BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of American Broadband and) Telecommunications Company d/b/a American Assistance for a Certificate of Service Authority to Provide Basic Local Telecommunications Services, Non-Switched Local Service) and Interexchange Telecommunications Services Throughout the State of Missouri and to Classify Said Services and the Company as Competitive

File No. LA-2014-0338

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ORDER GRANTING CERTIFICATES TO PROVIDE **BASIC LOCAL, NONSWITCHED LOCAL, AND INTEREXCHANGE TELECOMMUNICATIONS SERVICES**

Issue Date: June 19, 2014

Effective Date: July 21, 2014

This order grants certificates of service authority to provide basic local, nonswitched local, and interexchange telecommunications services in the state of Missouri, classifies those services and the company as competitive and waives certain statutes and regulations.

On May 12, 2014, American Broadband and Telecommunications Company d/b/a American Assistance applied for certificates of service authority to provide basic and nonswitched local exchange, as well as interexchange telecommunications services within the state of Missouri, and for competitive classification. The company seeks certification to provide interexchange service throughout the state and basic local service in portions of Missouri that are currently being served by AT&T Missouri and CenturyLink. The company is authorized to do business in Missouri by the Missouri Secretary of State.

On May 13, the Commission issued its Notice of Applications and established a deadline for intervention. There were no applications to intervene. On June 19, the Staff of the Commission recommended that the requested certificates, classifications and waivers be granted.

The Commission may grant an application for a certificate of service authority to provide telecommunications service upon a showing that the applicant has met the statutory requirements,¹ and that the grant of authority is in the public interest.² Based on the verified application and Staff's recommendation, the Commission finds that the company satisfies the requirements for certification and that granting such certificates is in the public interest.

The company also requests that it and its services be classified as competitive and that the application of certain statutes and regulatory rules be waived. The Commission may classify a telecommunications service as competitive if the Commission determines that the applicant is subject to a sufficient degree of competition to justify a lesser degree of regulation.³ The Commission may only classify a telecommunications carrier as competitive if all of its services are so classified.⁴ The Commission may waive the application of certain statutes and of its rules to a competitive carrier if it determines that such waiver is consistent with the purposes of Chapter 392.⁵

The Commission finds that the intrastate interexchange market is competitive and that the interexchange services the company will offer are subject to competition. Also, the company will compete with incumbent local exchange carriers, as well as other competitive local exchange carriers in the exchanges in which it provides basic local

¹ See Sections 392.450, 392.451 and 392.455, RSMo.

² Sections 392.430 and 392.440.

³ Section 392.361.2.

⁴ Section 392.361.3.

⁵ See Sections 392.185, 392.361.3 and 392.420.

telecommunications service. The Commission finds that the company will be subject to a sufficient level of competition to justify a lesser degree of regulation. Furthermore, all of the services the company will offer are qualified for classification as competitive services.

The Commission may waive certain statutes and administrative rules for competitively classified carriers "if such waiver or modification is otherwise consistent with the other provisions of Section 392.361 to 392.520 and the purposes of this chapter."⁶

The Commission has developed a standard list of statutes and regulations that it waives for competitive local exchange and interexchange carriers. The Commission finds that the waiver of those statutes and regulations is consistent with the purposes of Chapter 392, and will waive those provisions for the company.

The Commission may also require a telecommunications company to comply with any conditions reasonably necessary to protect the public interest. Staff recommends that the company's application be granted subject to certain restrictions regarding switched access rates. These conditions are routinely recommended by Staff and the company accepted them in its application. The conditions proposed by Staff are necessary to protect the public interest and will be adopted.

The Commission places the company on notice that failure to comply with certain obligations pursuant to law may result in penalties assessed against the company. These obligations include, but are not limited to, the following:

A) The obligation to file an annual report, as established by Section 392.210,
RSMo 2000. Failure to comply with this obligation will make the utility liable for a penalty of \$100 per day for each day that the violation continues. Rule

⁶ Sections 392.361.5 and 392.420.

4 CSR 240-3.540 requires telecommunications utilities to file their annual report on or before April 15 of each year.

- B) The obligation to pay an annual assessment fee established by the Commission, as required by Section 386.370, RSMo 2000.
- C) The obligation to comply with all relevant laws and regulations, as well as orders issued by the Commission. If the company fails to comply it is subject to penalties for noncompliance ranging from \$100 to \$2,000 per day of noncompliance, under Section 386.570, RSMo 2000.
- D) The obligation to keep the Commission informed of its current address and telephone number.

The company is reminded that its officers may not represent it before the Commission. The company must be represented by an attorney licensed to practice law in Missouri.

In addition, Section 392.410.5, RSMo, provides that the company's certificate of service authority becomes null and void one year from the date of this order unless the company has exercised its authority under that certificate.

The company did not file a tariff along with its application but may rely on Section 392.461 RSMo and publish its rates, terms and conditions of service on its publicly available website or it may submit a tariff for approval by the Commission prior to providing service in Missouri.

The Commission notes that before providing telecommunications services in Missouri, a party shall possess the following: (1) an interconnection agreement approved

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by the Commission; and (2) except for wireless providers, a certificate of service authority from the Commission to provide interexchange or basic local telecommunications services.

THE COMMISSION ORDERS THAT:

1. American Broadband and Telecommunications Company d/b/a American Assistance is granted a certificate of service authority to provide basic local telecommunications services in the exchanges of AT&T Missouri and CenturyLink, subject to the conditions and recommendations contained in the Staff's Memorandum.

2. The company is granted certificates of service authority to provide nonswitched local exchange and interexchange telecommunications services in the state of Missouri and its services are granted competitive classification.

2. The company's originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each incumbent local exchange carrier within whose service area it seeks authority to provide service.

3. If the directly-competing incumbent local exchange carrier, in whose service area the company is operating, decreases its originating or terminating access service rates, the company shall file an appropriate tariff amendment to reduce its originating or terminating access rates in the directly competing incumbent local exchange carrier's service area within 30 days of the directly competing incumbent local exchange carrier's reduction of its originating or terminating access rates in order to maintain the cap.

4. 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:

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- a) Prevention of call blocking or call gapping based on the cost of traffic termination.
- b) Preventing the alteration or stripping of Calling Party Number identification, and
- c) Ensuring sufficient network capacity exists to process all traffic according

to industry accepted practices.

5. Application of the following statutes and Commission rules is waived:

Statutes

392.210.2	_	uniform system of accounts
392.240.1	—	rates-rentals-service & physical connections
392.270	_	valuation of property (ratemaking)
392.280	_	depreciation accounts
392.290	_	issuance of securities
392.300	_	transfer of property and acquisition of stock
392.310	—	stock and debt issuance
392.320	_	stock dividend payment
392.330	_	issuance of securities, debts and notes
392.340	—	reorganization(s)

Commission Rules

- 4 CSR 240-3.520 Applications to sell of 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)(C) 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 240-10.020 Depreciation Records
- 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 Interexchange Services 4 CSR 240-32.130-170 – Prepaid Calling Cards, except 32.140 and 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

6. The certification granted herein is conditioned upon the company's

compliance with the regulatory obligations set out in this order

7. This order and American Assistance's certificates shall become effective on

July 21, 2014.

8. This file shall be closed on July 22, 2014.



BY THE COMMISSION

V (orris I Woodruf

Morris Woodruff Secretary

Kennard L. Jones, Senior Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 19th day of June, 2014.