

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

In the Matter of the Application of New)
Horizons Communications Corp. for a)
Certificate of Authority to Provide)
Interexchange Telecommunications)
Service and for Competitive)
Classification.)

Case No. XA-2007-0302
Tariff File No. YX-2007-0556

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation respectfully states:

1. In the attached Memorandum, labeled Appendix A, Staff recommends that the Missouri Public Service Commission (Commission) grant New Horizons Communications Corp. (Applicant) a certificate of service authority to provide 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. Sections 392.430 and 392.440 RSMo (2000).

2. Staff recommends that the Commission classify Applicant and its services 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.” Section 392.361.2 RSMo (2000). All services provided by a competitive company must be classified as competitive. Section 362.361.3 RSMo (2000).

3. Staff recommends that the Commission approve 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. Sections 392.185, 392.361.5 and 392.420.

4. Staff has no objection to Applicant's proposed tariff taking effect on March 24, 2007.

WHEREFORE, Staff recommends that the Commission grant New Horizons Communications Corp. a certificate of service authority to provide interexchange telecommunications services and to classify Applicant and its services as competitive. Staff recommends that the Commission grant the waivers listed in the Notice of Application. Staff recommends that the Commission approve Applicant's tariff effective March 24, 2007.

Respectfully submitted,

/s/ Jennifer Heintz

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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 9th day of March 2007.

/s/ Jennifer Heintz