

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

In the Matter of the Application of)
Mercury Voice and Data Company for a)
Certificate of Service Authority to Provide)
Basic Local, Local and Interexchange)
Voice Service in Portions of the State of)
Missouri and to Classify said Services and)
the Company as Competitive)

Case No. CA-2006-0483

STAFF RECOMMENDATION

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

1. In the attached Memorandum, labeled Appendix A, the Staff recommends that the Missouri Public Service Commission (Commission) grant Mercury Voice and Data Company (Applicant) the requested certificate to provide basic local exchange telecommunications service in the service area of Southwestern Bell Telephone L.P. d/b/a/ AT&T Missouri, conditioned upon certain access rate provisions. 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, 392.440 and 392.450 RSMo. (2000).

2. Staff also recommends that the Commission grant Applicant's request for 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).

3. Staff also recommends that the Commission grant Applicant's request for a certificate of service authority to provide local exchange telecommunications services. Local exchange authority should be restricted to dedicated, private line (non-switch) 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).

4. Staff further recommends that the Commission classify the 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).

5. 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.

6. No tariff was submitted with the application. While no tariff filing is required at this time, Staff notes that pursuant to 4 C.S.R. 240-3.510(1)(C), the Applicant cannot lawfully provide service until tariffs are effective.

WHEREFORE, Staff recommends that the Commission grant Mercury Voice and Data Company a certificate to provide interstate interexchange services; grant Applicant a certificate to provide local exchange telecommunications services restricted to dedicated, private line services; grant Applicant a certificate to provide basic local

exchange telecommunications services throughout all exchanges served by AT&T Missouri, contingent upon the listed conditions; and approve the waivers listed in the Notice of Applications.

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 13th day of July 2006.

/s/ Jennifer Heintz