

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

In the Matter of the Application of)
Crexendo Business Solutions, Inc.)
for a Certificate of Service Authority to Provide)
Resold and Facilities-Based/UNE) **File No. CA-2011-0011**
Basic Local Telecommunications Services)
in Portions of the State of Missouri and to Classify)
Said Services and the Company as Competitive)

ORDER GRANTING APPLICATION

Issue Date: September 8, 2010

Effective Date: September 18, 2010

The Missouri Public Service Commission is approving the application for a certificate of service authority (“application”) of Crexendo Business Solutions, Inc., (“Applicant”) to provide basic local telecommunications services on a competitive basis, subject to certain conditions.

Applicant is an Arizona corporation with its principal office located at 10201 South 51st Street, Phoenix, Arizona 85044. Applicant filed the application on July 9, 2010 and filed a supplement to the application on September 1, 2010. On July 12, 2010, the Commission issued an *Order Directing Notice of Application and Opportunity to Intervene and Filing of Recommendation* (“Notice”) setting a deadline for applications to intervene at July 19, 2010. As of the date of this order, the Commission has received no application for intervention. On September 2, 2010, the Commission’s staff (“Staff”) filed the *Staff Recommendation* in favor of granting the application, subject to the conditions set forth in the ordered paragraphs below. Based on the verified application, including Applicant’s stated commitment to comply with all applicable rules, and Staff’s uncontested recommendation, the Commission finds and concludes as follows.

The Commission may grant an application for a certificate of service authority to provide telecommunications service upon a showing that the applicant has met the statutory requirements, including relevant service standards,¹ and that the grant of authority is in the public interest.² Applicant satisfies the requirements for certification and granting such certificate is in the public interest.

Competition in the basic local telecommunications markets is in the public interest. The Commission may classify a telecommunications service as competitive if the Commission determines that the applicant is subject to a sufficient degree of competition to justify a lesser degree of regulation.³ The Commission may only classify a telecommunications carrier as competitive if a majority of its services are so classified.⁴ The majority of services Applicant proposes to offer are competitive and Applicant shall be classified as a competitive company.

The Commission reminds the Applicant 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.

¹ See Sections 392.450 and 392.451, RSMo Supp. 2009; and Section 392.455, RSMo 2000.

² Sections 392.430 and 392.440, RSMo 2000.

³ Section 392.361.2, RSMo Supp. 2009.

⁴ Section 392.361.3, RSMo Supp. 2009.

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.

Further, the Applicant is reminded that, if it is a corporation or other legal entity, non-attorneys may not represent the Applicant before the Commission. Instead, the Applicant must be represented by an attorney admitted to practice law in Missouri. In addition, the Applicant is reminded that Section 392.410.5, RSMo Supp. 2009, renders the Applicant'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. Crexendo Business Solutions, Inc., ("applicant") is granted a certificate of service authority to provide basic local telecommunications services in the state of Missouri, subject to all applicable statutes and Commission regulations except as specified in this order.

2. The certification granted herein is conditioned upon applicant's compliance with the regulatory obligations in this order and the following conditions:

a. The applicant's originating and terminating access rates shall not exceed the access rates of the incumbent local exchange company against whom the applicant is competing pursuant to Sections 392.361.6 and 392.370, RSMo Supp. 2009.

b. If the directly competing ILEC, in whose service area the applicant is operating, decreases its originating and/or terminating access service rates, the applicant shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates in the directly competing ILEC's service area within 30 days of the directly competing ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap.

3. Crexendo Business Solutions, Inc., is classified as a competitive telecommunications company and its basic local services are classified as competitive.

4. This order shall become effective on September 18, 2010

5. This file shall close on September 19, 2010.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Jordan, Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 8th day of September, 2010.