STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 3rd day of May, 2007.

Application of Startec Global Operating Company for a Certificate of Service Authority to Provide Intrastate Interexchange Telecommunications Services in the State of Missouri, for Competitive Classification, and for Approval of Tariff Adoption

<u>Case No. TA-2007-0366</u> Tariff No. YX-2007-0733

ORDER APPROVING INTRASTATE INTEREXCHANGE CERTIFICATE OF SERVICE AUTHORITY AND ORDER APPROVING TARIFF

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Issue Date: May 3, 2007

Effective Date: May 16, 2007

Syllabus: This order grants Startec Global Operating Company ("Operating Company") a certificate of service authority to provide intrastate interexchange telecommunications services, and approves the company's proposed tariff.

On March 29, 2007, Operating Company applied to the Missouri Public Service Commission for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri.¹ In this verified application, Operating Company also asked the Commission to classify it and its services as competitive and to waive certain statutes and Commission rules as authorized by Sections 392.361 and 392.420. Operating Company is a Delaware corporation domiciled in Maryland whose principal place of business is located at 7361 Calhoun Place, Suite 650, Rockville, Maryland 20855. It was

¹ The application was filed pursuant to Section 392.410, RSMo Cum. Supp. 2005 and Sections 392.410 through 392.450, RSMo 2000, as well as the pertinent administrative regulations. Unless otherwise indicated, all statutory references are to RSMo 2000.

issued a Certificate of Good Standing by the Missouri Secretary of State on March 16, 2007, and furnishes long distance, Internet, and other communications services in over 45 states and internationally.

The Commission issued a Revised Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on April 4, 2007, directing parties wishing to intervene to file their requests by April 19, 2007. No requests for intervention were filed.

Along with its verified application, Operating Company filed an illustrative tariff sheet consisting of an undated adoption notice announcing that it intended to adopt the Commission-approved tariffs of a certificated entity formerly known as Startec Global Licensing Company ("Licensing Company"), with which Operating Company merged in December 2006.² Also on March 29, 2007, Operating Company separately filed a Motion for Expedited Treatment requesting priority treatment and consideration of its application under Commission Rule 4 CSR 240-2.080(16), with an effective date of the resulting order no later than May 16, 2007. The Commission granted that motion by order dated April 9, 2007.

On April 11 and 18, 2007, Operating Company supplemented its application with certain information requested by Staff, including a revised adoption notice and revised title sheet with requested effective dates of May 16, 2007. Operating Company's tariff, which

² In a separate but related application (Case No. TM-2007-0367), Operating Company seeks, *inter alia*, the Commission's *post hoc* approval of the merger with Licensing Company, after which Licensing Company ceased to exist and all of its telecommunications assets, including its Missouri long distance customer base and associated customer account information, were transferred to Operating Company. In that case, Operating Company also requests that Licensing Company's certificate of service authority and associated tariff be cancelled.

has been designated as Tariff No. YX-2007-0733, describes the rates, rules, and regulations it intends to use, identifies Operating Company as a competitive company, and lists the waivers requested.

In its verified Memorandum filed on April 26, 2007, the Staff of the Commission recommended that the Commission grant Operating Company a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri. Staff also recommended that the Commission classify Operating Company and its services as competitive, and that the Commission waive the statutes and rules listed in the Notice. Staff further recommended that the Commission approve the proposed tariff to become effective on May 16, 2007, or earlier if it is convenient for the Commission to do so.

The Commission finds that competition in the intrastate interexchange telecommunications markets is in the public interest and Operating Company shall be granted a certificate of service authority. The Commission finds that the services Operating Company proposes to offer are competitive and Operating Company shall be classified as a competitive company. The Commission finds that waiving the statutes and Commission rules set out in the ordered paragraph below is reasonable, consistent with the purposes of Chapter 392, and not detrimental to the public interest.

The Commission finds that Operating Company's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri-certificated interexchange carriers (including, of course, those approved for Licensing Company).³ The Commission finds that the proposed tariff filed on March 29,

³ Indeed, in its application, the company states: "Upon certification, [Operating Company] will file a replacement tariff with the Commission which will mirror [Licensing Company's] tariffs on file with the Commission."

2007, as amended by Operating Company on April 11 and 18, 2007, shall be approved to become effective on May 16, 2007.

The Commission reminds the company that failure to comply with its regulatory obligations may result in the assessment of penalties against it. These regulatory obligations include, but are not limited to, the following:

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

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, pursuant to Section 386.570.

D) The obligation to keep the Commission informed of its current address and telephone number.

Furthermore, the company is reminded that, as it is a corporation, non-attorneys may not represent the company before the Commission. Instead, the corporation must be represented by an attorney licensed to practice law in Missouri. The company is also reminded that Section 392.410.5, RSMo Cum. Supp. 2005, renders the company's

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certificate of service authority null and void one year from the date of this order unless it has exercised its authority under that certificate.

IT IS ORDERED THAT:

1. Startec Global Operating Company is granted a certificate of service authority to provide intrastate interexchange telecommunications services in the State of Missouri subject to all applicable statutes and Commission rules except as specified in this order.

2. The certification granted herein is conditioned upon the company's compliance with the regulatory obligations in this order.

3. Startec Global Operating Company is classified as a competitive telecommunications company. Application of the following statutes and administrative regulations shall be waived:

Statutes

392.240.1 392.270 392.280 392.290 392.300.2 392.310 392.320 392.320	- - - - -	Uniform System of Accounts Rates-Rentals-Service & Physical Connections Valuation of Property (Ratemaking) Depreciation Accounts Issuance of Securities Acquisition of Stock Stock and Debt Issuance Stock Dividend Payment Issuance of Securities, Debts and Notes Reorganization(s)
392.330 392.340		Reorganization(s)

Commission Rules

4 CSR 240-10.020	-	Depreciation Fund Income
4 CSR 240-30.040	-	Uniform System of Accounts

4. The tariff filed by Startec Global Operating Company on March 29, 2007, as amended by the company on April 11 and 18, 2007, shall be approved to become effective on May 16, 2007. The tariff approved is:

P.S.C. Mo. No. 1 Original Adoption Notice 1st Revised Sheet No. 1, Replacing Original Sheet No. 1

- 5. This order shall become effective on May 16, 2007.
- 6. This case may be closed on May 17, 2007.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

Davis, Chm., Murray, Gaw, Clayton and Appling, CC., concur

Lane, Regulatory Law Judge