ENDREN AND ANDRAE, L.L.(

HENRY ANDRAE (RETIRED) RICHARD S. BROWNLEE III MICHAEL A. DALLMEYER DUANE E. SCHREIMANN DOUGLAS L. VAN CAMP MICHAEL G. BERRY JOHN W. KUEBLER SUSAN M. TURNER CHRISTOPHER P. RACKERS SARA C. MICHAEL PATRICIA D. PERKINS BRIAN K. FRANCKA

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> FACSIMILE (573) 636-5226

E-MAIL henand@socket.net

August 12, 1999

AUG 1 2 1999

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 TA-2000-141

Missouri Public Service Commission

In The Matter of the Application of JATO Operating Corp. for a Certificate of Authority to Provide Basic Local and Interexchange Telecommunications Services within the State of Missouri

Dear Mr. Roberts:

Please find enclosed for filing the original plus fourteen (14) copies of the Application in the above-captioned matter on behalf of JATO Operating Corp. We are also filing JATO Operating Corp.'s Financial Data as CONFIDENTIAL AND PROPRIETARY

If you should have any questions concerning the enclosed filing, please do not hesitate to contact me. Thank you.

Very truly yours,

MEMDREN AND ANDRAE, L.L.C.

chard S. Brownlee, III

RSB/s Enclosures

cc: Office of Public Counsel

Counsel of Record Patrick Green

AUG 1 2 1999

141

# BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

Missouri Public Service Commission

In the Matter of the Application of	)	Gerv	ice Commis
JATO Operating Corp. for a	)		
Certificate of Authority to provide	)	Case No.	TA-2000-
Basic Local and Interexchange	)		
Telecommunications Services within	)		
the State of Missouri	)		

### **APPLICATION**

JATO Operating Corp. ("JATO Operating"), a Delaware corporation, files this verified application respectfully requesting that the Missouri Public Service Commission (Commission) issue an order that:

- A. grants Applicant a Certificate of Services Authority to provide basic local exchange and interexchange telecommunications services pursuant to Chapter 392 of the Missouri Revised Statutes;
- B. grants competitive status to the Applicant; and,
- C. waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo. Cumm. Supp. 1992.

In support of its request, Applicant states:

1. The legal name and principal office or place of business of the Applicant are:

JATO Operating Corp. 1099 18th Street Suite 2200 Denver, CO 80202 (303) 226-8400

JATO Operating is a Delaware Corporation authorized to transact business in Missouri, with a copy of its Certificate of Authority attached hereto as **Exhibit A**.

2. Name and address of Applicant's in-state attorney is:

Richard S. Brownlee, III
Hendren and Andrae, L.L.C.
221 Bolivar Street, P.O. Box 1069
Jefferson City, MO 65102
(573) 636-8135
(573) 636-4905 (Facsimile)

- JATO Operating intends to provide basic local exchange and interexchange telecommunications service as a facility and nonfacility based provider and on a resale basis. This will be provided in all exchanges currently served by the incumbent local exchange telecommunications company of Southwestern Bell Telephone The specific incumbent local exchanges within Company (SWBT). which JATO Operating proposes to offer service are listed in the incumbent providers' respective local exchange tariffs and will be specifically included in the JATO Operating tariff. JATO Operating may seek authority to provide this service in other areas of the State in a subsequent proceeding. Pursuant to applicable law, and subject to Applicant's right under federal or state laws to seek to offer, and offer and provide service in geographical areas smaller than an exchange or in market segmentations or to offer customer specific pricing, similarly situated subscribers located within the listed exchanges will receive services on equal terms and conditions as set forth in Applicant's tariffs.
- 4. Pursuant to this application JATO Operating seeks to offer and provide all forms of basic local telecommunications service and interexchange telecommunications services.

- 5. The Applicant possesses the experience and financial resources necessary to provide telecommunications service to the residents and businesses of Missouri. Applicant is certificated to provide similar telecommunication services in other states. The Applicant's financial statements are attached hereto as Exhibit B, which are being filed as confidential and proprietary.
- 6. Applicant intends to offer its services in accord with its tariffs, which shall be filed in accordance with Commission rules.
- JATO Operating Corp. is a wholly owned subsidiary of JATO Communications Corp. which received a Certificate of Public Convenience and Necessity to provide basic local and local exchange telecommunication services in Missouri as a competitive company in Case No. TA-99-140, effective April 6, 1999. It is the business plan of JATO Communications Corp. to transfer its assets, including its Certificate of Public Convenience and Necessity issued in Case No. TA-99-140 to its subsidiary JATO Operating Corp., which will in turn hold said certificate and provide basic local and local exchange competitive telecommunications services in Missouri under a properly approved tariff and interconnection agreement. Staff advised applicants that the proposed transfer of the certificate would be unlawful because JATO Operating did not itself hold a Certificate of Public Convenience and Necessity, therefore, the present application is being filed. The Interconnection Agreement between JATO Communications Corp. and SWBT has been filed before the Commission in Case No. TO-99-555 and approved effective

August 6, 1999. JATO Operating Corp. will be assigned that agreement upon approval of the certificate requested herein.

- 8. Applicant also agrees that:
  - A. It will file and maintain basic local exchange service tariff(s) with the Commission in the same manner and form as the Commission requires of incumbent local exchange telecommunications companies with which applicant will compete;
  - B. It will meet the minimum basic local service standards, including quality of service and billing standards, as the Commission may require of the incumbent local exchange telecommunications companies with which it will compete;
  - C. It will offer basic local telecommunications service as a separate and distinct service and will offer basic service within the exchange boundaries of the incumbent local companies unless authorized by this Commission, or any other agency having jurisdiction to offer and provide service in areas smaller than an exchange pursuant to Section 392.200.4 RSMo, or other applicable law, and
  - D. In accord with state and federal law, and with Commission rules and regulations on the issue, but without waiver of applicant's right to appear in any rulemaking proceeding or other proceeding regarding the same. Applicant will provide equitable access to

subscribers within the area proposed to be served. See Section 392.455.(5), RSMo.

- 9. Applicant requests classification as a competitive telecommunications company within the State of Missouri. Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation. Granting of this application will allow greater price and service options for telephone users.
- 10. Applicant also requests, pursuant to Section 392.420 RSMo (Cum. Supp. 1992), that the Commission waive the application of the following rules and statutory provisions as it relates to the regulation of the Applicant. The following list identifies Commission rules and statutes previously waived by the Missouri Public Service Commission for other competitive telecommunications companies.

#### RULES

4 CSR 240.10	0.020 Depre	ciation of fund incom	me
4 CSR 240-30	0.040 Unifo	orm system of accounts	S
4 CSR 240-39	5 Bypas	S	

#### STATUTES

Section 392.210.2 Section 392.240.1	System of Accounts RatesReasonable average return on investment
Section 392.270	Property valuation
Section 392.280	Depreciation rates
Section 392.290.1	Issuance of securities
Section 392.300.2	Stock ownership
Section 392.310	Issuance of stocks and bonds
Section 392.320	Stock dividends
Section 392.330	Issuance of securities; debts and
	notes
Section 392.340	Reorganization

The above-referenced rules and statutory provision have been waived to other interexchange carriers in prior cases.

11. Pursuant to Section 386.570, (Cumm. Supp. 1992), Applicant will comply with all applicable Commission rules except those which are specifically waived by the Commission pursuant to a request filed by the Applicant.

WHEREFORE, Applicant JATO Operating, respectfully requests that the Public Service Commission of Missouri grant it a Certificate of Service which authorizes the Applicant to provide basic local exchange and interexchange telecommunications services within the State of Missouri. In addition, Applicant requests classification as a competitive telecommunications company in the State. Finally, Applicant requests a waiver of the above-referenced rules and statutory provision.

Respectfully submitted,

Richard S. Brownlee, III

MO Bar #22422

Hendren and Andrea, L.L.C. 221 Bolivar St., P.O. Box 1069

Jefferson City, MO 65102

(573) 636-8135

(573) 686-4905 (Facsimile)

ATTORNEY FOR JATO OPERATING CORP.

· <del></del>		******			
I/ het foregoing /	ceby certify the Application is t	nat the inf rue and corr	ormation con	ntained in	the
Oth	Am. Open	<u> </u>			
Patrick M. JATO Operat	Green Vice Pre ting Corp.	sident-Carri	er Relations		
State of Co	olorado )		·		
County of 1	Denver )				
	to and subscri Patrick M. Gree				ary
				•	
Garet	Coppler				
Notary Pub	lic //	MY COMMISSION November 4,	EXPIRES: 2001		- 2
				The second	
My Commiss	ion Expires:	<u> </u>			

## BEFORE THE PUBLIC SERVICE COMMISSION

### STATE OF MISSOURI

In the Matter of the JATO Operating Corp. Certificate of Author Interexchange Telecom Services	for rity	r a ) y to Provide )	Case	No.	
STATE OF COLORADO	)	33			
COUNTY OF DENVER	)	<b>a</b> 5			

### AFFIDAVIT

I Patrick M. Green, Vice President-Carrier Relations of JATO Operating Corp., hereby authorize Richard S. Brownlee, III, or any member of the law firm of Hendren and Andrae, L.L.C., 221 Bolivar Street, P.O. Box 1069, Jefferson City, Missouri 65102, to sign all pleadings and documents necessary to receive the approval of the Missouri Public Service Commission for the Application in the above captioned matter.

Patrick M. Green

Subscribed and sworn to before me, a Notary Public, in and for the State of Colorado, this 3 day of 1999.

MY COMMISSION EXPIRES: November 4, 2001 Notary Public

Commission Expires

## BEFORE THE PUBLIC SERVICE COMMISSION

### STATE OF MISSOURI

In the Matter of the JATO Operating Corp Certificate of Author Interexchange Teleco Services	. for a ority to Provide	) ) ) )	Case	No.	
STATE OF MISSOURI	)				
COUNTY OF COLE	)ss )				

## VERIFICATION BY ATTORNEY

Now, on this 4 day of 1999, appears before me Richard S. Brownlee, III, attorney for applicant and states that the information contained in the attached Application is true and accurate to his best information and belief.

Richard S. Brownlee, III

Subscribed and sworn to before me.

My Commission Expires:

9-13-99

LAURA J. STRATMAN, NOTARY PUBLIC STATE OF MISSOURI My commission expires September 13, 1999 COMMISSIONED FOR MARIES COUNTY



## Rebecca McDowell Cook Secretary of State

CORPORATION DIVISION
CERTIFICATE OF CORPORATE RECORDS

JATO OPERATING CORP.

JATO OPERATING CORP.

I, REBECCA McDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI AND KEEPER OF THE GREAT SEAL THEREOF, DO HEREBY CERTIFY THAT THE ANNEXED PAGES CONTAIN A FULL, TRUE AND COMPLETE COPY OF THE ORIGINAL DOCUMENTS ON FILE AND OF RECORD IN THIS OFFICE.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 4TH DAY OF AUGUST, 1998.

Secretary of State



## Rebecca McDowell Cook Secretary of State

MISSOUR

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS, JATO OPERATING CORP.

USING IN MISSOURI THE NAME JATO OPERATING CORP.

HAS COMPLIED WITH THE GENERAL AND BUSINESS CORPORATION LAW WHICH GOVERNS FOREIGN CORPORATIONS; BY FILING IN THE OFFICE OF THE SECRETARY OF STATE OF MISSOURI AUTHENTICATED EVIDENCE OF ITS INCORPORATION AND GOOD STANDING UNDER THE LAWS OF THE STATE OF DELAWARE.

NOW, THEREFORE, I, REBECCA McDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI, DO HEREBY CERTIFY THAT SAID CORPORATION IS FROM THIS DATE DULY AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE, AND IS ENTITLED TO ALL RIGHTS AND PRIVILEGES GRANTED TO FOREIGN CORPORATIONS UNDER THE GENERAL AND BUSINESS CORPORATION LAW OF MISSOURI.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 3RD DAY OF JUNE, 1999.

Secretary of State

\$155.00



State of Missouri

Rebecca McDowell Cook, Secretary of State P.O. Box 778, Jefferson City, Mo. 65102

Corporation Division CERTIFICATE OF AUTHORITY ISSUED

## Application for Foreign Corporation For a Certificate of Authority

JUN 0 3 1999

	(Submit in du	olicate wi	th filing	g fee of \$155.0	)0) _	>	0.1.		
(1)	The corporation's name isJATO_Opera	ting C	orp.		(	Locale	(F) Down (	10	aok-
	and it is organized and existing under the law			<u>'e</u>		SECHE		STA'	TE)
(2)	The name it will use in Missouri isJATO_						_ <del></del>		
(3)	The date of its incorporation was $\frac{April 1}{month/day/y}$	4, 199	and the	period of its	duration	is Pe	erpetual		<b></b> •
(4)	The address of its principal place of business	<u>1099 1</u>	<u>8th                                    </u>	Street, S	uite 7	700.	Denver. ( City/State/	⁄Zip	<u>80</u> 202
(5)	The name and address of its registered agent a The Corporation Company 120 S					MQ	6 3 1 0 5 City/State/	/Zip	<u> </u>
(6)	The specific purpose(s) of its business in Miss lawful acts or activities for to do business under the laws	which	corp	porations	may t	e or			
(7)	The name of its officers and directors and the	ir busine	ss addre	esses are as fo	ollows:				
	(Officers) Name		I	Address			City/State/Z	ip	
	President Brian E. Gast	1099	18th	Street,	Suite	700,	Denver,	C 0	80202
	Vice President		· <u>. –</u>						
	Secretary Rex R. O'Neal	1099	18th	Street,	Suite	700,	Denver,	<u>c</u> 0	80202
	Treasurer Brian E. Gast	1099	18th	Street,	<u>suite</u>	700,	Denver,	<u>co</u>	<u>80</u> 202
	(Board of Directors)								
	Director Brian E. Gast	1099	<u>18th</u>	Street,	<u>Suite</u>	<u>700,</u>	<u>Denver.</u>	<u>co</u>	<u>80</u> 202
	Director		<del></del>						
	Director								
	Director								<del></del>
(8)	The effective date of this document is the indicate a future date, as follows:	date it is			tary of S	tate of	Missouri, ur	ıless	you
				more than 90 da	ys after the	filing dat	e in this office)		
	In affirmation thereof, the facts stated above	are true.							
			Pr	<u>esident</u>		5	/25/98		
	(Authorized signature of officer or chairman of the be	oard)		(Title)			(Date of Sign	ature)	

Note: You must have a current certificate of good standing or certificate of existence with this application. This may be obtained from the Secretary of State or other authority that issues corporate charters.

# Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "JATO OPERATING CORP." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIRST DAY OF JUNE, A.D. 1999.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES
HAVE NOT BEEN ASSESSED TO DATE:



Edward J. Freel, Secretary of State

3029303 8300

AUTHENTICATION:

9777752

991218509

DATE:

06-01-99

## Brian E. Gast - Chief Executive Officer

Mr. Gast is a founder of Jato and has served as a member of the Board of Directors and as its President and Chief Executive Officer since its inception in 1998. Prior to forming the company, Mr. Gast co-founded Formus Communications, Inc., a developer of wireless broadband systems, in November 1996 and served as its President. In December 1988, Mr. Gast co-founded American Telecasting, Inc., a publicly traded national operator of wireless cable television systems, and served as its President and Chief Executive Officer from March 1990 to January 1996. American Telecasting, at the time Mr. Gast left the company, provided service to approximately 200,000 subscribers in 20 states across 40 markets. American Telecasting was recently sold to Sprint Corp. Prior to forming American Telecasting, Mr. Gast was an associate with a private investment company specializing in investments in telecommunications companies and served in various capacities in the commercial banking industry including managing a business unit that provided financing and consulting services to telecommunications businesses.

## Gerald K. Dinsmore - President and Chief Operating Officer

Mr. Dinsmore joined Jato in August 1999 as its President, Chief Operating Officer and was elected to the Board of Directors in September 1999. Prior to joining Jato, Mr. Dinsmore served as President, Business Development & Integration of GTE Communications Corporation from June 1997 to January 1999. In this role, Mr. Dinsmore was responsible for finance, strategic planning, business development marketing, and regulatory affairs for all of GTE's business units. From June 1993 to June 1997, Mr. Dinsmore served as Senior Vice President of Finance, Strategy & Technology Planning of GTE where he was responsible for developing and implementing long term strategic plans including technology initiatives and mergers and acquisitions. While in this role Mr. Dinsmore was the principal architect and implementer of GTE's IP broadband strategy, including GTE's development of a national private network and its acquisition of BBN Corporation. Mr. Dinsmore began his 23-year career in telecommunications at General Telephone Company of Indiana, which later became a part of GTE Midwestern Telephone Operations.

## William D. Myers - Vice President, Finance and Chief Financial Officer

Mr. Myers joined Jato in August 1999 as its Vice President, Finance, Chief Financial Officer and Treasurer. Prior to joining the company, Mr. Myers was Vice President of Finance and Treasurer of Primestar, Inc. from April 1998 to August 1999. From September 1996 to April 1998, Mr. Myers served as Vice President of Finance and Treasurer of TCI Satellite Entertainment, Inc. From November 1994 to September 1996, Mr. Myers was Vice President of Capital Management for TCI Cable Management Corporation and served as Director of Finance for Tele Communications, Inc. from December 1991 to November 1994.

### Rex A. Humston - Vice President, Engineering and Chief Technology Officer

Mr. Humston joined Jato in October 1998 as its Vice President, Engineering and Chief Technology Officer. Prior to joining the company, Mr. Humston was Vice President, Information Systems and Technology for Jones International Inc., a telecommunications company, from May 1997 until October 1998. From February 1996 to May 1997, Mr. Humston was Vice President and Chief Information Officer of Health Decisions International, a teleservices company. From April 1994 to February 1996, Mr. Humston served as Director, Information Services for OneComm Corporation, a telecommunications company.

### Leonard Allsup - Vice President, Strategic Relationships

Mr. Allsup is a founder of Jato and serves as Vice President, Strategic Relationships. He has served as a member of the Board of Directors since its inception in 1998 and as the company's Treasurer from inception until August 1999. Prior to joining the company, Mr. Allsup served as Vice President, Strategic Alliances of Formus Communications, Inc., from November 1996 to June 1998. Prior to joining Formus in 1996, Mr. Allsup was an advisor to several privately-owned companies in the cable television and gaming industries. From February 1991 to July 1995, Mr. Allsup was President and Chief Operating Officer of KBL-Media, Inc., a subsidiary of KBLCOM, Inc.

### Bruce E. Dines, Jr. - Vice President, Customer Operations

Mr. Dines is a founder of Jato and has served as Vice President, Customer Operations and Secretary since its inception. Mr. Dines was a member of the company's Board of Directors from inception to April 1999. Prior to forming the company, Mr. Dines was a Vice President of Formus Communications, Inc. from March 1997 to March 1998. From April 1996 to March 1997, Mr. Dines served in the senior operations role for Telephone Express, a long distance carrier. From October 1991 to January 1996, Mr. Dines served in various senior-level operating positions with American Telecasting, Inc., most recently as its Vice President Eastern Region.

#### Patrick M. Green - Vice President, Carrier Relations

Mr. Green joined Jato in December 1998 as its Vice President, Carrier Relations. Prior to joining the company, Mr. Green was a consultant to domestic and multinational companies in the local telephony and subscription television industries, including a member of the Board of Directors of Monor Telefon Tarsasag, a local-loop telephony start-up project in Central Europe. From 1992 until forming his consulting practice, Mr. Green served as Vice President - Finance and Administration of KBL-Media where he managed complex advertising distribution relationships with major cable television companies among other financial and accounting activities.