

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Quasar)	
Communications Corporation for a Certificate)	
of Service Authority to Provide Interexchange)	<u>Case No. XA-2005-0385</u>
Service in the State of Missouri and to Classify)	<u>Tariff No. YX-2005-0933</u>
Said Services and the Company as Competitive.)	

ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE
AUTHORITY AND ORDER APPROVING TARIFF

Issue Date: May 23, 2005

Effective Date: June 9, 2005

This order grants Quasar Communications Corporation a certificate of service authority to provide interexchange telecommunications services and approves the company's proposed tariff.

Quasar Communications Corporation applied to the Public Service Commission on April 25, 2005, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 2000.¹ Quasar 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. Quasar is a Texas corporation with its principal office located at 15610 Boulder Oaks Drive, Houston, Texas 77084-3009.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on May 3, 2005, directing parties wishing to intervene to file their requests by May 18, 2005. No requests for intervention were filed.

¹ All statutory references are to the Revised Statutes of Missouri (RSMo), revision of 2000, unless otherwise indicated.

Quasar filed a proposed tariff in conjunction with its application and filed substitute sheets on May 3, 2005. The tariff's effective date is June 9, 2005. Quasar's tariff describes the rates, rules, and regulations it intends to use, identifies Quasar as a competitive company, and lists the waivers requested. Quasar intends to provide inter-exchange telecommunications services on a resold basis throughout the state of Missouri.

In its Memorandum filed on May 20, 2005, the Staff of the Commission recommended that the Commission grant Quasar a certificate of service authority, competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the Commission approve the proposed tariff as amended to become effective on June 9, 2005.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and Quasar should be granted a certificate of service authority. The Commission finds that the services Quasar proposes to offer are competitive and Quasar should 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 Quasar's proposed tariff details the services, equipment, and pricing it proposes to offer. The Commission finds that the proposed tariff filed on April 25, 2005, shall be approved as amended to become effective on June 9, 2005.

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, its officers 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. 2004, 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.

IT IS THEREFORE ORDERED:

1. That Quasar Communications Corporation 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. That the certification granted herein is conditioned upon the company's compliance with the regulatory obligations in this order.

3. That Quasar Communications Corporation 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. That the tariff filed by Quasar Communications Corporation on April 25, 2005, under tariff number YX-2005-0933, is approved as amended to become effective on June 9, 2005. The tariff approved is:

Missouri PSC Tariff No. 1
Original Page No. 1 through Original Page No. 19

5. That this order shall become effective on June 9, 2005.
6. That this case may be closed on June 10, 2005.

BY THE COMMISSION

Colleen M. Dale
Secretary

(S E A L)

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

Dated at Jefferson City, Missouri,
on this 23rd day of May, 2005.