

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 3rd day of
June, 2009.

In the Matter of the Application of NovaTel Ltd., for a)
Certificate of Service Authority Interexchange) File No. XA-2009-0399
Telecommunications Services in the State of Missouri and) Tracking No. YX-2009-0797
to classify such services and the Company as Competitive)

ORDER GRANTING CERTIFICATES OF SERVICE AUTHORITY

Issue Date: June 3, 2009

Effective Date: June 20, 2009

The Missouri Public Service Commission is granting the amended application of NovaTel Ltd., Inc., for certificates of service authority to provide local exchange and interexchange telecommunications services and approving the accompanying tariff.

NovaTel Ltd., Inc. (NovaTel) is a Texas corporation with its principal office located at 111550IH-10 West, Suite 110, San Antonio, Texas 78230. NovaTel filed its application on May 7, 2009, and filed an amended application on May 22, 2009. The amended application asks the Commission for certificates of service authority to provide local exchange and interexchange telecommunications services in Missouri under § 392.440.¹ NovaTel asks the Commission to classify it as a competitive company and waive certain statutes and regulations as authorized by §§ 392.361 and 392.420.

The Commission issued a Notice of Applications for Certificates of Intrastate Service Authority and Opportunity to Intervene on May 11, 2009, directing parties wishing to intervene to file their requests by May 26, 2009. No requests for intervention were filed.

¹ All sections are in the 2000 Revised Statutes of Missouri unless otherwise indicated.

NovaTel filed proposed tariffs in conjunction with its application, and substitute tariff sheets with its amended application, all with an effective date of June 20, 2009. NovaTel's tariff describes the rates, rules, and regulations it intends to use, identifies NovaTel as a competitive company, and lists the waivers requested. NovaTel intends to provide basic and interexchange telecommunications services including competitive intrastate interexchange telecommunication service services.

In its Memorandum filed on May 26, 2009, the Staff of the Commission recommended that the Commission grant NovaTel certificates of service authority with the restrictions set forth in the ordered paragraphs below, competitive status, and waiver of the statutes and rules listed in the Notice. Staff recommended that the Commission approve the proposed tariff to become effective on June 20, 2009.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and NovaTel shall be granted certificates of service authority. The Commission finds that the services NovaTel proposes to offer are competitive and NovaTel shall be classified as a competitive company. The Commission finds that waiving the statutes and Commission rules set out in the ordered paragraph below is reasonable and not detrimental to the public interest.

The Commission finds that NovaTel's proposed tariff details the services, equipment, and pricing it proposes to offer, and is similar to tariffs approved for other Missouri certificated interexchange carriers. The Commission finds that the proposed tariff filed on May 7, 2009, with substitute sheets filed on May 22, 2009, shall be approved to become effective on June 20, 2009.

The Commission reminds the company that failure to comply with its regulatory obligations may result in the assessment of penalties against it. These regulatory obligations include, but are not limited to, the following:

A) The obligation to file an annual report, as established by § 392.210. Failure to comply with this obligation will make the utility liable to a penalty of \$100 per day for each day that the violation continues. 4 CSR 240-3.540 requires telecommunications utilities to file their annual report on or before April 15 of each year.

B) The obligation to pay an annual assessment fee established by the Commission, as required by § 386.370.

C) The obligation to comply with all relevant laws and regulations, as well as orders issued by the Commission. If the company fails to comply, it is subject to penalties for noncompliance ranging from \$100 to \$2,000 per day of noncompliance, pursuant to § 386.570.

D) The obligation to keep the Commission informed of its current address and telephone number.

Further, the company is reminded that, if it is a corporation, non-attorneys may not represent the company before the Commission. Instead, the corporation must be represented by an attorney licensed to practice law in Missouri.

In addition, the company is reminded that § 392.410.5, RSMo Supp. 2008, renders the company's certificate of service authority null and void one year from the date of this order unless it has exercised its authority under that certificate.

THE COMMISSION ORDERS THAT:

1. NovaTel Ltd., Inc. is granted a certificate of service authority to provide interexchange telecommunications services in the state of Missouri, subject to all applicable statutes and Commission rules except as specified in this order.
2. NovaTel Ltd., Inc. is granted a certificate of service authority to provide local telecommunications services in the state of Missouri, restricted to dedicated private line services, subject to all applicable statutes and Commission rules except as specified in this order.
3. NovaTel Ltd., Inc.'s originating and terminating access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each incumbent local exchange carrier within whose service area NovaTel Ltd., Inc. seeks authority to provide service, unless authorized by the Commission pursuant to §§ 392.220 and 392.230, RSMo, Supp. 2008.
4. The certification granted herein is conditioned upon the company's compliance with the regulatory obligations in this order.
5. NovaTel Ltd., Inc. is classified as a competitive telecommunications company. Application of the following statutes and regulatory rules shall be waived:

Statutes

- 392.210.2 - uniform system of accounts
- 392.240.1 - rates-rentals-service & physical connections
- 392.270 - valuation of property (ratemaking)
- 392.280 - depreciation accounts
- 392.290 - issuance of securities
- 392.300.2 - acquisition of stock
- 392.310 - stock and debt issuance
- 392.320 - stock dividend payment
- 392.330 - issuance of securities, debts and notes
- 392.340 - reorganization(s)

Commission Rules

- | | |
|------------------|------------------------------|
| 4 CSR 240-10.020 | - depreciation fund income |
| 4 CSR 240-30.040 | - uniform system of accounts |

6. The tariff filed by NovaTel Ltd., Inc., on May 7, 2009, with substitute pages filed on May 22, 2009, under tariff number YX-2009-0797, is approved to become effective on June 20, 2009. The tariff approved is:

Missouri PSC No. 1

Original Sheet 1
Original Sheet 2
Original Sheet 3
Original Sheet 4
Original Sheet 5
Original Sheet 6
Original Sheet 7
Original Sheet 8
Original Sheet 9
Original Sheet 10
Original Sheet 11
Original Sheet 12
Original Sheet 13
Original Sheet 14
Original Sheet 15
Original Sheet 16
Original Sheet 17
Original Sheet 18
Original Sheet 19
Original Sheet 20
Original Sheet 21
Original Sheet 22
Original Sheet 23
Original Sheet 24
Original Sheet 25
Original Sheet 26
Original Sheet 27
Original Sheet 28
Original Sheet 29

7. This order shall become effective on June 20, 2009.

8. This file shall close on June 21, 2009.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written in a cursive style.

Colleen M. Dale
Secretary

(S E A L)

Clayton, Chm., Davis, Jarrett,
and Gunn, CC., concur.

Jordan, Regulatory Law Judge