

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

In the Matter of Application of STi Prepaid,)	
LLC, and STi Prepaid, LLC, d/b/a Telco)	
Group, STi Prepaid, LLC, d/b/a Telco, STi)	Case No. TA-2007-0390
Prepaid, LLC, d/b/a TGI, STi Prepaid, LLC,)	Tariff Nos. YX-2007-0748,
d/b/a Dialaround Enterprises, STi Prepaid,)	JX-2007-0831, YX-2007-0832,
LLC, d/b/a Dialaround, STi Prepaid, LLC,)	YX-2007-0833, YX-2007-0834,
d/b/a VOIP Enterprises, STi Prepaid, LLC,)	YX-2007-0835, YX-2007-0836,
d/b/a VOIP, and STi Prepaid, LLC, d/b/a DEI)	YX-2007-0837, and YX-2007-0838
For Certificates of Service Authority to)	
Provide Interexchange Telecommunications)	
Services within the State of Missouri)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and states:

1. In the attached Memorandum, labeled Appendix A, the Staff recommends that the Missouri Public Service Commission grant STi Prepaid, LLC (Applicant) a certificate of service authority to provide intrastate, interexchange telecommunications services. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. §§ 392.430 and 392.440 RSMo. (2000).

2. Also in the attached Memorandum, the Staff recommends that the Missouri Public Service Commission recognize the use of the fictitious names "Telco Group," "Telco," "TGI," "Dialaround Enterprises," "Dialaround," "VOIP Enterprises," "VOIP," and "DEI," by STi Prepaid, LLC. Staff notes that the company must clearly identify the fictitious names that an annual report or statement of revenue that it submits pertains to, or submit a separate annual report and statement of revenue for each of the fictitious names it is authorized to use.

3. Staff recommends that the Commission classify the Applicant and the services it proposes to offer in its *Application* as competitive. The Commission may classify a telecommunications provider or its services as competitive if the Commission determines it is

subject to sufficient competition to justify a lesser degree of regulation. §392.361.4. All the services a competitive company provides must be classified as competitive. §392.361.3.

4. Staff further recommends that the Commission grant the waivers listed in the *Notice of Applications*. The Commission may waive the application of its rules and certain statutes if the Commission determines that waiver is consistent with the purposes of Chapter 392. §§ 392.185, 392.361.5 and 392.420.

5. Staff also recommends that the Commission waive 4 CSR 240-3.510(1)(C), for the proposed tariffs submitted for STi Prepaid, LLC's fictitious names. The rule requires that proposed tariffs submitted with applications for certificate of service authority have a 45-day effective date. A waiver is appropriate because the company submitted a tariff with the required 45-day period with its initial application, and the additional tariffs filed May 17, 2007 were submitted at Staff's request to comply with the Commission's standard that each fictitious name requires a separate tariff. Other than the fictitious name, the subsequently-filed tariffs are the same as the original tariff. Staff has no objection to all tariffs going into effect at the same time.

6. Finally, Staff recommends that the Commission grant approval of the Applicant's proposed tariffs, all entitled PSC Mo.-No. 1, bearing proposed effective dates of May 31, 2007.

WHEREFORE, Staff recommends that the Commission grant STi Prepaid, LLC a certificate of service authority to provide intrastate, interexchange telecommunications services, and also authority to do business as: STi Prepaid, LLC, d/b/a Telco Group, STi Prepaid, LLC, d/b/a Telco, STi Prepaid, LLC, d/b/a TGI, STi Prepaid, LLC, d/b/a Dialaround Enterprises, STi Prepaid, LLC, d/b/a Dialaround, STi Prepaid, LLC, d/b/a VOIP Enterprises, STi Prepaid, LLC, d/b/a VOIP, and STi Prepaid, LLC, d/b/a DEI; grant it the requested competitive classification; grant the waivers listed in the Commission's Notice of Application, as well as a waiver of 4 CSR

240-3.510(1)(C), for the proposed tariffs submitted for STi Prepaid, LLC's fictitious names; and approve its proposed tariffs, all entitled PSC Mo.-No. 1, bearing an effective date of May 31, 2007.

Respectfully submitted,

/s/ David A. Meyer

David A. Meyer
Senior Counsel
Missouri Bar No. 46620

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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 21st day of May 2007.

/s/ David A. Meyer

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No: TA-2007-0390 File Nos: YX-2007-0748, JX-2007-0831,
YX-2007-0832, YX-2007-0833,
YX-2007-0834, YX-2007-0835,
YX-2007-0836, YX-2007-0837,
and YX-2007-0838

Applicant: STi Prepaid, LLC
STi Prepaid LLC d/b/a Telco Group
STi Prepaid, LLC d/b/a Telco
STi Prepaid, LLC d/b/a TGI
STi Prepaid, LLC d/b/a Dialaround Enterprises
STi Prepaid, LLC d/b/a Dialaround
STi Prepaid, LLC d/b/a VOIP Enterprises
STi Prepaid, LLC d/b/a VOIP
STi Prepaid, LLC d/b/a DEI

From: Sherri Kohly
Telecommunications Department
William L. Voight 05/21/07 David A. Meyer 05/21/07
Utility Operations Division/Date General Counsel's Office/Date

Subject: Staff Recommendation for Approval of Certificates and Initial Tariffs

Date: May 21, 2007

Filing Deadline: May 21, 2007

The Telecommunications Department Staff (Staff) recommends the applicants be granted the following certificate(s), as indicated below, to be effective on the same date the tariff becomes effective:

☐ certificate to provide basic local exchange telecommunications services in the following service areas.

- ☐ All of AT&T Missouri
- ☐ All of Embark
- ☐ All of CenturyTel
- ☐ All of Spectra
- ☐ Other _____ (please describe)

☒ certificates to provide interexchange telecommunications services.

☐ certificate to provide local exchange telecommunications services.*

*local exchange authority should be restricted to dedicated, private line services.

Staff recommends the applicant and its services receive competitive classification. Staff further recommends a Commission order granting certification state that pursuant to Section 392.410 RSMo, unless exercised within a period of one year from the issuance

Appendix A

thereof, authority conferred by a certificate of service authority shall be null and void. In addition, Staff recommends approval of the waivers listed in the Notice.

Granting a certificate to provide basic local exchange telecommunications services should be based on the following conditions:

1. The applicant's originating and terminating access rates will be no greater than the lowest Commission approved corresponding access rates in effect for each ILEC within whose service area the applicant seeks authority to provide service, unless authorized by the Commission pursuant to Sections 392.220 and 392.230 RSMo.
2. The certificate and service classification for switched access service is conditioned on the continued applicability of Section 392.200 RSMo, and the requirement that any increases in switched access services rates above the maximum switched access service rates set forth herein shall be made pursuant to Sections 392.220 and 392.230 RSMo, and not Sections 392.500 and 392.510 RSMo.
3. If the directly competing ILEC, in whose service area the applicant is operating, decreases its originating and/or terminating access service rates, the applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates in the directly competing ILEC's service area within 30 days of the directly competing ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap.

☒ No objection to all nine PSC Mo. No. 1 tariffs taking effect May 31, 2007

The Staff states that the tariff meets the requirements of all applicable statutes, specifically, one or more of the following: Sections 392.200(8), (12); 392.455(3), (4); 392.515(1) and 392.500(2) RSMo. In addition, the tariff filing does not conflict with the following Commission rules: 4 CSR 240-3.545 (4), (6), (7), (8 C,G,H), (9), (15), (16), (19); 4 CSR 240-31.065(1), (2), (3); 4 CSR 240-32.150(5), 32.160(1), (2), 32.190; 4 CSR 240-33.040(4), 33.045(2), 33.050(4) and 33.070(2).

☐ Tariff was not submitted with application. Pursuant to 4 CSR 240-3.510(1)(C), the applicant cannot lawfully provide service until tariffs are effective.

Additional Comments:

☒ The Company is not delinquent in filing an annual report and paying the PSC assessment.

☐ The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.

(☐ No annual report ☐ Unpaid PSC assessment. Amount owed:)

Review Items for IXC, Non-switched Local and CLEC Certificate Applications (as required by 4 CSR 240-2.060):

- ☒ Proper Secretary of State authorization
- ☒ Statement of character of business performed.
- ☒ Statement declaring no pending action or final unsatisfied judgments
- ☒ Statement declaring no overdue annual reports/assessment fees
- ☒ Application includes an affidavit.

- ☒ The applicant is requesting waivers of rules or statutes previously granted to a competitively classified company

(as required by 392.430/.440):

- ☒ Application shows that grant of authority is in the public interest.

Additional Review Items for CLEC Applications (as required by 392.455 and/or 4 CSR 240-3.510):

- ☐ Possesses sufficient technical, financial and managerial resources and abilities.
- ☐ Statement that the applicant will satisfy the minimum standards established by the commission.
- ☐ Identifies geographic area (no smaller than an exchange).
- ☐ Statement that applicant will offer basic local service as a separate and distinct service.
- ☐ Statement that applicant will give equitable access to all Missourians.

Tariff Review Items (applicable for all competitively classified companies):

- ☒ The tariffs meet Staff's review for compliance with rules for competitive company tariff filings.

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OF THE STATE OF MISSOURI**

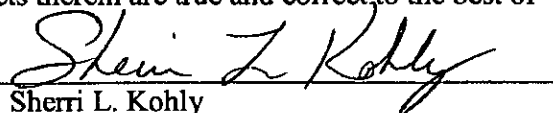
In the Matter of Application of STi)
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Telco Group, STi Prepaid, LLC, d/b/a)
Telco, STi Prepaid, LLC, d/b/a TGI, STi
Prepaid, LLC, d/b/a Dialaround
Enterprises, STi Prepaid, LLC, d/b/a
Dialaround, STi Prepaid, LLC, d/b/a VOIP
Enterprises, STi Prepaid, LLC, d/b/a VOIP,
and STi Prepaid, LLC, d/b/a DEI for
Certificates of Service Authority to Provide
Interexchange Telecommunications
Services within the State of Missouri

Case No. TA-2007-0390

AFFIDAVIT OF SHERRI L. KOHLY

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Sherri L. Kohly, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying Memorandum, and that the facts therein are true and correct to the best of her knowledge and belief.


Sherri L. Kohly



Subscribed and affirmed before me this 21st day of May 2007

I am commissioned as a notary public within the County of Cole

State of Missouri and my commission expires on October 23, 2010


NOTARY PUBLIC

SHARON S. WILES
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: October 23, 2010
Commission Number: 06429091