

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

In the Matter of the Application of)	
iNetworks Group, Inc. for a Certificate)	
of Service Authority to Provide Basic)	
Local Exchange Services in Portions of the)	Case No. _____
State of Missouri and Interexchange)	
Telecommunications Services Throughout)	
The State of Missouri and to Classify Said)	
Services and the Company as Competitive)	

APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY

COMES NOW iNetworks Group, Inc. ("Applicant"), by its undersigned counsel, and files this verified application pursuant to Sections 392.361, 392.410, 392.420, 392.430, 392.440, and 392.450 RSMo 2000, the Federal Telecommunications Act of 1996, 4 CSR 240-3.510 and 4 CSR 240-2.060, respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

- (a) grants Applicant a Certificate of Service Authority to provide competitive intrastate interexchange telecommunications services between and among locations within the state of Missouri, basic local exchange telecommunications service in the service territories of AT&T Missouri, the CenturyLink companies, and switched exchange access services in these local exchange service territories pursuant to Chapter 392 RSMo.;
- (b) grants competitive status to Applicant, and classifies the Applicant's services as competitive, pursuant to 392.361 RSMo.;
- (c) waives certain Commission rules and statutory provisions, pursuant to 392.420 and 392.361 RSMo.; and
- (d) approves Applicant's initial tariff.

In support of its request, Applicant states:

A. Identification of Applicant; Proper Secretary of State Authorization.

1. Applicant, iNetworks Group, Inc. is a corporation duly organized and existing under and by virtue of the laws of the State of Illinois on January 16, 2002. The legal name, principal office or place of business, and telephone number of the Applicant are:

iNetworks Group, Inc.
125 South Wacker Drive, Suite 2510
Chicago, Illinois 60606
Telephone: 312.212.0822
Facsimile: 312.422.9201

Evidence of Applicant's articles of incorporation is attached hereto as **Exhibit A**. A copy of Applicant's Certificate of Authority to Transact Business in Missouri pursuant to 4 CSR 240-2.060(1)(C) is attached hereto as **Exhibit B** and incorporated herein by reference.

2. Applicant's agent for Service of Process in the state of Missouri is:

CT Systems Company
120 South Central Avenue, Suite 400
Clayton, MO 63105

B. Communications Regarding this Proceeding.

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

Mark P. Johnson
Lisa A. Gilbreath
Sonnenschein Nath & Rosenthal LLP
4520 Main Street, Suite 1100
Kansas City, MO 64111
Telephone: 816.460.2424
mjohnson@sonnenschein.com
lgilbreath@sonnenschein.com

To:

Raymond L. Cowley
iNetworks Group, Inc.
125 South Wacker Drive, Suite 2510
Chicago, Illinois 60606
Telephone: 312.212.0825

And to:

Andrew O. Isar
Miller Isar, Inc.
4423 Point Fosdick Drive NW
Suite 306
Gig Harbor, WA 98335
Telephone: 253.851.6700

C. Description of Applicant, Geographic Area, and Proposed Services to be Offered in Missouri.

4. Applicant proposes to provide basic local exchange and exchange access telecommunications services on a facilities and resold basis, throughout all exchanges currently served by the incumbent local exchange companies of Southwestern Bell Telephone, L.P. d/b/a AT&T Missouri, and CenturyTel of Missouri, LLC d/b/a CenturyTel, and Spectra Communications Group, LLC d/b/a CenturyTel (collectively the "CenturyLink Companies"). The specific incumbent local exchange carrier exchanges within which Applicant proposes to offer services are listed in the incumbent providers' respective local exchange tariffs. Applicant may seek expanded authority to provide basic local exchange services in other areas of the state through a subsequent proceeding. Further, Applicant proposes to provide interexchange telecommunications services on a resold basis throughout the State of Missouri.

D. Applicant's Proposed Service Offerings.

5. Applicant proposes to provide a suite of competitive basic local exchange and interexchange telecommunications services, to commercial retail subscribers and wholesale carriers. Applicant's facilities-based services will be provided through leased

underlying local exchange carrier network facilities.¹ Specifically, Applicant proposes to provide basic local exchange services and related custom calling features, intraLATA and interLATA toll services, operator assisted calling exclusively to subscribers of record, directory assistance, as well as several specialized commercial services including dedicated, non-switched private-line special access high-speed broadband facilities and data transmission services. Additionally, Applicant proposes to offer specialized non-regulated services specifically designed for commercial subscribers, including network design, engineering, and facility deployment services. Applicant's services will be available to subscribers twenty-four hours per day, seven days per week, at rates, terms and conditions established by Applicant and reflected in Applicant's retail and exchange access tariffs. Applicant does not propose to provide operator-assisted calling services to the transient public. Services will be offered and provided in accordance with applicable Missouri laws and Commission rules and regulations.

6. Applicant's retail tariff, containing the terms, and conditions, applicable to its customers, a description of the services offered, and a list of rates associated with such services, is being filed contemporaneously with this application in accordance with Commission regulations as **Exhibit E**.

E. Statement of Technical Managerial Resources and Abilities.

7. Applicant possesses the technical and managerial expertise necessary to provide the proposed services as required by Section 392.455(1) RSMo. Description of backgrounds of Applicant's senior management team, which demonstrate Applicant's extensive management experience and expertise are attached hereto at **Exhibit C**. Applicant's senior management team has successfully and profitably managed Applicant's telecommunications operations for more than eight years.

F. Statement of Financial Viability.

¹ Unbundled network elements.

8. Applicant has the financial viability to provide local exchange and interexchange telecommunications services in the State of Missouri as required by Section 392.455(1) RSMo. Applicant is fully funded and requires no external funding. Applicant does not plan to construct facilities, and will, therefore, require no additional capitalization or resource expenditure to expand its operations in Missouri. Applicant's most recent income statement and balance sheet for a period of 12 months is attached hereto at confidential **Exhibit D**. Applicant's financial standing meets the requirements set forth in 4 CSR 240-3.510, as averred through Applicant's Verification of Applicant attached hereto. As the attached financial statements contain confidential and sensitive information, Applicant requests that they be accepted as filed under seal.

G. Request for Competitive Telecommunications Company and Service Classification.

9. Applicant requests classification as a competitive telecommunications company operating within the state of Missouri. Applicant further requests classification of its services described in Sections C and D, *supra*, and in its proposed tariffs, as competitive services, as each of these services is subject to substantial competition in the areas in which Applicant proposes to provide service.

H. Separate and Distinct Services; Equitable Access.

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

I. Willingness to Comply with PSC Regulations; Request for Waiver and Exemption.

11. Applicant is willing and intends 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 in a manner consistent with the Commission's requirements for incumbent local exchange carrier(s) and interexchange carriers with whom Applicant seeks authority to compete. Additionally, Applicant agrees that, pursuant to Sections 392.455(3) and (4) RSMo, its service area shall be no smaller than an exchange. Consistent with the Commission's treatment of other certificated competitive local exchange telecommunications companies, Applicant requests waiver of the following statutes and regulations for Applicant and its basic local exchange and interexchange services offerings:

Missouri Public Service Commission Rules

4 CSR 240-10.020	-	Depreciation and income
4 CSR 240-30.040	-	Uniform system of accounts
4 CSR 240-3.550(5)(C)	-	Telecommunications Company Records and Reports

Missouri Statutes Laws (RSMo)

Section 392.210.2	-	Establish uniform system of accounts for annual reports
Section 392.240.1	-	Rates – reasonable average return on investment
Section 392.270	-	Property valuation
Section 392.280	-	Depreciation rates
Section 392.290	-	Issuance of securities
Section 392.300.2	-	Acquisition of stock
Section 392.310	-	Issuance of stocks and debt
Section 392.320	-	Stock dividend payment
Section 392.330	-	Issuance of securities, debt, and notes
Section 392.340	-	Reorganization(s)

The above-referenced rules and statutory provisions have been waived by the Commission for other competitive interexchange carriers in prior cases. The rules and statutory provisions for which Applicant seeks waiver or exemption are principally applicable to non-competitive telecommunications carriers. It would be inconsistent with the goal and purpose of Section 392.530 RSMo to apply such rules or statutory provisions to a competitive telecommunications carrier such as Applicant.

J. Tariff Submission Statement.

12. Applicant is filing its retail tariff with the Commission contemporaneously with the instant Application, attached hereto as **Exhibit E**. Applicant's tariff bears an effective date no less than 45 days from the issued date, in a manner consistent with the Commission's practice in similar cases.

K. Public Interest Statement.

13. Applicant submits that the public interest will be served by Commission approval of the instant application because the proposed services will create and enhance competition and expand customer service options consistent with the legislative goals set forth in the Federal Telecommunications Act of 1996, and Chapter 392, RSMo 2000. Prompt approval of Applicant's application will further expand the availability of innovative, high quality, and reliable telecommunications services within the State of Missouri.

L. Switched Exchange Access Rate Statement

14. Applicant submits, notwithstanding the provisions of Section 392.500 RSMo, as a condition for certification and competitive classification, and agrees that, unless otherwise ordered by the Commission, Applicant's originating and terminating switched exchange access rates will be no greater than the lowest Commission-approved corresponding rates in effect for each incumbent local exchange carrier within those

service areas in which 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 incumbent local exchange carrier in whose service area Applicant is operating decreases its originating and/or terminating access rates, Applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates within thirty (30) days of the incumbent local exchange carrier's reduction of its originating and/or terminating access rates in order to maintain the cap on switched exchange access rates.

M. Pending Action or Unsatisfied Judgments Statement.

15. Applicant has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment, or decision has occurred within three (3) years of the date of this application.

N. Annual Report or Assessment Statement.

16. Applicant has never operated in Missouri. Applicant has no annual reports or regulatory assessment fees that are overdue in Missouri, accordingly.

O. Interconnection Agreements.

17. Applicant is currently negotiating with AT&T Missouri and CenturyLink for interconnection agreements. The resulting agreements will be filed with the Commission for final approval, immediately following adoption by both parties.

WHEREFORE, Applicant, iNetworks Group, Inc. respectfully requests the Missouri Public Service Commission grant it a Certificate of Service Authority to provide competitive intrastate exchange access, basic local telecommunications, and interexchange telecommunications services within the state of Missouri; an order classifying it as a competitive telecommunications company providing competitive

services; and a waiver of the above-referenced rules and statutory provisions as they relate to the regulation of the Applicant in the state of Missouri; and for such further orders as the Commission deems appropriate.

Respectfully submitted,

By: /s/ Mark P. Johnson

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Gig Harbor, WA 98335
Telephone: 253.851.6700

Applicant's Regulatory Consultants

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing Application has been hand-delivered or mailed, First Class mail, postage prepaid, this 27th day of July, 2010, to:

General Counsel
Missouri Public Service Commission
PO Box 360
Jefferson City, MO 65102

Office of the Public Counsel
Governor Office Building, Suite 650
P.O. Box 2230
Jefferson City MO 65102

/s/ Mark P. Johnson
Mark P. Johnson

VERIFICATION OF APPLICANT

STATE OF ILLINOIS

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) ss.

COUNTY OF COOK

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I, Raymond J. Cowley, first being duly sworn upon oath, depose and say I am Senior Vice President and General Manager of iNetworks Group, Inc., that I have read the above and foregoing application by me subscribed and know the contents thereof; that said contents are true in substance and in fact, except to those matters stated upon information and belief, and as to those, I believe the same to be true. Further, I aver that iNetworks Group, Inc. possesses and retains the financial viability to provide telecommunications services in the state of Missouri and support its ongoing Missouri operations on a sustained and uninterrupted basis in accordance with the financial standing requirements set forth in 4 CSR 240-3.510.

iNetworks Group, Inc.

By:

Raymond J. Cowley

Raymond L. Cowley
Senior Vice President and General Manager
125 South Wacker Drive, Suite 2510
Chicago, IL 60606
Telephone: 312.212.0822

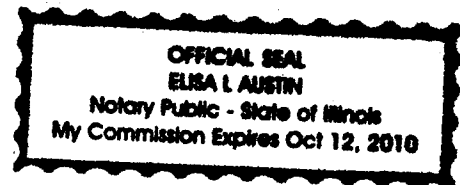
Subscribed and sworn to before me this 15th day of July, 2010

Elisa L. Austin

(SEAL)

My Commission Expires

October 12, 2010



LIST OF EXHIBITS

EXHIBIT A	Articles of Incorporation
EXHIBIT B	Certificate of Authority to Transact Business
EXHIBIT C	Technical Managerial Resources and Abilities
EXHIBIT D	** Confidential ** Financial Statements
EXHIBIT E	Proposed Tariff