

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

In the Matter of the Joint Application of Trinsic)	Case No. TO-2007-0392
Communications, Inc., Touch 1 Communications,)	Tariff File Nos.
Inc., and Matrix Telecom, Inc., for Approval of a)	JX-2007-0849
Transfer of Assets.)	YC-2007-0850
)	YC-2007-0851
)	YC-2007-0852

STAFF'S SUPPLEMENTAL RECOMMENDATION

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

1. On April 13, 2007, Trinsic Communications, Inc. (Trinsic), Touch 1 Communications, Inc. (Touch 1), and Matrix Telecom, Inc., filed a joint application requesting approval from the Commission for the sale to Matrix of Trinsic's and Touch 1's assets used to provide local and long distance telecommunications services. Simultaneously, the applicants filed a Motion for Expedited Treatment.

2. The Commission had directed the Staff to file its recommendation no later than 3:00 p.m. on May 22, 2007.

3. The Staff timely filed its recommendation recommending that the Commission approve the application. The Staff noted that Matrix was submitting revised tariff pages that, *inter alia*, add Trinsic's rate plans to Matrix's tariff.

4. Matrix made tariff filings on May 22 and May 24. In Tariff File No. JX-2007-0849, Matrix Telecom, Inc. replaces its existing interexchange Tariff No. 5 with Tariff No. 6, which adds Trinsic's and Touch 1's interexchange rate plans and also adds the fictitious name Matrix Business Technologies. In Case No. CN-2007-0171, the Commission previously recognized the addition of this fictitious name to Matrix's local exchange Tariff No. 1. In Tariff File No. YC-2007-0849, Matrix Telecom, Inc. d/b/a Matrix Business Technologies adds

Trinsic's rate plans to its local exchange Tariff No. 1. In Tariff File No. YC-2007-0850, Matrix Telecom, Inc. d/b/a Matrix Business Technologies adopts Trinsic's access tariff as its Tariff No. 3. In Tariff File No. YC-2007-0852, Matrix Telecom, Inc. d/b/a Matrix Business Technologies adopts Trinsic's wholesale tariff as its Tariff No. 4.

5. In the attached Memorandum, the Staff states that the tariff filings comply with the requirements reviewed by Staff for any competitive telecommunications company tariff filing.

WHEREFORE, the Staff recommends that the Commission approve the tariff filings to become effective on the effective date of the order approving the sale of assets.

Respectfully submitted,

/s/ William K. Haas

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

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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 30th day of May 2007.

/s/ William K. Haas

Memorandum

To: Missouri Public Service Commission Official Case File
Case No. TO-2007-0392
File Nos. JX-2007-0849, YC-2007-0850, YC-2007-0851, and YC-2007-0852

From: Lisa Mahaney, Telecommunications Department
William Voight 5/24/07 /s/ William K. Haas 5/24/07
Utility Operations Division/Date General Counsel's Office/Date

Subject: Staff Recommendation for Application Seeking Commission Approval of Competitive Company Transaction

Date: 5/24/07

The Telecommunications Department Staff (Staff) recommends the Commission (check, as applicable):

- | | | |
|--|--|---|
| <input type="checkbox"/> Approve Merger
4 CSR 240-3.525 | <input type="checkbox"/> Approve Consolidation
4 CSR 240-3.525 | <input type="checkbox"/> Approve Sale of Assets
4 CSR 240-3.520 |
| <input type="checkbox"/> Approve Name Change
4 CSR 240-3.545(20) | | |
| <input checked="" type="checkbox"/> Cancel Certificate(s) & Tariff(s)
392.410.5 RSMo | <input checked="" type="checkbox"/> Approve Certificate(s) & Tariff(s)
4 CSR 240-3.510 | |

According to Commission rule 4 CSR 240-2.060 and the rule(s) specifically cited above, competitively classified companies are required to provide information in applications to merge, consolidate or sell/transfer assets. Based on the information provided to Staff, Staff does not believe this particular transaction will be detrimental to the public interest for the following reason(s) (check all that apply):

- This transaction solely involves competitively classified companies.
- Customers have/will receive advance notice.
- Customers can switch to another provider.
- Customers will continue to receive service at the same rates, terms and conditions.
- Other:

The following chart summarizes this transaction.

Companies Involved in Transaction	Customer Served By ("X", if applicable)		Sale of Assets ("X", if applicable)		Certificates* (If applicable, indicate "C" to cancel, "A" to approve)			Tariffs* (If applicable, indicate Tariff PSC MO Nos.)	
	Before	After	Seller	Buyer	IXC	Local	Basic Local	Cancel	Approve
Trinsic Communications, Inc.	X		X		C		C C C	No. 1 No. 2 No. 3 No. 4	
Touch 1 Communications, Inc.	X		X		C			No. 1	
Matrix Telecom, Inc. d/b/a Matrix Business Technologies		X		X			A A A		No. 1* No. 3* No. 4* No. 6*

*See attachment to Staff recommendation for further details associated with approving certificates or tariffs.

No objection to tariff pages taking effect June 21, 2007 or sooner if possible.

- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 1, First Revised Title Page
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 1, First Revised Page No. 6
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 1, Original Page Nos. 76.1-81
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 3, Original Adoption Sheet
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 3, First Revised Title Page
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 4, Original Adoption Sheet
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 4, First Revised Title Page
- *Matrix Telecom, Inc. d/b/a Matrix Business Technologies MO PSC No. 6, Original Sheets 1-72

With the implementation of these tariff revisions and tariff adoptions, the transfer of Trinsic's and Touch 1's assets and customers to Matrix will not affect the rates, terms and conditions of service being provided by Trinsic and Touch 1 to customers in Missouri.

Tariff review items (applicable for all competitively classified companies):

The tariff complies with requirements reviewed by Staff for any competitive telecommunications company tariff filing.

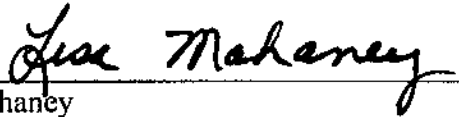
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In the Matter of the Joint Application of)	Case No.	TO-2007-0392
Trinsic Communications, Inc., Touch 1)	Tariff Filing Nos.	JX-2007-0849
Communications, Inc., and Matrix)		YC-2007-0850
Telecom, Inc. for Approval of a Transfer of)		YC-2007-0851
Assets)		YC-2007-0852

AFFIDAVIT OF LISA MAHANEY

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)

Lisa Mahaney, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying memorandum, and that the facts therein are true and correct to the best of her knowledge and belief.



Lisa Mahaney

Subscribed and affirmed before me this 24th day of May 2007.
I am commissioned as a notary public within the County of Callaway,
State of Missouri and my commission expires on 9-21-10



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



NOTARY PUBLIC