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

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| In the Matter of the Application of Conterra Ultra Broadband, LLC for a Certificate of Service Authority to Provide Resold and Facilities-Based Basic Local, Non-Switched Access Local Exchange, Exchange Access and Interexchange Telecommunications Services in Missouri and to Classify those Services and the Applicant as Competitive | ) ) ) ) ) ) ) ) ) | **File No. TA-2015-0348** |

## STAFF RECOMMENDATION

**COMES NOW** the Staff of the Missouri Public Service Commission and for its recommendation, states as follows:

1. On June 29, 2015, Conterra Ultra Broadband, LLC ("the Company") applied for a certificate of service authority to provide basic local, non-switched local, and interexchange telecommunications service and for competitive classification.

2. The Application included sufficient information for the Staff to conclude that the Company possesses sufficient financial, technical and managerial resources to be certificated.

3. In the attached Memorandum, the Staff recommends that the Commission grant the Company's request for interexchange and non-switched local telecommunications service authority. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. §§ 392.430 and 392.440 RSMo 2000.

4. The Staff also recommends that the Commission classify the Company's services as competitive.

5. The Staff further recommends that the Commission state in its order that, pursuant to §392.410, the authority conferred by the certificate of service authority shall be null and void unless it is exercised within one year of its issuance.

6. No tariffs were submitted with the application; the Company may rely on §392.461 RSMo and publish its rates, terms and conditions of service on its publically available web site or it may submit a tariff for approval by the Commission prior to providing service in Missouri.

7. The Company is not delinquent in filing an annual report, paying the PSC assessment, MoUSF, and Relay Missouri.

8. The Staff recommends that the application be granted with the following conditions:

> a. The applicant's originating and terminating access rates shall not exceed the access rates of the incumbent local exchange company against whom the applicant is competing pursuant to §§ 392.361.6 and 392.370 RSMo Supp. 2012.
>
> b. If the directly competing ILEC, in whose service area the applicant is operating, decreases its originating and/or terminating access service rates, the applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates in the directly competing ILEC's service area within 30 days of the directly competing ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap.
>
> c. The Company will undertake all necessary measures to ensure its contracts with underlying carriers do not contain provisions preventing delivery of traffic to any telephone exchange area of Missouri. Such measures include but are not limited to:
>
> 1) Prevention of call blocking and/or call gapping based on the cost of traffic termination.
>
> 2) Preventing the alteration or stripping of Calling Party Number identification.
>
> 3) Ensuring sufficient network capacity exists to process all traffic according to industry accepted practices.

9. Pursuant to §392.461 RSMo Supp. 2012, the company is not subject to Commission rules pertaining to the installation, provisioning or termination of retail service unless it elects, in written notice to the Commission, to be subject to such rules.

**WHEREFORE**, the Staff recommends that the Commission grant Conterra Ultra Broadband, LLC's Application for interexchange and non-switched local telecommunications service authority on the conditions set forth above.

Respectfully submitted,

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Missouri Public Service Commission
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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 22nd day of July, 2015.

**M E M O R A N D U M**

To: Missouri Public Service Commission Official Case File
Case No: TA-2015-0348
Applicant: Conterra Ultra Broadband, LLC

From: Kari Salsman
Telecommunications Unit

John Van Eschen
Tariff, Safety, Economic and Engineering Analysis/Date

Subject: Staff Recommendation for Approval of Certificate and/or Initial Tariff

Date: July 21, 2015
Filing Deadline: July 23, 2015

The Telecommunications Unit Staff (Staff) recommends the applicant be granted the following certificate(s), as indicated below, to be effective on the same date the tariff becomes effective:

☒ certificate to provide basic local exchange telecommunications services in the following service areas.

- ☒ All of AT&T Missouri
- ☒ All of CenturyLink
- ☒ All of Spectra
- ☐ Statewide
- ☐ Other_____ (please describe)

☒ certificate to provide interexchange telecommunications services.
☒ certificate to provide local exchange telecommunications services.*
*local exchange authority should be restricted to dedicated, private line services.

Staff recommends the applicant and its services receive competitive classification. Staff further recommends a Commission order granting certification state that pursuant to Section 392.410 RSMo, unless exercised within a period of one year from the issuance thereof, authority conferred by a certificate of service authority shall be null and void. In addition, Staff recommends approval of the waivers listed in the Notice.

Granting a certificate to provide basic local exchange telecommunications services should be based on the following two conditions:

1. The applicant's originating and terminating access rates shall not exceed the access rates of the incumbent local exchange company against whom the applicant is competing pursuant to Sections 392.361.6 and 392.370 RSMo.
2. If the directly competing ILEC, in whose service area the applicant is operating, decreases its originating and/or terminating access service rates, the applicant shall file an appropriate tariff amendment to reduce its originating

and/or terminating access rates in the directly competing ILEC's service area within 30 days of the directly competing ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap.

☐ No objection to tariff MO PSC No. taking effect. Effective Date:

☒ Tariff was not submitted with application.

Additional Comments:

**Review Items for IXC, Non-switched Local and CLEC Certificate Applications (as required by 4 CSR 240-2.060):**

☒ Proper Secretary of State authorization
☒ Statement of character of business performed.
☒ Statement declaring no pending action or final unsatisfied judgments
☒ Statement declaring no overdue annual reports/assessment fees
☒ Application includes an affidavit.
☒ The applicant is requesting waivers of rules or statutes previously granted to a competitively classified company

(as required by 392.430/.440):

☒ Application shows that grant of authority is in the public interest.

**Additional Review Items for CLEC Applications (as required by 392.455):**

☒ Possesses sufficient technical and managerial resources and abilities.
☒ Applicant has provided an affidavit attesting that the company possesses sufficient financial resources.
☒ Statement that the applicant will satisfy the minimum standards established by the commission.
☒ Identifies geographic area (no smaller than an exchange).
☒ Statement that applicant will give equitable access to all Missourians.

Under penalty of perjury, I affirm that the above statement is true and correct.

Kari Salsman

KARI SALSMAN