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Missouri Public Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

NOV 3 0 2004

FILED²

In the Matter of the Application of) MCC Telephony of Missouri, Inc.) for a Certificate of Service Authority) to Provide Basic Local Exchange,) Non-Switched Local Exchange and) Interexchange Telecommunications Service) In the State of Missouri and to Classify said) Services and the Company as Competitive)

Missouri Public Service Commission

Case No.

APPLICATION FOR A CERTIFICATE OF SERVICE AUTHORITY TO PROVIDE BASIC LOCAL EXCHANGE, NON-SWITCHED LOCAL EXCHANGE AND INTEREXCHANGE SERVICES AND FOR COMPETITIVE CLASSIFICATION

Comes now, MCC Telephony of Missouri, Inc. ("MCC" or "Applicant"), through the undersigned counsel, and hereby files this verified application pursuant to 4 CSR 240-2.060 and 4 CSR 240-3.510, and respectfully requests that the Missouri Public Service Commission ("Commission") issue an order that (a) grants Applicant a Certificate of Authority to provide resold Basic Local Exchange, Non-Switched Local Exchange and Interexchange Telecommunications¹ Service in the State of Missouri, (b) grants competitive status to Applicant

MITG Exhibit No. 7 Date 1-25-07 Case No. TE 2006-04/5 Reporter 5

¹ By its application, MCC seeks the broadest possible authority by which to lawfully provide voice communication services in the exchanges identified herein, and MCC intends to make use of any and all facilities by which to lawfully complete voice grade calls including facilities that are IP based. It is fair to state that MCC's network structure will predominantly be IP-based. In recognition of the currently unsettled nature of the issues surrounding the appropriate regulatory treatment of IP-based voice services like those which MCC proposes to offer, MCC expressly reserves any and all substantive or procedural rights under federal or state law, including any and all rights regarding the authority of the Commission and other state bodies to regulate MCC's IP-based services. In submitting this Application and the other materials included in this filing, MCC does not waive any rights; neither the act of filing this submission nor any of the contents of this submission should be construed as an admission, concession or agreement by MCC: 1) that the services at issue in this Application, or the facilities used to offer and provide them, constitute "telecommunications service" or "telecommunications facilities" as defined in Section 386.020 RSMo 2000.; 2) that the services described herein are local exchange services, common carrier offerings, or services that are otherwise subject to federal or state regulation; or 3) that the entity or entities providing those services constitute telecommunications carriers, telecommunications providers, local exchange carriers, interexchange carriers, common carriers, or other regulated entities. MCC has determined to apply for a certificate to provide basic local and long distance voice services, subject to the reservation of rights set forth above. Upon grant of this Application, MCC intends to comply with the applicable rules and regulations governing local and long distance voice service in the state of Missouri.

and (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo 2000.²

In support of its application MCC states as follows:

1. Applicant is a corporation duly organized and existing under and by virtue of the laws of the state of Delaware with authority to do business in the state of Missouri as reflected in the certificate attached as <u>Appendix A</u>. The legal name and principal office or place of business of applicant is:

MCC Telephony of Missouri, Inc. 100 Crystal Run Road Middletown, New York 10940 (800) 332-0245

2. All inquiries, correspondence, communications, pleadings, notices, orders and

decisions relating to the case should be addressed to:

Mark W. Comley Newman, Comley & Ruth P.C. 601 Monroe Street, Suite 301 P.O. Box 537 Jefferson City, MO 65102 Telephone (573) 634-2266 Facsimile (573) 636-3306

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Bruce Gluckman Interim Contact, Office of Legal & Regulatory Affairs MCC Telephony of Missouri, Inc. 100 Crystal Run Road Middletown, NY 10941 Telephone (845) 695-2663 Facsimile (845) 695-2669

3. All inquiries or communications regarding the ongoing operations of MCC should

be addressed to:

Calvin Craib

² All statutory citations herein are to RSMo. 2000 unless otherwise indicated.

President MCC Telephony of Missouri, Inc. 100 Crystal Run Road Middletown, New York 10940 (845) 695-2600 (845) 695-2669 (FAX)

4. MCC's statutory representation in the State of Missouri is:

C T Corporation System 120 South Central Avenue Clayton, MO 63105

5. MCC proposes to provide competitive facilities-based and resold basic local exchange services, interexchange services and nonswitched local services. Specifically, MCC desires to be able to provide all forms of switched basic service in defined exchange areas, and dedicated local and interexchange services throughout the State of Missouri.

6. With respect to the geographic coverage area for its basic local services, MCC requests authority to operate as a competitive basic local exchange carrier in all areas defined by the existing exchange areas in which SWBT, CenturyTel, Spectra Communications and Sprint are authorized to operate in Missouri. The SWBT, CenturyTel, Spectra Communications and Sprint exchanges in which Applicant seeks authority to provide basic local exchange services in Missouri are set forth in the tariffs of SWBT, CenturyTel, Spectra Communications and Sprint respectively. MCC's proposed service areas will follow the respective exchange boundaries of the stated incumbent LECs and shall be no smaller than an exchange as required by Section 392.455(3) RSMo. Applicant may seek authorization to provide service in exchanges served by other incumbent LECs in a subsequent proceeding. MCC also plans to offer various point-to-point dedicated service arrangements.

7. Pursuant to this Application, MCC seeks authority to offer and provide all forms of facilities-based and resold basic local, interexchange and non-switched local service to

customers within Missouri as defined in 386.020(4) RSMo. In this way, MCC will be able to provide a complete set of services to its customers.

8. MCC will, through interconnection with other carriers or resale of other carriers' services, provide access to 911 and enhanced 911 emergency services and provide directory assistance and operator assisted calling, dual party relay services, and other miscellaneous services currently provided by incumbent local exchange carriers.

9. MCC Telephony of Missouri, Inc. will provide comprehensive customer service to its customers. Customer may report complaints to the customer service department. Representatives will be available to answer customer service inquiries in connection with new service, repair or billing. Furthermore, customer service representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by MCC and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general matters.

10. Customer service is available twenty-four (24) a day, seven (7) days a week. Customers may contact the Company in writing at MCC's headquarters location at 100 Crystal Run Road, Middletown, NY 10940, or by calling a toll-free customer service number to be provided on each invoice for service. MCC's toll-free customer service number is 800-332-0245.

11. MCC possesses the financial, managerial and technical ability to provide local and interexchange telecommunication service in the state of Missouri.

Financial Qualifications:

12. MCC possesses the necessary financial qualifications to provide the services it proposes as required by Section 392.455(1) RSMo. MCC intends that the initial financing needed to launch the services it proposes to render pursuant to the requested Certificate and to provide those services on an ongoing and regularized basis in accordance with its business plans

will be obtained through initial capital contributions and advances from its parent company, Mediacom and/or its other subsidiaries. Mediacom, which is a public company listed on the NASDAQ Stock Market, has financial resources that are more than sufficient to allow it to provide the amount of MCC's projected requirements for such financing. Attached herein as Appendix C are the consolidated financial statements of Mediacom and its subsidiaries for the quarter ended September 30, 2004, which are the most recent financial statements it has publicly filed with the Securities and Exchange Commission. Additional SEC filings of Mediacom may be found through its website, <u>http://www.mediacomcc.com</u>.

13. In further support of its financial qualifications, Applicant submits on a pro forma basis, twelve (12) months of financial statements to include a balance sheet and an income statement (Appendix D). Appendix D is being submitted under seal as confidential and proprietary information. Historical data is not available since Applicant is a new company.

Managerial and Technical Ability:

14. Applicant possesses the technical and managerial expertise and experience necessary to provide the services it proposes as required by Section 392.455(1) RSMo. MCC intends to provide service as both a facility-based and resale carrier and has assembled a management team with the expertise necessary to successfully operate as a competitive local exchange carrier. A listing of Applicant's principal management employees and their qualifications is attached hereto and incorporated herein as Appendix B.

15. Pursuant to this Application, MCC seeks classification of itself and its services as competitive, with accompanying reduced regulation pursuant to Section 392.361 and 392.420 RSMo and 4 CSR 240-2.060(4)(F). The existing monopoly services of SWBT, CenturyTel, Spectra Communications and Sprint will make the local markets Applicant seeks to enter sufficiently competitive to make a lesser degree of regulation for MCC and its proposed services

in the public interest, consistent with the legislative policies established by the Federal Telecommunications Act of 1996 and the recent revisions of Chapter 392 RSMo. This Commission already has approved numerous applications to provide resold and facilities-based local telecommunications services filed by new market entrants and has classified those new entrants and their services as competitive.

16. Applicant will offer its basic local service as a separate and distinct service in accordance with Section 392.455(4) RSMo. MCC will provide equitable access for all customers in Missouri, without regard to their income or where they might reside, to affordable services in Applicant's proposed service areas in accordance with Section 392.455(5) RSMo.

17. MCC submits, notwithstanding the provisions of Section 392.500 RSMo., as a condition of certification and competitive classification, MCC agrees that, unless otherwise ordered by the Commission, MCC's originating and terminating switched exchange access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each ILEC within whose service area(s) MCC seeks authority to provide service. Additionally, pursuant to the Commission's Report and Order in Case No. TO-99-596, MCC agrees that if the ILEC in whose service area MCC is operating decreases its originating and/or terminating access rates service rates, MCC shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates within thirty (30) days of the ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap on switched exchange access rates.

18. Applicant is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards including, but not limited to, quality service, billing, and tariff filing and maintenance. Additionally, MCC requests that, pursuant to Section 392.420, RSMo., the Commission waive the application of the following rules and statutory provisions as they relate to Applicant:

Statutes	Missouri Public Service Commission Rules
392.210.2	4 CSR 240-10.020
392.240.1	4 CSR 240-30.040
392.280	4 CSR 240-3.550 (5)(C)
392.290	
392.300.2	
392.310	
392.320	
392.330	
392.340	
392.270	

19. The above statutes and regulations have been waived previously for other applicants seeking certification. These rules and statutory provisions are principally designed to apply to non-competitive telecommunications carriers. As a result, it would be inconsistent with the goal and purpose of federal and state statutes to apply these rules and statutes to a competitive company such as MCC.

20. MCC further requests a temporary waiver of 4 CSR 240-3.510 (1) (C). This rule requires that an application for certificate of service authority shall include a tariff(s) with a forty-five day effective date. MCC finds it impossible at this time to develop tariffs to fully comply with this rule. At such time as all facts necessary for the development of its basic local, non-switched local and interexchange tariffs are known to MCC, it will promptly file said tariffs bearing no less than a forty-five day effective date with the Commission in a manner consistent with the Commission's practice in similar cases. In any circumstance, MCC will file its proposed basic local exchange service and switched exchange access tariffs, if necessary, no later than thirty days after Commission approval of any interconnection agreement(s) applicant may enter.

21. MCC submits that the public interest will be served by Commission approval of this application because MCC's proposed services will create and enhance competition and

expand customer service options consistent with the legislative goals set forth in the Federal Telecommunications Act of 1996 and Chapter 392 RSMo. Prompt approval of this application also will expand the availability of innovative, high quality, and reliable services within the state of Missouri. Customers will benefit by having alternatives from which to choose and from general improvements in price, features and options that are generated by competitive market pressures.

22. MCC has no pending action or final unsatisfied judgment or decisions against it from any state, federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within 3 years of the date of application.

23. MCC has no overdue annual reports or assessment fees.

24. MCC, pursuant to Section 386.570 RSMo, will comply with all applicable Commission rules except those specifically waived by the Commission pursuant to MCC's request.

WHEREFORE, applicant, MCC respectfully requests that the Commission grant it a certificate of service authority to provide basic local, non switched local and interexchange services as herein requested, classify MCC and its proposed services as competitive, and grant a waiver of the aforesaid statutes and regulations.

Respectfully submitted,

Mark W. Comley #28847 Newman, Comley & Ruth P.Q. 601 Monroe Street, Suite 301 P.O. Box 537 Jefferson City, MO 65102 (573) 634-2266 (573) 636-3306 FAX

Attorney for MCC Telephony of Missouri, Inc.

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 30th day of November, 2004, to General Counsel's Office at gencounsel@psc.state.mo.us; Office of Public Counsel at opcservice@ded.state.mo.us.

Jul A. Comley

VERIFICATION

STATE OF NEW YORK COUNTY OF ____ORANGE_

Calvin Craib, being first duly sworn, deposes and says: That he is the President of MCC Telephony of Missouri, Inc., the Applicant in the foregoing Application; that he has read the foregoing Application, knows the contents thereof and is authorized to verify the accuracy of same; and that the statements contained in the Application are true to his best knowledge, information and belief.

Calvin Craib President MCC Telephony of Missouri, Inc.

Subscribed and sworn to before me this <u>24</u> day of <u>November</u>, 2004. <u>Mare C. Balfort</u> Notary Public

My commission expires: _

JANE C. BELFORD NOTARY PLIRI M STER COUNT REG. NO. 018E6041964 MY COMMISSION EXPIRES 5-15-08