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November 9, 1999

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The Honorable Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102-0360

FILED<sup>2</sup>

Re:

ROBERT K. ANGSTEAD

ROBERT J. BRUNDAGE

CATHLEEN A. MARTIN

STEPHEN G. NEWMAN JOHN A. RUTH

MARK W. COMLEY

2<sup>nd</sup> Century Communications, Inc.

Service Commission

Dear Judge Roberts:

TA-2000-324

Enclosed for filing in the referenced matter please find the original and fourteen copies of:

- 1. An Application for a Certificate of Service Authority to Provide Basic Local Telecommunication Services and for Competitive Classification of 2<sup>nd</sup> Century Communications, Inc.
- 2. An Application for a Certificate of Service Authority to Provide Competitive Resold Intrastate Interexchange Telecommunications Services and Non-Switched Basic Telecommunications regarding 2<sup>nd</sup> Century Communications, Inc.

I also enclose an original and fourteen copies of a Motion for Protective Order, along with eight copies of Exhibit E to the above application for basic local authority and which is incorporated by reference into the application for interexchange and non-switched basic authority. Exhibit E is being filed under seal and is marked as Highly Confidential.

Thank you very much for your attention.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:

Mark W. Comley

MWC:ab Enclosure

cc: Office of Public Counsel

Erin R. Swansiger

# BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

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In the Matter of the Application	)	- Min-
of 2nd Century Communications Inc.	)	Service Commission
for a Certificate of Service Authority to Provide	Ś	
Competitive Resold Intrastate Interexchange	)	Case No. TA 2000-324
<b>Telecommunications Services</b>	)	
and Non-Switched Basic Telecommunications	)	
Services within the State of Missouri.	ĺ	

# <u>APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY AND FOR</u> <u>COMPETITIVE CLASSIFICATION OF 2<sup>ND</sup> CENTURY COMMUNICATIONS, INC.</u>

Comes now, 2<sup>nd</sup> Century Communications, Inc. ("2<sup>nd</sup> Century," "Applicant" or "Company"), by its undersigned counsel, and pursuant to Mo. Rev. STAT. §§ 392.440 and 392.430: (1) hereby applies for a certificate of service authority to provide resold intrastate interexchange telecommunications services and non-switched basic telecommunications services throughout the State of Missouri in all areas in which the Commission has approved the competition of interexchange and private line services; and (2) to classify such services and the Applicant as competitive. Pursuant to Mo. Rev. STAT. § 392.420 and Mo. Code Regs. Ann. tit. 4 § 240-32.010(2), the Applicant also seeks a waiver of certain of the Commission's requirements for basic telecommunications service offerings. In support of its Application, 2<sup>nd</sup> Century provides the following information:

# I. <u>IDENTIFICATION OF THE APPLICANT</u>

#### A. CORPORATE INFORMATION

1. 2<sup>nd</sup> Century is a privately-held corporation duly organized and existing under and by virtue of the laws of the State of Delaware. The Company was incorporated on July 14, 1998, and



is headquartered at: 7702 Woodland Center Boulevard Suite 50 Tampa, Florida 33614 (813) 935-8866. 2<sup>nd</sup> Century is a wholly-owned subsidiary of 2<sup>nd</sup> Century Communications Holdings, Inc. which is a holding company also incorporated in Delaware. 2<sup>nd</sup> Century was organized to provide both domestic and international telecommunications services to small and medium-sized business customers in the State of Missouri and throughout the United States.

- 2. Applicant has been duly authorized by the Secretary of the State of Missouri to transact business as a foreign corporation. 2<sup>nd</sup> Century's Certificate of Authority was issued by the State of Missouri on July 22, 1999.<sup>1</sup>
- 3. The Company has not yet established an office in Missouri, however, the name and address of the Company's registered agent in Missouri for service of process is:

National Registered Agents, Inc. 300-B East High Street Jefferson, Missouri 65101

#### B. DESIGNATED CONTACTS

4. The designated contacts for this Application are:

Mark W. Comley #28847 NEWMAN, COMLEY & RUTH 601 Monroe, Suite 301 P.O. Box 537 Jefferson City, MO 65101 Telephone: (573) 634-2266 Facsimile: (573) 636-3306 Jonathan E. Canis Erin R. Swansiger KELLEY DRYE & WARREN LLP 1200 19th Street, N.W., Suite 500 Washington, D.C. 20036 Telephone: (202) 955-9600

Facsimile: (202) 955-9792

5. Copies of all correspondence, notices, inquiries and orders also should be sent to the following individual, who is Applicant's initial contact person for all regulatory and compliance

With respect to the corporate capacity of the Applicant, refer to *Exhibits A and B* to 2<sup>nd</sup> Century's Application for a Certificate of Service Authority to Provide Basic Local Telecommunications Services in the State of Missouri (the Local Exchange Application) which has been filed simultaneously herewith. Both exhibits are incorporated by reference herein as if fully set forth.

issues:

Michael B. Reith Director -- Regulatory and Industry Relations 2ND CENTURY COMMUNICATIONS, INC. 7702 Woodland Center Tampa, Florida 33614 (813) 935-8866

#### II. <u>SERVICES</u>

#### A. PROPOSED SERVICES TO BE OFFERED BY APPLICANT

#### 1. RESOLD INTEREXCHANGE SERVICES

- 6. Pursuant to this Application, 2<sup>nd</sup> Century seeks the authority to operate as a reseller of intraLATA and interLATA intrastate interexchange telecommunications services to the business public throughout the State of Missouri. Specifically, 2<sup>nd</sup> Century proposes initially to offer basic "1+" long distance services, otherwise known as Message Telecommunications Services ("MTS"), conference calling services, calling card services, and toll-free services. 2<sup>nd</sup> Century also will offer SS7 signaling services. These services will be provided through the resale of the services of MCI WorldCom, Inc. or other underlying interexchange carriers ("IXCs"). The Company may expand its long distance service offerings at a later date to include other interexchange services.
- 7.  $2^{nd}$  Century intends to bundle the above-referenced services, where possible, with its local exchange services offerings, in order to deliver integrated voice, data, video and Internet services to its business customers over a Data-Based Telephony ("DBT") network. A detailed description of  $2^{nd}$  Century's network, which supports the integration, routing and transport of multiple services, may be found in  $2^{nd}$  Century's Fact Sheet, which is attached as *Exhibit C* to the

As mentioned previously, concurrent with this Application, 2<sup>nd</sup> Century has applied for a certificate of authority to provide basic local exchange telecommunications services to business customers in Missouri.

Local Exchange Application which is incorporated by reference herein as if fully set forth..

8. 2<sup>nd</sup> Century will not provide its own long distance operator services or directory assistance services. Such services will be provided by the Company's underlying interexchange carrier, MCI WorldCom, Inc, through whom 2<sup>nd</sup> Century intends to resell interexchange services to its Missouri customers. 2<sup>nd</sup> Century will handle the billing of the long distance operator services and directory assistance services that it resells. 2<sup>nd</sup> Century does not intend to offer operator services to end users at traffic aggregator locations.

#### 2. Non-Switched Basic Telecommunications Services

9. In addition to the provision of intrastate interexchange telecommunications services, 2<sup>nd</sup> Century also seeks the authority to provide non-switched basic telecommunications services to its Missouri business customers. Such private line services will be provided within local exchanges and are likely to include dedicated connections from the customer premises to the facilities of IXCs, or between customer premises. If granted, the Applicant's provision of non-switched basic telecommunications authority will be limited to the provisioning of dedicated, local exchange private line services.<sup>3</sup>

# III. DESCRIPTION OF THE MANAGERIAL, TECHNICAL AND FINANCIAL ABILITY OF APPLICANT

10. 2<sup>nd</sup> Century possesses the technical and managerial expertise and experience necessary to provide the telecommunications services proposed herein. In support of its application, 2<sup>nd</sup> Century submits the following information to demonstrate that it has sufficient managerial and technological telecommunications experience and expertise, as well as the financial resources

Of course, once the Commission has approved 2<sup>nd</sup> Century's application for a certificate of authority to provide basic local exchange telecommunications services to business customers in Missouri, the Applicant will provide basic local exchange services in accordance with that grant of authority.

adequate to ensure its provision of intrastate interexchange and non-switched basic telecommunications services within the State of Missouri.

#### A. MANAGERIAL AND TECHNICAL QUALIFICATIONS

- telecommunications services for which authority is requested in this Application. Although it is a start-up company, 2<sup>nd</sup> Century has access to significant capital and substantial technical and managerial expertise. The Company's management team includes individuals with substantive experience in successfully developing and operating start-up telecommunications businesses. This is evident by the fact that, between them, 2<sup>nd</sup> Century's corporate officers, together with its founder and board of directors member Michael Viren, have over seventy (70) years of experience in the telecommunications industry. 2<sup>nd</sup> Century also has adequate internal technical resources to support its Missouri operations, and, to this end, maintains a number of electrical engineers on its staff, including its President and CEO, John Prisco. This expertise in the telecommunications industry makes 2<sup>nd</sup> Century's management team well-qualified to construct, operate and manage 2<sup>nd</sup> Century's interexchange and local exchange networks in Missouri.
- Specific details of  $2^{nd}$  Century's management and technical experience are attached as *Exhibit D* to the Local Exchange Application, which exhibit is incorporated by reference herein as if fully set forth. Exhibit D also contains the biographies of the key management and operational personnel who will be responsible for  $2^{nd}$  Century's telecommunications services in Missouri and throughout the United States.
- 13. 2<sup>nd</sup> Century is authorized to provide local exchange services in California, the District of Columbia, Florida, Georgia, Illinois, Indiana, Maryland, Massachusetts, Nevada, New Hampshire, Pennsylvania, Texas, Virginia and Wisconsin. 2<sup>nd</sup> Century has local exchange applications pending

in North Carolina, and Tennessee. 2<sup>nd</sup> Century also is authorized to provide interexchange services in California, Florida, Georgia, Illinois, Indiana, Maryland, Massachusetts, New Hampshire, North Carolina, Pennsylvania and Wisconsin. 2<sup>nd</sup> Century has requests for interexchange authority (contained in the same application as that filed for local exchange authority) pending in North Carolina and Tennessee. 2<sup>nd</sup> Century has not been denied any requested authority to provide telecommunications services filed in any state, nor has 2<sup>nd</sup> Century had its authorization to provide telecommunications services revoked in any state.

14. 2<sup>nd</sup> Century currently is operational in the State of Florida, where it has been reselling local exchange services to a select group of customers since June 1999.

#### B. FINANCIAL QUALIFICATIONS

15. 2<sup>nd</sup> Century also possesses the necessary financial resources to provide the resold interexchange and non-switched basic telecommunications services identified in this Application.

2<sup>nd</sup> Century has the necessary financial resources to provide the telecommunications services described in this Application, and to finance its operations in order to ensure the continued provision of these services in Missouri. The Commission is directed to *Exhibit E* of Applicant's Local Exchange Application, which is incorporated by reference herein, with respect to its financial credentials. *Exhibit E* contains highly confidential material and has been filed with the Commission under seal accompanied by a Motion for Protective Order. Applicant reasserts its request for relief under the Motion for Protective Order and submits that *Exhibit E* must be given the utmost confidential treatment by the Commission in the analysis of this Application and the Local Exchange Application.

#### C. REPAIR AND MAINTENANCE/CUSTOMER SERVICE INFORMATION

16. 2<sup>nd</sup> Century's customer service representatives are available to assist its business

customers with service, maintenance and billing issues. Specifically, 2<sup>nd</sup> Century's customer services representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by 2<sup>nd</sup> Century and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general telecommunications matters. For service issues, customers may contact 2<sup>nd</sup> Century's customer services department 24 hours a day, seven days a week, by calling them toll-free at (888) 272-8778. For billing issues, customers may contact 2<sup>nd</sup> Century's billing services department between the hours of 9 a.m. and 5 p.m., Monday through Friday, by calling them toll-free at (888) 272-8778. Customers wishing to communicate with a 2<sup>nd</sup> Century customer service representative in writing can write to 2<sup>nd</sup> Century at:

2<sup>nd</sup> Century Communications, Inc. 7702 Woodland Center Tampa, Florida 33614

### IV. CLASSIFICATION

17. 2<sup>nd</sup> Century requests classification as a competitive telecommunications company within the State of Missouri. Applicant believes that the services that it proposes to provide will be subject to sufficient competition to justify a lesser degree of regulation.

#### V. STATEMENTS OF COMPLIANCE AND REQUESTS FOR WAIVER

18. 2<sup>nd</sup> Century 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. However, consistent with the Commission's treatment of other certificated competitive local exchange telecommunications companies, 2<sup>nd</sup> Century requests that the following statutes and regulations be waived for its resold interexchange and non-switched basic

telecommunications service offerings, in accordance with Mo. Rev. STAT. § 392.420 and Mo. CODE REGS. ANN. tit. 4 § 240-32.010(2):

## **STATUTES**

Mo. Rev. Stat. § 392.210.2	 Uniform System of Accounts
Mo. Rev. Stat. § 392.270	 Valuation of Property (Ratemaking)
Mo. Rev. Stat. § 392.280	 Depreciation Accounts
Mo. Rev. Stat. § 392.290.1	 Issuance of Stocks and Bonds
Mo. Rev. Stat. § 392.300.2	 Acquisition of Stock
Mo. Rev. Stat. § 392.310	 Stock and Debt Issuance
Mo. Rev. Stat. § 392.320	 Stock Dividend Payment
Mo. Rev. Stat. § 392.330	 Issuance of Securities, Debts and
	Notes
Mo. Rev. Stat. § 392.340	 Reorganization(s)

#### **RULES**

Mo. Code Regs. Ann. tit. 4 § 240-10.020	 Income on Depreciation Fund Investments
Mo. Code Regs. Ann. tit. 4 § 240-30.010(2)(C)	 Posting of exchange rates at
central operating offices	
Mo. Code Regs. Ann. tit. 4 § 240-30.040	 Uniform System of Accounts
Mo. Code Regs. Ann. tit. 4 § 240-32.030(1)(B)	 Exchange Boundary Maps
Mo. Code Regs. Ann. tit. 4 § 240-32.030(1)(C)	 Records of Access Lines
Mo. Code Regs. Ann. tit. 4 § 240-32.030(2)	 In-State Record Keeping
Mo. Code Regs. Ann. tit. 4 § 240-32.050(3)-(6)	 Public Business Office
	Information; Telephone
	Directories etc.
Mo. Code Regs. Ann. tit. 4 § 240-32.070(4)	 Coin Telephones
Mo. Code Regs. Ann. tit. 4 § 240-33.030	 Informing Customers of
Lowest Priced Services	
Mo. Code Regs. Ann. tit. 4 § 240-35.020, .030	 Reporting of Bypass and
	Customer-Specific
	Arrangements
Mo. Code Regs. Ann. tit. 4 § 240-35.040	 Finance Fee

19. The above-referenced rules and statutory provisions have been waived with regard to other interexchange carriers (Case No. TA-98-361) and competitive local exchange companies (Case No. TA-96-347). These rules or statutory provisions are principally designed to apply to non-competitive telecommunications carriers. As a result, it would be inconsistent with the goal and

purpose of Section 392.530 to apply them to a competitive telecommunications carrier such as Applicant, and, for this reason, 2<sup>nd</sup> Century respectfully requests that the Commission waive the application of these rules to 2<sup>nd</sup> Century.

- 20. 2<sup>nd</sup> Century further requests a temporary waiver of Mo. Code Regs. Ann. tit. 4 § 240-2.060(6)(C). This rule requires that an application for a certificate of service authority to provide interexchange, local exchange or basic local exchange services shall include a proposed tariff with a forty-five (45) day effective date. 2<sup>nd</sup> Century finds it impossible at this time to develop tariffs to fully comply with this rule since it has not yet finalized its rates for its interexchange and non-switched basic telecommunications services. At such time as all facts necessary for the development of such tariffs are known to 2<sup>nd</sup> Century, the Company promptly will file said tariffs with the Commission in a manner consistent with recent Commission practice in similar cases. All filed tariffs will bear no less than a forty-five (45) day effective date.
- 21. 2<sup>nd</sup> Century will comply fully with all applicable Commission rules except those that are specifically waived by the Commission pursuant to the Applicant's request herein.
- 22.  $2^{nd}$  Century has no pending or final judgments or decisions against it or its affiliates from any state or federal agency or court that involve customer services or rates. Appended hereto as *Exhibit F* is a verified statement that no annual report or assessment fees are overdue.

### VI. GEOGRAPHIC AREAS

23. The Applicant proposes to offer service throughout those areas of Missouri where the Commission has authorized the provision of competitive intraLATA interexchange telecommunications service, and non-switched basic telecommunications services.

## VII. PUBLIC INTEREST

- 2<sup>nd</sup> Century submits that approval of this Application is in the public interest because 2<sup>nd</sup> Century is well-qualified technically, managerially, and financially to serve the Missouri public as a resold interexchange carrier and provider of non-switched basic local exchange services. Moreover, permitting 2<sup>nd</sup> Century to provide the services described in this Application will expand local and long distance service options for customers in Missouri, and will increase competition in Missouri by expanding the diversity of suppliers and competition within the local exchange telecommunications market without any adverse impact on the Commission's goals of universal service and affordable telecommunications services for the residents of Missouri.
- 25. 2<sup>nd</sup> Century's participation in the market for non-switched local and interexchange telecommunications services in Missouri will promote consumer choice by expanding the availability of innovative, high quality, reliable and competitively-priced telecommunications services. Approval of this Application also is likely to compel other local and interexchange telecommunications providers to improve their existing services, increase the quality and efficiency of their operations, and introduce innovative new services of their own. The addition of 2<sup>nd</sup> Century to the Missouri telecommunications market makes it probable that consumers of telecommunications services in Missouri will receive the benefits of downward pressure on prices, improved customer responsiveness, and access to increasingly advanced telecommunications technology. Further, 2<sup>nd</sup> Century's provision of interexchange and non-switched telecommunications services to the business public in Missouri is consistent with the legislative goals set forth in the 1996 Act and Chapter 392 of the Missouri Revised Statutes.

WHEREFORE, 2<sup>nd</sup> Century respectfully requests that the Commission grant it a certificate of service authority to provide resold interexchange telecommunication services and non-switched basic local exchange telecommunications services in Missouri. 2<sup>nd</sup> Century also requests classification as a competitive telecommunications company in Missouri. Finally, 2<sup>nd</sup> Century requests that the Commission grant waivers of the aforementioned rules and statutory provisions.

Respectfully submitted,

By:

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Washington, D.C. 20036

Attorneys for 2<sup>ND</sup>CENTURY COMMUNICATIONS, INC.

Dated: November 9, 1999

#### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, to Office of Public Counsel, P.O. Box 7800, Jefferson City, MO 65102-7800, on this 9<sup>th</sup> day of November, 1999

Mark W. Comley

# **VERIFICATION**

State of Florida )  County of Nillsborough )  ss.
Mark Damico, Affiant, being duly sworn according to law, deposes and says that:
He is the <u>Vice President of Business Operations</u> (Office of Affiant) of 2 <sup>nd</sup> Century Communications, Inc.
That he is authorized to and does make this affidavit for said corporation;
That the facts set forth in this Application are true and correct to the best of his knowledge, information, and belief and that he expects said corporation to be able to prove the same at any hearing hereof.  Mark Damico, Vice President of Business Operations 2 <sup>nd</sup> Century Communications, Inc.
Sworn and subscribed before me this <u>38</u> day of <u>October</u> , 1999.
Beth A Plants  My Commission CC840666  Expires May 26, 2003  Signature of official administering oath
My commission expires May 2(0, 2003