

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

In the Matter of the Application of Applewood)	
Communications Corporation for a Certificate of)	
Authority to Provide Intrastate Interexchange)	<u>Case No. TA-2009-0170</u>
Telecommunications Services Within the State)	Tariff No. YX-2009-0332
of Missouri and for Competitive Classification.)	

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

Issue Date: December 23, 2008

Effective Date: January 3, 2009

This order grants Applewood Communications Corporation a certificate of service authority to provide interexchange telecommunications services and approves the company's proposed tariff.

Applewood Communications Corporation applied to the Public Service Commission on November 5, 2008, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 2000.¹ Applewood asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by Sections 392.361 and 392.420. Applewood is a Delaware corporation with its principal office located at 424 Madison Avenue, Suite 800, New York, New York 10017.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on November 12, 2008, directing parties

¹ All statutory references are to the Revised Statutes of Missouri (RSMo), revision of 2000, unless otherwise indicated.

wishing to intervene to file their requests by November 27, 2008. No requests for intervention were filed.

Applewood filed a proposed tariff in conjunction with its application and filed substitute sheets on December 2, 16, and 17, 2008. The original tariff effective date was December 20, 2008, which was extended at Applewood's request to January 3, 2009. Applewood's tariff describes the rates, rules, and regulations it intends to use, identifies Applewood as a competitive company, and lists the waivers requested. Applewood intends to provide interexchange telecommunications services throughout the state of Missouri including outbound 1+ dialing, inbound 800/888 toll-free, travel card, and prepaid calling services.

In its Memorandum filed on December 19, 2008, the Staff of the Commission recommended that the Commission grant Applewood a certificate of service authority, competitive status, and waiver of the statutes and rules listed in the application. Staff recommended that the Commission approve the proposed tariff as amended to become effective on January 3, 2009.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and Applewood shall be granted a certificate of service authority. The Commission finds that the services Applewood proposes to offer are competitive, and Applewood 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 and not detrimental to the public interest.

The Commission finds that Applewood's proposed tariff details the services, equipment, and pricing it proposes to offer. The Commission finds that the proposed tariff

filed on November 5, 2008, shall be approved as amended to become effective on January 3, 2009.

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, RSMo 2000. 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. 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, RSMo 2000.

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, RSMo 2000.

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

Furthermore, the company is reminded that, if 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.

In addition, the company is reminded that Section 392.410.5, RSMo Supp. 2007, renders the company's certificate of service authority null and void one year from the date of this order unless it has exercised its authority under that certificate.

THE COMMISSION ORDERS THAT:

1. Applewood Communications Corporation 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. Applewood Communications Corporation is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

Statutes

- 392.210.2 - uniform system of accounts
- 392.240.1 - rates-rentals-service & physical connections
- 392.270 - valuation of property (ratemaking)
- 392.280 - depreciation accounts
- 392.290 - issuance of securities
- 392.300.2 - acquisition of stock
- 392.310 - stock and debt issuance
- 392.320 - stock dividend payment
- 392.330 - issuance of securities, debts and notes
- 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 Applewood Communications Corporation on November 5, 2008, under tariff number YX-2009-0332, is approved as amended to become effective on January 3, 2009. The tariff approved is:

MISSOURI PSC TARIFF NO. 1
ORIGINAL SHEET 1 through ORIGINAL SHEET 20

5. This order shall become effective on January 3, 2009.
6. This case may be closed on January 4, 2009.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Nancy Dippell, Deputy Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 23rd day of December, 2008.