

Kurt U. Schaefer (573) 761-5004 Email: kschaefer@lathropgage.com 326 E. CAPITOL AVENUE JEFFERSON CITY, MISSOURI 65101-3004 573-893-4336, FAX 573-893-5398

August 31, 1999

FILED

The Honorable Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 301 West High Street, Floor 5A Jefferson City, MO 65101 AUG 3 1 1999

Missouri Public S**ervice Commissio**n

TA - 2000 - 198

Re:

Application of Connect!LD, Inc.for a Certificate of Service Authority to Provide Interexchange Telecommunications Services in the State of Missouri and for Competitive Classification

Dear Secretary Roberts:

Enclosed for filing are the following:

Application for a Certificate of Service Authority and for Competitive Classification; and

Connect!LD, Inc. Proposed Tariff.

We respectfully request that the Tariff be filed simultaneously with the application. If you have any questions, please contact Paul DeFord in our Kansas City office at (816) 292-2000 or me at the number shown above.

Thank you in advance for your attention to this matter.

Sincerely,

LATHROP & GAGE L.C.

Enc

cc: Office of Public Counsel

FILED

AUG 3 1 1999

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Missouri Public Service Commission

In the Matter of the Application of)	
Connect!LD, Inc.)	
)	Case No. <u>TA-2000-</u> 198
for a Certificate of Service Authority to Provide)	
Interexchange Telecommunications Services)	
in the State of Missouri)	
and for Competitive Classification)	

APPLICATION FOR A CERTIFICATE OF SERVICE AUTHORITY AND FOR COMPETITIVE CLASSIFICATION

Connect!LD, Inc. ("Connect!LD" or "Applicant"), a Nevada corporation, files this verified application respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

- (a) grants Applicant a Certificate of Service Authority to provide all forms of resold and facilities-based intrastate interexchange telecommunications services in the State of Missouri pursuant to Chapter 392 of the Missouri Revised Statutes;
- (b) grants competitive status to Applicant; and
- (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420 RSMo.

In support of its request, Applicant states:

1. Applicant's legal name is Connect!LD, Inc. Connect!LD maintains its principal place of business at:

124 West Capitol Avenue Suite 250 Little Rock, AR 72201 Telephone (501) 401-7700 Facsimile: (501) 401-7799

Connect!LD is a corporation organized and existing under the laws of the State of Nevada. A copy of Applicant's Articles of Incorporation and Certificate of Authority to Transact Business in Missouri are attached hereto as Exhibit 1.

2. Correspondence or communications pertaining to this application should be directed to Connect!LD's attorneys of record:

Paul S. DeFord, Esq. Kurt U. Schaefer, Esq. Lathrop & Gage L.C. 2345 Grand Boulevard, Suite 2400 Kansas City, MO 64108 Telephone: (816) 292-2000 Facsimile: (816) 292-2001

and

Kathy L. Cooper, Esq. Swidler Berlin Shereff Friedman, LLP 3000 K St., N.W., Suite 300 Washington, D.C. 20007-5116 Telephone: (202) 424–7816

Facsimile:

(202) 424–7645

with a copy to:

Cindy Lee, Manager of Regulatory Affairs Connect!LD, Inc.

124 West Capitol Avenue

Suite 250

Little Rock, AR 72201

Telephone:

(501) 401-7760

Facsimile:

(501) 401-7625

3. Connect!LD seeks authority to provide resold and facilities-based interexchange

telecommunications services to business and residential customers to and from all points within the

State of Missouri and, therefore, seeks statewide authorization. Connect!LD seeks authority to

provide these services utilizing a combination of its own facilities and, where necessary, resold

facilities of other carriers.

Connect!LD plans to offer a full range of facilities-based interexchange services. These

services may include, but will not be limited to the following: "1+" and "0+" capabilities, access to

"10-1X-XXXX" services, switched inbound calling, switched outbound calling, dedicated inbound

calling, dedicated outbound calling, LD directory assistance, and calling card services.

Connect!LD proposes to provide telecommunications services on a full-time basis, 24-hours

a day, seven days a week. Customers either will be billed directly by Connect!LD or charges will

be billed on the subscriber's telephone bill pursuant to billing and collection agreements established

by Connect!LD with the underlying telephone company.

4. Connect!LD's toll-free telephone number for customer inquiries is:

1-877-200-5022.

5. Technical, Managerial & Financial Qualifications

Connect!LD has access to the financing and capital necessary to conduct the

telecommunications operations as specified in this Application. As a recently formed subsidiary and

new entrant, Connect!LD currently does not have its own financial statements nor documented

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financial histories. Connect!LD will rely on the financial resources of its affiliate, Connect Communications Corporation ("CCC"), to provide the initial capital investment and funding for its Missouri operations. With access to this financing, Connect!LD is financially well qualified to provide the telecommunications services proposed in this Application. CCC has financed Connect!LD's initial operations and will continue to provide financial support to Connect!LD as long as Connect!LD requires additional capital and resources to complete its networks and construct facilities.

Connect!LD possesses the technical capability and managerial qualifications to operate and manage its telecommunications operations in the State of Missouri. The management of Connect!LD is well qualified to execute Connect!LD's business plan, having extensive managerial and technical experience in the telecommunications industry.

Connect!LD was formed to provide all forms of interexchange telecommunications services. Applicant is in the process of obtaining its Section 214 authority from the Federal Communications Commission and will forward such authority to the Commission as soon as it is granted. Connect!LD and its affiliates currently are in the process of obtaining authority to provide telecommunications service in Arizona, Connecticut, Delaware, District of Columbia, Florida, Indiana, Illinois, Maryland, Michigan, Minnesota, New Mexico and South Dakota. In addition, Connect!LD's affiliates are authorized to provide resold and facilities-based local exchange services, by virtue of certification, registration or tariff requirements, or on an unregulated basis, in the following states: Alabama, Arkansas, California, Colorado, Idaho, Kansas, Montana, Nevada, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Utah and Washington. Affiliates of the Applicant have been providing telecommunications services since

December 1997. Neither Connect!LD nor any of its affiliates has not been denied authority to provide telecommunications services in any state nor has Connect!LD had any certification revoked or limited in any way.

6. Tariff Requirement

Applicant's proposed tariff, which contains the rules and regulations for its proposed interexchange services, a description of the service offered, and a list of rates associated with such services, is being filed simultaneously with this Application and has a forty-five (45) day effective date as required by 4 CSR 240-060(4)(h).

7. <u>Classification as a Competitive Company</u>

Applicant requests classification as a competitive company, with accompanying reduced regulation, pursuant to Section 392.361.2 and 392.361.3, RSMo. In making the determination of classification of an applicant the Commission may consider such factors as market share, financial resources and name recognition, among others. See In the Matter of the Investigation for the Purpose of Determining the Classification of the Services Provided by Interexchange Telecommunications Companies within the State of Missouri, 30 Mo. P.S.C. (N.S.) 16 (1989); In the Matter of Southwestern Bell Telephone Company's application for Classification of Certain Services as Transitionally Competitive, 1 Mo. P.S.C. 3d 479, 484 (1992). All the services a competitive company provides must be classified as competitive. Connect!LD submits that as a new market entrant, it does not have the market share or name recognition to inhibit competition, but rather the Commission's approval of this application will ensure competition with those IXCs and ILECs who now possess sufficient market share and name recognition to dominate the

telecommunications service market in the State of Missouri. Allowing Connect!LD to compete with established carriers will bring benefits such as lower costs and better service to residents of the State of Missouri. The public interest benefits of competition justify a lesser degree of regulation for carriers such as Connect!LD.

8. Requests for Waiver

Connect!LD will comply with all applicable statutes and Commission rules, regulations, decisions, and orders governing the provision of Connect!LD's proposed services. Applicant, however, requests that, at a minimum, the following statutes and regulations be waived at this time consistent with the Commission's previous decisions regarding other telecommunications providers:

Statutes

392.240(1)	 rate making
392.270	 valuation of property (rate making)
392.280	 depreciation accounts
392.290	 issuance of securities
392.310	 stock and debt issuance
392.320	 stock dividend payment
392.330	 issuance of securities, debts & notes
392.340	 reorganization(s)

Commission Rules

4 CSR 240-10.020	-	depreciation fund income
4 CSR 240-30.010(2)(c)	-	rate schedules
4 CSR 240-30.040	-	Uniform System of Accounts
4 CSR 240-30.060	-	minimum filing requirements
		(rate increases)
4 CSR 240-32.030(1)(B)	-	exchange boundary maps
4 CSR 240-32.030 (1)(C)	-	record keeping
4 CSR 240-32.030(2)*	_	in-state record keeping
4 CSR 240-32.050(3)	-	local office record keeping
4 CSR 240-32.050(4)	-	telephone directories
4 CSR 240-32.050(5)	-	call intercept
4 CSR 240-32.050(6)	-	telephone number changes
4 CSR 240-32.070(4)	_	public coin telephone
• •		- ·

4 CSR 240-33.030

4 CSR 240-33.040(5)

minimum charges rule

financing fees

*Applicant currently maintains its business records at its principal place of business located

at 124 West Capitol Avenue, Suite 250, Little Rock, AR 72201, and pursuant to 4 CSR 240-

10.010(3) requests a waiver 4 CSR 240-10.010(2) which requires that public utilities maintain such

records in-state. Applicant will comply with the requirements of 4 CSR 240-10.010(3) and will

make its records available to the Commission upon request. To the extent that the Commission may

modify its current waiver policies, Connect!LD respectfully reserves the right to amend its waiver

requests accordingly.

9. Connect!LD, consistent with Section 386.570, RSMo Cum. Supp. 1992, will comply

with all applicable Commission rules except those which are specifically waived by the Commission

pursuant to a request filed by the Connect!LD.

10. Questions concerning the ongoing operations of Connect!LD following certification

should be directed to:

Cindy Lee, Manager of Regulatory Affairs

Connect!LD, Inc.

124 West Capitol Avenue

Suite 250

Little Rock, AR 72201

Telephone:

(501) 401-7760

Facsimile:

(501) 401-7799

IV. CONCLUSION

The telecommunications industry is characterized by unprecedented growth and increasing

opportunity. Connect!LD's entry into the telecommunications market will enhance competition in

the provision of telecommunications services throughout the State of Missouri. Applicant's

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telecommunications expertise ensures its ability to select the most economic and efficient services, thereby giving customers the best combination of price, quality, and customer service possible. The choices thus made available to consumers will increase their choice from among many innovative and reliable service offerings.

WHEREFORE, Applicant, Connect!LD, Inc. requests that the Missouri Public Service Commission grant it a Certificate of Service Authority to provide resold and facilities-based interexchange telecommunications services, classify it as a Competitive Company, and grant it waivers of the statutes and regulations referenced above.

Respectfully Submitted,

10 h.

Paul S. DeFord

#29509

Kurt U. Schaefer

#45829

Lathrop & Gage L.C.

2345 Grand Boulevard, Suite 2400

Kansas City, MO 64108

Telephone:

(816) 292-2000

Facsmile:

(816) 292-2001

Kathy Cooper

Swidler Berlin Shereff Friedman, LLP

3000 K Street, NW, Suite 300

Washington, D.C. 20007-5116

Telephone:

(202) 424-7816

Facsimile:

(202) 424-7645

Counsel for Connect!LD, Inc.

Dated: August 31,1999

EXHIBITS

Exhibit 1

Articles of Incorporation and Certificate of Authorization to Transact Business in the State of Missouri

Affidavit

Certificate of Service

EXHIBIT 1

Articles of Incorporation and Certificate of Authorization to Transact Business

IN THE OFFICE OF THE SECRETARY OF STATE OF THE STATE OF NEVADA AUG-12-1998 Ø9:55

C. T. CORP STL.

314 8631578 P.02/02

Articles of Incorporation

(PURSUANT TO NRS 75)
STATE OF NEVADA
Secretary of State

Filing foc: Receipt #:

No. C 1967. 98

The Corporation Trust Company of Novada By

(Assistant Socretary)

Signature of Resident Agent

(For filing office use)		(For filing office use)		
IMPORTANT: Read instruct TYPE OR	tions on reverse side bet PRINT (BLACK I			
NAME OF CORPORATION: CONNECTILD,	Inc.			
RESIDENT AGENT: (designated resident agent and		in Novada where process may be served)	
Name of Resident Agent: THE CORPO	RATION TRUST COM	PANY OF NEVADA		
Street Address: One East First Street,		Romo, NV	89501	
Street No. Str	reet Name ,	City	Zip	
SHARES: (number of shares the corporation is authority	zed to issue)		7.00	
Number of shares with par value:Pa	LANDE: 0.00	Number of shares without par valu	r:	
GOVERNING BOARD: shall be styled as (check	one): X Direct	tors Trustees		
The FIRST BOARD OF DIRECTORS shall consist of Ted L. Snider, Jr.		ics and addresses are as follows (attach as L. Capital, Little Rock,,	ditional pages if necessary Arkansas	
Name	Address		City/State/Zip	
Name	Address		City/State/Zio	
PURPOSE (optional - see reverse side): The purpos				
SIGNATURES OF INCORPORATORS: The (Atlant additional pages if there are more than two incorporators.) Jonathan Miles		ch of the incorporators signing the articles:	(Signatures must be notariz	
Name (print) 2 Avenue, Clayton, Mis 62105	souri Name ()	oring) S. Central Avenue, Clayto	on, Missouri	
AC WILL	ty/State/Zip Accept	.S. Ruen	Clry/State/2	
Signature	Signatu	m	St. Louis	
State of Missouri County of St. Lou	<u>is</u> State of	Missouri County of	of	
This instrument was acknowledged before me on August 12	7 This is	nstrument was acknowledged before n August 12.	19 <u>98</u>	
Jonathan Miles Neme of Person		M. S. Green Name of Person		
as incorporator	as inc	orporator of rerson		
of CONNECT IID, Inc.	of_co	NNRCTILD Inc		
CANALISTER Was o		ATTANTON & LEGTER	muleur was executed)	
Notary Publica Notara Session STATE OF MISSOURI	sı	STATE OF MASSOUR! Public Stannous Plant Crony	_	
My Commission Express Jan. 20, 2002	-	Commission Expires 1925 Poly 2012	p or seal)	
CERTIFICATE OF ACCEPTANCE OF APPOINTM	PAT OF BUSINESSE A	CENT		



Rebecca McDowell Cook Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS, CONNECT!LD, INC.

USING IN MISSOURI THE NAME CONNECT!LD, INC.

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 NEVADA.

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 4TH DAY OF MAY, 1999.

Secretary of State

\$155.00

AFFIDAVIT

State of <u>Arkansas</u>	:	
\circ .	:	SS.
County of Yulaski	:	

I declare under penalty of perjury that I, Ted L. Snider, Jr., am Chief Executive Officer of Connect!LD, Inc., the Applicant; that I am authorized to make this verification on the Applicant's behalf; that I have read the foregoing Application and know the contents thereof; and that the same are true of my knowledge, except as to the matters which are therein stated on information or belief, and as to those matters I believe them to be true.

Ted L. Snider, Jr.
Chief Executive Officer
Connect!LD, Inc.

Sworn and subscribed before me this 14 day of 50/4 1999.

Signature of official administering oath

My commission expires

Certificate of Service

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the Office of Public Counsel, on this 31st day of August, 1999.

By: Kurt

Kurt U. Schaefer