

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

In the Matter of the Application of Budget)
PrePay, Inc., for Waiver of Certain Commission)
Rules and Statutes.)
File No. TE-2010-0214

STAFF RECOMMENDATION

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

1. On January 18, 2010, Budget PrePay, Inc. (the “Company”), filed an application for waiver of certain Commission rules and statutes, requesting that the Commission waive certain rules and statutory provisions pursuant to §392.420 RSMo Supp. 2008.

2. Section 392.245.5(8), as amended by H.B. 1779, states in relevant part that “. . . all alternative local exchange telecommunications companies shall not be required to comply with customer billing rules, network engineering and maintenance rules, and rules requiring the recording and submitting of service objectives or surveillance levels established by the commission.”

3. Section 392.245.5(8) does provide, however, that the Commission shall retain the authority to hear and resolve customer complaints based upon certain federal regulations and standards, the company’s tariff, or Commission rules “other than those related to customer billing, network engineering and maintenance, and service objectives and surveillance levels or a failure to provide service in a manner that is safe, adequate, usual and customary in the telecommunications industry.”

4. In addition to that retention of authority, the Staff notes that these waivers do not relieve the Company of any reporting or other obligations that arise from a source other than the waived rules or statutory provisions, such as undertakings made in a Stipulation or Agreement or as a merger or other condition.

5. Section 392.420 RSMo, as amended by H.B. 1779, states in part that

“[i]n the case of an application for certificate of service authority to provide basic local telecommunications service filed by an alternative local exchange telecommunications company, and for all existing alternative local exchange telecommunications companies, the commission shall waive, at a minimum, the application and enforcement of its quality of service and billing standards rules, as well as the provisions of subsection 2 of section 392.210, subsection 1 of section 392.240, and sections 392.270, 392.280, 392.290, 392.300, 392.310, 392.320, 392.330, and 392.340.”

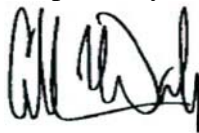
6. The Company is an alternative local exchange telecommunications company as that term is used in the statutory provisions recited above. In the attached Memorandum, labeled Appendix A, the Staff recommends the Commission grant the following waivers:

- 392.210.2 Accounting (system of accounts)
- 392.240.1 Rates
- 392.270 Accounting (valuation)
- 392.280 Accounting (depreciation/accounts)
- 392.290 Issuance of stocks, bonds and other indebtedness
- 392.300 Transfer of property and ownership of stock
- 392.310 Approval of issuing stocks, bonds and other indebtedness
- 392.320 Certificate of Commission to be recorded stock dividends
- 392.330 Disposition of proceeds of sales of stocks, bonds, notes, and other indebtedness
- 392.340 Reorganization
- 4 CSR 240-3.550(4), (5)(A), and (5)(C) Held order records, Quality of service reports.
- 4 CSR 240-10.020 Income on Depreciation Fund Investments
- 4 CSR 240-30.040 Uniform System of Accounts
- 4 CSR 240-32.060 Engineering and maintenance
- 4 CSR 240-32.070 Quality of Service
- 4 CSR 240-32.080 Service objectives and surveillance levels
- 4 CSR 240-33.040 (1) through (3) and (5) through (10) Billing and payment standards
- 4 CSR 240-33.045 Clear identification and placement of charges on bills
- 4 CSR 240-33.080 (1) Toll-free number for billing disputes
- 4 CSR 240-33.130 (1), (4), and (5) Operator service billing requirements
- 4 CSR 240-32.050(4)(B) Limited White Pages Waiver (File No. IE-2009-0357)

7. The Company is currently compliant in obligations relating to Commission assessment, Missouri Universal Service Fund, Relay Missouri, and the submission annual reports.

WHEREFORE, the Staff recommends that the Commission grant the Companies the waivers requested in their Application.

Respectfully submitted,



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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 28th day of January, 2010.



M E M O R A N D U M

To: Missouri Public Service Commission Official Case File
Case No. TE-2010-0214
Company Name: Budget Prepay, Inc.

From: Sara Buyak
Telecommunications Department

William Voight 1/27/10
Utility Operations Division/Date

Subject: Staff Recommendation to Approve Budget Prepay, Inc.'s request for
Waivers

Date: January 26, 2010

On January 18, 2010, Budget PrePay, Inc. (Budget) filed a Petition For Waiver of Commission Rules and Statutes to exempt Budget from certain statutory requirements and Commission rules. The requested waivers and a brief description of each are as follows:

Commission Rules (4CSR 240 -)	Brief Description
3.550(4), (5)(A), and (5)(C)	Held order records, Quality of service reports.
10.020	Income on Depreciation Fund Investments
30.040	Uniform System of Accounts
32.060	Engineering and maintenance
32.070	Quality of Service
32.080	Service objectives and surveillance levels
33.040 (1) through (3) and (5) through (10)	Billing and payment standards
33.045	Clear identification and placement of charges on bills
33.080 (1)	Toll-free number for billing disputes
33.130 (1), (4), and (5)	Operator service billing requirements

Missouri Statutes	Brief description of Commission's authority
392.210.2	Accounting (system of accounts)
392.240.1	Rates
392.270	Accounting (valuation)
392.280	Accounting (depreciation/accounts)
392.290	Issuance of stocks, bonds and other indebtness
392.300	Transfer of property and ownership of stock
392.310	Approval of issuing stocks, bonds and other indebtness
392.320	Certificate of Commission to be recorded stock dividends
392.330	Account for disposition of proceeds of all sales of stocks, bonds, notes, and other indebtness
392.340	Reorganization

Also, Budget requests the Commission grant 4 CSR 240-32.050(4)(B) for a limited waiver of the white pages directory only in the Kansas City, St. Louis, and Springfield metropolitan calling area (MCA) markets. The Commission approved Southwestern Bell Telephone Company d/b/a AT&T Missouri's Application for Waiver of the General Distribution Requirement of White Pages Directories for 4 CSR 240-32.050(4)(B) in Case No. IE-2009-0357. The Telecommunications Department Staff (Staff) wishes to note that the waivers are the same or similar as those previously granted by the Commission to other carriers.

Under section 392.420, the Commission may approve these waivers "if such waiver or modification is otherwise consistent with the other provisions of sections 392.361 to 392.520 and the purposes of this chapter."

The Staff recommends because the requested waivers of the above-listed statutory and Commission rule provisions are consistent with the other provisions of sections 392.361 to 392.520 and the purposes of Chapter 392, that the Commission approve the request at its earliest convenience.

The Staff is unaware of any other matter that may affect the matters in this case.

The Company is not delinquent in filing USF, Relay, and paying the PSC assessment.

The Company is delinquent: (No annual report No USF No Relay

Unpaid PSC assessment. Amount owed:)

