

LEWIS, RICE & FINGERSH, L.C.

ATTORNEYS AT LAW

500 N. BROADWAY, SUITE 2000
ST. LOUIS, MISSOURI 63102-2147
WWW.LRF.COM
CSWENSON@LEWISRICE.COM

CHRISTOPHER C. SWENSON
DIRECT (314) 444-7786

TEL (314) 444-7600
FAX (314) 612-7786

April 28, 2000

FILED

MAY 1 2000

Dale Roberts
Chief Regulatory Law Judge
Public Service Commission
State of Missouri
P.O. Box 360
Jefferson City, Missouri 65102

**Missouri Public
Service Commission**

**Re: Application for Certificate of Service Authority and for Competitive
Classification of Universal Telecom, Inc. TA-2000-598**

Dear Mr. Roberts:

Pursuant to my recent telephone conversation with Nila of the Public Service Commission, I attach hereto an original and eight (8) copies of Universal Telecom Inc.'s Revised Application. New proposed language was added in footnote 1, which is located on page 3, § 4 of the Application. The following language was added - "UTI affirms that its service areas will follow ILEC exchange boundaries and will be no smaller than an exchange."

The revision resulted in a change in the pagination of the Application. Accordingly, please substitute this Application for our previously filed Application, except for the signature and verification already on file with the Commission. Further, please advise whether the added language adequately complies with the Commission's review. If so, this should resolve all outstanding issues concerning the Application. Otherwise, we will be preparing and filing UTI's tariff shortly before the intervention period expires.

If you have any questions, please do not hesitate to contact me at the above listed number.

Very truly yours,


Christopher C. Swenson

CCS/lal

Enclosures

cc: Kerry Ingle (w/ Enclosures)
Thomas P. Berra, Esq. (w/out Enclosures)

BEFORE THE
STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

FILED

MAY 1, 2000

Missouri Public
Service Commission

In the Matter of the Application of)
Universal Telecom, Inc., for)
A Certificate of Service Authority to)
Provide Prepaid Basic Local)
Telecommunications Services in the)
State of Missouri and to Classify)
Said Services and the Company)
As Competitive)

Case No. TA-2000-598

Amended APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY AND FOR
COMPETITIVE CLASSIFICATION

I. INTRODUCTION

COMES NOW Universal Telecom, Inc., ("Applicant", "UTI" or "Company") a Kentucky corporation authorized to do business in Missouri, by and through its undersigned counsel, and hereby applies pursuant to §§ 392.361, 392.420, and 392.430 RSMo 1994, 392.410, 392.450 RSMo Supp. 1996, Section 253 of the Federal Telecommunications Act of 1996 ("Federal Act" or "Act"), Pub. L. No. 104-104, 110 Stat. 56 (1996), and 4 CSR 240-2.060, for authority to provide prepaid basic local telecommunications service in the State of Missouri, to classify said service and company as competitive, and to waive certain commission rules and statutory provisions pursuant to § 392.420 RSMo. 1994. In support of its application UTI states as follows:

II. QUALIFICATIONS

1. Applicant is a corporation duly organized and existing under and by virtue of the laws of the Commonwealth of Kentucky. A copy of UTI's Certificate of Existence for the Commonwealth of Kentucky is **Exhibit A**. The exact legal name and principal office address of the Applicant are as follows:

Universal Telecom, Inc.
105 East Adams Street, Building II, Suite 200
LaGrange, KY 40031
(502) 222-9004
(502) 222-4594 (facsimile)

UTI has a Corporate Certificate of Authority of a Foreign Corporation, issued by the Secretary of the State of Missouri, a copy of which is **Exhibit B**. UTI's in-state registered agent is CT Corporation System, 120 S. Central Ave. Clayton, Missouri.

2. The name and address of Applicant's in-state attorneys is:

Christopher C. Swenson
Thomas P. Berra, Jr.
LEWIS, RICE & FINGERSH, L.C.
500 North Broadway, Suite 2000
St. Louis, Missouri 63102-2147
(314) 444-7600
(314) 612-1352 (facsimile)
cswenson@lewisrice.com

3. All inquiries, correspondence, notices, pleadings, communications, orders and decisions regarding this application should be directed to Applicant's in-state attorney (§2 above) and:

John E. Selent
DINSMORE & SHOHL, LLP
2000 Meidinger Tower
Louisville, Kentucky 40202
(502) 585-2450
(502) 585-2207 (facsimile)
selent@dinslaw.com

4. Questions concerning the ongoing operations UTI following certification should be directed to:

Stacey Freeland
Vice President
Universal Telecom, Inc.
105 East Adams Street, Building 11, Suite 200
LaGrange, KY 40031
(502) 222-9004
(502) 222-4594 (facsimile)

5. Neither UTI nor any of its management has any interest in any entity that has had regulatory approval revoked or suspended in Missouri or in any other state, nor are they involved in any current proceeding to this effect. UTI has never been cited by any regulatory or consumer body for slamming or for any other deceptive or unwarranted trade practices.

6. UTI is currently authorized to provide local exchange service in Kentucky, Florida, Tennessee, Alabama, Mississippi, South Carolina and Nevada. UTI is currently in the process of obtaining authority to provide local exchange service in North Carolina, Georgia and Louisiana.

III. TECHNICAL, MANAGERIAL, AND FINANCIAL RESOURCES

1. UTI has sufficient technical and managerial expertise and experience in the provision of resold telecommunications service. Since April 9, 1999, UTI has been providing resold telecommunications service and local exchange service to consumers throughout the Commonwealth

of Kentucky, and the Company will draw upon this experience in expanding its service offerings to include local exchange services in the State of Missouri. UTI as a reseller, does not propose to own or construct telecommunications facilities, and henceforth, much of the technical expertise needed for installation, repair, maintenance, and delivery of the proposed local exchange services will be rendered by incumbent local exchange telecommunication companies, and UTI customers will experience no compromise in technical service quality standards. Thus, neither a cost impact estimate of facilities nor engineering plans and specifications are applicable to this Application. No approvals from Health and Pollution Control authorities are required for the proposed resold services.

2. UTI has sufficient managerial resources to provide the proposed services to consumers. **Exhibit C** is summaries of the background and experience of UTI's corporate officers.

3. UTI also has sufficient financial resources to provide the proposed services. The Company has strong profitability, ample cash reserves, substantial credit availability, and minimal outstanding debt and is showing increased profitability. A copy of UTI's balance sheet for the period ending January 30, 2000 is **Exhibit D**.

IV. PROPOSED SERVICES

1. UTI proposes to provide prepaid basic local exchange telecommunications service in all areas throughout the State of Missouri on a resold basis throughout all exchanges currently served by Southwestern Bell Telephone Company, Sprint/United Telephone Company, GTE Midwest, Inc. and any other relevant incumbent local exchange telecommunication carrier(s).¹ UTI seeks to provide this service throughout Missouri, and, therefore, seeks statewide authorization. The specific exchanges within which UTI proposes to offer service are listed in the incumbent providers respective local exchange tariffs.

2. Pursuant to this application, UTI intends to offer and provide all forms of basic local telecommunications services on a prepaid basis, including: (1) Basic Residential Exchange Services (Local Exchange Flat Rate, operator access, etc.); and (2) Residential custom and Class Features (call waiting, caller ID, call forwarding, etc.).

3. UTI seeks classification of itself and its services as competitive.

4. UTI will offer prepaid resold basic local telecommunications service as a separate and distinct service in accordance with applicable law. UTI will give consideration to equitable access for all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in UTI's proposed service areas in accordance with applicable law.

¹ To the extent any incumbent LECs in Missouri are granted a small or rural carrier exemption pursuant to §251(f) of the Federal Act, Applicant does not seek to provide resold services to customers in those territories at this time. Further, UTI affirms that its service areas will follow ILEC exchange boundaries and will be no smaller than an exchange.

5. UTI is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards, including, but not limited to billing, quality of service, and tariff filing and maintenance. Consistent with the Commission's treatment of other certificated competitive local exchange telecommunications companies, UTI requests that the following statutes and regulations be waived for UTI and its prepaid, resold, basic local exchange service offerings pursuant to § 392.420 RSMo:

392.210.2	Uniform System of Accounts.
392.240(l)	Setting Just and Reasonable Rates.
392.270	Ascertain Property Valuation.
392.280	Depreciation Rates.
392.290	Issuance of Stocks and Bonds.
392.300.2	Acquisition of Stock
392.310	Issuance of Stocks and Bonds.
392.320	Stock Dividend Payment.
392.330	Issuance of Stocks and Bonds.
392.340	Reorganization(s).
4 CSR 240-10.020	Income on depreciation fund investments.
4 CSR 240-30.010 (2)(C)	Posting exchange rates at central offices.
4 CSR 240-30.040	Uniform System of Accounts.
4 CSR 240-32.030 (4)(C)	Exchange boundary maps.
4 CSR 240-33.030	Inform customers of lowest priced service.
4 CSR 240-35	Bypass Reporting.

Upon information and belief, the above-referenced rules and statutory provisions have been waived to other local exchange carriers.

6. Applicant has not filed its proposed tariff with the application but instead seeks a variance of Commission rule 4 CSR 240-2.060(4)(H) so that its tariff can be filed after the Notice of Applications is published and third parties are given the opportunity to intervene. Accordingly, Applicant anticipates filing its tariff at or about the Intervention Deadline date as determined by the Missouri Public Service Commission. Once filed, the proposed tariff, which has a 45-day effective date, will contain the rules and regulations applicable to its customers, a description of the services offered, and a list of rates associated with such services.

V. PUBLIC CONVENIENCE AND NECESSITY

1. UTI submits that the public interest will be served by the Commission's approval of this Application because it serves the public convenience and necessity. The Telecommunications Act of 1996 has established a national policy that competition in local exchange markets is in the public interest, and Section 253 of the Federal Act prohibits states from imposing requirements that would constitute barriers to entry in the local exchange market.

2. Enhanced competition is beneficial to Missouri consumers because of the incentive among service providers to offer lower prices, and more innovative services. The advent of additional competitors such as UTI also has the positive impact of inducing both ILECs and CLECs

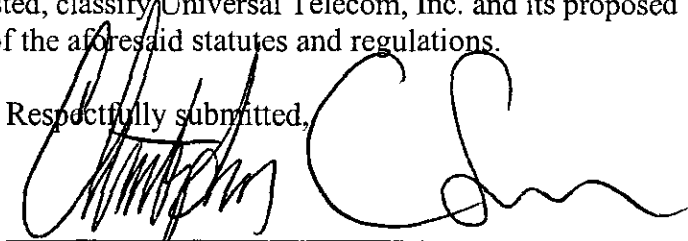
to provide more responsive customer service. In addition, issuance of the requested certificate of service authority to provide prepaid basic local telecommunications services serves Missouri in that it provides consumers with the added option of selecting a telecommunications entity with a well established history in Missouri of innovative and low priced service offerings. UTI will serve the public ensuring that its customers have access to 911 service, directory assistance, and other services essential for health and safety reasons.

3. The Federal Act allows competition in the local telecommunications market, recognizing that it is in the public interest to develop effective competition to ensure that all consumers - residential and business - will have access to high quality, low cost, and innovative telecommunications services. The Federal Act was also adopted to promote competition and reduce regulation in order to secure lower prices and higher quality telecommunications services for the American populace. Approval of this Application will further the purposes of the Federal Act and will promote competition in the State of Missouri.

4. Issuance of the proposed certificate of service authority to provide prepaid basic local telecommunications services to UTI serves the interests of consumers wishing to employ the services of a highly ethical telecommunications provider; in the history of this organization, UTI has never been the recipient of a single consumer complaint filed with any Public Service Commission, Attorney General's Office, Better Business Bureau, or the FCC in any of the states in which it is authorized to provide local exchange service.

WHEREFORE, Applicant, Universal Telecom, Inc. respectfully requests that the Missouri Public Service Commission grant it a Certificate of Service Authority to provide prepaid basic local telecommunications services as herein requested, classify Universal Telecom, Inc. and its proposed services as competitive, and grant a waiver of the aforesaid statutes and regulations.

Respectfully submitted,



Christopher C. Swenson, #44947

Thomas P. Berra, Jr., #43399

LEWIS, RICE & FINGERSH, L.C.

500 North Broadway, Suite 2000

St. Louis, Missouri 63102-2147

(314) 444-7600

(314) 241-6056 (facsimile)

**COUNSEL TO APPLICANT
UNIVERSAL TELECOM, INC.**

COMMONWEALTH OF KENTUCKY)

COUNTY OF OLDHAM)

SS:

The undersigned, being duly sworn upon his oath, deposes and states that I am the President of Applicant, Universal Telecom, Inc., and the facts and matters stated in the foregoing Application for a certificate of service authority to provide prepaid basic local telecommunication services in the State of Missouri and to classify said services and the company as competitive and accompanying Tariff are true and correct to the best of my knowledge, information and belief.

UNIVERSAL TELECOM, INC.

By:

David W. Wigginton

Title: President

Subscribed and sworn to before me this 15TH day of MARCH, 2000.

Jennifer A. Bottorff

Notary Public

My Commission Expires:

March 26, 2003

Jennifer A. Bottorff, Notary Public
State at Large
Kentucky
My Commission Expires Mar. 26, 2003