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Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission PO Box 360 Jefferson City, MO 65101

Re: K-Powernet, Case No. TA-2001-130

**FILED**<sup>3</sup>

SEP 1 3 2000

Missouri Public Service Commission

Dear Mr. Roberts:

At the suggestion/direction of Amonia Moore, I have prepared an Amended Application and Substitute Tariff Sheets 1-20 in this case.

The Amended Application and the enclosed substitute tariff sheets have changes suggested by Ms. Moore with respect to the statutory waivers and ICB language. Because of these changes spilled over into other pages of the tariff I have substituted all sheets for simplicity purposes.

An original plus eight copies of both the Amended Application and the substitute tariff sheets are enclosed.

Sincerely,

Crang S. Johnson

CSJ/mb Enclosure

cc: General Counsel

Office of Public Counsel

Amonia Moore Tim McCracken

200100244

# BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

	LED <sup>3</sup>
SEP	1 3 200n

In the Matter of the Application of	)	Missouri D
K-Powernet, L.L.C. for Certificates	)	Service Commission
of Authority to Provide Interexchange	)	
and Nonswitched Local Telecommuni-	)	Case No. TA-2001-130
cations Services within the State of	)	
Missouri.	)	

# AMENDED APPLICATION

Comes now K-Powernet, L.L.C., "Applicant", pursuant to 4 CSR 240-2.060(6) and submits this Amended Application. Applicant hereby applies for competitive classification of itself and its services, and requests Certificates of Service Authority to provide and resell interexchange and nonswitched local telecommunications services within the state of Missouri, and requests the standard waiver of statutes and rules granted competitive companies and services. In support of this Application, Applicant states the following:

- 1. Applicant is an Oklahoma limited liability company corporation doing business, organized, and existing under the laws of the State of Oklahoma. Applicant is authorized to do business in the state of Missouri, as shown in the certificate from the Missouri Secretary of State, attached as Exhibit 1 hereto.
  - 2. Applicant's registered agent, principal office and place of business is:

Registered Agent:

Sean Burrage Taylor, Burrage, Foster & Singhai 225 South Brady Street Claremore, Oklahoma 74018 Principal Office and Place of Business:

K-Powernet, L.L.C 360 West Dwain Willis Ave. P.O. Box 577 Vinita, OK 74301

3. Communications, pleadings, and correspondence pertaining to this Application should be addressed and delivered to:

J. Chris Cariker Manager K-Powernet, L.L.C. 360 West Dwain Willis Ave P.O. Box 577 Vinita, OK 74301 (918) 256-5551 (918) 256-8023 fax

Craig S. Johnson Andereck, Evans, Milne, Peace, and Johnson, LLC 700 East Capitol P. O. Box 1438 Jefferson City, MO 65102 (573) 634-3422 (573) 634-7822 FAX

- 4. Applicant hereby requests certificates of service authority to provide interexchange and nonswitched local telecommunications services, including the resale thereof, within the state of Missouri pursuant to §§ 392.410, 392.420, and 392.430 RSMo.
- 5. Applicant hereby requests that it and its services be classified as competitive services pursuant to § 392.361 RSMo. Applicant initially intends to provide fiber capacity and services on fiber facilities to other carriers and to end users in providing fiber capacity and technology in rural areas, or in other areas as the network may develop.

6. Applicant hereby requests, pursuant to § 392.420 RSMo, the standard waivers of the following rules and statutory provisions regarding the regulation of Applicant as a competitive telecommunications carrier:

# **STATUTES**

392.210.2	System of Accounts
392.240 (1) RSMO	Rate
392.270 RSMo	Valuation of Property
392.280 RSMo	Depreciation
392.290 RSMo	Issuance securities
392.300.2	Capital Stock
392.310 RSMo	Issuance securities
392.320 RSMo	Stock dividends
392.330 RSMo	Disposition stock proceeds
392.340 RSMo	Reorganization

# **RULES**

4 CSR 240-10.020	Income on Deprec Invest
4 CSR 240-30.010 (2) (C)	Rate schedules
4 CSR 240-30.040	Uniform system of accounts
4 CSR 240-33.030	Minimum charges
4 CSR 240-35	Bypass

- 7. Applicant files herewith as Exhibit 2 its initial tariffs with a proposed effective date 45 days after the filing of this Application.
- 8. Applicant possesses sufficient technical, financial, and managerial resources and abilities to provide the interexchange and nonswitched local telecommunications services for which certification is requested.
- 9. Applicant has no pending actions or final unsatisfied judgments or decisions from any state or federal agency or court which involve customer service or rates which have occurred within three years of the date of this Application. No annual repport or assessment fees are overdue

in the state of Missouri or in any other jurisdiction.

10. Applicant will comply with all applicable Commission rules and regulations for which waiver is not granted.

11. The granting of this application is in the public interest, as it will increase the number of suppliers, technologies available, and customer choices for interexchange and local services in Missouri.

WHEREFORE, Applicant respectfully requests that the Commission grant Applicant the certificates of service authority requested, the waivers of statutes and rules requested, and approve the tariffs filed herewith, together with such other and further relief that the Commission deems appropriate.

ANDERECK, EVANS, MILNE PEACE & JOHNSON, LLC

BY

Craig S Johnson MO Bar # 28179

700 East Capitol

Post Office Box 1438

Jefferson City, Missouri 65102

Telephone: (573) 634-3422 Facsimile: (573) 634-7822

ATTORNEYS FOR APPLICANT

# **CERTIFICATE OF SERVICE**

The undersigned hereby of prepaid this 13 day of	sertifies that a true copy of the foregoing was mailed first class, postage fellow, 2000, to MoPSC Staff General Counsel, and to the
Office of Public Counsel.	

Craig S. Johnson

# K-POWERNET, L.L.C.

This Tariff, filed with the Missouri Public Service Commission, contains the rates, terms and conditions applicable to the provision of competitive interexchange intrastate telecommunications services and competitive dedicated, non-switched local exchange private line telecommunications services in the State of Missouri by K-POWERNET, L.L.C.

This Tariff is on file with the Missouri Public Service Commission and copies may be inspected during normal business hours at the Company's principal place of business, 360 West Dwain Willis Ave, P.O. Box 577, Vinita, Oklahoma, 74301.

K-POWERNET, L.L.C., operates as a "competitive" telecommunications company within the State of Missouri.

Issued: September 1, 2000

# **REGULATORY WAIVERS**

# **STATUTES**

392.210.2	System of Accounts
392.240 (1) RSMO	Rate
392.270 RSMo	Valuation of Property
392.280 RSMo	Depreciation
392,290 RSMo	Issuance securities
392.300.2	Capital Stock
392.310 RSMo	Issuance securities
392.320 RSMo	Stock dividends
392.330 RSMo	Disposition stock proceeds
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# **RULES**

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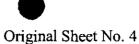
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# **CONCURRING CARRIERS**

NONE

# **CONNECTING CARRIERS**

NONE

# OTHER PARTICIPATING CARRIERS

**NONE** 

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# 1. EXPLANATION OF SYMBOLS

The following symbols shall be used in this Tariff for the purpose indicated below:

"C"	to signify a changed rule or regulation <sup>1</sup>
-----	--

- "M" to signify a matter relocated without change
- "N" to signify a new rate or regulation
- "R" to signify reduced regulation
- "S" to signify reissued material
- "T" to signify a change in text, but no change in rate or regulation
- "Z" to signify a correction

When used in reference to a rate, the symbol "C" indicates a change in the method of applying a rate which will result in either an increase or a decrease for certain customers.

#### 2. APPLICATION OF TARIFF

The service rates and regulations set forth in this Tariff are generally applicable to the provision of interexchange intrastate telecommunications services and dedicated, non-switched local exchange private line telecommunications services by K-POWERNET, L.L.C.

The Company may from time to time, engage in special promotional offerings designed to attract new customers or to promote existing services. Such promotional service offerings shall be subject to specific dates, times, and/or locations, and shall be subject to prior notification to and approval by the Commission.

#### 3. DEFINITIONS

As used in this Tariff, the following terms shall have the following meanings unless the context otherwise require:

- A. Bit The smallest amount of information in the binary system of notation.
- B. Cable Facilities A coaxial and or fiber optic cable network with associated repeater amplifiers and coupling devices which provides the path for transmission of signals to or from the Customer's or User's Premises.
- C. Customer The person, firm, corporation or other legal entity which contracts with the Company to receive telecommunications services from the Company.
- D. Circuit A communications path of a specific bandwidth or transmission speed between two or more points of termination.

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E. Facilities - All Company-owned or operated equipment and Cable Facilities used to provide telecommunications services.

F. Individual Case Basis - A service arrangement for private line or private circuit services the Company will make available to customers in a non-discriminatory manner. Rates for interexchange dedicated access, private line or circuit, non-switched services will be determined on an Individual Customer Basis (ICB). ICB rates will be structured to recover the Company's cost of providing the service and will be made available to the Missouri Public Service Commission Staff upon request on a propreitary basis. ICB rates will not be used for switched services.

G. Premises - A building or structure on property not separated by a public right-of-way. The property may be divided by a private right-of-way or easement, such as a railroad right-of-way.

H. Private Line Service - An unswitched full-time transmission service utilizing the Facilities to connect two or more designated Customer or User locations.

I. Terminating Facilities - All equipment placed in a structure that converts the transmitted signal to a requested service type, connects the structure to the Company's network and provides a point of interface/connection to which the Customer can connect its equipment. This equipment may include electronic equipment, cable, wiring, connecting panels and blocks.

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J. User - A person, firm, or corporation designated as a user of common carrier services furnished to the Customer. A User must be specifically named in the Customer's application for services.

### 4. PROVISION OF SERVICE

The company shall provide service to Customers which enter into a written contract with the Company specifying the services to be provided by the Company, the rates to be charged, and other terms and conditions of service. Certain general terms and conditions applicable to the provision of service by the Company are set forth in this Tariff. Contract terms not specifically governed by the Tariff will be individually negotiated with each prospective Customer. The Company will not provide services to any Customer until a contract has been executed.

#### 5. CUSTOMER OBLIGATIONS AND RESPONSIBILITIES

A. Conditions for Use: Service may be used for the transmission of information of the Customer provided that:

- The Customer has entered into a written contract with the Company;
- 2. The Customer shall not use service for any purpose or in any manner directly or indirectly in violation of the law or in aid of any unlawful act or undertaking; and
- 3. The Customer, upon request, shall furnish such information and access to its location(s) and/or User's location(s) as may be

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required to permit the Company to design and maintain the

Facilities to provide service and to assure that the service

arrangement is in accordance with the provisions of this Tariff and
the contract entered into between the Customer and the Company.

# B. Customer is Responsible for:

- 1. Ensuring compatibility, installation, and maintenance of equipment and systems provided by the Customer or User with the interface equipment provided and/or sanctioned by the Company.
- 2. Damage to, or destruction of, Facilities caused by the negligence or willful act of the Customer or User or their agents.
- 3. Reimbursing the Company for any loss caused by the theft of Facilities installed on the Customer's or User's premises.
- 4. The provision of the power, wiring, and outlets required to operate the Facilities installed on the Customer's or User's Premises.
- 5. The provision, installation and maintenance of sealed conduit with explosive-proof fittings between equipment furnished by the Company in explosive atmosphere and points outside the hazardous area where connection may be made with the Facilities. The Customer may be required to install and maintain the Company's equipment within the hazardous area if, in the opinion

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of the Company, injury or damage to its employees or property

6. Obtaining permission for the Company's agents or employees to enter the Premises of the Customer or User at any reasonable hour for the purpose of installing, inspecting, repairing or, upon termination of service, removing the Facilities.

might result from installation or maintenance by the Company.

- 7. Making the Company's service components and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer, and providing for reasonable access to those facilities and equipment.
- 8. All actions or omissions of a person, firm or corporation appointed by the Customer as its agent. Any limitations of agent's authority shall not be binding on the Company.
- 9. Any breach of the terms and conditions contained in this Tariff or in the contract between the Customer and the Company governing service.
- C. Payment of Rates and Charges: The Customer is responsible for payment of all rates and charges as specified in this Tariff and/or the contract with the Company, for services furnished by the Company to the Customer or User. The Company will submit invoices to the Customer by the fifteenth of each month, which are due and payable upon receipt at the Customer's general office or at such other places as may be designated by

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the Customer. Undisputed invoices not paid after thirty (30) days are subject to interest compounded monthly at 1.5% per month, or such other amount otherwise allowed by law. In addition, failure to pay any past or currently due amounts may result in termination of service as described in Section 13 of this Tariff. Any billing errors shall be adjusted to the known date of error or for a period of one year, whichever is shorter.

# 6. OBLIGATIONS OF THE COMPANY

A. Undertakings: The undertaking of the Company is to furnish service as ordered and specified by the Customer, and as limited by the terms and conditions of this Tariff and the contract entered into between the Customer and the Company. This offering is subject to the availability of Facilities. The Company undertakes to maintain and repair any equipment which it furnished to the Customer, unless otherwise specified in the contract entered into between the Customer and the Company. The Customer or User may not rearrange, disconnect, remove, or attempt to repair any equipment installed by the Company without the prior written consent of the Company.

B. Limitations: The Company shall not be responsible for installation, operation or maintenance of any Terminating Facilities or communications systems purchased or connected to service by a Customer, unless otherwise specified in the contract entered into between the Customer and the Company. Service is not represented as adapted to the use of any specific equipment or system. The Responsibility of the Company shall be limited to the furnishing of service and maintenance and operation of such service. The

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furnishing of service will require certain physical arrangements of the facilities of the Company and is therefore subject to the availability of such facilities.

- C. Liability and Indemnification:
  - 1. The Company shall not be liable for damage arising out of mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing service. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary, or punitive damages to a Customer or User as a result of any service provided by the Company or use of the Facilities, or the acts, omissions or negligence of the Company's employees or agents.
  - 2. The sole remedy for a Customer or User with respect to failure of the Company to maintain proper standards or maintenance and operation or failure to exercise reasonable supervision shall in no event exceed an amount equivalent to the credit for a service interruption specified in the contract between the Company and the Customer or User.
  - 3. The Company does not guarantee or make any warranty with respect to equipment provided by it for use in an explosive atmosphere. The Customer or User indemnifies and holds the Company harmless from any and all loss, claims, suits, or other

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action, or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or User or by any other party or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or User or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to maintain, removal, presence, condition, location or use of said equipment so provided.

- 4. The Company shall not be liable for any defacement of or damage to the Premises of a Customer or User resulting from the furnishing of Facilities or the attachment of the instruments, apparatus and associated wiring furnished by the Company on such Premises or by the installation or removal thereof, when such defacement or damage is not the result of negligence of the agents or employees of the Company.
- 5. The Company shall be indemnified and saved harmless by the Customer or User against:
  - (a) Claims for libel, slander and infringement or copyright arising from the material transmitted over the Facilities.
  - (b) Claims for infringement of patents arising from, combining with, or using in connection with, the

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Facilities and systems or apparatus of the Customer or User; and

(c) All other claims arising out of any act or omission of the Customer or User or their agents in connection with the Facilities, or information transmitted over the Facilities.

# D. Provision of Facilities:

- 1. Upon agreement between the Company and the Customer, the Company will provide all Facilities necessary for service.
- 2. Provided the necessary Facilities are available, service will be furnished by the Company. Where Facilities are not available, terms for provision of service will be individually negotiated with the Customer.

#### 7. SERVICE PERIOD

The period for which service will be provided by the Company to the Customer or User shall be the period specified in the contract between the Customer and the Company.

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# 8. INDIVIDUAL CASE BASIS (ICB) ARRANGEMENTS

Individual Case Basis arrangements refers to a service arrangement for private line or private circuit services the Company will make available to customers in a non-discriminatory manner. Rates for interexchange dedicated access, private line or circuit, non-switched services will be determined on an Individual Customer Basis (ICB). ICB rates will be structured to recover the Company's cost of providing the service and will be made available to the Missouri Public Service Commission Staff upon request on a propreitary basis. ICB rates will not be used for switched services.

# 9. SPECIAL CONSTRUCTION

Provision of service may require special construction of Facilities and equipment by the Company. Special construction arrangements of Facilities may be undertaken by the Company at the request of the Customer or User and upon determination by the Company that such charge should apply in the particular instance.

A. Survey and Design. Prior to engaging in any special construction, survey and design studies may be required. Should that be the case, the Company and the Customer may agree to arrange for the performance of those studies, the review and acceptance thereof by both the Company and the Customer, and the appropriate charges therefor. Failure to agree on the performance of such studies, the acceptability thereof, or the charges therefor, shall constitute grounds for denial of the requested service by the Company.

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B. Charges for Special Construction. All recurring and non-recurring charges for special construction shall be set forth in the contract between the Company and the Customer, and shall be the responsibility of the Customer, regardless of the projected charges for the provision of service by the Company.

#### 10. SERVICE OFFERINGS

The Company will provide point-to-point and point-to-multipoint, Private Line Services connecting a Customer's or User's locations to one another.

#### 11. SERVICE RATES

Individual Case Basis service rates will be charged for private line or private circuit services the Company will make available to customers in a non-discriminatory manner. Rates for interexchange dedicated access, private line or circuit, non-switched services will be determined on an Individual Customer Basis (ICB). ICB rates will be structured to recover the Company's cost of providing the service and will be made available to the Missouri Public Service Commission Staff upon request on a propreitary basis. ICB rates will not be used for switched services.

#### 12. SPECIAL CHARGES

A. Out-of-Normal Work Hours: The charges specified in this Section 12 do not contemplate work being performed by Company employees at a time when overtime wages apply, due to the request of the Customer, nor do they contemplate work once begun being interrupted by the Customer. If the Customer requests labor be performed at hours of the day or days of the week other than during normal working hours or days

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(8:00 a.m. to 4:30 p.m., Monday through Friday), or during holidays, or if the Customer interrupts work once begun, an additional charge may be imposed, equal to the actual higher costs incurred by the Company for overtime and materials.

B. Maintenance and Service Charge: The Customer may be responsible for the cost incurred by the Company in connection with a maintenance and/or service visit to the Customer's or User's Premises when the difficulty or trouble results from the equipment or Facilities provided by the Customer or User, or when failure in the Company's equipment or Facilities is attributable to the Customer or User or their agents. Said cost shall be based upon the current labor rate and material costs of the Company in effect at the time of the visits.

#### 13. SERVICE CANCELLATIONS

A. Discontinuance of Service by the Company: The Company, by such written notice to the Customer as specified in the contract between the Customer and the Company, may discontinue furnishing service without incurring any liability beyond that stated in the contract, upon:

- Non-payment of any sum due to the Company by a Customer;
   or
- 2. A breach of any of Customer's representations or warranties contained in the contract between the Customer and Company, or a violation by the Customer of any term or condition governing the

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furnishing of service as specified in this Tariff or in the contract for service between the Customer and the Company.

B. Cancellation of Service by the Customer Prior to End of the Contract Period: When the Customer cancels the service prior to the end of the term of the contract, the Customer may be required to pay a cancellation charge in the amount specified in the contract between the Customer and the Company.

C. Cancellation of Application for Service: Where the prospective Customer cancels an application for service prior to the start of installation or special construction of Facilities by the Company, no charge shall be made to the prospective Customer.

Where the installation of Facilities has been started prior to the cancellation, the prospective Customer shall pay a cancellation charge in the amount specified in the contract between the Customer and the Company. Installation or special construction of facilities for a Customer is considered to have started from the latest contract date or when the Company incurs any expense in connection therewith, whichever occurs earlier.

14. SERVICE INTERRUPTIONS

A. General: The Company agrees to use its best efforts to

A. General: The Company agrees to use its best efforts to assure continuous full time operation of the service. The customer is considered to have experienced a service interruption when the Circuit becomes unavailable for use or the quality of transmission is such that the Circuit is effectively unusable.

B. Service Restoration: The Company agrees to use its best efforts to respond to the Customer's reasonable request for maintenance in connection with the service as soon

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as reasonably possible. The Company shall have no obligation to perform maintenance which requires access to the Customer's or other premises or buildings when that access cannot be provided to the Company by the Customer. The Company agrees to use its best efforts to minimize the duration of any service interruption.

- C. Liability: The Company shall not be liable for any incidental, indirect or consequential damages as the result of any service interruption.
- D. Credits: The amount of credit for any service interruption, if any, shall be specified in the contract between the Customer and the Company.

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