BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of TOTAL)	
ACCESS TELECOM INC. for a Certificate of)	
Service Authority to Provide Interexchange)	File No. XA-2012-0153
Telecommunications Services Throughout)	Tariff No. YX-2012-0229
the State of Missouri and for Competitive)	
Classification.)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and states:

- 1. On November 17, 2011, TOTAL ACCESS TELECOM, INC. ("Applicant") applied for certificate of service authority to provide interexchange telecommunications services and for competitive classification. Along with its application, the Applicant submitted a tariff with an effective date of January 1, 2012 (Tariff File No. YX-2012-0229).
- 2. In the attached Memorandum, labeled Appendix A, the Staff recommends that the Missouri Public Service Commission ("Commission") grant Applicant a certificate to provide interexchange telecommunications services. The Commission shall grant an application for a certificate of telecommunications service authority upon a finding that the grant of authority is in the public interest. §§ 392.430 and 392.440 RSMo 2000.
- 3. Staff also recommends that the Commission classify the Applicant and the services it proposes to offer in its Application as competitive. The Commission may classify a telecommunications provider or its services as competitive if the Commission determines it is subject to sufficient competition to justify a lesser degree of regulation and that such lesser regulation is consistent with the protection of ratepayers and promotes public interest. \$392.361.4. RSMo Supp. 2009. A majority of the services a competitive company provides must be classified as competitive. \$392.361.3. RSMo Supp. 2009.

- 4. The Staff recommends that the Commission grant the waivers listed below:
 - 392.210.2 Accounting requirements (system of accounts)
 - 392.240.1 Reasonableness of rates
 - 392.270 Accounting requirements (valuation of property)
 - 392.280 Accounting requirements (depreciation rates/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 Accounting requirements (proceeds of sales of stock, bonds, notes, etc.)
 - 392.340 Company reorganization
 - 4 CSR 240-3.520 Applications to sell or transfer assets
 - 4 CSR 240-3.525 Applications to merge or consolidate
 - 4 CSR 240-3.530 Applications to issue stocks, obtain loans
 - 4 CSR 240-3.535 Applications to acquire stock
 - 4 CSR 240-3.545(8)(C) Listing of Waivers in Tariff
 - 4 CSR 240-3.550 Telco Records and Reports (except (5)(B), (D) and (E))
 - 4 CSR 240-3.555 Residential Customer Inquiries
 - 4 CSR 240-3.560 Procedure for Ceasing Operations
 - 4 CSR 240-10.020 Depreciation Records
 - 4 CSR 240-30.020 Residential Telephone Underground Systems
 - 4 CSR 240-30.040 Uniform System of Accounts
 - 4 CSR 240-32.010 General Provisions
 - 4 CSR 240-32.040 Metering, Inspections and Tests
 - 4 CSR 240-32.050 Customer Services
 - 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 240-32.090 Connection of equipment and Inside Wiring
 - 4 CSR 240-32.100 Provision of Basic Local and Interexchange Services
 - 4 CSR 240-32.130-170 Prepaid Calling Cards (except 32.140 and 32.150(1))
 - 4 CSR 240-32.180-190 Caller ID blocking requirements
 - 4 CSR 240-33.010 Service and Billing Practice General Provisions
 - 4 CSR 240-33.040 Billing and Payment standards
 - 4 CSR 240-33.045 Clear identification and placement of charges on bills
 - 4 CSR 240-33.050 Deposits
 - 4 CSR 240-33.060 Residential Customer Inquiries
 - 4 CSR 240-33.070 Discontinuance of service
 - 4 CSR 240-33.080 Disputes by Residential Customers
 - 4 CSR 240-33.090 Settlement agreements with residential customers
 - 4 CSR 240-33.130 Operator service requirements
 - 4 CSR 240-33.140 Payphone requirements (except (2))
 - 4 CSR 240-33.150 "Anti-slamming" requirements
 - 4 CSR 240-33.160 Customer Proprietary Network Information

- 5. The Staff further recommends that the Commission state in its order that, pursuant to Section 392.410, the authority conferred by the certificate of service authority shall be null and void unless it is exercised within one year of its issuance.
- 6. The Staff recommends that the Commission approve the proposed tariff No. 1, or allow it to take effect by operation of law.
- 7. The Applicant is not delinquent in filing an annual report, paying the PSC assessment, MoUSF, and Relay Missouri.
- 8. The Staff recommends that the Commission specifically include the following language in its Order, conditioning the certificate on continued compliance with the following representation:

TOTAL ACCESS TELECOM will undertake all necessary measures to ensure its contracts with underlying carriers do not contain provisions preventing delivery of traffic to any telephone exchange area of Missouri. Such measures include but are not limited to:

- Prevention of call blocking and/or call gapping based on the cost of traffic termination.
- Preventing the alteration or stripping of Calling Party Number identification.
- Ensuring sufficient network capacity exists to process all traffic according to industry accepted practices.

WHEREFORE, Staff recommends that the Commission grant TOTAL ACCESS TELECOM, INC. a certificate of service authority to provide interexchange telecommunications services, grant it the requested competitive classification, grant the waivers listed above, condition the certificate as requested above and approve the proposed tariff No. 1, or allow it to take effect by operation of law.

Respectfully submitted,

Mend

Colleen M. Dale Senior Staff Counsel Missouri Bar No. 31624 Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-4255 (Telephone) cully.dale@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 16^{th} day of December, 2011.

MEMORANDUM

To:

Missouri Public Service Commission Official Case File

Tariff File No. YX-2012-0229 Case No. XA-2012-0153

From:

William Voight

Supervisor, Telecommunications Rates and Tariffs

Subject:

Staff's Recommendation to grant certification and include Call-Gapping provisions as a condition of TOTAL ACCESS TELECOM INC.'s Certificate of Service Authority, and approve Tariff P.S.C. Mo. No. 1

Date:

December 20, 2011

Synopsis: This recommendation requests the Commission approve certification and order call-gapping provisions as a condition of interexchange telecommunications certification and approve tariff.

On November 17, 2011 TOTAL ACCESS TELECOM, INC. (Total Access) filed an Application requesting the Commission grant a certificate to provide Interexchange Telecommunications Services and to classify the company as competitive. Total Access also submitted its P.S.C. Mo. No. 1 interexchange telecommunications tariff which bore a proposed effective date of January 1, 2012.

On November 21st, the Commission directed Notice of the Application and ordered the Telecommunications department Staff (Staff) to file a recommendation no later than December 21st.

On December 8th, the Staff sent electronic correspondence to counsel for Total Access, asking the company to agree to a condition of certification which would require the Company to undertake measures designed to assure the company's contracts with underlying carriers do not contain unnecessary call gapping provisions. Staff requested Total Access agree to such provision stated substantially as follows:

TOTAL ACCESS TELECOM will undertake all necessary measures to ensure its contracts with underlying carriers do not contain provisions preventing delivery of traffic to any telephone exchange area of Missouri. Such measures include but are not limited to:

- Prevention of call blocking and/or call gapping based on the cost of traffic termination.
- Preventing the alteration or stripping of Calling Party Number identification.
- Ensuring sufficient network capacity exists to process all traffic according to industry accepted practices.

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Pursuant to Case No. TW-2012-0112, the Commission is currently examining call gapping problems associated with long-distance telephone calls destined to certain rural areas of Missouri. Staff notes that the staff of the Federal Communications Commission is also conducting a similar investigation. On December 14th, Total Access submitted a case-filed letter agreeing to the condition.

The Commission has authority to impose conditions of certification on telecommunications companies pursuant to §392.470.1 and §392.361.6. Staff believes the condition addressing call gapping is a reasonable measure which will help to protect the public interest by requiring Total Access to scrutinize its contracts with underlying carriers in order to ensure calls to rural areas are not unnecessarily blocked or delayed. Further, the Staff notes that §392.200.6 and §392.140 require telecommunication companies to deliver the messages of every other company to which it is interconnected. The Staff believes its request for Total Access to agree to the condition is reasonable.

The Staff is aware of one other interexchange certificate case currently pending before the Commission. In Case No. LA-2012-0169, Spectrotel, Inc. d/b/a Touch Base Communications has agreed to Staff's call gapping language. Should the Commission agree, it is the Staff's intention to request similar conditions be placed on all future interexchange (i.e. "long-distance") applications.

In summary, the Staff requests the Commission approve Total Access' proposed Tariff No. 1 and grant a Certificate of Interexchange Service authority subject to the condition set forth in this recommendation. Other than the matters referenced herein, the Staff is unaware of any other matter that is affected by this matter.

Under penalty of perjury, I affirm that the above statement is true and correct.

William Voight