

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

In the Matter of the Application of NextGen	)	
Communications, Inc. for a Certificate of Service	)	
Authority to Provide Basic Local Telecommunications	)	File No. CA-2011-0053
Services in the State of Missouri and to Classify Said	)	Tariff No. YC-2011-0303
Services and the Company as Competitive.	)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation, states as follows:

1. On August 25, 2010, NextGen Communications, Inc. (“the Company”) applied for a certificate of service authority to provide basic local telecommunications service and for competitive classification. The Company does not intend to provide basic local service, but intends to offer emergency telephone services to other telecommunications carriers and to IVoIP providers.

2. The Application included sufficient information for the Staff to conclude that the Company possesses sufficient financial, technical and managerial resources to be certificated.

3. In the attached Memorandum, the Staff recommends that the Commission grant the Company’s request for basic local telecommunications service authority. 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. §§ 392.430 and 392.440 RSMo.

4. Staff also recommends that the Commission classify the Company’s 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 and that such lesser regulation is consistent with the protection of ratepayers and promotes public interest. §392.361.4 RSMo. A majority of the services a competitive company provides must be classified as competitive. §392.361.3 RSMo.

5. The Staff further recommends that the Commission state in its order that, pursuant to §392.410 RSMo, the authority conferred by the certificate of service authority shall be null and void unless it is exercised within one year of its issuance.

6. Tariffs were submitted, bearing an effective date of February 3, 2011. The Staff recommends that the Commission either approve the tariffs or allow them to take effect by operation of law.

7. The Staff recommends that the “standard” waivers listed below be granted, as required by §392.420 RSMo. The Company shall list the waivers in its tariff as long as they are effective.

- 4 CSR 240-3.550 (4) and (5)(A) Quality of service reports
- 4 CSR 240-10.020 Depreciation Records
- 4 CSR 240-30.040 Uniform System of Accounts
- 4 CSR 240-32.060 Engineering and Maintenance
- 4 CSR 240-32.070 Quality of Service
- 4 CSR 240-32.080 Service objectives and surveillance levels
- 4 CSR 240-33.040(1-3) and (5-10) Billing and payment standards
- 4 CSR 240-33.045 Clear identification and placement of charges on bills
- 4 CSR 240-33.080(1) Identify company name and toll-free number on bills
- 4 CSR 240-33.130(1), (4) and (5) Operator service requirements
- 392.210.2 Accounting Requirements (system of accounts)
- 392.240.1 Reasonableness of rates
- 392.270 Accounting requirements (valuation of property)
- 392.280 Accounting requirements (depreciation rates/accounts)
- 392.290 Issuance of stocks, bonds and other indebtedness
- 392.300 Transfer of property and ownership of stock
- 392.310 Approval of issuing stocks, bonds and other indebtedness
- 392.320 Certificate of Commission to be recorded-stock dividends
- 392.330 Accounting requirements (proceeds of sales of stock, bonds, notes, etc.)
- 392.340 Company reorganization

8. The Applicant is not delinquent in filing an annual report, paying the PSC assessment, MoUSF, and Relay Missouri.

9. The Staff recommends that the application be granted with the following conditions, even though the Company has no plans to offer basic local service at this time:

a. The applicant’s originating and terminating access rates shall not exceed the access rates of the incumbent local exchange company against whom the applicant is competing pursuant to §§ 392.361.6 and 392.370 RSMo Supp. 2009.

b. If the directly competing ILEC, in whose service area the applicant is operating, decreases its originating and/or terminating access service rates, the applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates in the directly competing ILEC’s service area within 30 days of the directly competing ILEC’s reduction of its originating and/or terminating access rates in order to maintain the cap.

WHEREFORE, the Staff recommends that the Commission grant NextGen Communications, Inc.'s Application for basic local telecommunications service authority under the conditions described above, classify the company and its services as competitive, approve the listed waivers, and either approve the Company's tariffs or allow them to take effect by operation of law..

Respectfully submitted,



Colleen M. Dale, Senior Counsel
Missouri Bar No. 31624
Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-4255 (Telephone)
cully.dale@psc.mo.gov

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 25th day of January, 2011.



MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. CA-2011-0053
Tariff File Number YC-2011-0303

From: William Voight
Supervisor, Rates and Tariffs
Telecommunications Department

Subject: Staff's Recommendation to Approve a Certificate of Service Authority to provide Basic Local Telephone Service for NextGen Communications, Inc., and for Approval of NextGen's Tariff to Provide 9-1-1 Service.

Date: January 20, 2011

On August 25, 2010, NextGen Communications, Inc. (NextGen) applied for a Certificate of Service Authority to Provide Basic Local Telecommunications Service in Missouri. Although NextGen seeks to obtain certification to provide basic local exchange telephone service, NextGen states that it does not intend to provide local or interexchange telephone service (paragraphs 4 & 8). Rather, NextGen states that it only intends to provide certain emergency telephone services to other telecommunications carriers and Voice over Internet Protocol (VoIP) telephone companies. According to its application, NextGen also intends to provide its services to municipal, county and state governments and to certain private enterprises obligated to route emergency telephone calls to appropriate Public Safety Answering Points (PSAPs) throughout Missouri.

NextGen requests that the Commission grant authority for it to aggregate and transport emergency telephone calls to PSAPs, and to manage and transmit location routing information to Missouri's PSAPs.

On December 20 and 28, 2010 and January 3, 2011, NextGen filed substitute tariff sheets which address matters previously pointed out by the Telecommunications Department Staff (Staff) in its initial status report filed on September 10, 2010. On January 14th, NextGen supplemented its application by submitting an affidavit addressing technical, financial and managerial resources as requested by the Staff. On January 19th, NextGen substituted tariff sheet 2 to exclude 4 CSR 240-3.550(5) (C) from its list of requested waivers. The Staff has reviewed NextGen's submittals and Staff finds them acceptable.

Staff recommends the Commission grant NextGen a certificate to provide basic local telephone service throughout the state of Missouri. Although NextGen did not ask for a full and complete set of "standard" waivers of statutes and rules, the Staff recommends the Commission grant NextGen full and complete waivers as outlined in the Pleading attached to this recommendation. Staff further recommends approval of NextGen's PSC Mo. No. 1 Tariff, Original Tariff Sheets 1, 2, 3, 4, and 5. Lastly the Staff notes NextGen has no overdue Commission assessments or fees.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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Case No. CA-2011-0153

AFFIDAVIT OF William Voight

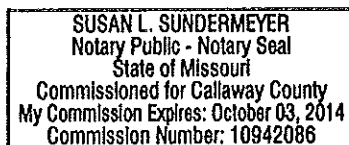
STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

William Voight, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in preparing the accompanying Staff recommendation, and that the facts therein are true and correct to the best of his knowledge and belief.

William Voight

WILLIAM VOIGHT

Subscribed and affirmed before me this 20th day of January 2011.



Susan L. Sundermeyer
NOTARY PUBLIC