

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

In the Matter of the Joint Application of)
Comtel Telecom Assets LP and VarTec)
Telecom, Inc., Excel Telecommunications,)
Inc., and VarTec Solutions, Inc., for)
Approval of a Transfer of Assets.)
)

Case No. TM-2006-0186

STAFF’S STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission and for its status report states:

1. On November 2, 2005, Comtel Telecom Assets LP and VarTec Telecom, Inc., Excel Telecommunications, Inc., and VarTec Solutions, Inc., (together, the “VarTec Companies”), filed a joint application for authority to complete the acquisition by Comtel of substantially all of the assets, including customer accounts, of the VarTec companies.

2. The Commission has directed the Staff to file either its recommendation and memorandum or a status report, no later than November 28, 2005.

3. Comtel does not have certificates of service authority to provide intrastate telecommunications service in Missouri. On November 21, 2005, Comtel filed its Application in Case No. TA-2006-0214 requesting certificates of service authority to provide basic local and interexchange telecommunications services in Missouri. The Application states that Comtel intends to submit the required tariff and interconnection agreement filings to the Commission for review within the prescribed time frame and before offering telecommunication services within Missouri.

4. The Staff anticipates filing its recommendation in this case concurrent with the filing of its recommendation in the certificate case.

Respectfully submitted,

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General Counsel

/s/ William K. Haas
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 28th day of November 2005.

/s/ William K. Haas
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