

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

In the Matter of the Application of )  
Network PTS, Inc., for a Certificate of )  
Service Authority to Provide Basic Local )  
Telecommunications Services in Portions )  
of the State of Missouri and for )  
Competitive Classification. )

Case No. CA-2007-0147  
Tariff Nos. YC-2007-0232  
and YC-2007-0233

**STAFF RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation states:

1. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Missouri Public Service Commission grant Network PTS, Inc. (Applicant), a certificate of service authority to provide basic local exchange telecommunications service in the service area of Southwestern Bell Telephone L.P. d/b/a AT&T Missouri; Embarq Missouri Inc. d/b/a Embarq; CenturyTel of Missouri, LLC; and Spectra Communications Group, LLC d/b/a CenturyTel, conditioned upon certain access rate provisions. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. (See §392.430 and §392.440 RSMo. (2000).)

2. Staff also recommends that the Commission classify the Applicant and its services as competitive. The Commission may classify a telecommunications provider or its services as competitive if the Commission determines it is subject to sufficient competition to justify a lesser degree of regulation. (See §392.361.2.) All the services a competitive company provides must be classified as competitive. (See §392.361.3.)

3. Finally, Staff recommends that the Commission grant approval of the Applicant's proposed tariffs, PSC MO Tariff No. 2 and PSC MO Tariff No. 3, with proposed effective dates of November 27, 2006.

WHEREFORE, Staff recommends that the Commission grant Network PTS, Inc. a certificate to provide basic local exchange telecommunications services, conditioned upon the access rate provisions described in the Staff memorandum; grant competitive classification; grant a waiver of the statutes and regulations listed in the Commission's *Notice of Applications*; and approve the Applicant's proposed tariffs, PSC MO Tariff No. 2 and PSC MO Tariff No. 3, with effective dates of November 27, 2006.

Respectfully submitted,

/s/ **David A. Meyer**

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David A. Meyer  
Senior Counsel  
Missouri Bar No. 46620

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Missouri Public Service Commission  
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#### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or e-mailed to all counsel of record this 13<sup>th</sup> day of November 2006.

/s/ **David A. Meyer**

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## MEMORANDUM

**To:** Missouri Public Service Commission Official Case File

Case No.: **CA-2007-0147**

File No.: **YC-2007-0232**  
**YC-2007-0233**

Applicant: **Network PTS, Inc. (Network)**

**From:** Arthur P Kuss  
Telecommunications Department

William L Voight 11/08/06  
Utility Operations Division/Date

David A. Meyer 11/13/06  
General Counsel's Office/Date

**Subject:** Staff Recommendation for Approval of Certificate and Initial Tariffs

**Date:** November 08, 2006

**Filing Deadline:** November 13, 2006

The Telecommunications Department Staff (Staff) recommends the applicant be granted the certificate(s), as indicated below, to be effective on the same date the tariff becomes effective:

- ☒ Certificate to provide basic local exchange telecommunications services in the following service areas:
- ☒ All of Southwestern Bell Telephone, L.P., d/b/a AT&T Missouri (AT&T Mo)
  - ☒ All of Embarq Missouri Inc. d/b/a Embarq (Embarq)
  - ☒ All of CenturyTel of Missouri, LLC (CenturyTel Mo)
  - ☒ All of Spectra Communications Group, LLC d/b/a CenturyTel (Spectra)
  - ☐ Other (please describe):

☐ Certificate to provide Interexchange telecommunications services.

☐ Certificate to provide local exchange telecommunications services.\*

\*Local exchange authority should be restricted to dedicated, private line services.

Staff recommends the applicant and its services receive competitive classification. Staff further recommends a Commission order granting certification state that pursuant to Section 392.410 RSMo, unless exercised within a period of one year from the issuance thereof, authority conferred by a certificate of service authority shall be null and void. In addition, Staff recommends approval of the waivers listed in the Notice.

Granting a certificate to provide basic local exchange telecommunications services should be based on the following conditions:

1. The applicant's originating and terminating access rates will be no greater than the lowest Commission approved corresponding access rates in effect for each ILEC within whose service area the applicant seeks authority to provide service, unless authorized by the Commission pursuant to Sections 392.220 and 392.230 RSMo.

2. The certificate and service classification for switched access service is conditioned on the continued applicability of Section 392.200 RSMo, and the requirement that any increases in switched access services rates above the maximum switched access service rates set forth herein shall be made pursuant to Sections 392.220 and 392.230 RSMo, and not Sections 392.500 and 392.510 RSMo.
3. If the directly competing ILEC, in whose service area the applicant is operating, decreases its originating and/or terminating access service rates, the applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates in the directly competing ILEC's service area within 30 days of the directly competing ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap.

☒ No objection to tariffs taking effect:

PSC Number: P.S.C. MO Tariff No. 2  
P.S.C. MO Tariff No. 3

Effective Date: November 27, 2006  
November 27, 2006

☐ Tariff was not submitted with Application. The applicant cannot lawfully provide service until tariffs are effective [4 CSR 240-3.510(1)(C)].

**Additional Comments:**

1. The Blended Switched Access Rates as stated in the proposed Access Services P.S.C. MO Tariff No. 3 do not exceed the aggregate of those corresponding rates of the underlying Incumbent Local Exchange Carrier.

Annual Report

Assessment Information

- ☒ The Company is not delinquent in filing an annual report or paying a PSC assessment.
- ☐ The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.
- ☐ No annual report. ☐ Unpaid PSC assessment. Amount owed: \_\_\_\_\_

**Review Items for IXC, Non-switched Local and CLEC Certificate Applications:**

(As required by 4 CSR 240-2.060):

- ☒ Proper Secretary of State authorization.
- ☒ Statement of character of business performed.
- ☒ Statement declaring no pending action or final unsatisfied judgments.
- ☒ Statement declaring no overdue annual reports or assessment fees.
- ☒ Application includes an affidavit.
- ☒ The applicant is requesting waivers of rules or statutes previously granted to a competitively classified company.

(As required by RSMo 392.430/.440):

- ☒ Application shows that grant of authority is in the public interest.

**Additional Review Items for CLEC Certificate Applications:**

(As required by RSMo 392.455 and/or 4 CSR 240-3.510):

- ☒ Possesses sufficient technical, financial and managerial resources and abilities.
- ☒ Statement that applicant will satisfy the minimum standards of the commission.
- ☒ Identifies geographic area (no smaller than an exchange).
- ☒ Statement that applicant will offer basic local service as a separate and distinct service.
- ☒ Statement that applicant will give equitable access to all Missourians.

**Tariff Review Items (applicable for all competitively classified companies):**

- ☒ The tariff meets Staff's review for compliance with rules for competitive company tariff filings.

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OF THE STATE OF MISSOURI**

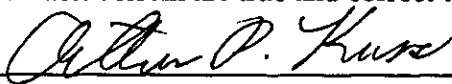
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Case No. **CA-2007-0147**

**AFFIDAVIT OF Arthur P. Kuss**

STATE OF MISSOURI )  
 ) ss:  
COUNTY OF COLE )

Arthur P. Kuss, employee of the Staff of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in the preparation of the accompanying Memorandum, and that the facts therein are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Arthur P. Kuss

Subscribed and affirmed before me this 8<sup>th</sup> day of November, 2006.

I am commissioned as a Notary Public within the County of Cole, State of Missouri  
and my commission expires on June 7, 2008.

  
\_\_\_\_\_  
NOTARY PUBLIC

