

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

In the Matter of the Application of	)	
Broadview Networks, Inc. for Expansion of	)	<b><u>File No. CA-2018-0129</u></b>
Certificate of Service Authority to Provide	)	
Basic Local Exchange Telecommunications	)	
Service in the State of Missouri	)	

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission and for its recommendation ("Recommendation"), states as follows:

1. On November 13, 2017, Broadview Networks, Inc. ("Broadview", "Applicant", or "Company") applied for an expansion of Certificate of Service Authority to provide basic local exchange telecommunications service in the State of Missouri; Broadview also applied for competitive classification (the "Application").

2. In lieu of a Memorandum, Staff herein states that the Application included sufficient information for Staff to conclude that the Company possesses sufficient financial, technical and managerial resources to be certificated. In addition, Staff notes that granting the listed waivers of Missouri statutes complies with § 392.420 RSMo 2009.

3. Staff recommends that the Commission grant the Company's request for an expansion of Certificate of 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 2000.

4. The Staff also recommends that the Commission classify the Company and 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 Supp. 2009. A majority of the services a competitive company provides must be classified as competitive. § 392.361.3 RSMo Supp. 2009.

5. Staff further recommends that the Commission state in its order that, pursuant to § 392.410, 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. No tariffs were submitted with the Application; the Company may rely on § 392.461 RSMo and publish its rates, terms and conditions of service on its publically available web site or it may submit a tariff for approval by the Commission prior to providing service in Missouri.

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

8. Staff recommends that the Application be granted with the following conditions:

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 thirty (30) days of the directly competing ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap.

c. The Company 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:

- 1) Prevention of call blocking and/or call gapping based on the cost of traffic termination.
- 2) Preventing the alteration or stripping of Calling Party Number identification.
- 3) Ensuring sufficient network capacity exists to process all traffic according to industry accepted practices.

d. If the Company offers access rates they must be tariffed.

9. Staff recommends that the Commission grant the waivers of statutes listed below:

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

10. Staff recommends that the Commission grant the waiver of Rule 4 CSR 240-10.020 (Depreciation Records).

11. Staff recommends that the Commission deny the waivers of rules listed below, as those are citations to rescinded regulations:

4 CSR 240-3.520 Applications to sell or transfer assets  
4 CSR 240-3.525 Applications to merge or consolidate  
4 CSR 240-3.530 Applications to issue stocks, obtain loans  
4 CSR 240-3.535 Applications to acquire stock  
4 CSR 240-3.545(8) Listing of Waivers in Tariff  
4 CSR 240-3.550 Telco Records and Reports (except (5)(B), (D) and (E))  
4 CSR 240-3.555 Residential Customer Inquiries  
4 CSR 240-3.560 Procedure for Ceasing Operations  
4 CSR 240-30.020 Residential Telephone Underground Systems  
4 CSR 240-30.040 Uniform System of Accounts

- 4 CSR 240-32.010 General Provisions
- 4 CSR 240-32.040 Metering, Inspections and Tests
- 4 CSR 240-32.050 Customer Services
- 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 240-32.090 Connection of equipment and Inside Wiring
- 4 CSR 240-32.100 Provision of Basic Local and Interexchange Services
- 4 CSR 240-32.130-170 Prepaid Calling Cards (except 32.140 and 32.150(1))
- 4 CSR 240-32.180-190 Caller ID blocking requirements
- 4 CSR 240-33.010 Service and Billing Practice General Provisions
- 4 CSR 240-33.040 Billing and Payment standards
- 4 CSR 240-33.045 Clear identification and placement of charges on bills
- 4 CSR 240-33.050 Deposits
- 4 CSR 240-33.060 Residential Customer Inquiries
- 4 CSR 240-33.070 Discontinuance of service
- 4 CSR 240-33.080 Disputes by Residential Customers
- 4 CSR 240-33.090 Settlement agreements with residential customers
- 4 CSR 240-33.130 Operator service requirements
- 4 CSR 240-33.140 Payphone requirements (except (2))
- 4 CSR 240-33.150 "Anti-slamming" requirements
- 4 CSR 240-33.160 Customer Proprietary Network Information

**WHEREFORE**, the Staff recommends that the Commission grant Broadview's Application for an expansion of Certificate of Service Authority to provide basic local exchange communications in the state of Missouri on the conditions set forth above, classify the company and its services as competitive, and grant the listed waivers contained in paragraphs 9 and 10 of this Recommendation.

Respectfully submitted,

**/s/ Alexandra L. Klaus**

Alexandra L. Klaus  
Legal Counsel  
Missouri Bar No. 67196  
Attorney for the Staff of the  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102  
573-751-1854 (Voice)  
573-751-9285 (Fax)  
[lexi.klaus@psc.mo.gov](mailto:lexi.klaus@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 parties and/or counsel of record on this 4<sup>th</sup> day of December, 2017.

**/s/ Alexandra L. Klaus**