BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of the Notice of Election of |) | |
|--|---|-------------------------|
| Iowa Telecommunications Services, Inc. |) | |
| d/b/a Iowa Telecom for Waiver of |) | File No. IE-2010-0183 |
| Commission Rules and Statutes Pursuant |) | Tariff No. YI-2010-0385 |
| to § 392.420 RSMo, as amended by HB 1779 |) | |

STAFF RECOMMENDATION

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

- 1. On December 15, 2009, Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom ("the Company") filed notification with the Missouri Public Service Commission that it elected waivers of certain Commission rules and statutory provisions pursuant to §392.420 RSMo Supp 2008.
 - 2. Section 392.420 RSMo Supp 2008 states in relevant part:

In the case of an application for certificate of service authority to provide basic local telecommunications service filed by an alternative local exchange telecommunications company, and for all existing alternative local exchange telecommunications companies, the commission shall waive, at a minimum, the application and enforcement of its quality of service and billing standards rules, as well as the provisions of subsection 2 of section 392.210, subsection 1 of section 392.240, and sections 392.270, 392.280, 392.290, 392.300, 392.310, 392.320, 392.330, and 392.340. Notwithstanding any other provision of law in this chapter and chapter 386, RSMo, where an alternative local exchange authorized telecommunications company is to provide telecommunications services in an incumbent local exchange telecommunications company's authorized service area, the incumbent local exchange telecommunications company may opt into all or some of the above-listed statutory and commission rule waivers by filing a notice of election with the commission that specifies which waivers are elected.

3. The Company is an incumbent local exchange telecommunications company as that term is used in Section 392.420. Furthermore, in the attached Memorandum, labeled as Appendix A, Staff states its position that prior Commission cases, along with the most recent annual reports submitted by companies, adequately demonstrate that alternative local exchange telecommunications companies are authorized to provide service in the Company's territory, although there is no evidence that any are currently providing service in the Company's territory.

4. The Company is currently compliant in obligations relating to Commission assessment, Missouri Universal Service Fund, Relay Missouri, and the submission of an annual report.

WHEREFORE, Staff recommends that the Commission acknowledge the Company's election of the waivers listed in its Notice of Election for Waivers and either approve the tariff pages that designate the rules and statutes waived or allow them to become effective by operation of law.

Respectfully submitted,

Colleen M. Dale

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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 18th day of December, 2009.

MEMORANDUM

To: Missouri Public Service Commission Official Case File

Case No. IE-2010-0183 File No. YI-2010-0385

Company Name: Iowa Telecommunications Services, Inc. d/b/a Iowa

Telecom

From: Sara Buyak

Telecommunications Department

William Voight 12/17/09 Utility Operations Division/Date

Subject: Staff Recommendation to Approve Iowa Telecommunications Services,

Inc. d/b/a Iowa Telecom Request for Waivers

Date: December 17, 2009

On December 15, 2009, Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom (Iowa) filed a Petition For Waiver of Commission Rules and Statutes and tariff sheet, PSC Mo. No. 1, Section 1 4th Revised Page 5 and Section 15 Original Page 1, to exempt Iowa from certain statutory requirements and Commission rules. The requested waivers and a brief description of each are as follows:

| Commission Rules (4CSR 240 -) | Brief Description |
|--|--|
| 3.550(4) and (5)(A) | Held order records, Quality of service reports. |
| 32.060 | Engineering and maintenance |
| 32.070 | Quality of Service |
| 32.080 | Service objectives and surveillance levels |
| 33.040(1) through (3) and (5) through (10) | Billing and payment standards |
| 33.045 | Clear identification and placement of charges on bills |

| Missouri Statutes | Brief description of Commission's authority |
|-------------------|--|
| 392.210.2 | Accounting (system of accounts) |
| 392.240.1 | Rates |
| 392.270 | Accounting (valuation) |
| 392.280 | Accounting (depreciation/accounts) |
| 392.290 | Issuance of stocks, bonds and other indebtness |
| 392.300 | Transfer of property and ownership of stock |
| 392.310 | Approval of issuing stocks, bonds and other indebtness |
| 392.320 | Certificate of Commission to be recorded stock dividends |
| 392.330 | Account for disposition of proceeds of all sales of stocks, bonds, notes, and other indebtness |
| 392.340 | Reorganization |

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Iowa requests the Commission grant the waivers pursuant to Sections 392.245.5 (8), 392.420, 4 CSR 240-2.060, 4 CSR 240-2.080, and 4 CSR 240-3.015 RSMo. The Telecommunications Department Staff (Staff) wishes to note that the waivers are the same as those previously granted by the Commission to other carriers such as in Case No. XE-2009-0308.

Under section 392.420, the Commission may approve these waivers "if such waiver or modification is otherwise consistent with the other provisions of sections 392.361 to 392.520 and the purposes of this chapter."

The Staff recommends because the requested waivers of the above-listed statutory and Commission rule provisions are consistent with the other provisions of sections 392.361 to 392.520 and the purposes of Chapter 392, that the Commission approve the request at its earliest convenience, and permit the tariff sheet to go into effect by operation of law.

The Staff is unaware of any other matter that may affect the matters in this case.

| The Company is not delinquent in filing an annual report, USF, Relay, and paying the |
|--|
| PSC assessment. |
| ☐ The Company is delinquent: (☐ No annual report ☐ No USF ☐ No Relay |
| Unpaid PSC assessment. Amount owed:) |