BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of)	
Rosebud Telephone, LLC)	
) Case No	
for Certificates of Service Authority to Provide)	
Resold and Facilities-Based Local Exchange)	
and Interexchange Telecommunications Services)	
in the State of Missouri and to Classify Those)	
Services and the Company as Competitive)	

APPLICATION OF ROSEBUD TELEPHONE, LLC

I. INTRODUCTION

Comes now Rosebud Telephone, LLC ("Rosebud" or "Applicant"), by its undersigned counsel, and hereby files this verified application pursuant to 4 CSR 24-2.060 and 4 CSR 240-3.510, and respectfully requests that the Missouri Public Service Commission ("Commission") issue an order that (a) grants Applicant a Certificate of Authority to provide resold and facilities-based basic local telecommunications service in portions of the State of Missouri and facilities-based and resold interexchange telecommunications service throughout the State of Missouri, (b) grants competitive status to Applicant and (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo 2000.¹

The State of Missouri has adopted a policy of allowing competition in the local and long distance telecommunications markets, recognizing that it is in the public interest to develop effective competition to ensure that all consumers will have access to high quality, low cost, and innovative telecommunications services. The Federal Telecommunications Act of 1996 also

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All statutory citations herein are to RSMo. 2000 unless otherwise indicated.

seeks to promote competition and reduce regulation in order to secure lower prices and higher quality telecommunications services for American consumers. Both goals will be promoted by granting this Application.

The Applicant submits the following information in support of its request.

II. APPLICATION FOR AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICE

A. <u>Description of the Applicant</u>

1. Applicant's legal name is Rosebud Telephone, LLC. Rosebud will not use an assumed or fictitious name in Missouri. Rosebud may be reached at its principal place of business:

Rosebud Telephone, LLC 501 W. Main Street Rosebud, Texas 76570 (254) 583-2700 (Tel) (254) 583-2027 (Fax) www.rosebudtelephone.com

2. Correspondence or communications pertaining to this Application should be directed to:

Mark W. Comley Newman, Comley & Ruth P.C. 601 Monroe, Suite 301 P.O. Box 537 Jefferson City, Missouri 65102 (573) 634-2266 (Tel)

3. Questions concerning the ongoing operations of Rosebud following certification should be directed to:

Mary Ann Mitchell Rosebud Telephone, LLC 501 W. Main Street Rosebud, TX 76570 (254) 583-2700(Tel) (254) 583-2027(Fax) maryann@rosebudtelephone.com

4. Rosebud's registered agent in the State of Missouri is:

CT Corporations Systems 120 South Central Avenue Clayton, MO 63105

5. For purposes of consumer inquiries, the contact information will be:

Mary Ann Mitchell Rosebud Telephone, LLC 501 W. Main Street Rosebud, TX 76570 (254) 583-2700(Tel) (254) 583-2027(Fax) maryann@rosebudtelephone.com

B. Qualifications

- 6. Rosebud is a Texas Limited Liability Company formed on August 17, 2001 and is authorized to do business in the state of Missouri. Rosebud's certificate of registration and authority to do business as a foreign limited liability company in Missouri and certificate of good standing are attached hereto as Exhibit A.
- 7. Rosebud is extremely well qualified to provide telecommunications services in Missouri. Rosebud is currently licensed to provide local and long distance telecommunications services in Texas, Arkansas, Florida, New York and California, and has an application for certification pending before the Oklahoma Corporation Commission. Rosebud has not been denied authorization to provide telecommunications services.
- 8. As outlined in more detail below, Rosebud possesses the requisite financial resources to provide all forms of resold and facilities-based local exchange telecommunications service. In support of Rosebud's financial qualification, financial information for Rosebud is

provided under confidential label and seal as Exhibit B. Therefore, as shown in the attached information, Rosebud is financially qualified to operate within the State of Missouri.

9. Rosebud is technically and managerially qualified to provide the competitive local exchange and interexchange services it proposes as required by Section 392.455(1), RSMo. Rosebud's Missouri operations will be directed by its existing corporate management, technical and operations staffs who are responsible for the interexchange and local exchange operations in other states. A description of the background of Applicant's key personnel, which demonstrates the extensive managerial experience of Rosebud's management team, is attached hereto as Exhibit C.

Description of Services

- 10. Rosebud seeks to provide local exchange and interexchange telecommunications services to subscribers in Missouri. Specifically, Rosebud requests authority to provide facilities-based and resold local exchange and interexchange telecommunications services in Missouri. Rosebud will offer basic local exchange services, custom calling features, and interexchange toll services, including toll free services, to residential and business customers.
- 11. While Rosebud will not initially offer prepaid basic local exchange and interexchange services, Rosebud may offer such services in the future. Rosebud intends to provide basic local and interexchange services to payphone service providers. Rosebud will offer basic local exchange services, custom calling features, and interexchange toll services, including toll free services, to residential and business customers. Facilities-based basic local exchange service will be provided via (1) commercial wholesale agreement with incumbents, (2) regulated resale agreements with the incumbents, or (3) a combination thereof. Initially, toll services will be provided via Rosebud's underlying long distance carrier. Rosebud, however,

seeks the full range of resold and facilities-based basic local exchange and interexchange authority so that it can have the flexibility in provisioning services in the future.

- 12. Rosebud will offer interexchange telecommunications statewide. Initially, Rosebud intends to provide basic local exchange service in the areas served by Southwestern Bell Telephone Company, Sprint, CenturyTel of Missouri and Spectra Communications and interexchange telecommunications services to and from all points in the State of Missouri, and does not plan to provide service in areas of any small or rural local exchange carriers.² However, Rosebud does seek statewide authority so that it may expand into other services as market conditions warrant and as additional service areas become open to competition.
- 13. Granting this application will promote the public interest by increasing telecommunications service competition in Missouri. Rosebud will provide customers with high quality, cost effective telecommunications services, with an emphasis on customer service. In addition to driving prices closer to costs, thereby ensuring just and reasonable rates, competition also promotes efficiency in the delivery of services and in development of new services. These benefits work to maximize the public interest by providing continuing incentives for carriers to reduce costs while, simultaneously, promoting the availability of potentially desirable services.
- 14. Rosebud will, through interconnection with other carriers or resale of other carriers' services, provide access to 911 and enhanced 911 emergency services and provide directory assistance and operator assisted calling currently provided by incumbent local exchange carriers.
- 15. Rosebud will provide comprehensive customer service to its customers. Customers may report complaints to the customer service department. Customer service will be

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At this time, Applicant does not seek to terminate any exemption held by a rural telephone company pursuant to 47 U.S.C. § 251(f).

available to answer customer service inquiries in connection with new service, repair or billing. Furthermore, customer service is prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by Rosebud and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general matters.

- 16. Rosebud representatives are available during normal business hours for non-network related inquiries and requests, and twenty-four (24) hours a day, seven (7) days a week for assistance with network issues. Customers may contact Rosebud in writing at Rosebud's headquarters located at 501 W. Main Street Rosebud, TX 76570, or by calling a toll-free customer service number to be provided on each invoice for service. Rosebud's toll-free customer service number is (877) 413-6959.
- 17. Rosebud will offer traditional voice services to customers utilizing the public switched network. Rosebud seeks classification of these services and itself as competitive.
- 18. Rosebud will continuously monitor and maintain a high level of control over its network on a 24-hours-a-day, 7-days-a-week basis. Rosebud will give consideration to equitable access to all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in Rosebud's proposed service areas in accordance with Section 392.455(5), RSMo.
 - 19. Rosebud will offer basic local telephone service as a separate and distinct service.

D. Compliance with Rules and Request for Waiver

20. Rosebud is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards, including, but not limited to, billing, quality of service, and tariff filing and maintenance in a manner consistent with the Commission's requirements for

incumbent local exchange carriers with whom Rosebud seeks to compete. Additionally, Rosebud agrees that, pursuant to Section 392.455(3) & (4) RSMo., its service areas shall be no smaller than an exchange and Rosebud will offer basic local telecommunication service. Pursuant to Section 392.420, RSMo consistent with the Commission's treatment of other certificated competitive local exchange and interexchange telecommunications companies, Rosebud requests that the following statutes and regulations be waived for Rosebud and its basic local exchange service and interexchange service offerings:

<u>Statutes</u>	Missouri Public Service Commission Rules
392.210.2	4 CSR 240-3.550(4)
392.240.1	4 CSR 240-3.550(5)(A)
392.270	4 CSR 240-3.550(5)(C)
392.280	4 CSR 240-10.020
392.290	4 CSR 240-30.040
392.300	4 CSR 240-32.060
392.310	4 CSR 240-32.070
392.320	4 CSR 240-32.080
392.330	4 CSR 240-33.040 (excluding (4))
392.340	4 CSR 240-33.045
	4 CSR 240-080(1)
	4 CSR 240-33.130(1), (4) and (5)

- 21. The above statutes and regulations have been waived previously for other applicants seeking certification. These rules and statutory provisions are principally designed to apply to non-competitive telecommunications carriers. As a result, it would be inconsistent with the goal and purpose of federal and state statutes to apply these rules and statutes to a competitive company such as Rosebud.
- 22. Rosebud further requests a temporary waiver of 4 CSR 240-3.510(1)(C), which requires that an application for a certificate of service authority to provide basic local exchange service shall include a proposed tariff with a forty-five day effective date. Rosebud is unable to develop tariffs to fully comply with this rule since Rosebud has not yet executed or received

Commission approval of any interconnection and/or resale agreements with ILECs. At such time as Rosebud has determined all of the information necessary to develop its tariffs, Rosebud will promptly file the tariffs bearing no less than a 45 day effective date with the Commission in a manner consistent with the Commission's practice in similar cases. In any circumstance, Applicant will file its proposed basic local exchange telecommunications service tariff no later than 30 days after Commission approval of Applicant's interconnection and/or resale agreement.

- 23. Rosebud submits, notwithstanding the provisions of Section 392.500 RSMo., as a condition of certification and competitive classification, Rosebud agrees that, unless otherwise ordered by the Commission, Rosebud's originating and terminating switched exchange access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each ILEC within whose service area(s) Rosebud seeks to provide service. Additionally, pursuant to the Commission's Report and Order in Case No. T0-99-596, Rosebud agrees that if the ILEC in whose service area Rosebud is operating decreases its originating and/or terminating access service rates, Rosebud shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates within thirty (30) days of the ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap on switched exchange access rates.
- 24. Rosebud, pursuant to Section 386.570 RSMo, will comply with all applicable Commission rules except those specifically waived by the Commission pursuant to Rosebud's request.
- 25. Rosebud has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of the application.

26. No annual report or assessment fees are overdue.

Ε. **Public Interest Considerations**

27. Granting this Application will promote the public interest by increasing

competition in the provision of telecommunications services in Missouri. Rosebud will provide

customers high quality, cost effective telecommunications services, with an emphasis on

customer service. In addition to driving prices closer to costs, thereby ensuring just and

reasonable rates, competition also promotes efficiency in the delivery of services and in the

development of new services. These benefits work to maximize the public interest by providing

continuing incentives for carriers to reduce costs while, simultaneously, promoting the

availability of potentially desirable services.

III. **CONCLUSION**

For the reasons stated above, Applicant respectfully submits that the public interest,

convenience, and necessity would be furthered by a grant of this Application for the authority to

provide all types of facilities-based and resold local and interexchange telecommunications services.

Respectfully submitted,

By:

/s/ Mark W. Comley

Mark W. Comley #28847

Newman, Comley & Ruth P.C.

601 Monroe, Suite 301

P.O. Box 537

Jefferson City, Missouri 65102

(573) 634-2266 (Tel)

COUNSEL FOR APPLICANT

Dated: April 27, 2010

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Certificate of Service

	Ιŀ	nereby co	ertify	that	a true	and	corre	ect copy	of the	abo	ve and for	oregoing do	cument '	was
sent	via	e-mail	on	this	27th	day	of	April,	2010,	to	General	Counsel's	Office	at
gencounsel@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov.														

/s/ Mark W. Comley

LIST OF EXHIBITS

Exhibit A - Authority to Transact Business

Exhibit B - Financial Statements (filed under seal)

Exhibit C - Management Biographies

Verification

Exhibit A Authority to Transact Business



State of Missouri

Robin Carnahan, Secretary of State

Corporations Division PO Box 778 / 600 W. Main St., Rm. 322 Jefferson City, MO 65102

FL0999085 Date Filed: 09/24/2009

File Number:

Robin Carnahan Secretary of State

Application for Registration of a Foreign **Limited Liability Company**

(Submit with filing fee of \$105.00)

1. The name of the foreign limited liability company	is Rosebud Telephone, LLC	
2. The name under which the foreign limited liability "limited liability company", "LC", "LLC", "L.C."	company will conduct business in Miss	ouri is (must contain "limited company, ent from line (1)):
3. The foreign limited liability company was formed	under the laws of <u>Texas</u>	on the
date of 08/17/2001 (month/day/year)	ls.	tate or jurisdiction)
4. The purpose of the foreign limited liability compa-	ny or the general character of the busines	ss it proposes to transact in this state is:
Provision of communications services including le		•
5. The name and address of the limited liability compatreet address):	pany's registered agent in Missouri is (th	is line must be completed and include a
CT Corporation System 120 South Central	Avenue Ly be used in conjunction with a physical street add	Clayton, MO 63105 bess) Civ/State-Zip
 The Secretary of State is appointed agent for service of process if the registered agent constitutes grounds to cancel the registration of The address of the registered office in the jurisdict limited liability company is: 	the foreign limited liability company.	•
501 W. Main Street, PO Box 597, Rosebud, TX 70	6570	
Name Address (PO Box may onl	y be used in conjunction with a physical street add	ress) City/State/Zip
7. This application must include a current certificate of the state of domicile. Such document should be darked the state of domicile.		etary of state or other similar official in
	(Please see next page)	
Name and address to return filed document:		
	of Missouri LC/LP 3 Page(s)	
City, State, and Zip	26701567	LLC-4 (11/2008)

In Affirmation thereof, the facts stated above are tree. (The undersigned understands that false statements not appear to the control of the	· ·	vided under Section 575.040, RSMo
Authorized Signature	Mary Ann Mitchell Printed Name	09-23-2009 Date
Authorized Signature	Printed Name	Date
Authorized Signature	Printed Name	Date



Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles of Organization for Rosebud Telephone, LLC (file number 800002704), a Domestic Limited Liability Company (LLC), was filed in this office on August 17, 2001.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 23, 2009.



Phone: (512) 463-5555

Prepared by: SOS-WEB

Hope Andrade Secretary of State STATE OF MISSOURI



Robin Carnahan Secretary of State

CERTIFICATE OF REGISTRATION FOREIGN LIMITED LIABILITY COMPANY

WHEREAS,

Rosebud Telephone, LLC FL0999085

Using in Missouri the name

Rosebud Telephone, LLC

and existing under the laws of the State of Texas has filed with this state its Application for Registration and whereas this Application for Registration conforms to the Missouri Limited Company Act.

NOW, THEREFORE, I, ROBIN CARNAHAN, Secretary of State of the State of Missouri, by virtue of authority vested in me by law, do hereby certify and declare that on the 24th day of September, 2009, the above Foreign Limited Liability Company is duly authorized to transact business in the State of Missouri and is entitled to any rights granted Limited Liability Companies.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 24th day of September, 2009.





STATE OF MISSOURI



Robin Carnahan Secretary of State

CORPORATION DIVISION CERTIFICATE OF GOOD STANDING

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

ROSEBUD TELEPHONE, LLC

using in Missouri the name

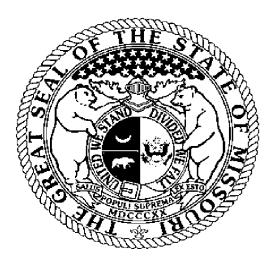
ROSEBUD TELEPHONE, LLC FL0999085

a TEXAS entity was created under the laws of this State on the 24th day of September, 2009, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 27th day of April, 2010

n Camahan

Secretary of State



Certification Number: 12782327-1 Reference:

Verify this certificate online at https://www.sos.mo.gov/businessentity/soskb/verify.asp

Exhibit C

Management Biographies

Managerial Capability and Technical Capability

Applicant Rosebud Telephone, LLC has provided telecommunications services to residential and business clientele in Texas continuously since 1999. Applicant currently provides local exchange services to over 7,000 lines in Texas. Applicant currently employs three officers who have been responsible for all daily and long term operations of the company since 2004. Their brief biographies follow below.

Applicant has provided and intends to continue providing local exchange services via the wholesale acquisition of facilities-based local exchange company networks rather than constructing new network facilities. In that capacity, operation and maintenance of the underlying network is cared for through Applicant's contractual agreements with such facilities-based local exchange carriers and performed by employees and contractors of those facilities-based carriers, such as ATT and Verizon. Applicant's technical capability is therefore augmented by such carriers' personnel, in addition to that which is set forth below.

Mary Ann Mitchell, Vice President

Mary Ann Mitchell is a co-founder and Vice President of Rosebud Telephone, LLC Rosebud Telephone, LLC was launched in 1999 with an emphasis on providing high quality and cost efficient telecommunications products and services to small business subscribers, in particular pay telephone operators.

Mary Ann Mitchell has served in an executive capacity for successful competitive telecommunications providers for over 16 years. During this time she oversaw the business and technical operations for providers of telephone equipment, long distance services, and local services. Her direct responsibilities have included oversight of Administration, Operations, Finance, Accounts Receivable, and Billing and Collection services. She has supervised wholesale contract administration and interconnection agreements, and has participated in every level of strategic planning associated with her employers over the past 16 years. Mary Ann's employers have experienced strong growth and profitability during her tenure, including at her most recent post with Rosebud Telephone, LLC, which currently serves over 7,000 lines throughout the state of Texas with local dial tone and long distance services. Mary Ann came to Rosebud in 1993 and today is a shareholder and serves as Vice President.

Prior to entering telecommunications in 1993, Mary Ann had a successful 26 year career in commercial banking, where she served in an executive capacity, and in progressively responsible positions within health care administration.

H. Gregory Taylor, Vice President

Greg Taylor is a co-founder and Vice President of Rosebud Telephone, LLC.

Rosebud Telephone, LLC was launched in 1999 with an emphasis on providing high quality and cost efficient telecommunications products and services to small business subscribers, in particular pay telephone operators.

Mr. Taylor serves today as Vice President of Rosebud Telephone, and has been in this position since 2004. Mr. Taylor has extensive experience in the telecommunications industry, including owning and operating a pay telephone network throughout Texas, and serving in an executive capacity with Rosebud Telephone, LLC from 2004 to today. Mr. Taylor joined Rosebud in 2004 and promptly transformed it into a successful competitive local exchange carrier. Mr. Taylor has executive responsibility for Sales, Marketing, Operations and Strategic Planning for Rosebud, and remains instrumental in planning and executing the Company expansion strategy. Greg has negotiated wholesale carrier agreements on behalf of Rosebud Telephone, LLC with its underlying local and long distance providers. He fulfills the role of customer advocated internally, having maintained in close communication with the company's major clients. He is also a recognized industry expert, having served for several years as Board Member and President of the Texas Payphone Association.

Prior to joining Rosebud in 2004, Greg owned and operated a private pay telephone network throughout Texas from 1992 until 2004. This company expanded beyond private pay telephones to provide and maintain other end user premise equipment including automated banking machines and transaction processing equipment. Prior to this, Greg served as Vice President of Service Operations then Vice President over all Operations for a major engineered pump manufacturer in Texas beginning in 1982.

Roger P. Stricklett, Vice President of Sales and Marketing

Roger Stricklett currently serves Rosebud Telephone as Vice President of Sales and Marketing. Immediately prior to joining Rosebud, Roger served in this same capacity for nearly 7 years with Navigator Telecommunications.

Roger brings nearly 25 years of direct telecommunications industry experience. From 1985 until 1998, Roger was employed by Mid America Pay Phones of Omaha, Nebraska as sales manager. In 1998 Roger accepted a position with Elcotel Telecommunications of Sarasota, Florida, a pay telephone manufacturer as Midwest Regional Sales Manager. In 2000, Roger accepted a Regional Sales Manager position with TU, LLC based in Warren, Ohio. Roger accepted a position with Navigator Telecommunications in the spring of 2003.

Throughout his many years in the public communication industry, Roger has been elected to the board of several state associations including in Texas, Kansas and Oklahoma.

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COUNTY OF FALLS

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VERIFICATION

I, Mary Ann Mitchell, state that I am Vice President of Rosebud Telephone, LLC, the Applicant to the foregoing Application; that I am authorized to make this Verification on behalf of Rosebud Telephone, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

Mary Ann Mitchell

Vice President

Rosebud Telephone, LLC

Sworn and subscribed before me this $\frac{24^{th}}{}$ day of $\frac{March}{}$, 2010.



Notary Public

My commission expires 09-01-2011