

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

In the Matter of the Application of Pay Tel	)	
Communications, Inc., for a Certificate of	)	
Service Authority to Provide interexchange	)	<b><u>File No. XA-2010-0032</u></b>
Telecommunications Services Including	)	Tariff No. YX-2010-0035
Operator Services in the State of Missouri	)	
and for Competitive Classification	)	

**ORDER APPROVING INTEREXCHANGE CERTIFICATE OF SERVICE  
AUTHORITY AND ORDER APPROVING TARIFF**

Issue Date: August 31, 2009

Effective Date: September 4, 2009

This order grants Pay Tel Communications, Inc. (Pay Tel) a certificate of service authority to provide interexchange telecommunications services and approves the company's proposed tariff.

Pay Tel Communications, Inc. (Pay Tel) applied to the Missouri Public Service Commission on July 21, 2009, for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under Section 392.440, RSMo 2000.<sup>1</sup> Pay Tel asked the Commission to classify it as a competitive company and waive certain statutes and rules as authorized by Sections 392.361 and 392.420. Pay Tel is a North Carolina corporation with its principal office located at 4230 Beechwood Drive, Greensboro, NC 27410.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on July 27, 2009, directing parties wishing to intervene to file their requests by August 11, 2009. No requests for intervention were filed.

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<sup>1</sup> All statutory references are to the Revised Statutes of Missouri (RSMo), revision of 2000, unless otherwise indicated.

Pay Tel filed a proposed tariff in conjunction with its application with an effective date of September 4, 2009. Pay Tel filed a substitute tariff sheet on August 26, 2009. Pay Tel's tariff describes the rates, rules, and regulations it intends to use, identifies Pay Tel as a competitive company, and lists the waivers requested. Pay Tel intends to provide interexchange telecommunications services including resold switched long distance interexchange service, including operator services, to inmates in confinement facilities on a statewide basis services.

In its Memorandum filed on August 31, 2009, the Staff of the Commission recommended that the Commission grant Pay Tel a certificate of service authority, 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 September 4, 2009.

The Commission finds that competition in the intrastate interexchange telecommunications market is in the public interest and Pay Tel shall be granted a certificate of service authority. The Commission finds that the services Pay Tel proposes to offer are competitive and Pay Tel 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 Pay Tel'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 July 21, 2009, shall be approved to become effective on September 4, 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 Section 392.210, RSMo 2000. 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 Section 386.370, RSMo 2000.

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 Section 386.570, RSMo 2000.

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

Furthermore, 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 Section 392.410.5, RSMo Supp. 2005, 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. Pay Tel Communications, Inc. is granted a certificate of service authority to provide intrastate interexchange telecommunications services in the state of Missouri, subject to all applicable statutes and Commission rules except as specified in this order.
2. The certification granted herein is conditioned upon the company's compliance with the regulatory obligations in this order.
3. Pay Tel Communications, 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

4. The tariff filed by Pay Tel Communications, Inc. on July 21, 2009, under tariff number YX-2010-0035, is approved as amended to become effective on September 4, 2009. The tariff approved is:

**P.S.C. Mo. Tariff No. 1**  
**Original Page 1 through Original Page 28**

5. This order shall become effective on September 4, 2009.
6. This case may be closed on September 5, 2009.

**BY THE COMMISSION**



Steven C. Reed  
Secretary

( S E A L )

Kennard L. Jones, Senior Regulatory  
Law Judge, by delegation of authority  
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 31st day of August, 2009.