

FILED

APR 04 2006

Missouri Public
Service Commission

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of)	
the Application of)	
Granite Telecommunications, LLC for)	
Expanded Local Exchange Service)	Case No.
Authority to Provide Local Exchange)	
Services in the Missouri Service Territory)	
Served by Alltel Missouri)	
)	

APPLICATION OF
GRANITE TELECOMMUNICATIONS, LLC
FOR EXPANDED LOCAL EXCHANGE SERVICE AUTHORITY IN
ALLTEL MISSOURI SERVICE TERRITORY

COMES NOW Granite Telecommunications, LLC, ("Applicant"), and pursuant to Chs. 392.410, 392.420, 392.430, 392.440, 392.450, 392.451 and 392.455 RSMo. and the federal Telecommunication Act of 1996 and 4 CSR 240-2.060 and 3.510, hereby applies to the Public Service Commission of the State of Missouri ("Commission") for expanded local exchange service authority to provide basic local exchange and other local exchange telecommunications services in Missouri local exchanges currently served by Alltel Missouri, Inc. ("Alltel"). Applicant has entered into a resale interconnection agreement with Alltel. The Alltel interconnection agreement will enable Applicant to provide resold local exchange services in Alltel's Missouri service area upon approval of the instant Application and subsequent approval of Applicant's interconnection agreement with Alltel. In support of its Application, Application states as follows:

1. Applicant was organized under the laws of the State of Delaware on April 1, 2002. Applicant's principal office is located at:

Granite Telecommunications, LLC
100 Newport Avenue Ext.
Quincy, MA 02171
Telephone: 617.933.5500
Toll Free: 866.847.5500
Facsimile: 617.687.6446

2. Applicant's Certificate of Corporate Good Standing is attached hereto as **Exhibit A.**

3. Correspondence and communications concerning this Application 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 MO Bar #30740
Roger W. Steiner MO Bar #39586
Sonnenschein Nath & Rosenthal
4520 Main Street, Suite 1100
Kansas City, Missouri 64111
Telephone: 816.460.2400
Facsimile: 816.531.7545
Email: johnson@sonnenschein.com
rsteiner@sonnenschein.com

4. On December 3, 2003, Applicant was granted a certificate of service authority to provide basic local telecommunications services in the exchanges of Southwestern Bell Telephone, L.P, d/b/a SBC Missouri, CenturyTel of Missouri, LLC, Spectra Communications Group, LLC, and Sprint Missouri, Inc., d/b/a Sprint and

interexchange telecommunications services statewide.¹ Applicant's combined local exchange and interexchange tariff, Missouri P.S.C. Tariff No. 1, became effective on December 5, 2003. Applicant has demonstrated its technical, financial, and managerial ability to provide telecommunications services in Missouri, and has diligently and responsibly served Missouri subscribers throughout its authorized service area for more than two years, in accordance with applicable Commission regulation and statutes. Applicant now seeks expanded local exchange service authority to offer resold local basic and other local exchange services in the Missouri exchanges currently served by Alltel, primarily to existing subscribers with additional locations served by Alltel exchanges. Applicant maintains the technical, managerial, and financial ability to provide local exchange services now in Alltel exchanges.

5. On November 21, 2005, Applicant entered into an interconnection agreement with Alltel.² Under the terms of this Agreement, Granite may resell Alltel local exchange services and ancillary functions to subscribers located in exchanges currently served by Alltel within the State of Missouri. Submission of this Agreement to the Commission for review and approval is pending Commission approval of the instant Application.³

¹ See, e.g. *In the Matter of the Application of Granite Telecommunications, LLC, for a Certificate of Service Authority to Provide Basic Local and Local Exchange Telecommunications Services, and for Designation as a Competitive Telecommunications Company*, Case No. LA-2004-0124 Tariff File No. YL-2004-0296 (December 3, 2003).

² *Interconnection Agreement between Granite Telecommunications, LLC and Alltel Missouri, Inc. for the State of Missouri*.

³ On March 8, 2006, Alltel informed Applicant that Alltel's State Regulatory Department had been notified by the Commission that the Granite's Application for expanded certificate of service authority would require Commission approval before the Alltel interconnection agreement would be accepted for filing.

6. Alltel is a “small [incumbent] local exchange telecommunications company” as defined under Missouri law.⁴ Pursuant to RSMo. Chapter 392.451(1), “[t]he commission shall approve an application for a certificate of local exchange service authority to provide basic local telecommunications service or for the resale of basic local telecommunications service in an area that is served by a small incumbent local exchange telecommunications company only upon a showing by the applicant, and a finding by the commission, after notice and hearing, that:

(1) The applicant shall, throughout the service area of the incumbent local exchange telecommunication company, offer all telecommunications services which the commission has determined are essential for purposes of qualifying for state universal service fund support; and

(2) The applicant shall advertise the availability of such essential services and the charges therefor using media of general distribution.

Applicant avers compliance with these statutory obligations for the provision of local exchange services in Alltel exchanges.

7. Applicant shall, throughout Alltel’s service area, offer all telecommunications services which the Commission has determined are essential for the purposes of qualifying for state universal service fund support. Applicant shall advertise the availability of such essential services and the charges therefore using media of general distribution.

8. Applicant currently provides local exchange and interexchange services under the rates, terms, and conditions set forth in Applicant’s Missouri P.S.C Tariff No. 1

⁴ RSMo. Chapter 386.020(30).

("Tariff"). Applicant currently offers a "Residential Local Exchange Service,"⁵ which will also be available under like rates, terms, and conditions in Alltel service territory upon grant of the instant Application.

9. Applicant's new exchanges will follow the boundaries of Alltel's respective exchanges and will not be smaller than Alltel's respective exchanges. Applicant's services meet established Commission standards. Applicant will continue to offer basic local service as a separate and distinct service, including in Alltel's exchanges.

10. This Application has been precipitated by Alltel's willingness to enter into a resale agreement with Applicant. Applicant will limit the availability of local exchange services exclusively to the service areas in which it currently maintains local exchange authority including those served by Alltel, following Commission approval of the instant Application.

11. Applicant submits that the public interest will be served by Commission approval of its *Application for Expanded Local Exchange Service Authority in Alltel Missouri Service territory*. Applicant's proposed authority will create and enhance competition and expand customer service options to Missouri telecommunications subscribers, 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 and service support within the State of Missouri.

⁵ See, e.g., Tariff Section 3.1.5.at Sheet No. 49.

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

13. Applicant requests that the Commission the waivers of statutory and regulatory requirements normally granted for competitive basic local, local exchange, and interexchange carriers in Missouri already granted to Applicant, be also waived for Applicant in Alltel service territory. Applicant will provide competitive telecommunications services and as such extension of the current waivers are appropriate in Alltel service territory.⁶

14. Applicant will comply with all applicable Commission rules, except those that are waived by the Commission, in providing basic local service in the new service area. Specifically Applicant will file and maintain tariffs and meet minimum service standards, including quality of service and billing standards, as the Commission requires of Alltel. Applicant will make reports to and other information filings with the Commission as is required of Alltel. Consistent with the Commission's current treatment of Applicant and other certificated competitive local exchange telecommunications companies, applicant requests that the following statutes and regulations be waived regarding Applicant's basic local exchange telecommunications service in the new service area:

<u>Statutes</u>	<u>Missouri Public Service Commission Rules</u>
392.210.2	4 CSR 240-10.020
392.240 (1)	4 CSR 240-30.040

⁶ See e.g. RSMo. §§ 392.361 and 392.420.

392.270 4 CSR 240-3.550(5)(C)
392.280
392.290
392.300.2
392.310
392.320
292.330
392.340

The Commission has previously determined that there is good cause and reason for waiving these statutes and regulations for competitive companies and basic local service and such determination remains sound. No public utility will be affected by the requested waiver of these statutes and regulations. Notwithstanding those waivers, Applicant will comply with the same rules and regulations as the Commission may impose on Alltel.

15. Applicant requests that competitive classification already granted to Applicant for the services described in its tariff also apply to Applicant in Alltel service territory.⁷

16. Applicant has previously demonstrated financial ability to provide quality, continuous data telecommunications services. Applicant provides current financial statements demonstrating Applicant's continued financial viability, attached hereto as **Exhibit C**. Applicant is filing an application for a protective order concerning the confidential financial data contained in **Exhibit C**, in light of the competitively sensitive information contained in those data. The original and eight copies of **Exhibit C** 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.

⁷ See e.g. RSMo. § 392.361.4.

17. Applicant will continue to comply with RSMo. § 392.200, and will not unjustly discriminate among its customers, now in Alltel service territory.

18. Applicant is unaware of any outstanding annual reports or regulatory assessment fees that are overdue in Missouri.

19. 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.

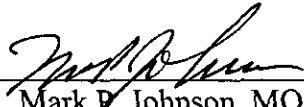
20. Notwithstanding the provisions of Ch. 392.500, RSMo., as a condition of certification and competitive classification, Applicant agrees that, unless otherwise ordered by the Commission, its originating and terminating switched exchange access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each ILEC within whose service area(s) Applicant seeks authority to provide service. Additionally, pursuant to the Commission's Report and Order in Case No. TO-99-596, Applicant agrees that if the ILEC in whose service area Applicant is operating decreases its originating and/or terminating access service rates, Applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates within thirty (30) days of the ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap on switched exchange access rates.

WHEREFORE, Granite Telecommunications, LLC respectfully requests the Commission to grant it a Certificate of Authority to provide basic local and local exchange telecommunications services in the service territory of Alltel; classify Applicant's telecommunications services in the service territory of Alltel 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,

SONNENSCHN NATH & ROSENTHAL

By: 
Mark P. Johnson, MO Bar #30740
Roger W. Steiner, MO Bar #39586
4520 Main Street, Suite 1100
Kansas City, Missouri 64111
Phone: 816.460.2400
Fax: 816.531.7545
Email: johnson@sonnenschein.com
rsteiner@sonnenschein.com

ATTORNEYS FOR
GRANITE TELECOMMUNICATIONS, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been mailed, or sent via email, this 3rd day of April, 2006, 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



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GRANITE TELECOMMUNICATIONS, LLC

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Services in the Missouri Service Territory)
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LISTING OF EXHIBITS

<u>Exhibit</u>	<u>Item</u>
A	Certificate of Corporate Good Standing
B	Proposed Tariff Amendments
C	Confidential Financial Statements Proposed Protective Order



Robin Carnahan
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

GRANITE TELECOMMUNICATIONS, LLC

doing business in Missouri the name

GRANITE TELECOMMUNICATIONS, LLC
FL0534647

is a DELAWARE entity was created under the laws of this State on the 5th day of August, 2006 and is in good standing, having fully complied with all requirements of this office.

IN WITNESS WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 14th day of March, 2006

Robin Carnahan

Secretary of State

