

NEWMAN, COMLEY & RUTH

PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS AT LAW

MONROE BLUFF EXECUTIVE CENTER

601 MONROE STREET, SUITE 301

P.O. BOX 537

JEFFERSON CITY, MISSOURI 65102-0537

TELEPHONE: (573) 634-2266

FACSIMILE: (573) 636-3306

www.ncrpc.com

ROBERT K. ANGSTEAD
ROBERT J. BRUNDAGE
MARK W. COMLEY
LANETTE R. GOOCH
CATHLEEN A. MARTIN

MARTIN A. MILLER
STEPHEN G. NEWMAN
THOMAS R. O'TOOLE
JOHN A. RUTH
ALICIA EMBLEY TURNER

December 7, 2005

FILED⁴

DEC 07 2005

The Honorable Colleen M. Dale
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

Missouri Public
Service Commission

Re: Case No. TM-2006-0206

Dear Judge Dale:

Please find enclosed for filing in the referenced matter the original and five copies of a Second Supplement to Application. Would you please bring this filing to the attention of the appropriate Commission personnel?

Should you have any questions regarding this filing, please let me know. Thank you.

Sincerely,

NEWMAN, COMLEY & RUTH P.C.

By:



Cathleen A. Martin
martinc@ncrpc.com

CAM:ab

Enclosure

cc: Office of Public Counsel
General Counsel's Office
Judith A. Riley
Greg Taylor

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION

FILED⁴

DEC 07 2005

Joint Application of)

Claricom Networks, LLC and)
Matrix Telecom, Inc.)

Missouri Public
Service Commission

Docket No. TM-2006-0206

for Expedited Approval of the Transfer)
of Membership Interests and the)
Merger of Claricom Networks, LLC)
and Matrix Telecom, Inc.)

SECOND SUPPLEMENT TO APPLICATION

Matrix Telecom, Inc., (hereinafter referred to as "Matrix") and Claricom Networks, LLC (hereinafter referred to as "Claricom") (together the "Applicants"), by their undersigned counsel, hereby supplement their application in the captioned matter as follows:

1. Due to rate increases in Matrix's P.S.C. Tariff No. 5 which was submitted to the Missouri Public Service Commission on December 1, 2005, Applicants hereby are submitting the revised Notice to all Claricom subscribers which is attached hereto as Attachment G and replaces the prior Notice attached to their application as Exhibit E. The Notice sent to all Matrix's subscribers as of today's date by regular mail related to the rate increase is attached to this supplement as Attachment H.

2. Applicants have today via overnight mail submitted a copy of the Notice attached to hereto as Attachment G to Claricom's customers in an attempt to submit the Notice to such customers as expeditiously as possible.

3. Applicants request that the Commission waive the requirements of 4 CSR 240-33.150(4)(B) to allow Applicants to conclude the merger of Matrix and Claricom by December 31, 2005 and because this merger is subject to the supervision and approval of the Commission

such that the goals and purposes of 4 CSR 240-33.150 are being upheld.

4. Applicants state that Claricom has only seven customers in Missouri and that a waiver of full compliance with 4 CSR 240-33.150(B)(4) is in the public interest.

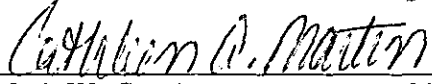
5. Applicants state that a notice containing the content required by 4 CSR 240-33.150 was sent via overnight mail to all of Applicants' subscribers 24 days prior to the effective date of the transaction and that none of Applicants' customers will be prejudiced by the Commission's waiver of the provisions of 4 CSR 240-33.150(4)(B). Furthermore, Claricom's customers will not experience any disruptions in service and there will only be limited changes to the rates and services provided to its existing customers.

6. Applicants state that all indications are that they will obtain approval from all other governmental and regulatory authorities related to the merger to allow the transaction to be effective on December 31, 2005 and that it would prejudice Applicants to be unable to conclude the merger in Missouri after this date.

WHEREFORE, Applicants respectfully request the Commission to consider the above in supplement to their filed application in the referenced matter, further considering said application amended to the extent altered or modified by the above, waive the provisions of 4 CSR 240-33.150(4)(B) as requested herein and incorporate by reference herein the prayer for relief in their filed application.

Respectfully Submitted,


MATRIX TELECOM, INC.


Mark W. Comley #28847
Cathleen A. Martin #45682
Newman, Comley & Ruth P.C.
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, MO 65102-0537
(573) 634-2266
(573) 636-3306 FAX
comleym@ncrpc.com
martinc@ncrpc.com

Judith A. Riley, Esq.
Telecom Professionals, Inc.
2912 Lakeside Drive
Oklahoma City, OK 73120
(405) 755-8177
(405) 755-8377 FAX
jriley@telecompliance.net

Its Attorneys

CLARICOM NETWORKS, LLC


Mark W. Comley #28847
Cathleen A. Martin #45682
Newman, Comley & Ruth P.C.
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, MO 65102-0537
(573) 634-2266
(573) 636-3306 FAX
comleym@ncrpc.com
martinc@ncrpc.com

Judith A. Riley, Esq.
Telecom Professionals, Inc.
2912 Lakeside Drive
Oklahoma City, OK 73120
(405) 755-8177
(405) 755-8377 FAX
jriley@telecompliance.net

Its Attorneys

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 7th day of December, 2005, to General Counsel's Office at gencounsel@psc.state.mo.us; and Office of Public Counsel at opcservice@ded.state.mo.us.



Attachment G

SUBSCRIBER NOTICE OF MERGER AND RATE INCREASE



NOTICE OF TRANSFER OF TELEPHONE SERVICE AND RATE INCREASE

December 7, 2005

Dear Customer:

Claricom Networks, LLC ("Claricom") currently provides your long distance service. Claricom and its affiliate, Matrix Telecom, Inc. ("Matrix") have agreed to merge in the near future, as a result of which Matrix will be the provider of long distance services to Claricom customers. This merger will not affect your rates or the terms and conditions of your service.

Subject to obtaining state and federal regulatory approvals, we anticipate that the merger will occur or about December 31, 2005. Unless you have begun using a service provider other than Claricom prior to this date, Matrix will become your long distance service provider following the merger. The merger with Matrix will not impact your local carrier selection.

Upon the anticipated merger, the rates you currently pay for long distance, as well as your terms and conditions of service, will remain unchanged except for the rates discussed below which will become effective on January 1, 2006. If, in the future, there are any changes to your rates or the terms and conditions of your service, you will be notified of them by mail.

The affected rates are:

- (1) Directory Assistance charges are direct-dialed calls to Directory Assistance and will be billed at a rate of \$1.59 per call, an increase from the current rate of \$0.95 per call.
- (2) Payphone Use Surcharges are charges that apply to each coinless call which Matrix can identify as being placed from a domestic payphone by or to a customer or its permitted user. The charge will be billed at a rate of \$0.99 per call, an increase from the current rate of \$0.35 per call.
- (3) Return Check Charge rates will be implemented at a rate of \$25.00 per returned check.
- (4) A Surcharge Simplification Fee (SSF) is a new monthly fee and will be charged at a quarterly variable rate not to exceed 13% of all current charges. The current charges that the rate is applied to does not include taxes and other surcharges, and is lower than the federal universal service high cost fund B charge. This is not a governmentally mandated charge and subscribers with this charge should not be charged any federal universal service charges.

Except in the event of the existence of a contract for your telecommunications service, you have the right to subscribe to long distance service from any service provider you wish. This decision is entirely up to you, and you may choose to switch to another carrier either before or after this change occurs. Matrix values your continued business and will gladly respond to any questions or complaints you may have about your service either prior to or during the change. Because of this change, a carrier change charge may appear on your bill. However, Matrix will be happy to credit any such charges that appear on your bill due to the change to Matrix. However, selecting a carrier other than Matrix may result in a charge being imposed for which Matrix will not be responsible. If you wish to locate another carrier providing service in your area, you may contact Matrix for such information.

December 7, 2005

Page 2

If you have arranged a preferred carrier freeze through your local carrier on the service(s) involved in this transfer, the freeze will be removed in order to allow Matrix to operate as your service provider. After the merger, you must contact your local carrier if you want to re-establish a preferred carrier freeze.

Until the merger takes place, Claricom will continue to be responsible for all customer service and billing issues. You should contact Claricom with any complaints or other customer services inquiries you may have prior to the merger. After the merger, you should refer your questions to Matrix.

If you have any questions regarding this notice, please contact Matrix toll-free at (800) 282-0240, 300 N. Meridian, Suite 200N, Oklahoma City, Oklahoma 73107.

Sincerely,

Matrix Telecom, Inc.
Claricom Networks, LLC

Attachment H

NOTICE OF RATE INCREASE TO MATRIX'S CUSTOMERS



NOTICE OF RATE INCREASE

December 7, 2005

Dear Customer,

As of January 1, 2006, the rates charged by Matrix Telecom, Inc. for certain telephone services will be altered to the following. Any rates that you currently pay that are not listed below will remain unchanged.

- (1) Directory Assistance charges are direct-dialed calls to Directory Assistance and will be billed at a rate of \$1.59 per call, an increase from the current rate of \$0.95 per call.
- (2) Payphone Use Surcharges are charges that apply to each coinless call which Matrix can identify as being placed from a domestic payphone by or to a customer or its permitted user. The charge will be billed at a rate of \$0.99 per call, an increase from the current rate of \$0.35 per call.
- (3) Return Check Charge rates will be implemented at a rate of \$25.00 per returned check.
- (4) A Surcharge Simplification Fee (SSF) is a new monthly fee and will be charged at a quarterly variable rate not to exceed 13% of all current charges. The current charges that the rate is applied to does not include taxes and other surcharges, and is lower than the federal universal service high cost fund B charge. This is not a governmentally mandated charge and subscribers with this charge should not be charged any federal universal service charges.

If you have any questions regarding this notice, please contact Matrix toll-free at (800) 282-0240, 300 N. Meridian, Suite 200N, Oklahoma City, Oklahoma 73107.

Sincerely,

Matrix Telecom, Inc.