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REGULATORY CONSULTANT

101 WEST McCARTY, SUITE 215
JEFFERSON CITY, MO 65101

TELEPHONE (573) 636-6758
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August 26, 1999

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 3660
Jefferson City, Missouri 65102

FILED²
AUG 26 1999
Missouri Public
Service Commission

RE: *In the matter of the Application of TON Services Inc. for a Certificate of Service
Authority to Provide Competitive Intrastate Interexchange Telecommunications
Services in Missouri*

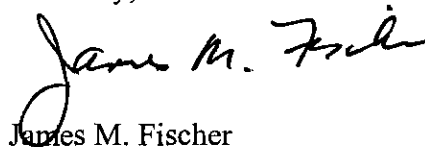
TA 2000-188

Dear Mr. Roberts:

Enclosed for filing in the above-referenced matter are the original and fourteen (14) copies of the Application of TON Services Inc. A copy of the foregoing Application has been hand-delivered or mailed this date to parties of record.

Thank you for your attention to this matter.

Sincerely,


James M. Fischer

/jr
Enclosures

cc: Office of the Public Counsel

0000160

**BEFORE THE
PUBLIC SERVICE COMMISSION OF MISSOURI**

FILED²
AUG 26 1999

Missouri Public
Service Commission

In the matter of the Application of)
TON Services Inc.)
for a Certificate of Service Authority)
to Provide Competitive Intrastate Interexchange)
Telecommunications Service in Missouri)

Case No. TA 2000-188

APPLICATION

COMES NOW TON Services Inc. ("TON" or "Applicant") and requests a Certificate of Service Authority to provide competitive intrastate interexchange telecommunications services between and among locations within the state of Missouri pursuant to Section 392.440, RSMo (1994)¹, an order classifying Applicant as a competitive telecommunications carrier, an order waiving or suspending certain Commission rules and statutory provisions pursuant to Section 392.440, and an order waiving or suspending certain Commission rules and statutory provisions pursuant to Section 392.420. In support of its request, Applicant provides the following information:

1. **Applicant is a corporation organized under the laws of Utah. Its principal office is located at:**

TON Services Inc.
4185 Harrison Boulevard, Suite 301
Ogden, Utah 84403
Telephone: (801) 334-4500
Facsimile: (801) 334-4530
Toll Free: (877) 762-3546

TON is a Utah corporation. The Company was incorporated on June 15, 1992. Copies of Applicant's Articles of Incorporation and Certificate of Authority to transact business in Missouri are attached hereto as Exhibit I and incorporated herein by reference.

¹All statutory references are to revised statutes of Missouri, 1994, unless otherwise noted.

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2. TON Services Inc. seeks authority to provide prepaid card intrastate long distance service in conjunction with its interstate service offerings to residential and business customers.

Customers establish an account with the Company by purchasing an account code and the associated initial balance of available usage on the Company's network. Customers can use the service by dialing the Company's toll free number, followed by the account code which the customer purchased. The Company's computer equipment informs the customer of the amount of available balance remaining each time the customer uses the particular account. Customers can enter any destination telephone number and use the service until such available balance is fully depleted.

Depletion occurs on a real time basis as each call takes place. The Company's computer equipment times the duration of each connected call and deducts from the available balance the tariffed rate per minute for each minute connected. The available balance is maintained until the customer's usage depletes the balance to zero. The computer equipment notifies the customer when five units and two units of usage remain on the card while a call is in progress. With certain cards, customers may renew the balance with a charge to a commercial credit card if such charge is approved by the credit card institution, or at Flying J travel plazas.

Unlike traditional business and residential long distance, TON 's prepaid service is not associated with any customer-provided access line, telephone number, or physical billing address. The prepaid nature of the service also eliminates the need for customers to sign letters of agency or to receive and subsequently remit payment in arrears. Therefore, there is no concern regarding "slamming."

3. TON's registered agent in the state of Missouri is:

The Corporation Company
120 S. Central Ave., Suite 400
Clayton, MO 63105

4. TON intends to provide prepaid card intrastate long distance service on a twenty-four (24) hour a day basis, originating and terminating throughout the state of Missouri.
5. TON possesses managerial and technical expertise to provide resale interexchange telecommunications services.
6. TON possesses sufficient financial resources to provide the services proposed in this application.
7. TON's tariff containing the rules and regulations applicable to its customers, a description of the services offered, and a list of rates associated with such services is being filed simultaneously with this application showing a forty-five (45) day effective date.
8. TON requests classification as a competitive telecommunications company operating within the state of Missouri. TON further requests classification of services described in its tariff as competitive services.
9. TON, pursuant to Section 386.570, will comply with all applicable Commission rules except those which are specifically waived by the Commission pursuant to a request filed by TON.

10. Applicant will not unjustly discriminate among its customers, which discrimination is prohibited pursuant to Section 392.200.

11. Correspondence or communications pertaining to this application should be addressed to:

James M. Fischer
Attorney at Law
101 W. McCarty Street, Suite 215
Jefferson City, Missouri 65101
Telephone: (573) 636-6758
Facsimile: (573) 636-0383

12. Applicant also respectfully requests, pursuant to Section 392.420, that the Commission suspend, waive or modify the application of the following rules and statutory provisions as they relate to the regulation of the applicant:

STATUTES

Section 392.240(1)	Ratemaking
Section 392.270	Valuation of property (ratemaking)
Section 392.280	Depreciation accounts
Section 392.290	Issuance of securities
Section 392.310	Stock and debt issuance
Section 392.320	Stock dividend payment
Section 392.330	Issuance of securities, debt and notes
Section 392.340	Reorganization(s)

COMMISSION RULES

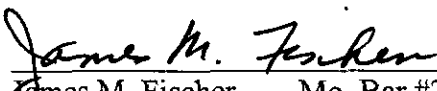
4 CSR 240-10.020	Depreciation fund income
4 CSR 240-30.010(2)(C)	Rate schedules
4 CSR 240-32.040	Uniform System of Accounts
4 CSR 240-32.030(1)(B)	Exchange Boundary Maps
4 CSR 240-32.030(1)(C)	Record keeping
4 CSR 240-32.030(2)	In-state record keeping
4 CSR 240-32.050(3)	Local office record keeping
4 CSR 240-32.050(4)	Telephone directories
4 CSR 240-32.050(5)	Call intercept
4 CSR 240-32.050(6)	Telephone number changes

4 CSR 240-32.070(4)	Public coin telephones
4 CSR 240-33.030	Minimum charges rule
4 CSR 240-33.040(5)	Finance Fee

The above referenced rules and statutory provisions have been waived with regard to other interexchange carriers in prior cases. These rules or statutory provisions are principally designed to apply to noncompetitive telecommunications carriers. It would be inconsistent with the goal and purpose of Section 392.530 to apply them to a competitive telecommunications carrier such as TON.

WHEREFORE, TON Services Inc. respectfully requests the Commission to grant it a certificate of service authority to offer competitive intrastate interexchange telecommunications service within the state of Missouri; an order classifying it as a competitive telecommunications company providing competitive service; an order suspending, waiving or modifying the above referenced rules and statutory provisions as they relate to the regulation of the Applicant in the state of Missouri, and for such further orders as the Commission deems appropriate.

Respectfully submitted,

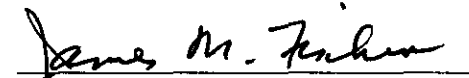

James M. Fischer Mo. Bar #27543
JAMES M. FISCHER, P.C.
101 W. McCarty Street, Suite 215
Jefferson City, Missouri 65101
Telephone: (573) 636-6758
Facsimile: (573) 636-0383

Attorney for TON Services Inc.

CERTIFICATE OF SERVICE

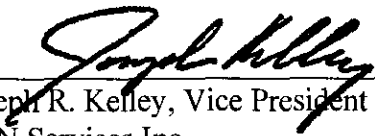
I hereby certify that a true and correct copy of the foregoing document was hand-delivered or mailed, First Class mail, postage prepaid, this 26th day of August, 1999 to:

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102


James M. Fischer

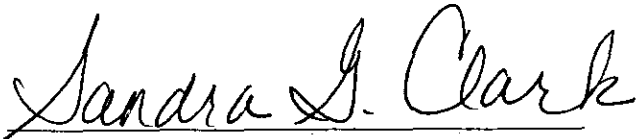
VERIFICATION

I, Joseph R. Kelley, first being duly sworn upon oath depose and say I am President of TON Services Inc., a Utah corporation; that I have read the above and foregoing petition by me subscribed and know the contents thereof, that said contents are true in substance and in fact, except as to those matters stated upon information and belief, and as to those, I believe same to be true.


Joseph R. Kelley, Vice President and General Manager
TON Services Inc.
4185 Harrison Boulevard, Suite 301
Ogden, Utah 84403
Telephone: (801) 334-4500
Facsimile: (801) 334-4530
Toll Free: (877) 866-7378

Subscribed and sworn to before me

this 16 day of Aug, 1999.


Notary Public

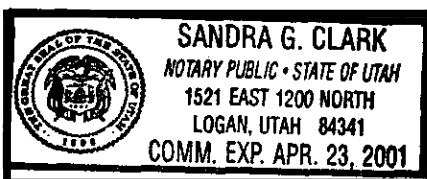


EXHIBIT I

TON Services Inc.

Articles of Incorporation

and

Certificate of Authority to Transact Business in Missouri

162010

State of Utah
Department of Commerce
Division of Corporations and Commercial Code

1992 JUN 15 AM 9:35

I hereby certify that the foregoing has been filed
and approved on the 15th day of June 1992
in the office of this Division and hereby issue
this Certificate thereof.

Examiner

Date 6/15/92



Gary E. Hansen
Gary E. Hansen
Division Director

ARTICLES OF INCORPORATION

OF

TON SERVICES INC.

We, the undersigned natural persons of the age of
eighteen years or more, acting as incorporators of a
corporation under the Utah Business Corporation Act, adopt
the following Articles of Incorporation for such
corporation.

ARTICLE I - NAME

The name of this corporation is TON SERVICES INC.

ARTICLE II - DURATION

The period of its duration is perpetual.

ARTICLE III - PURPOSES

The purposes for which the corporation is organized are
to transact any or all lawful business for which
corporations may be incorporated under the Utah Business
Corporation Act; and, in aid thereof, the corporation shall
have unlimited power to engage in and to do any lawful act

2167020015

concerning any or all business for which corporations may be organized under the said Act, including, but not limited to, the following:

(a) to enter into any lawful arrangement for sharing profits, a union of interests, reciprocal association, or cooperative association with any corporation, association, partnership, individual, or other legal entity for the carrying on of any business and to enter into any general or limited partnership for the carrying on of any business;

(b) to lease, sell, exchange, and trade real and personal property, either tangible or intangible;


(c) to conduct business anywhere in the world;

(d) to guaranty the obligations of others with or without consideration.

ARTICLE IV - STOCK

The aggregate number of shares which the corporation shall be authorized to issue is one hundred thousand (100,000) shares of the par value of ten cents (\$0.10) per share. All stock of this corporation shall be of the same

I hereby accept appointment as registered agent for TON SERVICES INC.


J Phillip Adams
Registered Agent

ARTICLE IX - DIRECTORS

The number of directors constituting the initial Board of Directors of this Corporation is three (3). The names and addresses of the persons who are to serve as directors until the first annual meeting of stockholders, or until their successors are elected and qualified, are:

J PHILLIP ADAMS	50 West 990 South Post Office Box 678 Brigham City, Utah 84302
RICHARD E. GERMER	50 West 990 South Post Office Box 678 Brigham City, Utah 84302
BARRE G. BURGON	50 West 990 South Post Office Box 678 Brigham City, Utah 84302

The number of directors may be changed from time to time by amendment of the Bylaws, but there shall be not more than twenty-five (25) nor less than three (3) directors; provided, however, that so long as this Corporation has fewer than three (3) shareholders entitled to vote for the election of directors, the corporation may have a minimum

number of directors equal to the number of those shareholders.

ARTICLE X - INCORPORATORS

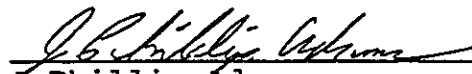
The name and address of each incorporator is:

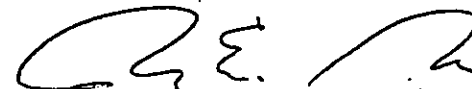
J PHILLIP ADAMS 50 West 990 South
Post Office Box 678
Brigham City, Utah 84302

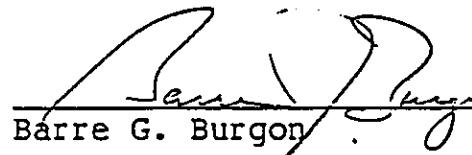
RICHARD E. GERMER 50 West 990 South
Post Office Box 678
Brigham City, Utah 84302

BARRE G. BURGON 50 West 990 South
Post Office Box 678
Brigham City, Utah 84302

DATED this 11th day of June, 1992.


J Phillip Adams


Richard E. Germer

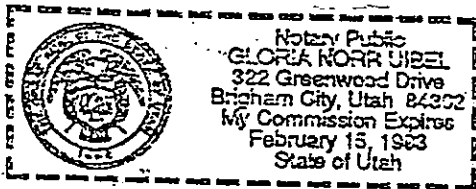

Barre G. Burgon

STATE OF UTAH)

COUNTY OF BOX ELDER)

ss:

On the 11th day of June, 1992,
J Phillip Adams personally appeared before me, who being by
me first duly sworn, declared that he is one of the persons
who signed the foregoing document as incorporator, is over
the age of eighteen years, and that the statements therein
contained are true.



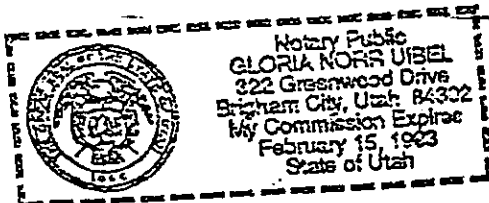
Gloria Norr Uibel
Gloria Norr Uibel

STATE OF UTAH)

COUNTY OF BOX ELDER)

ss:

On the 11th day of June, 1992,
Richard E. Germer personally appeared before me, who being
by me first duly sworn, declared that he is one of the
persons who signed the foregoing document as incorporator,
is over the age of eighteen years, and that the statements
therein contained are true.



Gloria Norr Uibel
Gloria Norr Uibel

STATE OF UTAH

COUNTY OF BOX ELDER

)
) ss:
)

On the 11th day of June, 1992,
Richard E. Germer personally appeared before me, who being
by me first duly sworn, declared that he is one of the
persons who signed the foregoing document as incorporator,
is over the age of eighteen years, and that the statements
therein contained are true.

Gloria Norr Uibel
Gloria Norr Uibel

STATE OF MISSOURI



Rebecca McDowell Cook
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF RESCISSION

I, REBECCA McDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI, HEREBY CERTIFY THAT THE ADMINISTRATIVE DISSOLUTION OR FORFEITURE ENTERED AGAINST

TON SERVICES INC.

USING IN MISSOURI THE NAME

TON SERVICES INC.

ON THE 18TH DAY OF SEPTEMBER, 1995, AS PROVIDED IN THE GENERAL AND BUSINESS CORPORATION LAW WAS THIS DAY RESCINDED, AND SAID CORPORATION WAS ON THIS DATE HEREBY RESTORED TO GOOD STANDING ON THE RECORDS OF THIS OFFICE.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 29TH DAY OF MARCH, 1999.

Rebecca McDowell Cook
 Secretary of State



\$ 460.00