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

In the matter of the Application of	)	
Lightyear Network Solutions, LLC for a	)	
Certificate of Service Authority to	)	
Provide Basic Local Telecommunications	)	Case No. <u>CA-2010-0078</u>
Services in the State of	)	
Missouri and to Classify the Services and	)	
The Company as Competitive.	)	

## REQUEST FOR PARTIAL WAIVER OF COMMISSION RULE

COMES NOW Lightyear Network Solutions, LLC ("LYNS" or "Applicant"), by its undersigned counsel, and hereby requests that the Commission grant a partial waiver of rule 4 CSR 240-3.510 (1) (D), which requires certain financial information to be filed as part of an application for basic local exchange telecommunications services. Specifically, LYNS requests a waiver of 4 CSR 240-3.510 (1) (D) 1. A., requiring the filing of historic financial statements of the Applicant, as discussed fully below.

In support of this request, Applicant states the following:

On September 3, 2009, LYNS filed its *Application* in this case. The Application requested that the Commission grant the authority to provide basic local telecommunications service in the State of Missouri, classify the company and its basic local services as competitive and waive the applicability of certain statutes and rules as to LYNS' basic local services.

On September 8, 2009, LYNS filed its *Supplement to Application* in this case, which included Highly-Confidential *Exhibit C* to the Application. Exhibit C is made up of 12-months of pro forma financial statements; namely, a balance sheet and an income statement, as required by 4 CSR 240-3.510 (1) (D) 1. B.

On September 15, 2009, Applicant was advised that it also needed to submit historic financial statements in this case, pursuant to 4 CSR 240-3.510 (1) (D) 1. A. LYNS hereby respectfully requests a waiver of that requirement.

Section 392.455 (1), RSMo, states that the basic local exchange carrier certification process shall include a "requirement that the applicant possess sufficient technical, financial and managerial resources and abilities to provide basic local telecommunications service". The Commission's rule, 4 CSR 240-3.510 (1) (D) 1. A. through D. was promulgated by the Commission to establish explicit criteria by which the Commission would make a determination that a CLEC applicant possesses sufficient financial resources to meet this statutory requirement.

However, in point of fact, the financial information required to be filed by basic local service applicants under 4 CSR 240-3.510 (1) (D) 1. A. through D. goes beyond what is required by the statute and far exceeds the information required by almost any other state. The rule requires basic local applicants, such as LYNS, to devote considerable time and resources to developing financial schedules necessary to comply with Missouri's rule, and which Lightyear Network Solutions, LLC has already filed. Lightyear respectfully submits that further demands would be inconsistent with the economic principles concerning streamlined entry into competitive markets which are the hallmark of the federal Communications Act of 1996 and Missouri's own statutes. See, Section 392.200.4 (2), RSMo.

The financial requirements of 4 CSR 240-3.510 (1) (D) 1. A. through D. are far more complex and taxing of applicant resources than the information required by the Missouri Public Service Commission in order to assess the other elements required by Section 392.455 (1), RSMo, namely, whether the applicant has sufficient technical and managerial resources and abilities to provide basic local service. In addition, if LYNS was a start-up

company and had no history, it would not be required to file historic financial statements under 4 CSR 240-3.510 (1) (D) 1. A. The effect of the rule is essentially to place a greater burden on established carriers. LYNS has been in business since 1993, is a certified long distance carrier operating in Missouri, and is currently certificated to provide basic local (Competitive Local Exchange Carrier) telecommunications services in 42 states. The proforma financial statements already filed by LYNS in this case as Exhibit 3 to the instant Application demonstrate that LYNS possesses sufficient financial resources and abilities to expand its Missouri operations to provide basic local telecommunications service, in accordance with the statute, without the necessity of filing additional financial information.

WHEREFORE, Applicant Lightyear Network Solutions, LLC respectfully requests that the Missouri Public Service Commission grant it a waiver of the requirement of 4 CSR 240-3.510 (1) (D) 1. A. in this case.

Respectfully submitted,

## /s/ William D. Steinmeier

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## **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been served electronically on the General Counsel's office at gencounsel@psc.mo.gov and on the Office of Public Counsel at opcservice@ded.mo.gov this 22<sup>nd</sup> day of September 2009.

/s/ William D. Steinmeier

William D. Steinmeier