

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

In the matter of the Application of Lightyear)	
Network Solutions, LLC for a Certificate to Provide)	File No. CA-2010-0078
Basic Local Telecommunications Service in the)	
State of Missouri and to Classify the Services)	
and the Company as Competitive.)	

STAFF RESPONSE

COMES NOW the Staff of the Missouri Public Service Commission and for its response to the Request for Partial Waiver states:

1. On September 3, 2009, Lightyear Network Solutions, LLC (“the Company”) filed its Application in this case. It requested the authority to provide basic local telecommunications service in the State of Missouri, classify the company and its basic local services as competitive. On September 8, 2009, the Company supplemented its Application with Exhibit C, which includes a balance sheet and an income statement, as required by 4 CSR 240-3.510(1)(D)1.B. On September 15, 2009, the Company was advised that it also needed to submit historic financial statements in this case, pursuant to 4 CSR 240-3.510(1)(D)1.A., causing it to file the Request for Partial Waiver.

2. The Staff agrees that a partial waiver is appropriate in this case. Having looked at this issue extensively, the Staff does not believe that the highly specific requirements set forth in the rule are appropriate. In the decade since the rule was enacted, the Staff does not believe that the rigid application of the specific requirements has created any more stability among

competitive providers than would have existed if the applicants had provided only an income statement and balance sheet. Competitive companies have failed at approximately the same rate as in other states that have more vague requirements. In addition, although many competitive providers have failed, the Commission-required snap-back procedures have protected consumers; to date (and to the best of the Staff's knowledge) no complaints have been filed with consumer services concerning the failure of a competitive provider.

3. Until such time as the rule can be amended, the Staff recommends that the portion of the rule requiring documentation in excess of a balance sheet and income statement be waived in the Company's application case. In 4 CSR 240-3.015(1), the Commission expressly retained the ability to waive any portion of the filing requirements.

WHEREFORE, the Staff supports the partial waiver of 4 CSR 240-3.510(1)(D)1. A-D.

Respectfully submitted,

/s/ Samuel D. Ritchie

Samuel D. Ritchie
Legal Counsel
Missouri Bar No. 61167

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-4140
samuel.ritchie@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this Agreement Notice and the attached Appendix A has been provided, either by first-class mail, by electronic mail, by facsimile transmission or by hand-delivery, to each attorney and/or party of record for this case on this 22nd day of September, 2009.

/s/ Samuel D. Ritchie