

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

In the Matter of the Application of YourTel)
America, Inc., to Amend its Designation as)
an Eligible Telecommunications Carrier) Case No. CO-2009-0257
pursuant to the Telecommunications Act of)
1996)

STAFF'S RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Recommendation states:

1. On January 12, 2009, YourTel America, Inc., filed an application to amend its Eligible Telecommunications Carrier (ETC) designation. Specifically, YourTel seeks to amend its ETC designation to include a prepaid wireless service targeted to low-income consumers. YourTel supplemented its application on February 9, 2009.

2. Commission rule 4 CSR 240-3.570 establishes criteria when a company seeks designation as an ETC.

3. YourTel is seeking a waiver of the requirements of 3.570 (2)(A) 1, 2, and 3 on the basis that these requirements solely pertain to applicants seeking high-cost support, which YourTel is not seeking.

4. The Commission may waive a rule for good cause. 4 CSR 240-2.060(4).

5. In the attached Memorandum, the Staff states that it has no objection to the waiver request. The Staff then states its opinion that YourTel's application meets the remaining ETC requirements.

WHEREFORE, the Staff recommends that the Commission grant YourTel's request for a waiver of the requirements of 3.570 (2)(A) 1, 2, and 3, and grant YourTel's request to include in

its designation as an ETC the prepaid wireless plan proposed in YourTel's pending application for the exchanges listed in YourTel's Exhibit B.

Respectfully submitted,

/s/ William K. Haas

William K. Haas
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 19th day of February 2009.

/s/ William K. Haas

MEMORANDUM

To: Official Case File
Case No. CO-2009-0257
YourTel America, Inc.

From: John Van Eschen
Telecommunications Department

Date: February 13, 2009

Subject: Approve YourTel's Application to Amend ETC Designation

Summary

On January 12, 2009 YourTel America, Inc. (YourTel or company) filed an Application to Amend its Designation as an Eligible Telecommunications Carrier (ETC). On February 9, 2009 the company supplemented its January 12, 2009 at the Commission Staff's request. The company seeks to amend its ETC designation to include a prepaid wireless service targeted to low-income consumers. If approved, the company will be allowed to obtain federal universal service fund assistance as a form of Lifeline service. Staff recommends the Commission grant YourTel's request. Specifically the Commission should declare the company's status as an ETC includes the wireless service proposed in YourTel's pending application for the exchanges listed in YourTel's Exhibit B.

History

The company has been designated as an ETC since April 11, 2003. The company was originally granted ETC designation in Case No. CO-2003-0094 under the name The Pager Company d/b/a The Pager & Phone Company whereby the company offered a landline Lifeline service within certain Southwestern Bell exchanges. The company later changed its corporate name to YourTel America, Inc. in Case No. CN-2007-0218. In Case No. CO-2008-0334 the company amended its ETC designation to include additional telephone exchanges. The company's ETC designation is solely for the purpose of receiving funding assistance to provide discounted Lifeline/LinkUp service to qualifying low-income subscribers. The company does not currently receive or seek high-cost federal universal service support.

YourTel's Pending Request

YourTel proposes to offer a prepaid wireless service in the AT&T exchanges identified in Exhibit B of its application. The company intends to purchase airtime from one or more underlying wireless providers and route traffic through YourTel's switch. The company intends to offer a plan for \$25 per month which the company anticipates will be reduced

to \$16.19 per month after applying applicable Lifeline discounts. The proposed wireless service will offer the features required for federal USF support.

Staff Recommendation

ETC designation by a state commission indicates the carrier is eligible to receive federal universal service support. Application requirements for designation as an ETC were originally established effective June 30, 2006 and are specified in Commission rules 4 CSR 240-3.570. The Commission's ETC rules might be considered to be more targeted to a carrier seeking both high-cost USF support and Lifeline USF support versus a carrier solely seeking USF support to provide a Lifeline service. YourTel is seeking a waiver of the requirements of 3.570(2)(A)1, 2 and 3 on the basis these requirements solely pertain to ETC applicants seeking high-cost USF support. Staff has no objections to YourTel's waiver request.

If the Commission grants YourTel's request for a waiver of the requirements in 4 CSR 240-3.570(2)(A)1, 2 and 3 then remaining requirements are contained in 3.570(2)(A)4-10, 3.570(2)(B) and (C) as well as 3.570(3). In Staff's opinion, YourTel's pending application meets the Missouri Commission's ETC requirements. The Commission should grant YourTel's request for a waiver of the requirements of 3.570(2)(A)1, 2 and 3. In this regard Staff recommends the Commission grant YourTel's request to include in its designation as an ETC the prepaid wireless plan proposed in YourTel's pending application for the exchanges listed in YourTel's Exhibit B.


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OF THE STATE OF MISSOURI**

Application of YourTel America, Inc. to)
Amend its Designation as an Eligible) Case No. CO-2009-0257
Telecommunications Carrier Pursuant to)
the Telecommunications Act of 1996)

AFFIDAVIT OF John Van Eschen

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)


John Van Eschen, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in preparing the accompanying document and that the facts therein are true and correct to the best of his knowledge and belief.



John Van Eschen

Subscribed and sworn to before me this 13th day of February 2009.





NOTARY PUBLIC

My commission expires August 25, 2012

CARLA K. SCHNIEDERS
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: August 25, 2012
Commission Number: 08533187