Telecommunications Company

Dear Mr. Roberts:

Please find enclosed the original and eight copies of the following documents to be filed with the Commission:

1. Application for Certificate of Service Authority to Provide Intrastate Interexchange Services, Basic Local, and Local Exchange Services, and for Competitive Designation; and

2. Application for Protective Order for Financial Statements.

Please return one "filed" copy of each document to me in the enclosed return envelope.

By copy of this letter, I have served two copies of the enclosed Application on the Office of Public Counsel.

Thank you in advance for bringing this Application to the Commission's attention.

Very truly yours,

Mark P. Johnson

MPJ/rgr Enclosures

cc: Office of Public Counsel (w/enclosures) General Counsel (w/enclosures)

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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| In the Matter of the Application of |
|---------------------------------------|
| Granite Telecommunications, LLC for a |
| Certificate of Service Authority |
| to Provide Intrastate |
| Resold Interexchange Services |
| and Resold and Facilities-Based |
| Basic Local and Local Exchange |
| Telecommunications Services, and for |
| Designation as a Competitive Tele- |
| Communications Company. |
| |

Case No. XA-2003-____

FILED⁴

SEP 0 8 2003

Missouri Public Service Commission

APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY TO PROVIDE INTRASTATE INTEREXCHANGE SERVICES, BASIC LOCAL, AND LOCAL EXCHANGE SERVICES, AND FOR COMPETITIVE DESIGNATION

COMES NOW Granite Telecommunications, LLC ("Granite" or "Company") and hereby applies for (1) a Certificate of Service Authority to provide intrastate interexchange services, basic local, local exchange services, pursuant to Mo. Rev. Stat. §§ 392.410 and 392.440, (2) designation as a competitive telecommunications carrier pursuant to Mo. Rev. State. § 392.361.3, and (3) waiver of certain Commission rules and statutory provisions pursuant to Mo. Rev. Stat. §§ 392.420 and 392.651. In support of its Application, Applicant states as follows:

1. Applicant is a limited liability company organized under the laws of the State of

Delaware on April 1, 2002. Applicant's principal office is located at:

Granite Telecommunications, LLC 234 Copeland Street Quincy, MA 02169 Telephone: 617.847.1500 Facsimile: 617.847.0931

2. A copy of Applicant's Certificate of Formation is attached hereto as Exhibit A.

3. Applicant's Application for Registration of a Foreign Limited Liability Company in Missouri is attached hereto as **Exhibit B** and Applicant's Certificate of Good Standing to operate as a Foreign Limited Liability Company is attached hereto as **Exhibit C**.

4. Correspondence and communications concerning this Application and attached tariff may be directed to Applicant's Regulatory Consultant:

Andrew O. Isar Miller Isar, Inc. 7901 Skansie Avenue, Suite 240 Gig Harbor, Washington 98335 Telephone: 253.851.6700 Facsimile: 253.851.6474 Email: aisar@millerisar.com

and to Applicant's in-state counsel:

Mark P. Johnson, Esq. Trina R. LeRiche, Esq. Sonnenschein Nath & Rosenthal 4520 Main Street, Suite 1100 Kansas City, Missouri 64111 Telephone: 816.460.2400 Facsimile: 816.531.7545 Email: mjohnson@sonnenschein.com tleriche@sonnenschein.com

5. Applicant requests authority to provide interexchange (switched and non-switched services) and competitive basic local and local exchange telecommunications services throughout the state of Missouri to commercial and residential subscribers. These services will be offered twenty-four (24) hours per day, seven (7) days a week, at rates, terms and conditions established by Applicant. Applicant also seeks designation as a competitive telecommunications company, as all of the services it proposes to provide in Missouri will be subject to sufficient competition for designation as competitive telecommunications services. Applicant will provide basic local telecommunications services in the exchanges served by Southwestern Bell

Telephone Company, Sprint-United Telephone Company, and CenturyTel (formerly GTE's exchanges). Applicant does not intend to provide basic local telecommunications services in rural exchanges. Applicant will do business as Granite Telecommunications, LLC.

6. Applicant submits that the public interest will be served by Commission approval of the Application because Applicant's proposed services will create and enhance competition and expand customer service options, consistent with the legislative goals set forth in the federal Telecommunications Act of 1996 and Mo. Rev. Stat. Chapter 392. Prompt approval of this Application also will expand the availability of innovative, high quality, and reliable telecommunications services within the State of Missouri.

7. Applicant possesses the technical and managerial expertise and experience necessary to provide the services it proposes. Descriptions of the backgrounds of Applicant's management team, which demonstrate its extensive experience and expertise, are attached hereto and incorporated herein by reference as **Exhibit D**.

8. Applicant's proposed tariff containing the rates, terms, and conditions applicable to its proposed provision of service in Missouri, with a forty-five (45) day effective date, is attached hereto as **Exhibit E** to this Application. Applicant seeks Commission approval of its proposed tariff.

9. Applicant requests that the Commission grant it the waivers of statutory and regulatory requirements that are normally granted for competitive basic local, local exchange, and interexchange carriers in Missouri. Applicant will provide competitive telecommunications services and as such the requested waivers are appropriate. Mo. Rev. Stat. §§ 392.361 and 392.420.

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10. Applicant requests competitive classification for the services described in its proposed tariff, in that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation, consistent with protection of ratepayers and promotion of the public interest. Mo. Rev. Stat. § 392.361.4.

11. Applicant requests classification as a competitive telecommunications company on the basis that all telecommunications services which it proposes to offer should be classified as competitive telecommunications services. Mo. Rev. Stat. § 392.3613.

12. Applicant is a privately held corporation with the financial ability to provide quality, continuous data telecommunications services. Applicant provides financial statements demonstrating applicant's financial viability, attached hereto as **Exhibit F**. Applicant is filing an application for a protective order concerning the records contained in Exhibit F, in light of the competitively sensitive information contained in those records. The original and eight copies of Exhibit F are filed in a sealed envelope. Applicant requests that pending the Commission's ruling on the application for a protective order, the documents in the sealed envelope not be made available for public inspection.

13. Applicant will comply with Mo. Rev. Stat. § 392.200, and will not unjustly discriminate among its customers.

14. Pursuant to Mo. Rev. Stat. § 386.570, Applicant will comply with all applicable Commission rules, except those specifically waived by the Commission in response to Applicant's request herein.

15. Applicant respectfully requests, pursuant to Mo. Rev. Stat. § 392.420, that the Commission suspend, waive or modify the application of the following rules and statutory provisions, to Applicant as a competitive local exchange and interexchange company:

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Missouri Commission Rules

| 4 CSR 240-10.020 | Depreciation fund income. |
|-----------------------|---|
| 4 CSR 240-30.040 | Uniform system of accounts. |
| 4 CSR 240-33.030 | Inform customers of lowest price. |
| 4 CSR 240.3.545(2)(c) | Posting of Rate Schedules |
| | Missouri Statutes |
| Section 392.210.2 | Uniform System of Accounts. |
| Section 392.240(1) | Just and Reasonable Rates. |
| Section 392.270 | Ascertain Property Values. |
| Section 392.280 | Depreciation Accounts. |
| Section 392.290 | Issuance of Securities. |
| Section 392.300.2 | Acquisition of Stock. |
| Section 392.310 | Issuance of Stocks and Debt. |
| Section 392.320 | Stock Dividend Payment. |
| Section 392.330 | Issuance of Securities, Debts, and Notes. |
| Section 392.340 | Reorganizations. |

The above-referenced rules and statutory provisions have been waived with regard to other competitive local and interexchange carriers in prior cases. These provisions primarily are designed to apply to noncompetitive telecommunications carriers. It would be inconsistent with the goal and purpose of Mo. Rev. Stat. § 392.530 to apply these provisions to a competitive telecommunications carrier such as Applicant.

16. No public utility will be affected by granting the requested waivers.

17. Applicant has no annual reports or regulatory assessment fees that are overdue in

Missouri.

18. Applicant has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates. Furthermore, no action, judgment or decision involving customer service or rates has been entered within three (3) years of this Application's filing date.

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WHEREFORE, Granite Telecommunications, LLC respectfully requests the Commission to grant it a Certificate of Authority to provide competitive interexchange, basic local, and local exchange telecommunications services in the state of Missouri; classify Applicant's telecommunications services as competitive; classify Applicant as a competitive telecommunications company; waive certain statutory and regulatory requirements; approve Applicant's proposed tariff; and grant such other relief as the Commission deems appropriate.

Respectfully submitted,

SONNENSCHEIN NATH & ROSENTHAL

By:

Mark P. Johnson MO Bar #30740 Trina R. LeRiche MO Bar #46080 4520 Main Street, Suite 1100 Kansas City, Missouri 64111 Phone: 816.460.2400 Fax: 816.531.7545 Email: mjohnson@sonnenschein.com Tleriche@sonnenschein.com

ATTORNEYS FOR GRANITE TELECOMMUNICATIONS, LLC

VERIFICATION

| STATE OF MISSOURI |) |
|-------------------|-------|
| |) SS: |
| COUNTY OF JACKSON |) |

COMES NOW Mark P. Johnson, being of lawful age and duly sworn, who swears and affirms as follows:

My name is Mark P. Johnson, and I am an attorney for Granite 1. Telecommunications, Inc. ("Applicant"). In that capacity, I am authorized to verify the statements contained in the Application above, and the information contained therein, on behalf of Applicant.

2. The information contained in the above-described document is true and accurate to the best of my knowledge and belief.

Johnson

Subscribed and sworn to before me this 5 day of Sept. , 2003.

My Commission Expires:

KAREN M. STALKER Notary Public - Notary Seal STATE OF MISSOURI Jackson County My Commission Expires: April 20, 2006

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been mailed, postage prepaid, this <u>5/h</u> day of <u>September</u> 2003, to:

Office of the Public Counsel P.O. Box 7800 Jefferson City, Missouri 65102

General Counsel Missouri Public Service Commission 200 Madison Street P.O. Box 360 Jefferson City, Missouri 65102

MAGA

LISTING OF EXHIBITS

| <u>EXHIBIT</u> | DESCRIPTION |
|----------------|---|
| А | Certificate of Formation |
| В | Application for Registration as a Foreign LLC |
| С | Certificate of Corporate Good Standing |
| D | Senior Management Experience |
| E | Proposed Missouri Tariff |
| F | Financial Statements |

EXHIBIT A

Certificate of Formation (attached)



The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "GRANITE TELECOMMUNICATIONS, LLC", FILED IN THIS OFFICE ON THE FIRST DAY OF APRIL, A.D. 2002, AT 9 O'CLOCK A.M.



Darriet Smith Windson

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Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1700104

Received: 5/ 2/02 15:23;

5-02-202 1:03AM FROM

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-> NETWORK PLUS; Page 8

STATE OF DELAWARE SECRETARY OF STATE DIVISION OF CORPORATIONS FILED 09:00 AM 04/01/2002 020210189 - 3509271

STATE of DELAWARE LIMITED LIABILITY COMPANY CERTIFICATE of FORMATION

- First: The name of the limited liability company is _____ GRANITE TELECOMMUNICATIONS, LLC

The name of its Registered agent at such address is ______ Corporate Systems Inc.

- Third: (Use this paragraph only if the company is to have a specific effective date of dissolution.) "Brothoesk tracoporticitation of the company is to have a specific effective date of
- Fourth: (Insert any other matters the members determine to include herein.)

. . .

In Witness Whereof, the undersigned have executed this Certificate of Formation of 0² April GRANITE TELECOMMUNICATIONS, LLC this 1st day of BY: Authorized Person(s) Mark A. Tanner NAME:

Type or Print

P.6

EXHIBIT B

Application for Registration as a Foreign LLC (attached)

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| P.C. | | · | File Number: 200321812921 Charter # FL0534647 Date Filed: 08/05/2003 02:09 PM Matt Blunt Corport P.O. Bo Jefferrion City, MO 65102 | |
|---------|--|--|--|--|
| | | | | |
| | | P.O. B | | |
| | | tion for Registration of a Foreign imited Liability Company Submit in duplicate with filing fee of \$105.00) | | |
| (1) | The name of the foreign limited liability company is: Granite Telecommunications, LLC | | | |
| (2) | | ed liability company will conduct business in Mis LC", "LLC", "L.C.", or "L.L.C.") (must be filled | | |
| (3) | The foreign limited liability company was formed under the laws ofOelaware on the | | | |
| | | (mond | h/day/year, event, or perpetual) | |
| (4) | state is: | ity company or the general character of the busin | ess it proposes to transact in this | |
| | Telecommunications | | | |
| (5) | The name and address of the limited lial include a street address): | oility company's registered agent in Missouri is (t | his line <u>must</u> be completed and | |
| | | 00-B East High Street, Jefferson City, MO 65 ox may only be used in conjunction with a physical street add | | |
| | | ss if the foreign limited liability company fails to maintain a t | | |
| (6) | foreign limited liability company is: | ne jurisdiction organized. If none required, then t | he principal office address of the | |
| | 234 Copeland Street, Quincy, MA (Name Address (P.O. B | 2169 ox may <u>only</u> be used in conjunction with a physical street add | dress) City/State/Zip | |
| (7) | For tax purposes, is the limited liability | · <u> </u> | no | |
| | In affirmation thereof, the facts states | Bobert T. Hait | | |
| | (Authorized Signature) (Authorized Signature) | (Printed Name) (Printed Name) | (Date) | |
| LLC-4(1 | (Authorized Signature) (2702) | (Printed Name) | (Date) | |
| | · . | | | |

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EXHIBIT C

Certificate of Corporate Good Standing (attached)



Matt Blunt Secretary of State CERTIFICATE OF REGISTRATION FOREIGN LIMITED LIABILITY COMPANY

WHEREAS,

Granite Telecommunications, LLC FL0534647

Using in Missouri the name

Granite Telecommunications, LLC

and existing under the laws of the State of Delaware has filed with this state its Application for Registration and whereas this Application for Registration conforms to the Missouri Limited Company Act.

NOW, THEREFORE, I, MATT BLUNT, Secretary of State of the State of Missouri, by virtue of authority vested in me by law, do hereby certify and declare that on the 5th day of August, 2003, the above Foreign Limited Liability Company is duly authorized to transact business in the State of Missouri and is entitled to any rights granted Limited Liability Companies.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 5th day of August, 2003.

Secretary of State

EXHIBIT D

Senior Management Experience

GRANITE TELECOMMUNICATIONS, LLC

Robert Hale Jr., President/Chief Executive Officer

Robert Hale, Jr. is the co-founder, president, and chief executive officer of Granite Telecommunications, LLC. Mr. Hale gained previous experience in telecommunications sales through his positions at MCI, US Telecenters (a reseller of NYNEX) and Network Plus, Inc. before he co-founded Granite Telecommunications. Rob has been recognized by industry publications for his leadership in new technologies and was named to the Top 30 of the Most Influential People in Telecom by Phone + Magazine in November 1999. Rob is also very actively involved with the Big Brother Foundation and Make-A-Wish Foundation of Greater Boston.

Robert Hale, Sr., Chairman of the Board

Robert Hale has over thirty-five years of experience in telecommunications, domestics, and importing industries. Prior to co-founding Granite Telecommunications, LLC, Mr. Hale co-founded Network Plus, Inc. and served as its Chairman of the Board of Directors from 1990 to 2002. He is a founding member of the Telecommunications Resellers Association, now known as the Association of Communications Enterprises, served as chairman of its Carrier Committee, since 1993, and served as chairman of its board from 1995 to 1997. Mr. Hale was president of Hampshire Imports, the original importer of Laura Ashley Women's Wear to the U.S. and a manufacturer of exclusive women's apparel, from 1968 to 1992.

Rand Currier, Vice President, Operations

Rand Currier has over fifteen years experience in telecommunications. Mr. Currier previously worked at Network Plus, Inc. from 1998 to 2002, ending his tenure as Senior Vice President of Operations and Wholesale. Rand was with Sprint International/Global One from 1988 to 1998 directing project management teams on Asia/Pacific ventures and large USA projects. Mr. Currier holds an M.B.A degree in finance and international business from The American University and a B.S. degree from HLC, both with Honors.

Geoff Cookman, Director, Regulatory Affairs and Carrier Relations

Geoff Cookman has 10 years of experience in the competitive communications industry. Mr. Cookman most recently served as the Director of Cost of Access for Network Plus, Inc. Mr. Cookman's areas of experience include, Access Cost Management, Contract Negotiation and Carrier Relations, Network Planning and Engineering, Network Maintenance and Repair, State and Federal Regulatory Affairs, Pricing and Product Management, Sales and Customer Support, DMS Switch Engineering and Translations, Communications Taxes and Credit/Collections Management. Mr. Cookman holds a B.S. degree from Norwich University.

EXHIBIT E

Proposed Missouri Combined Tariff (attached)