

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

In the Matter of the Application of)
 dPi Teleconnect, LLC for Designation as) File No. CO-2010-0054
 an Eligible Telecommunications Carrier)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned attorney, and files this *Recommendation* for the Missouri Public Service Commission’s (“Commission”) information and consideration, respectfully stating the following:

Procedural Summary

1. On August 7, 2009, dPi Teleconnect, LLC (“dPi” or “Company”) filed an *Application For Designation As An Eligible Telecommunications Carrier (Application)*, requesting designation throughout certain AT&T Missouri service territories for the purpose of receiving federal universal service low income support.

2. Beginning in August 2009, and throughout this case, the Staff has requested that the Company provide responses to numerous data requests.

3. During the review of materials submitted by the Company, the Staff found discrepancies between the information provided and the Company’s annual reports, which lead the Staff to further question the facilities owned and resale provided by the Company, and whether the Company has fully complied with the collection and funding requirements for the Missouri Universal Service and Relay Missouri Funds.

Applicable Statutes and Rules

4. Section 214(e)(2) of the 1996 Act provides that a state commission shall designate a common carrier as an eligible telecommunications carrier (“ETC”) provided that the carrier meets the requirements of Section (e)(1), which requires a carrier designated as an ETC to offer

the services that are supported by the Federal universal service support mechanisms using either its own facilities or a combination of its own facilities and resale of another carrier's services and to advertise the availability of such services and the related charges using media of general distribution.

5. 4 CSR 240-3.570 contains the filing requirements for an applicant seeking designation from the Commission as an ETC, and the service and filing requirements of an ETC once so designated.

Recommendation

6. The Staff has reviewed dPi's *Application*, annual report submissions and data request responses to determine that the Company's *Application* fails to demonstrate compliance with certain requirements for ETC designation including: the Company's failure to adequately address the issue of whether it will provide service using at least a portion of its own facilities, and whether the Company will adopt procedures to ensure an applicant meets the eligibility requirements of 4 CSR 240-31.050. The Staff's *Memorandum* is attached hereto, which includes a status of Company compliance with ETC requirements labeled as Attachment A, and dPi's responses to Staff's data requests labeled as Attachment B. Staff's *Memorandum*, Attachment A and Attachment B contain proprietary information and are labeled "P".

7. The Staff recommends that the Commission reject dPi's *Application*. Alternatively, if the Commission requires the Company to remedy these deficiencies, then the Staff recommends that the Commission give the Company no more than 30 days, in light of the similar unresolved issues in the Company's prior ETC application case, Case No. TA-2008-0247.

8. On February 23, 2010, dPi submitted amended annual reports for calendar years 2007 and 2008. The Staff sent a deficiency notice to the Company regarding discrepancies in line count totals previously submitted for Relay Missouri, verses the counts in the amended reports. While the Staff resolved its concerns regarding the Company's funding of the Missouri Universal Service Fund, questions about the funding of Relay Missouri remain. dPi's response to the Staff's deficiency notice is due March 25, 2010.

9. dPi is current on the remittance of the Commission's annual assessment.

WHEREFORE, the Staff submits this *Recommendation* for the Commission's information and consideration and requests that the Commission issue an order denying dPi Teleconnect, LLC's *Application* for designation as an eligible telecommunications carrier. Alternatively, if the Commission requires the Company to remedy these deficiencies, then the Staff recommends that the order allow the Company no more than 30 days, in light of the similar unresolved issues in the Company's prior ETC application case, Case No. TA-2008-0247.

Respectfully submitted,

/s/ Jennifer Hernandez
Jennifer Hernandez
Legal Counsel
Missouri Bar No. 59814

Attorney for the Staff of the
Missouri Public Service Commission
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail on Mark P. Johnson, Sonnenschein Nath & Rosenthal LLP, Attorneys for dPi Teleconnect, LLC at mjohnson@sonnenschein.com; and The Office of Public Counsel at opcservice@ded.mo.gov this 5th day of March, 2010.

/s/ Jennifer Hernandez

Staff Recommendation
Regarding DPI Teleconnect, LLC
Application for ETC Status
has been deemed “Proprietary” in its entirety.

Attachment A
Regarding DPI Teleconnect, LLC
Application for ETC Status
has been deemed “Proprietary” in its entirety.

Attachment B
Regarding DPI Teleconnect, LLC
Application for ETC Status
has been deemed “Proprietary” in its entirety.

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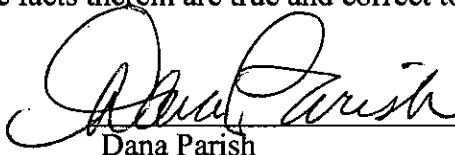
In the Matter of the Application of dPi)
Teleconnect, LLC for Designation as an)
Eligible Telecommunications Carrier)

Case No. CO-2010-0054

AFFIDAVIT OF Dana Parish

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Dana Parish, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying memorandum and exhibits and that the facts therein are true and correct to the best of her knowledge and belief.



Dana Parish

Subscribed and affirmed before me this 3rd day of March 2009^{10.}



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #08942099


NOTARY PUBLIC