

# BEFORE THE PUBLIC SERVICE COMMISSION

## OF THE STATE OF MISSOURI

In the Matter of the Application of Otelco	)	
Telecommunications LLC for Certificate(s) of	)	
Service Authority to Provide Interexchange	)	<b><u>Case No. XA-2007-0143</u></b>
or Toll Telecommunications Service	)	Tariff No. JX-2007-0242
within the State of Missouri	)	

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

Issue Date: November 9, 2006

Effective Date: November 27, 2006

**Syllabus:** This order grants Otelco Telecommunications LLC (“Otelco”) a certificate of service authority to provide interexchange telecommunications services and approves the company’s proposed tariff.

On October 4, 2006, Otelco Telecommunications LLC (“Otelco”) applied to the Missouri Public Service Commission for a certificate of service authority to provide intrastate interexchange telecommunications services in Missouri under section 392.410, RSMo Cum. Supp. 2005 and sections 392.420 through 392.450, RSMo 2000,<sup>1</sup> as well as the pertinent administrative regulations. Otelco asked the Commission to classify it as a competitive company and to waive certain statutes and Commission rules as authorized by sections 392.361 and 392.420. Otelco is a Delaware limited liability corporation with its principal office located at 505 Third Avenue East, Oneonta, Alabama 35121, and a local

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<sup>1</sup> Unless otherwise indicated, all statutory references are to RSMo 2000.

mailing address for Missouri operations of 215 Roe Street, P.O. Box 38, Pilot Grove, Missouri 65276.

The Commission issued a Notice of Applications for Intrastate Certificates of Service Authority and Opportunity to Intervene on October 17, 2006, directing parties wishing to intervene to file their requests by November 1, 2006. No requests for intervention were filed.

Otelco filed a proposed tariff with an effective date of November 27, 2006, as a supplement to its verified application. Otelco's tariff describes the rates, rules, and regulations it intends to use, identifies Otelco as a competitive company, and lists the waivers requested. Otelco intends to provide interexchange telecommunications services, including switched interLATA and intraLATA services, within the state of Missouri.

In its Memorandum filed on November 8, 2006, the Staff of the Commission recommended that the Commission grant Otelco a certificate of intrastate interexchange service authority. Staff recommended that the Commission grant Otelco competitive status, and waiver of the statutes and rules listed in the Notice. Staff further recommended that the Commission approve the proposed tariff to become effective on November 27, 2006.

The Commission finds that competition in the intrastate interexchange telecommunications markets is in the public interest and Otelco shall be granted a certificate of service authority. The Commission finds that the services Otelco proposes to offer are competitive and Otelco 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 Otelco'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 October 12, 2006 shall be approved to become effective on November 27, 2006.

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. 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. Commission Rule 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.

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.

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

Furthermore, the company is reminded that, as 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 Cum. 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.

**IT IS ORDERED THAT:**

1. Otelco Telecommunications LLC 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. Otelco Telecommunications LLC is classified as a competitive telecommunications company. Application of the following statutes and administrative regulations 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 Otelco Telecommunications LLC on October 12, 2006, as tariff number JX-2007-0242, is approved to become effective on November 27, 2006. The tariff approved is:

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**P.S.C. Mo. No. 1**  
**Original Sheet Nos. 1-12**

5. This order shall become effective on November 27, 2006.
6. This case may be closed on November 28, 2006.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

Benjamin H. Lane, Regulatory  
Law Judge, by delegation of authority  
under section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 9th day of November, 2006.