

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Intellectrace, Inc.,)
for a Certificate of Service Authority to Provide)
Interexchange Telecommunications Services in the) **File No. XA-2009-0420**
State of Missouri and to Classify Such Services and) **Tariff No. YX-2009-0823**
the Company as Competitive.)

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

Issue Date: June 29, 2009

Effective Date: July 7, 2009

This order grants Intellectrace, Inc., a certificate of service authority to provide interexchange telecommunications services and approves the company's proposed tariff.

Intellectrace applied to the Public Service Commission on May 22, 2009, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 2000. Intellectrace asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by Sections 392.361 and 392.420, RSMo Cum. Supp. 2008. Intellectrace is a California corporation with its principal office located at 448 Ignacia Boulevard, #222, Navato, California 94949.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on May 27, 2009, directing parties wishing to intervene to file their requests by June 11, 2009. No requests for intervention were filed.

Intellectrace filed a proposed tariff in conjunction with its application and filed substitute sheets on June 3, 5, 9, 22, and 24, 2009. The tariff's effective date is July 7, 2009. Intellectrace's tariff describes the rates, rules, and regulations it intends to use, identifies Intellectrace as a competitive company, and lists the waivers requested.

Intellextrace intends to provide interexchange telecommunications services including T-1 or better, point-to-point private line and Internet access services.

In its Memorandum filed on June 25, 2009, the Staff of the Commission recommended that the Commission grant Intellextrace a certificate of service authority, competitive status, and waiver of the statutes and rules listed in the application. Staff recommended that the Commission approve the proposed tariff as amended to become effective on July 7, 2009.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and Intellextrace shall be granted a certificate of service authority. The Commission finds that the services Intellextrace proposes to offer are competitive, and Intellextrace shall be classified as a competitive company. The Commission finds that waiving the statutes and Commission rules set out in the ordered paragraph below is reasonable and not detrimental to the public interest.

The Commission finds that Intellextrace's proposed tariff details the services, equipment, and pricing it proposes to offer. The Commission finds that the proposed tariff filed on May 22, 2009, shall be approved as amended to become effective on July 7, 2009.

The Commission reminds the company that failure to comply with its regulatory obligations may result in the assessment of penalties against it. These regulatory obligations include, but are not limited to, the following:

A) The obligation to file an annual report, as established by Section 392.210, RSMo 2000. Failure to comply with this obligation will make the utility liable to a penalty of \$100 per day for each day that the violation continues. 4 CSR 240-3.540 requires telecommunications utilities to file their annual report on or before April 15 of each year.

B) The obligation to pay an annual assessment fee established by the Commission, as required by Section 386.370, RSMo 2000.

C) The obligation to comply with all relevant laws and regulations, as well as orders issued by the Commission. If the company fails to comply, it is subject to penalties for noncompliance ranging from \$100 to \$2,000 per day of noncompliance, pursuant to Section 386.570, RSMo 2000.

D) The obligation to keep the Commission informed of its current address and telephone number.

Furthermore, the company is reminded that, if it is a corporation, non-attorneys may not represent the company before the Commission. Instead, the corporation must be represented by an attorney licensed to practice law in Missouri.

In addition, the company is reminded that Section 392.410.5, RSMo Supp. 2008, renders the company's certificate of service authority null and void one year from the date of this order unless it has exercised its authority under that certificate.

THE COMMISSION ORDERS THAT:

1. Intellease, Inc., is granted a certificate of service authority to provide intrastate interexchange telecommunications services in the state of Missouri, subject to all applicable statutes and Commission rules except as specified in this order.

2. The certification granted herein is conditioned upon the company's compliance with the regulatory obligations in this order.

3. Intellease, Inc. is classified as a competitive telecommunications company.

Application of the following statutes and regulatory rules shall be waived:

Statutes

- 392.210.2 - uniform system of accounts
- 392.240.1 - rates-rentals-service & physical connections

- 392.270 - valuation of property (ratemaking)
- 392.280 - depreciation accounts
- 392.290 - issuance of securities
- 392.300.2 - acquisition of stock
- 392.310 - stock and debt issuance
- 392.320 - stock dividend payment
- 392.330 - issuance of securities, debts and notes
- 392.340 - reorganization(s)

Commission Rules

- 4 CSR 240-10.020 - depreciation fund income
- 4 CSR 240-30.040 - uniform system of accounts
- 4 CSR 240-3.550(5)(c) - Telecommunications Company
Records and Reports

4. The tariff filed by Intellectrace, Inc. on May 22, 2009, under tariff number YX-2009-0823, is approved as amended to become effective on July 7, 2009. The tariff approved is:

Missouri P.S.C. Tariff No. 1) **Original Page 1 through Original Page 34**

- 5. This order shall become effective on July 7, 2009.
- 6. This file may be closed on July 8, 2009.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Nancy Dippell, Deputy Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 29th day of June, 2009.