

The Commission may grant an application for a certificate of service authority to provide telecommunications service upon a showing that the applicant has met the statutory requirements, including relevant service standards,¹ and that the grant of authority is in the public interest.² Based on the verified application, including TCG's stated commitment to comply with all applicable rules, as well as Staff's uncontested recommendation, the Commission finds that TCG satisfies the requirements for certification and that granting such certificate is in the public interest.

TCG also requests that it and its services be classified as competitive and that the application of certain statutes and regulatory rules be waived. The Commission may classify a telecommunications service as competitive if the Commission determines that the applicant is subject to a sufficient degree of competition to justify a lesser degree of regulation.³ The Commission may only classify a telecommunications carrier as competitive if all of its services are so classified.⁴ The Commission may waive the application of certain statutes and of its rules to a competitive carrier if it determines that such waiver is consistent with the purposes of Chapter 392.⁵

The Commission finds that TCG will compete with incumbent local exchange carriers, as well as other competitive local exchange carriers, in the exchanges in which it provides basic local telecommunications service. The Commission finds that TCG will be subject to a sufficient level of competition to justify a lesser degree of regulation.

¹ See Sections 392.450, 392.451 and 392.455, RSMo 2000. All statutory references, unless otherwise specified, are to the Revised Statutes of Missouri (RSMo), revision of 2000.

² Sections 392.430 and 392.440.

³ Section 392.361.2.

⁴ Section 392.361.3.

⁵ See Sections 392.185, 392.361.3 and 392.420.

Furthermore, all of the services TCG will offer are qualified for classification as competitive services.

The Commission may waive certain statutes and administrative rules for competitively classified carriers “if such waiver or modification is otherwise consistent with the other provisions of Section 392.361 to 392.520 and the purposes of this chapter.”⁶ The Commission has developed a standard list of statutes and regulations that it waives for competitive local exchange carriers. The Commission finds that the waiver of those statutes and regulations is consistent with the purposes of Chapter 392, and will waive those provisions for TCG.

The Commission may also require a telecommunications company to comply with any conditions reasonably necessary to protect the public interest. Staff recommends that TCG’s application be granted subject to certain restrictions regarding switched access rates. These conditions are routinely recommended by Staff and TCG accepted them in its application. The conditions proposed by Staff are necessary to protect the public interest and will be adopted.

The Commission places TCG on notice that failure to comply with certain obligations pursuant to law may result in penalties assessed against the company.

These 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 for a penalty of \$100 per day for each day that the violation

⁶ Sections 392.361.5 and 392.420.

continues. Rule 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, under Section 386.570, RSMo 2000.
- D) The obligation to keep the Commission informed of its current address and telephone number.

The company is reminded that its officers may not represent it before the Commission. The company must be represented by an attorney licensed to practice law in Missouri.

In addition, Section 392.410.5, RSMo Cum. Supp. 2010, provides that the company's certificate of service authority becomes null and void one year from the date of this order unless the company has exercised its authority under that certificate.

The Commission notes that before providing telecommunications services in Missouri, a party shall possess the following: (1) an interconnection agreement approved by the Commission; (2) except for wireless providers, a certificate of service authority from the Commission to provide interexchange or basic local telecommunications services; and (3) except for wireless providers, a tariff approved by the Commission.

TCG did not file a proposed tariff as part of its application. The Commission's regulations do not require that such a tariff be filed along with an application for a certificate, but TCG is reminded that it cannot provide service in Missouri until its tariff is approved by this Commission.

THE COMMISSION ORDERS THAT:

1. TCG St. Louis is granted a certificate of service authority to provide basic local telecommunications services in the exchanges of Aurora, Ava, Branson, Buffalo, Cameron, Cassville, Columbia, Cuba, Foristell, Forsyth, Houston, Kimberling City, Macon, Marshfield, Mountain Grove, Mountain View, Ozark, Potosi, Reeds Spring, Shell Knob, St. James, Thayer, Troy, Warrenton, and West Plains, subject to the conditions and recommendations contained in the Staff's Memorandum.

2. TCG St. Louis and the services it offers are classified as competitive.

3. TCG St. Louis's originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each incumbent local exchange carrier within whose service area TCG St. Louis seeks authority to provide service, unless authorized by the Commission pursuant to Section 392.220 and 392.230, RSMo.

4. The certificates and competitive service classification for switched exchange access are granted conditioned on the continued applicability of Section 392.200, RSMo, and the requirement that any increase in switched access service rates above the maximum switched access service rates set forth herein shall be made pursuant to Section 392.200 and 392.230, RSMo, and not Section 392.500 and 392.510, RSMo.

5. If the directly competing incumbent local exchange carrier, in whose service area TCG St. Louis is operating, decreases its originating or terminating access service rates, TCG St. Louis shall file an appropriate tariff amendment to reduce its originating or terminating access rates in the directly competing incumbent local exchange carrier's service area within 30 days of the directly competing incumbent local exchange carrier's reduction of its originating or terminating access rates in order to maintain the cap.

6. TCG St. Louis will undertake all necessary measures to ensure its contracts with underlying carriers do not contain provisions preventing delivery of traffic to any telephone exchange area of Missouri. Such measures include but are not limited to prevention of call blocking and/or call gapping based on the cost of traffic termination, preventing the alteration or stripping of Calling Party Number identification, and ensuring sufficient network capacity exists to process all traffic according to industry accepted practices.

7. TCG St. Louis is entitled to waiver of the same statutes and regulations TCG St. Louis had waived in File No. TE-2012-0073.

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

9. TCG St. Louis is advised that the grant of authority contained in this order may not, by itself, be sufficient to permit it to lawfully provide telecommunications services in Missouri. Specifically, TCG St. Louis cannot lawfully provide telecommunications services until it has a tariff in effect for such services. When TCG St. Louis

submits such a tariff, it shall do so by filing a non-case tariff submission. The tariff submission shall not be filed in this case.

10. This order and TCG St. Louis's certificate shall become effective on September 21, 2012.

11. This file shall be closed on September 22, 2012.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Ronald D. Pridgin, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 11th day of September, 2012.