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January 9, 2001

VIA HAND DELIVERY

The Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
301 West High Street, Floor 5A  
Jefferson City, MO 65101

FILED<sup>3</sup>  
JAN 09 2001  
Missouri Public  
Service Commission

Re: **OnFiber Carrier Services, Inc., Case No. TA-2000-709**

Dear Secretary Roberts:

Enclosed for filing is an original and eight copies of a Second Amended Application in the above-described matter.

Sincerely,

LATHROP & GAGE L.C.

By: *Paul S DeFord*  
Paul S. DeFord

PSD/jf  
Enclosures

cc: Mr. Robert Franson, Office of General Counsel  
Office of Public Counsel

FILED

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

JAN 9 2001

Missouri Public  
Service Commission

In the Matter of the Application of )  
OnFiber Carrier Services, Inc. )  
For Authority to Provide and/or Resell )  
Local Exchange and )  
Intrastate Interexchange Telecommunications )  
Services in the State of Missouri )

Case No. TA-2000-709

SECOND AMENDED APPLICATION

OnFiber Carrier Services, Inc. ("OnFiber" or "Applicant") hereby requests authority, pursuant to §§392.410, 392.430, 392.440, and 392.450, RSMo, to operate as a local exchange, and interexchange provider of telecommunications services on a facilities and resale basis to customers throughout Missouri as hereinafter more specifically described.

1. Name and Address Applicant: The name and principal address of the Applicant are:

OnFiber Carrier Services, Inc.  
2730 Sand Hill Road, Suite 150  
Menlo Park, California 94025  
Telephone: (650) 561-0271  
Fax: (650) 561-0201

2. Designated Contacts: Correspondence, orders and decisions of the Public Service Commission of Missouri ("Commission") concerning this Application and the ongoing operations of the Applicant should be sent to:

Jeffrey Blumenfeld  
Kristin L. Smith  
Patrick O'Connor  
Blumenfeld & Cohen  
1625 Massachusetts Avenue, N.W. Suite 300  
Washington, D.C. 20036  
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Kansas City, MO 64108  
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3. Organization: OnFiber is organized as a corporation under the laws of Delaware. Appendix 1 contains the Certificate of Incorporation for the Applicant.<sup>1</sup> Additionally, Appendix 2 contains the foreign corporation qualification certifying the Applicant's good standing in Missouri. OnFiber is a wholly owned subsidiary of OnFiber Communications, Inc., which is also a Delaware corporation with offices at 2730 Sand Hill Road, Suite 150, Menlo Park, California 94025.

The Officers of OnFiber, as listed below, collectively have many years of experience in business management and communications operations and are clearly qualified to manage and operate a communications services company in Missouri.

Jagdeep Singh	Chief Executive Officer
Mike Guess	Executive Vice President of Engineering and Operations
Steve O'Hara	Executive Vice President of Business Development
Kirk Wampler	Vice President of Fiber Acquisition

4. Verification: Attached as Appendix 3 is a Verification of Mr. Kirk Wampler, Vice President of Fiber Acquisition of OnFiber, in which he verifies undersigned counsel's authority to file this Application and all other necessary legal documents on behalf of OnFiber.

5. General Description of Services and Proposed Operations: OnFiber Carrier Services, Inc. seeks authority to provide facilities-based local exchange and resold services to business and residential customers throughout Missouri as well as facilities-based interexchange and resold services throughout Missouri. OnFiber proposes to provide these services through a combination of its own facilities and facilities to be leased from a variety of existing carriers.

OnFiber plans to construct or procure its own transmission facilities to provide its facilities-based Dedicated Transport. OnFiber will provide interstate Dedicated Transport

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<sup>1</sup> The Applicant was formerly named Stellar Junction, Inc., but on January 18, 2000 was renamed OnFiber Carrier Services, Inc. Documentation of this name change is included in Appendix 1.

service at transmission speeds of 155.52 Mbps, 622.08 Mbps and 2.488 Gbps. All services are generally available from all locations served by OnFiber. Dedicated transport services are offered on a point-to-point basis, and allow the Customer to connect two locations with nonswitched point-to-point service. OC-3, 12, and 48 Service offers a high capacity channel for the full duplex, synchronous, optical transmission of digital data base on the Synchronous Optical Network (SONET) standard. Each Dedicated Transport Service is dedicated to the Customer, and the entire usable bandwidth for each service is available to the Customer for the Customer's exclusive use.

OnFiber intends to request the negotiation of an interconnection agreement with Southwestern Bell Telephone Company ("SWBT") in the near future, and will provide the Commission with a copy of its interconnection agreement with SWBT upon request. OnFiber will also proceed with additional interconnection agreements with other carriers as the need arises. Furthermore, OnFiber has not yet entered into specific agreements with other carriers to establish arrangements to resell particular services.

OnFiber currently holds a certificate to provide telecommunications services in the State of Washington, and has applications pending in California, Colorado, the District of Columbia, Illinois, Indiana, Georgia, Maryland, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Texas, and Wisconsin. In addition, OnFiber has simultaneously filed applications in Arizona, Connecticut, Florida, Massachusetts, North Carolina, Pennsylvania, and Utah. No application of OnFiber for certification has ever been denied. Additionally, OnFiber has never filed for bankruptcy and has never been the subject of any federal or state investigation. OnFiber will file and maintain tariffs in the manner prescribed by the Commission.

6. Financial Qualifications: OnFiber is well-positioned to succeed in the rapidly changing telecommunications market, and has the financial resources necessary to operate as a provider and reseller of telecommunications services in Missouri. OnFiber plans an aggressive service rollout to meet demand for innovative telecommunications services. The proposed initiation of services in Missouri requires a significant investment by Applicant that will be funded by the corporate parent, OnFiber Communications, Inc. The primary source of funding for OnFiber Communications, Inc. is private and institutional investors.

OnFiber is a privately held company with financial information that is private in nature. Because Applicant's financial statements are highly confidential and contain proprietary information, they will be filed under seal as Appendix 4 after an appropriate protective order is entered, and are not to be made a part of the public record. The financial documentation demonstrates that OnFiber has more than sufficient funds to provide its proposed services in Missouri.

In support of its financial qualifications, OnFiber will submit the financial statements of its parent company, OnFiber Communications, Inc., including financing documentation. Initially, funds for the operation of OnFiber will be provided by Applicant's parent. OnFiber requests that the Commission waive the requirement that OnFiber provide audited financial statements and will provide them to the Commission at the time they become available, if so requested. The financial documents demonstrate that OnFiber has more than sufficient funds to provide its proposed services.

7. Technical and Managerial Qualifications: As illustrated in Appendix 5, the members of the senior management team have extensive management and telecommunications experience. OnFiber is guided by a sophisticated and highly able management team that

includes individuals who have distinguished themselves over the past several decades in executive positions at the top communications firms in the United States, including Ciena Corporation, IXC Communications, Cincinnati Bell, WilTel Communications, Micro Technology, Northern Telecom, COVAD Communications, Metricom and Nextel. The senior management team has extensive business, technical, operational and regulatory telecommunications experience, has been instrumental in the design, implementation and operation of several telecommunications networks, and is dedicated to providing the highest quality service to meet customer needs. Appendix 5 evidences the considerable telecommunications expertise and qualifications necessary to provide both local exchange and interexchange services in Missouri.

8. Area to be Served: OnFiber seeks to offer local exchange services throughout all exchanges currently served by the incumbent local exchange telecommunication companies of Southwestern Bell Telephone Company ("SWBT"), Sprint/United Telephone Company ("United"), and GTE Midwest, Inc. ("GTE"). The specific SWBT, United, and GTE exchanges within which Applicant proposes to offer services are listed in the incumbent providers' respective local tariffs. Service will initially be offered in limited areas and may expand to other locations. OnFiber seeks to offer intrastate interexchange services throughout the state of Missouri.

9. Classification as Competitive: OnFiber seeks classification of itself and its services as competitive.

10. Compliance with Commission Rules and Waiver Requests: As previously indicated, OnFiber is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards, including, but not limited to billing, quality of service, tariff

filing and maintenance. Consistent with the Commission's treatment of other certified competitive local exchange telecommunications companies, OnFiber requests that the following statutes and regulations be waived for OnFiber and its service offerings:

A. Section 392.210.2 – Uniform System of Accounts: Requires every telecommunication company to make annual reports to a uniform system of accounts established by the Commission.

B. Section 392.240(1) -- Rates—Rentals—Service and Physical Connections

C. Section 392.270 – Valuation of Property (Ratemaking): Provides the Commission with power to ascertain the value of the property of every telecommunications company in Missouri.

D. Section 392.280 – Depreciation of Accounts: Requires every telecommunications company to carry a proper and adequate depreciation account in accordance with the rules and regulations of the Commission.

E. Section 392.290 - Issuance of Securities: Provides the state with the right of supervision, regulation, restriction, and control of every telecommunications company's power to issue stocks, bonds, notes, and other evidence of indebtedness and to create liens upon its property situated in Missouri.

F. Section 392.300.2 – Acquisition of Stock: Provides that no stock corporation, domestic or foreign, other than another telecommunications company shall, without the consent of the Commission, purchase or acquire more than ten percent of the capital stock issued by the telecommunications company.

G. Section 392.310 – Stock and Debt Issuance: Requires every telecommunications company to seek authorization by order of the Commission before issuing stocks, bonds, notes or other evidence of indebtedness.

H. Section 392.320 – Stock Divided Payment: A telecommunications company may not issue any stocks, bonds, notes or other evidence of indebtedness for any money, property, or service until the company records upon the books of such corporation the certificate of the Commission. Also, the telecommunication company may not declare any stock, bond, or scrip dividend or divide unless authorized by the Commission to do so.

I. Section 392.330 – Issuance of Securities, Debts and Notes: Provides the Commission with the power to require every telecommunications company to account for the disposition of the proceeds of all sales of stocks, bonds, notes, and other evidence of indebtedness.

J. Section 392.340 – Reorganization(s): Requires that the reorganization of every telecommunications company be subject to the supervision and control of the Commission, and that no such reorganization shall take place without the authorization of the Commission.

K. 4 CSR 240-10.020 – Depreciation Fund Income: This rule prescribes the use of income on investments from depreciation funds and the means for accounting that income

L. 4 CSR 240-30.010(2)(C) -- Rate Schedules..

M. 4 CSR 240-30.040 – Uniform System of Accounts: Requires that every telecommunications company file annual reports and maintain books and records to a uniform system of accounts established by the Commission.

N. 4 CSR 240-32.030(4)(C) -- Records and Reports.

O. 4 CSR 240-33.030 -- Minimum Charges Rule.




P. 4 CSR 240-35 – Reporting of Bypass and Customer-Specific Arrangements:  
Requires every telecommunications company to report instances where intrastate telecommunications are provided through bypass or customer specific arrangements of which the company becomes aware and which is located in part or in whole in the geographical area in which the company provides service.

11. Public Interest. The Commission has previously granted hundreds of entities authority similar to that requested herein by OnFiber. The Commission has frequently found that such grants of authority are in the public interest because they foster competition. A grant of authority to OnFiber is in the public interest because such grant would further the goal of promoting full and fair competition.

**WHEREFORE,** Applicant requests this Commission to:

1. Grant it authority to operate as a local exchange and intrastate interexchange provider of services consistent with this application;
2. Grant the waivers requested in this application; and
3. Grant such other relief as it deems necessary and appropriate.

Respectfully submitted this 9<sup>th</sup> day of January, 2001.



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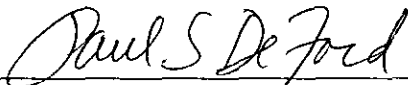
Attorneys for Applicant

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was served by United States Mail, postage prepaid, this 9th day of January, 2001, upon the following:

Robert Franson  
Office of General Counsel  
Missouri Public Service Commission  
PO Box 360  
Jefferson City, MO 65102

Office of Public Counsel  
PO Box 7800  
Jefferson City, MO 65102

  
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Attorney for OnFiber Carrier Services, Inc.