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July 25, 2003

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

JUL 2 5 2003

Missouri Public Service Commission

Mr. Dale Hardy Roberts Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

#### RE: Case No.

Application of Now Acquisition Corporation for Certificate of Service Authority to Provide Intrastate Interexchange and Non-Switched Local **Exchange Telecommunications Services** 

Dear Mr. Roberts:

Enclosed for filing on behalf of Now Acquisition Corporation, please find an original and five (5) copies of a "MOTION FOR EXPEDITED TREATMENT" relating to the Application for Certificate of Service Authority filed simultaneously herewith.

Please see that this filing is brought to the attention of the appropriate Commission personnel.

Thank you for your cooperation and assistance in this matter.

Sincerely,

WILLIAM D. STEINMEIER, P.C.

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William D. Steinmeier

Enclosures

General Counsel CC: Office of Public Counsel Patrick D. Crocker Mary Ann (Garr) Young

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

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In the Matter of the Application of

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#### NOW ACQUISITION CORPORATION

for a Certificate of Service Authority to Provide Intrastate Interexchange and Non-Switched Local Exchange Telecommunications Services to the Public within the State of Missouri and for Competitive Classification. Case No.

#### MOTION FOR EXPEDITED TREATMENT

NOW COMES Now Acquisition Corporation ("NAC" or "Applicant"), by and through counsel, and pursuant to 4 CSR 240-2.080 (16), states the following to the Missouri Public Service Commission (the "Commission"):

1. The present application (the "IXC Application") is a companion to an application filed by NAC for authority to provide basic local exchange telecommunications services in Missouri (together, the "Certificate Applications"). The two Certificate Applications are being filed simultaneously with a Joint Application seeking Commission authority to transfer assets from NOW Communications, Inc. ("NOW") to NAC (the "Asset Transfer Application"). Expedited treatment of those Applications is also being requested.

2. NOW recently filed for reorganization under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. Bankruptcy Court for the Southern District of Mississippi. The Transfer Application is being filed pursuant to an Asset Purchase Agreement (the "Agreement") by NOW and MCG Capital Corporation ("MCG"), under which NAC, as MCG's assignee under the Agreement, will acquire certain assets of NOW and its subsidiaries.

3. The expeditious approval of this Application will allow NAC promptly to

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Service Commission

assume responsibility for the service of NOW's existing customer base without interruption of service or other inconveniences to Missouri consumers.

4. Applicant is requesting that the Commission grant expedited consideration of this Application and enter its order approving the same as soon as practically possible. Thus, Applicants, in the Asset Transfer Application in this matter, expressed its hope that the Commission could grant approval of the transfer of Missouri customers by September 23, 2003. Such prompt action by the Commission would avoid any degradation of service or service quality due to NOW's financial condition.

5. NOW serves a largely low-income residential customer base that essentially has very poor credit. These customers pay cash, in advance at local currency exchanges and merchants, for monthly local dial tone telephone service. Very few carriers have an interest in or are even capable of providing service in such a manner to such customers, especially to customers located in often the most rural areas of their states. Many customers receiving service today from NOW have not had telephone service for months or years prior to receiving service from NOW. The local dial tone telephone service provided by NOW includes 911 emergency services. In the event that NOW's service is disrupted, these residential customers have few, if any, alternatives for local dial tone telephone service. Any delay in approving the transaction risks service disruption for the customers that rely on NOW for their local dial tone telephone service in the State of Missouri.

6. To ensure a seamless transition and avoid customer confusion or inconvenience, written notification by letter will be sent to the affected NOW customers at least thirty (30) days prior to the transfer, explaining the change in service provider in accordance with applicable FCC and state requirements for changing a customer's carrier. A copy of that notice is attached to the Asset Transfer Application as *Exhibit C*.

7. There will be no negative effect on NOW's customers or the general public if the Commission grants all expedited relief sought herein as soon as practically

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possible.

8. For these reasons, good cause exists for the expedited treatment of the application.

9. This pleading was filed simultaneously with the application to which it relates, and therefore was filed as soon as it could have been filed. The transfer transaction is pursuant to an Asset Purchase Agreement filed with the Bankruptcy Court on May 23, 2003, which is being filed in the Asset Transfer Application case as *Exhibit B*. The large number of entities and jurisdictions involved in this transaction has made the legal logistics difficult to accomplish more quickly. Application processes similar to those initiated here are also being undertaken in many other jurisdictions simultaneously.

WHEREFORE, Joint Applicants respectfully request the Commission to expedite its consideration of the application herein.

Respectfully submitted,

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ATTORNEYS FOR APPLICANT NOW ACQUISITION CORPORATION

Dated: July 25, 2003

## Certificate of Service

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the Office of the General Counsel of the Missouri Public Service Commission, and to the Office of Public Counsel, on this 25th day of July 2003.

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William D. Steinmeier