

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

In the Matter of the Joint Application of)
Comtel Telecom Assets LP and VarTec)
Telecom, Inc., Excel Telecommunications,)
Inc., and VarTec Solutions, Inc., for)
Approval of a Transfer of Assets.)

Case No. TM-2006-0186

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation states:

1. The Commission's Order, issued in Case No. TA-2006-0214 on February 2, 2006, granted certificates of service authority to Comtel Telecom Assets LP d/b/a VarTec Telecom, Comtel Telecom Assets LP d/b/a Excel Telecommunications, Comtel Telecom Assets LP d/b/a VarTec Solutions, and Comtel Telecom Assets LP db/a/ Clear Choice Communications. The Commission's Order also approved the adoption of the tariffs of the VarTec Companies (VarTec Telecom, Inc., Excel Telecommunications, Inc., VarTec Solutions, Inc., and VarTec Telecom, Inc., d/b/a Clear Choice Communications).

2. The Commission's Order, issued in this case on February 3, 2006, approved the sale of the VarTec Companies' assets to Comtel Telecom Assets LP. The Commission's Order directed Comtel to file a pleading with the Commission notifying it when the transfers have been completed so that the VarTec Companies' certificates may be canceled.

3. By letter dated June 14, 2006, VarTec Telecom, Inc., notified the Commission that the transfer was consummated on June 7, 2006, and asked that its certificates be withdrawn.

4. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Commission cancel the VarTec Companies' certificates. The Staff's Memorandum lists the certificates held by the various VarTec Companies.

5. The Commission's authority to cancel the certificates, as requested by the VarTec Companies, derives from Section 392.410.5 RSMo, which provides that the Commission may alter or modify certificate of service authority.

WHEREFORE, the Staff requests the Commission to cancel the certificates of service authority of the VarTec Companies.

Respectfully submitted,

/s/ William K. Haas
William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7510 (Telephone)
(573) 751-9285 (Fax)
william.haas@psc.mo.gov

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 26th day of June 2006.

/s/ William K. Haas
William K. Haas

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Company Name: VarTec Telecom, Inc.
Case No. TM-2006-0186

From: Sara Buyak
Telecommunications Department

William Voight 6-26-06
Utility Operations Division/Date

/s/ William Haas 6-26-06
General Counsel's Office/Date

Subject: Staff Recommendation to Cancel Certificates

Date: June 20, 2006

On June 15, 2006, VarTec Telecom, Inc., Excel Telecommunications, Inc. and VarTec Solutions, Inc., (the VarTec Companies) submitted a letter including a Notice of Asset Sale Closing and Voluntary Certification Withdrawal. The history of the VarTec Companies' certifications follows:

VarTec Telecom Inc. d/b/a Clear Choice Communications: The Commission granted Clear Choice Communications Inc. a certificate to provide intrastate interexchange telecommunications service and classified it as a competitive telecommunications company in Case No. TA-95-116. In Case No. TM-96-150, the Commission transferred that certificate to VarTec Telecom Inc. d/b/a Clear Choice Communications.

Excel Telecommunications Inc.: The Commission granted a certificate of service authority to provide local exchange and basic local telecommunications service and classified it as a competitive telecommunications company in Case No. TA-97-8. The Commission granted a certificate to provide intrastate interexchange toll telecommunications service in Case No. TA-90-117.

VarTec Solutions, Inc.: The Commission granted Telco Holdings, Inc., d/b/a Dial & Save a certificate to provide intrastate interexchange telecommunications services and classified it as a competitive telecommunications company in Case No. TA-95-298. In Case No. TO-2000-542 Telco Holdings, Inc. d/b/a Dial & Save changed its name to Teleglobe Business Solutions, Inc. In Case No. TO-2001-432 Teleglobe Business Solutions, Inc. changed its name to eMeritus Communications, Inc. In Case No. XN-2005-044, eMeritus Communications, Inc. changed its name to VarTec Solutions, Inc.

VarTec Telcom, Inc.: The Commission granted VarTec National, Inc. d/b/a VarTec Telecom, Inc. a certificate to provide intrastate interexchange telecommunications services in Case No. TA-92-117. In Case No. TA-94-4, VarTec National, Inc. d/b/a Vartec Telecom, Inc. changed its name to VarTec Telecom, Inc. The Commission granted VarTec Telcom, Inc., a basic local telecommunications service certificate in Case No. TA-2001-363.

Because the VarTec Companies have closed on the sale of their assets, Staff recommends the Commission cancel certificates granted to the VarTec Companies. The VarTec companies do not have tariffs to cancel because their tariffs were adopted by the Comtel purchasers in Case No. 2006-0214 to become effective on February 6, 2006.

The Staff recommends language in the Commission's order be substantially as follows:

1. Cancel the certificates granted to the VarTec Companies:

<u>Carrier</u>	<u>Certificate</u>
VarTec Telecom Inc. d/b/a Clear Choice Communications	Intrastate Interexchange Telecommunication Service
Excel Telecommunications, Inc.	Local Exchange/Basic Local and Intrastate Interexchange Toll Telecommunications Service
VarTec Solutions, Inc.	Intrastate Interexchange Telecommunications Service
VarTec Telecom, Inc.	Basic Local and Intrastate Interexchange Telecommunications Service

- The Company is not delinquent in filing an annual report and paying the PSC assessment.
 The Company is delinquent. Staff recommends the Commission grant the requested relief/action on the condition the applicant corrects the delinquency. The applicant should be instructed to make the appropriate filing in this case after it has corrected the delinquency.
(No annual report Unpaid PSC assessment. Amount owed:

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

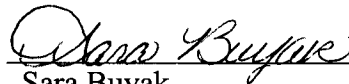
In the matter of the Joint Application of)
Comtel Telecom Assets LP and VarTec)
Telecom, Inc., Excel Telecommunications,)
Inc., and VarTec Solutions, Inc., for
Approval of a Transfer of Assets.

Case No. **TM-2006-0186**

AFFIDAVIT OF Sara Buyak

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Sara Buyak, employee of the Staff of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in the preparation of the accompanying Transfer of Assets, and that the facts therein are true and correct to the best of her knowledge and belief.


Sara Buyak

Subscribed and affirmed before me this 26th day of June
I am commissioned as a notary public within the County of Cole, State of Missouri
and my commission expires on June 7, 2008


NOTARY PUBLIC

