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August 29, 2002

Missouri Public Service Commission Attn: Secretary of the Commission 200 Madison Street, Suite 100 P. O. Box 360 Jefferson City, MO 65102-0360

AUG 2 9 2002

Missouri Public Sarvice Commission

RE:

Case No.

Joint Application for Approval of a Transaction whereby NUI Telecom, Inc., will acquire the assets (including all **Interexchange customers**) of Telcorp, Ltd.

Dear Secretary:

Enclosed for filing with the Commission please find an original and eight copies of the <u>Joint Application</u> of NUI Telecom, Inc. and Telcorp, Ltd. for approval of a transaction whereby NUI Telecom will acquire the assets of Telcorp, including all of Telcorp's **Interexchange** telecommunications service customers.

Thank you for assistance in the processing this filing. Copies are being served on the Commission's General Counsel and Office of the Public Counsel. Please contact me at 634-8109 if there are any questions.

Sincerely,

Mary Ann (Garr) Young

Enclosure

CC:

General Counsel

Office of the Public Counsel

EllenAnn Sands, Nowalsky Bronston

FILED
AUG 2 9 2002

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Joint Application of)	Service Commission
NUI Telecom, Inc. and Telcorp, Ltd.)) Case No.	
for Approval of a Transaction Whereby) Case No	
· ·	?	
NUI Telecom, Ltd. Will Acquire the Assets)	
of Telcorp, Ltd. in Missouri, including)	
the Interexchange Customers of Telcorp	Ì	

JOINT APPLICATION

COME NOW NUI Telecom, Ltd. (NUI), and Telcorp, Ltd. (Telcorp), Joint Applicants herein, by their undersigned counsel, and pursuant to Section 392.300 RSMo. and 4 CSR 240-2.060(7), hereby request approval of a transaction whereby NUI acquires all assets used in providing telecommunications services in Missouri, including all interexchange (IXC) telecommunications service customers of Telcorp in Missouri. This Application also requests either a waiver of the subscriber authorization and verification requirements for the change of customers' primary local exchange carrier contained in 4 CSR 240-33.150, or a finding that 4 CSR 240-33.150 is inapplicable to this transaction. In support of their request, Applicants respectfully state:

The Parties

1. NUI Telecom, Inc. (NUI) is a New Jersey corporation with principal offices located at 550 Route 202-206, Bedminster, New Jersey 07921-0760. NUI is a telecommunications company providing intrastate IXC telecommunications service in Missouri pursuant to authority granted by the Missouri Public Service Commission in its Order issued February 2, 2002, in Case No. TA-2002-292. A copy of NUI's Certificate of Authority to do

business in Missouri from the Missouri Secretary of State's Office was filed in Case No. TA-2002-292, and is incorporated herein by reference pursuant to 4 CSR 240-2.060(1)(G). In accordance with 4 CSR 240-2.060(1)(K), NUI states that there are no pending actions or final unsatisfied judgments or decisions against NUI in any state, federal agency, or court which involve customer service or rates for which action, judgment, or decision has occurred within three (3) years of the date of this Application. Pursuant to 4 CSR 240-2.060(1)(L), NUI hereby states that the Company does not have any overdue annual reports or assessment fees owed to the Missouri Public Service Commission. NUI states that it does not have any overdue annual assessment fees owed to the Missouri Public Service Commission.

2. Telcorp, Ltd., (Telcorp) is a privately-held corporation organized under the laws of New York with its principal place of business at 99 W. Hawthorne Avenue, Suite 400, Valley Stream, New York 11580. Telcorp is a telecommunications company providing intrastate IXC telecommunications service in Missouri pursuant to the Commission's Order dated August 25, 1998, in Case No. TA-99-26. A copy of Telcorp's Certificate of Authority to do business in Missouri from the Missouri Secretary of State's Office was filed in Case No. TA-99-26, In accordance with 4 CSR 240-2.060(1)(K), Telcorp states that there are no pending actions or final unsatisfied judgments or decisions against Applicant in any state, federal agency, or court which involve customer service or rates for which action, judgment, or decision has occurred within three (3) years of the date of this Application. Pursuant to 4 CSR 240-2.060(1)(L), Telcorp hereby states that the Company is not aware that it has any overdue annual assessment fees owed to the Missouri Public Service Commission; however, if Telcorp is advised during the pendency of this proceeding that

any such fees are owed, Telcorp agrees to submit appropriate fees prior to issuance of the Commission's Order in this case.

Designated Contacts

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3. All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to the case should be addressed to:

Mary Ann (Garr) Young William D. Steinmeier, P.C. 2031 Tower Drive P. O. Box 104595 Jefferson City, Missouri 65110-4595 Telephone: (573) 634-8109

Fax:

(573) 634-8109 (573) 634-8224

Email:

myoung0654@aol.com

with copies sent to:

EllenAnn G. Sands Nowalsky, Bronston & Gothard A Professional Limited Liability Company 3500 North Causeway Blvd, Suite 1442 Metairie, Louisiana 70002 Telephone: (504) 832-1984

Telefax:

(504) 831-0892

Email:

ESands@nbglaw.com

and to:

Patrick Crocker Early, Lennon, Crocker & Bartosiewicz, PLC 900 Commercial Bldg. Kalamazoo, MI 49007-4752 Telephone: (616) 381-8844

Facsimile: (616) 349-8525

The Transaction

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4. Joint Applicants have agreed to a transfer of all of Telcorps' assets used in providing service in Missouri, including all Missouri IXC customers of Telcorp, to NUI. NUI intends to adopt the existing NUI local service tariff, and will file its tariff adoption notice at such time as is deemed appropriate by the Commission. Customers will be provided notice of this transaction and their option to transfer to another local exchange company. Telcorp intends to discontinue providing telecommunications service in Missouri upon approval of this application and upon transfer of its Missouri customers to NUI. Therefore, Telcorp also seeks cancellation of its intrastate IXC certificate of service authority and tariff upon transfer of its customers.

Waiver Request

5. Applicants submit that their efforts to provide customers with notice of the transfer will reasonably and adequately advise customers of the corporate change in their basic local telecommunications service, and therefore respectfully request that the Commission either find that its anti-slamming rule (4 CSR 240-33.150) is inapplicable to this transfer or, in the alternative, find good cause to waive the applicability of 4 CSR 240-33.150 to this transaction.

Notice to Customers

6. Upon Commission approval of this Application, but prior to the transfer of Telcorp's Missouri customers to NUI, notice will be provided to these customers of the changes in their local service provider. These customers will be advised of the transfer, via a notice that states: (a) that NUI will provide service to the customers with the same services and rates as currently provided to them by Telcorp; (b) that the customers have

the right to switch to another IXC service carrier of their choice; (c) that NUI will reimburse customers for any primary IXC carrier ("PIC") change charges if imposed by the other carrier in connection with this transaction; and (d) that the customers may contact Applicants via a toll-free number with any questions regarding the transfer between companies. An sample copy of the notification letter is attached hereto as Exhibit A. After consummation of the transfer, NUI will send another notification welcoming customers and reiterating statements (a) through (d) above. Other than the identity of the carrier providing their local exchange service, the transaction will be substantially transparent to customers and will not involve a change in the manner or quality in which Telcorp's customers will receive IXC telecommunications services.

Public Interest Considerations

- 7. NUI and Telcorp propose this transaction to transfer and consolidate the business and customer accounts of Telcorp in order to create a single, larger provider of telecommunications services, facilitating efficiencies for the benefit of all of customers. By virtue of the Transaction, NUI will realize significant economic, marketing and administrative efficiencies. NUI has sufficient managerial and financial qualifications to acquire the customer assets of Telcorp and to ensure the uninterrupted provision of telecommunications services to customers upon approval of this Application. NUI will provide the same services at the same rates, terms and conditions as provided by Telcorp, and no customers will be adversely affected as a result of this transaction.
- 8. The transition from Telcorp to NUI will be seamless and transparent. However, the customers of Telcorp will be given advance notice of the transaction and of their opportunity to choose a different carrier if they prefer not to be transferred to NUI. Those

customers who choose not to switch to a different carrier will continue to receive long distance service from NUI under the authority previously issued to NUI in Missouri by the Commission. Those customers who choose to switch to another carrier will be reimbursed by NUI for any carrier change charge incurred. As stated above, a copy of the customer notice which will be sent in the form of a bill insert in Telcorp's next billing cycle, is attached as Exhibit A.

9. This transaction will neither disrupt the service nor cause inconvenience or confusion to Telcorp's customers. Therefore, the transaction will not be detrimental to the public interest. Failure to approve the transaction and the related certification application is not in the public interest. This case involves two competitive carriers and failure to approve this transaction would interfere with the ability of competitive carriers to enter and exit the intrastate IXC service marketplace. The proposed transaction will not have any impact on the tax revenues of any political subdivision in the State of Missouri

Cancellation of Telcorp's Interexchange Certificate and Tariff

10. As Telcorp does not intend to provide telecommunications service in Missouri after transfer of its current customers to NUI, Telcorp also requests that the Commission cancel its IXC certificate of service authority and its IXC service tariff at the conclusion of this proceeding. Joint Applicants agrees that notice will be provided to the Commission after the transfer of customers takes place and Telcorp requests that the Commission cancel its certificate and tariff upon receipt of that notification.

WHEREFORE, Applicants respectfully request that the Commission approve the proposed transfer of the customers of Telcorp, Ltd. to NUI Telecom, Inc., grant waiver of 4 CSR 240-33.150, cancel Telcorp's interexchange certificate and tariff upon notification

that the transfer has occurred, and grant all other relief as necessary and appropriate to effectuate the proposed transaction described herein.

Respectfully submitted,

Mary Ann (Gatr) Young

Mo. Bar # 27951

WILLIAM D. STEINMEIER, P.C.

2031 Tower Drive P.O. Box 104595

Jefferson City, MO 65110-4595

Tel.: (573) 634-8109 Fax: (573) 634-8224

E-mail: myoung0654@aol.com

COUNSEL FOR NUI TELECOM, INC. AND TELCORP, LTD.

Certificate of Service

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the Office of the General Counsel of the Missouri Public Service Commission, and to the Office of Public Counsel, on this 29th day of August 2002.

Mary Ann Garry Young

LIST OF EXHIBITS

Exhibit A

Illustrative Customer Notice

Officers' Verifications

Exhibit A Illustrative Customer Notice

NUI Telecom, Inc.

Telcorp, Ltd.

(Customer Name) (Address)

Dear Customer:

NUI Telecom, Inc. ('NUIT") and Telcorp, Ltd. ("Telcorp") have entered into an agreement whereby, subject to the regulatory approval, the telecommunications assets of Telcorp will be acquired by NUIT, and NUIT will become your telecommunication service provider. NUIT anticipates becoming your telecommunications provider on [date], or shortly thereafter.

This change in ownership will not affect or in any way disrupt your current service. There will be no change in the underlying network currently handling your service. Many of the people currently serving your account at Telcorp will continue to do so once the transaction is completed. The rates and terms and conditions of the services offered by NUIT will be the same as those offered by Telcorp. No charges or fees will be imposed and no rate increase will occur as a result of this transaction.

You have a choice of carriers. If you do not wish to remain a customer, you may change carriers and such change will be at NUIT's expense.

The toll free Customer Service number will remain the same and if you have any questions, please call one of our Customer Service Representatives at 1-800-768-2852.

All customers receiving this notice, including those who have arranged preferred carrier freezes through their local service providers, will be transferred to NUIT if a different preferred carrier is not selected before [date].

We at NUI Telecom, Inc. are pleased to welcome you to our team and would like to express our appreciation for allowing us the opportunity of being your telecommunication service provider. We are confident that you will be pleased with the high quality of our service.

COUNTY OF Somerset

VERIFICATION

I, Richard Boudria, am the President and Chief Executive Officer of NUI Telecom, Inc., and am authorized to make this Verification on its behalf. The statements made in the foregoing Application are true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters I believe them to be true.

Nome: Pichard Paudria

Namé: Richard Boudria

Title: President and Chief Executive Officer

Sworn to and subscribed before me, Notary Public, in and for the State and County named above, this 3 day of ______, 2002.

Notary Public

My commission expires:

Janis Anthony
A Notary Public of New Jersey
My Commission Expires August 23, 2003

STATE OF New York
COUNTY OF New York

VERIFICATION

1, Stephen Samuels, am the President of Telcorp, Ltd, and am authorized to make this Verification on its behalf. The statements made in the foregoing Application are true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters I believe them to be true.

Title: President

Sworn to and subscribed before me, Notary Public, in and for the State and County named above, this <u>9</u> day of ___ <u>May</u>, 2002.

My commission expires:

THEODORE J. METZGER NOTARY PUBLIC, State of New York No. 31-4714904 Qualified in New York County

Commission Expires April 30, 200 6